

Council of the European Union

> Brussels, 2 February 2021 (OR. en)

5865/21

Interinstitutional File: 2021/0020(COD)

> AGRI 43 AGRIFIN 10 AGRIORG 10 AGRISTR 7 STATIS 3 CODEC 139

#### PROPOSAL

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	2 February 2021
То:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2021) 37 final
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on statistics on agricultural input and output and repealing Regulations (EC) No 1165/2008, (EC) No 543/2009, (EC) No 1185/2009 and Council Directive 96/16/EC

Delegations will find attached document COM(2021) 37 final.

Encl.: COM(2021) 37 final



EUROPEAN COMMISSION

> Brussels, 2.2.2021 COM(2021) 37 final

2021/0020 (COD)

Proposal for a

# **REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

on statistics on agricultural input and output and repealing Regulations (EC) No 1165/2008, (EC) No 543/2009, (EC) No 1185/2009 and Council Directive 96/16/EC

(Text with EEA relevance)

# EXPLANATORY MEMORANDUM

#### 1. CONTEXT OF THE PROPOSAL

#### • Reasons for and objectives of the proposal

Eurostat has compiled European agricultural statistics on EU agriculture for decades. Today they cover the following aspects: structure of farms, economic accounts for agriculture, animal and crop production, organic farming, agricultural prices, pesticides, nutrients, and other agri-environmental aspects. The main aim is to monitor and evaluate the common agricultural policy (CAP) and other important EU policies, and to support policy-making.

These data collections were evaluated in 2016<sup>1</sup> and were found to be in need of an update to take account of the changes in agriculture, the CAP and other related EU policies. The 'strategy for agricultural statistics for 2020 and beyond'<sup>2</sup> is a major programme to modernise European Union agricultural statistics undertaken by the European Commission in close cooperation with Member States. Supported by the European Statistical System Committee, the strategy is part of the regulatory fitness and performance programme (REFIT), and aims to streamline and improve the European agricultural statistics system (EASS). The strategy also follows international recommendations such as the guidelines for reporting greenhouse gas emissions of the Intergovernmental Panel on Climate Change and the standards of the UN Food and Agriculture Organization, and the strategy also implements the UN Global Strategy to improve agricultural and rural statistics.

Economically speaking, agriculture is a relatively small sector, but it covers almost half of the land area of the EU and supplies most of its food, ensuring both food safety and food security. It has a large impact on climate change and the environment, and many rural communities depend on agriculture. The EU needs information on agriculture that is as accurate as possible and that enables it to design policies that benefit all the citizens of the European Union and to allocate the substantial budget of the CAP and related measures most efficiently and effectively across multiple dimensions. Furthermore, agriculture is at the heart of the European Green Deal, in particular its 'farm to fork strategy'.

Ensuring that EU inhabitants have secure access to enough food of high quality at all times is of the highest importance. This means that regular statistics have to be available on the areas and production of various crops and on the animals and derived products. Agriculture also has an impact on the environment. This cannot be assessed without information on the input of nutrients and plant protection products. The performance of the agricultural sector as a whole can be assessed by statistics on the prices of agricultural inputs and outputs. Agriculture helps to maintain rural areas and landscapes across the EU and keep the rural economy alive by creating jobs in companies providing goods and services for the sector, in agri-food industries and associated sectors. Agricultural statistics therefore have to cover the economic, environmental and social dimensions of agriculture.

<sup>&</sup>lt;sup>1</sup> SWD(2017)96 - Commission Staff Working document evaluation accompanying the document Strategy for Agricultural Statistics 2020 and beyond and subsequent potential legislative scenarios (Available only in English).

<sup>&</sup>lt;sup>2</sup> <u>https://ec.europa.eu/eurostat/web/agriculture/methodology/strategy-beyond-2020</u> (available only in English).

Eurostat has provided statistics on crops and animals since the 1950s and has subsequently added statistics on agricultural prices, statistics on the structure of farms and statistics on nutrients and plant protection products. These statistics have been regulated in frequently updated European legislation or through gentlemen's agreements and European Statistical System (ESS) agreements. The evaluation of the present agricultural statistics system strongly recommended taking a systematic approach across the whole agricultural statistics system.

The most feasible of the options analysed in the impact assessment and subsequently proposed as the way forward was that all agricultural statistics should be covered by three regulations of the European Parliament and of the Council on:

- farm-level data with micro-data transmission, based on a modular approach with core variables, modules and satellites,
- economic accounts for agriculture, and
- aggregated agricultural input/output statistics with tabular data.

The first regulation, the Regulation on Integrated Farm Statistics (IFS) was adopted in  $2018^3$ , while the second regulation, the Regulation on the Economic Accounts for Agriculture (EAA)<sup>4</sup>, is currently undergoing a modernisation process.

The third regulation is the current legislative proposal on statistics on agricultural input and output (SAIO).

#### • Consistency with existing policy provisions in the policy area

For policymakers, businesses and the general public to be able to take appropriate evidencebased decisions, statistics have to be reliable and of high quality.

The 2020 agricultural statistics strategy mentioned above includes the following key objectives:

- produce high-quality statistics that meet users' needs efficiently and effectively; and
- improve the harmonisation and coherence of European agricultural statistics.

This proposal directly address these objectives.

# • Consistency with other Union policies

To provide quality statistics in support of European policies is the main driver of the 2013-2017 European statistical programme<sup>5</sup> (extended to  $2018-2020^6$ ). Environmental and

<sup>&</sup>lt;sup>3</sup> Regulation (EU) 2018/1091 of the European Parliament and of the Council of 18 July 2018 on integrated farm statistics and repealing Regulations (EC) No 1166/2008 and (EU) No 1337/2011 (OJ L 200, 7.8.2018, p. 1).

<sup>&</sup>lt;sup>4</sup> Regulation (EC) No 138/2004 of the European Parliament and of the Council of 5 December 2003 on the economic accounts for agriculture in the Community (OJ L 33, 5.2.2004, p. 1).

<sup>&</sup>lt;sup>5</sup> Regulation (EU) No 99/2013 of the European Parliament and of the Council of 15 January 2013 on the European statistical programme 2013-17 (OJ L 39, 9.2.2013, p. 12).

<sup>&</sup>lt;sup>6</sup> Regulation (EU) 2017/1951 of the European Parliament and of the Council of 25 October 2017 amending Regulation (EU) No 99/2013 on the European statistical programme 2013-17, by extending it to 2020 (OJ L 284, 31.10.2017, p. 1).

agricultural statistics are one of the three pillars of statistical production under that programme. Among the relevant objectives of the programme is 'the review and simplification of the agricultural data collection in line with the post-2013 CAP review and the redesign of the agricultural data collection processes, in particular with the objective of improving the quality and timeliness of the data'. This initiative implements that objective.

By providing better data for assessing the sustainability of the sector for environment, people, regions and economy, the European Agricultural Statistics System will also contribute to at least two of the six priorities of the von der Leyen Commission, namely:

- a European Green Deal with the underlying farm to fork and biodiversity strategies
- an economy that works for people.

. Agricultural statistics are also useful for other Union or Member State priorities affecting or affected by agriculture and rural development.

Beyond this, the proposal for a single market programme<sup>7</sup> currently under interinstitutional discussion provides a framework for financing the development, production and dissemination of European statistics. The implementation of Union policies requires high quality, comparable and reliable statistical information on the economic, social, territorial and environmental situation in the Union. Additionally, European statistics allow European citizens to understand and to participate in the democratic process and debate about the present state and future of the Union. Regarding agricultural statistics, the focus is on providing timely and relevant data for the needs of the common agricultural policy, the common fisheries policy, and policies related to the environment, food security and animal welfare.

Agricultural statistics provide high-quality statistical evidence for implementing and monitoring the CAP. The CAP is an important driver for jobs and smart, sustainable and inclusive growth in the Union. Rural development policy, being an integral part of the CAP and on top of its social objectives, aims to improve the competitiveness and sustainability of agricultural production. The CAP represents more than 37% of the Union's total budget in the context of the 2014-2020 multiannual financial framework (MFF).

Agricultural statistics are also increasingly needed for other key Union policies such as the European Green Deal, environmental and climate change policies, trade policy, social policy, regional policy, etc.

# 2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

# Legal basis

Article 338 of the Treaty on the Functioning of the European Union (TFEU) provides the legal basis for European statistics. Acting in accordance with the ordinary legislative procedure, the European Parliament and the Council adopt measures for production statistics where such statistics are necessary for the Union to carry out its role. Article 338 sets out the requirements for producing European statistics, stating that they must conform to standards of

<sup>&</sup>lt;sup>7</sup> COM (2018) 441

impartiality, reliability, objectivity, scientific independence, cost-effectiveness and statistical confidentiality.

The legal basis for the quality reports is Article 12 of Regulation (EC) No 223/2009 of the European Parliament and of the Council<sup>8</sup>.

# • Subsidiarity (for non-exclusive competence)

The subsidiarity principle applies if the proposal does not fall within the exclusive competence of the Union. The ESS provides an infrastructure for statistical information. The system is designed to meet the needs of multiple users for decision-making in democratic societies. The proposal for this regulation has been drafted to protect core activities of ESS partners while better ensuring the quality and comparability of agricultural statistics.

One of the main criteria that the statistical data must meet is to be consistent and comparable. Member States cannot achieve the necessary consistency and comparability without a clear European framework, that is to say Union legislation laying down the common statistical concepts, reporting formats and quality requirements.

The comparability requirement is very important for agricultural statistics because of the CAP. The objective of the proposed action cannot be achieved satisfactorily by Member States acting independently. Action can be taken more effectively at Union level, based on a Union legal act ensuring the comparability of statistical information in the statistical domains covered by the proposed act. The data collection itself, meanwhile, can be carried out by the Member States.

### Proportionality

The proposal complies with the proportionality principle, in view of the following:

It will ensure the quality and comparability of European agricultural statistics collected and compiled by applying the same principles across Member States. Similarly, it will ensure that European agricultural statistics remain relevant and are adapted to respond to user needs. The Regulation will make the production of statistics more cost-effective while respecting the specific characteristics of Member States' systems.

In accordance with the principle of proportionality, the proposed regulation confines itself to the minimum required to achieve its objective and does not go beyond what is necessary for that purpose.

#### • Choice of the instrument

Proposed instrument: a regulation.

Given the objectives and content of the proposal, a regulation is the most appropriate instrument. Important common EU policies such as the CAP inherently depend on

<sup>&</sup>lt;sup>8</sup> Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities (OJ L 87, 31.3.2009, p. 164).

comparable, harmonised and high-quality agricultural statistics at European level. These can best be ensured by regulations, which are directly applicable in Member States and do not need to be transposed into national law first.

#### 3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

### Ex-post evaluations/fitness checks of existing legislation

The evaluation of the European agricultural statistics system for the strategy for agricultural statistics for 2020 and beyond indicated the need for a more systematic approach across the domain.

The evaluation of the agricultural statistics system showed that:

- the current legislation on agricultural statistics does not adequately serve new and emerging data needs because their provision is not included in that legislation. Moreover, the legal acts are not flexible and integrated enough to respond to new needs in a timely manner;
- the EASS is not sufficiently flexible and is not reacting quickly enough to emerging needs, partly due to the inherent functioning of statistics, partly due to the way the regulations have been set up, but also because of a lack of budget and human resources;
- the data collections are not harmonised and coherent to a satisfactory degree because new data needs are emerging, legislation has been developed separately over many years, and there are sometimes different definitions and concepts in different agricultural areas;
- the statistics could be produced more efficiently if the legislation were adapted to enable various sources of information to be used and if Member States adapted to modern technology.

A public consultation was carried out for the evaluation, and the results are detailed in a separate report<sup>9</sup>.

The subsequent strategy on agricultural statistics concluded that agricultural statistics need to be designed and function as a system, where the parts fit together and make the output more significant than their sum. In addition, agricultural statistics need to fit seamlessly into the entire ESS. The data sources need to be diversified. Other sources for data must be used where possible; ICT and other new technologies (e.g. big data, researched-based innovations) have to be integrated; the effectiveness and efficiency of data collection methods must be assessed against the data needs and the quality criteria, and the existing stovepipes should be removed.

 <sup>&</sup>lt;sup>9</sup> Eurostat public consultation webpage: http://ec.europa.eu/eurostat/about/opportunities/consultations/eass Open public consultation report: http://ec.europa.eu/eurostat/documents/10186/6937766/Agricultural-Statistics-Strategy-2020-Report.docx (Available only in English).

### Stakeholder consultations

Eurostat develops, produces and disseminates European agricultural statistics through close, coordinated and regular cooperation in the ESS, building upon a long partnership with the national statistical institutes (NSIs) and other relevant authorities.

At an overall level and with reference to the 'Strategy for Agricultural Statistics for 2020 and beyond', the main categories of stakeholders of European agricultural statistics are data producers (NSIs and other national authorities as well as Eurostat), respondents (farmers, farmers' organisations and businesses) and users (researchers, journalists and public and private decision makers, of which other Commission departments in particular. These stakeholders have been consulted extensively on problems and desired changes in the status quo, their data needs and priorities, possible policy options to solve the problems, impacts of suggested actions and the formulation of the strategy specifically. The main fora for these consultations have been (i) the meetings and seminars of the Standing Committee for Agricultural Statistics (CPSA) and its successor, the Directors' Group for Agricultural Statistics (DGAS) (composed of directors of agricultural statistics of NSIs) where Commission departments, international organisations, and farmers' organisations are often heard, (ii) the meetings of the European Statistical System Committee (composed of the directors-general of the NSI), and (iii) regularly scheduled consultations and hearings within the Commission departments. In addition, a roadmap for the SAIO proposal was published on the European Commission's 'Have your say' platform for 4 weeks of public feedback.

The results of all these consultations were taken into account in the evaluation mentioned above and throughout the proposal's development.

# • Collection and use of expertise

Eurostat has held extensive discussions on the content of the proposal with NSIs via specific task forces as well as via existing expert groups including at directors' level.

The proposal was also presented to the European Statistical System Committee in October 2020.

# • Impact assessment

An impact assessment of the strategy for agricultural statistics for 2020 and beyond<sup>10</sup>, of which SAIO is part, received a positive opinion from the Regulatory Scrutiny Board<sup>11</sup>.

This impact assessment was undertaken at the strategy level because of the systematic approach across the whole agricultural statistics system to ensure that all parts fit together.

Four main options were considered:

(1) baseline – No EU action on agricultural structural data : this option would leave the collection of the data to Member States, resulting in a patchwork of different approaches and qualities.

<sup>&</sup>lt;sup>10</sup> SWD (2016)430.

<sup>&</sup>lt;sup>11</sup> Impact assessment, Impact assessment summary, Regulatory Scrutiny Board Opinion (Available only in English).

- (2) prolongation of Regulation (EC) No 1166/2008: this option would continue the status quo.
- (3) single legal framework for all agricultural statistics: this option would integrate the collection of all agricultural statistics data in a single new framework regulation.
- (4) two-step integration of agricultural statistics: this option would preserve the advantages of option 3 while increasing flexibility and reducing time pressure by creating two new framework regulations in two distinctive stages.

The preferred choice was option 4, as it offered the best way to achieve the objectives.

The impact assessment found that the EASS should, as a preferred option, ultimately be covered by three regulations. Two of these regulations would be new and would replace several older EU regulations on agricultural statistics. The first of these, Regulation (EU) 2018/1091 on integrated farm statistics (IFS), which covers data on farm structure, orchards and vineyards, was adopted in 2018. The second is the present proposal for a regulation on statistics on agricultural input and output (SAIO) which covers inputs to and outputs of the agricultural sector: agricultural production (crops and animals) including organic farming, agricultural prices, nutrients and plant protection products. The third regulation, as referred to in the impact assessment, will concern an amendment to Regulation (EC) No 138/2004 on the economic accounts for agriculture (EAA). Because the EAA are a satellite account of the national accounts and macroeconomic by nature, their integration into the new framework regulations was not proposed. Instead, it was proposed that they remain subject to independent legislation, as has been the case since the EAA Regulation first came into force in 2004, and that they be modernised simultaneously with the development of SAIO.

Statistical legislation is primarily administrative legislation affecting data users (mainly Commission departments working on policies), data producers (NSIs), and data respondents (farmers). Therefore, its direct economic, social and environmental effects are limited. The main direct costs for stakeholders relate to adapting to new statistical and technical systems. In the mid to long term, the modernisation actions were expected to lead to a slightly lower burden and to cost savings. Most of the savings would come from the lowered coverage requirements of Regulation (EU) 2018/1091. The costs of statistics must be weighed against their societal benefits but must also be weighed against the cost of not having statistics, or of only having low-quality statistics.

# Regulatory fitness and simplification

The proposal is part of the strategy for agricultural statistics for 2020 and beyond, a major programme to modernise European Union agricultural statistics undertaken by the European Commission in close cooperation with the EU Member States. In particular, the strategy aims to streamline and improve the EASS; it is also supported by the European Statistical System Committee and is part of the regulatory fitness and performance programme (REFIT), aiming to streamline and improve the EASS.

Agricultural statistics are presently based on several different pieces of legislation and agreements. These should all be brought together to create a systematic approach. This will simplify the systems used to collect statistical data. There are also plans to allow various data sources to be used, including remote sensing, thus diminishing the burden for respondents.

This proposal covers aggregated agricultural production (crops and animals) including organic farming, agricultural prices, nutrients and plant protection products. They deal with agricultural inputs (prices of seeds, pesticides, feed etc.) and outputs (crop and animal production and prices). The data can be collected from farms, administrative sources, intermediaries (dairies etc.), wholesale entities and market organisations, and often include a certain amount of expert estimations. The introduction of a coherent framework will notably allow for the development of an integrated legal architecture, as well as better planning and coherence of the surveys and other data collections.

# • Fundamental rights

The proposal has no consequences for the protection of fundamental rights.

# 4. **BUDGETARY IMPLICATIONS**

The financial impact of the proposal is of unlimited duration. The proposal does not include funding regular data collections, but it provides for Union co-funding of ad hoc data collections, the timing of which is not known. The first ad hoc data collections could be expected at the earliest 2 years after the planned regulation enters into force. As these data collections are not known in advance, no information on their budgetary implications can be given. Once such ad-hoc data collections are required, the costs involved will be evaluated and further detailed along the drafting of the delegated and implementing acts and in any case will be covered by the appropriations allocated to the financial envelopes of relevant programmes included in the EU Budget.

# 5. OTHER ELEMENTS

#### • Implementation plans and monitoring, evaluation and reporting arrangements

The proposed regulation is expected to be adopted by the European Parliament and the Council in 2022, with the Commission's implementing measures to be adopted shortly after that. The regulation will be directly applicable in all EU Member States without any need for an implementation plan.

Member States are expected to start providing data to the Commission under the new regulation in 2023.

The proposed legislative instrument is part of the EASS, which will be subject to regular evaluations in order to assess, among other things, how effective and efficient it has been in achieving the objectives and to decide on whether new measures or amendments are needed.

# • Compliance monitoring of the statistics produced

Eurostat conducts regular compliance assessments. Those assessments include a review of the availability, quality and punctuality of the data and follow-up actions in case of non-compliance.

In accordance with the requirements of Union legislation, Member States are requested to provide the Commission with relevant figures on agricultural statistics. Those figures are subject to strict transmission deadlines, which must be respected for the good management, dissemination and usefulness of European statistics, as missing or incomplete data lead to shortcomings in the availability of information (that is to say, it is not possible to calculate Union aggregates and to publish data according to planned time schedules).

Regulation (EC) No 223/2009 constitutes the basic legal framework for the functioning of the European statistical system and for all sectoral legislation for the production of European statistics.

While timeliness, punctuality and completeness are already important factors in the context of compliance assessments to ensure a timely dissemination of agriculture statistics, more attention will be paid to those and other quality dimensions in order to ensure confidence in the statistics produced by Eurostat and the ESS.

# • Continuous improvement of the EASS: identification of new data needs and new data sources, improvement of coherence, reduction of burden

At present, Eurostat conducts annual hearings with other Commission departments. An important point for these hearings is the exchange of information on the respective work programmes. They provide a formal platform for stating upcoming needs for new statistics and for reviewing the usefulness of the available statistics.

Further collaboration with other Commission departments, NSIs and other national authorities will take place at different hierarchical levels in regular meetings and seminars of Expert Groups, in meetings of the Directors' Group and of the ESSC, and through frequent bilateral exchanges. Particular attention will be paid to identifying administrative data and other sources of information maintained under Union legislation and assessing their suitability for the production of statistics in order to establish agreements for their stability, accessibility and eventual adaptation to fit statistical requirements better. Furthermore, periodic surveys and analyses will be conducted to identify any potential for improving European agricultural statistics and for reducing the burden.

Those adjustments and the overall functioning of the legal framework will be monitored and evaluated in particular against the strategy objectives listed earlier.

#### Triennial monitoring reports

In order to monitor the functioning of the renewed EASS and to ensure that it achieves the REFIT goals of simplification and burden reduction, a regular reporting on the functioning of the overall system will be carried out every 3 years.

#### Evaluation

The second triennial monitoring report will be replaced by a retrospective evaluation of the renewed EASS, conducted according to the Commission's evaluation guidelines. It could also constitute a basis for further revisions of the legislation, if deemed necessary.

# • Detailed explanation of the specific provisions of the proposal

The proposed regulation specifies the contents of statistics on inputs and outputs in agriculture. It specifies that Member States must provide statistics on 4 domains and 12 related topics. The domains are animal production statistics, crop production statistics, agricultural price statistics, and statistics on nutrients and plant protection products. This is

supported by articles related to subject matter, definitions, statistical population and observation units, coverage, data transmission frequency, data sources and methods, reference periods, quality specifications, and potential financial contributions. In addition, the regulation provides the possibility of introducing specific ad hoc subjects related to agricultural input and output that supplement the data collected on a regular basis.

The detailed data sets will be specified in implementing acts (regulations).

#### 2021/0020 (COD)

# Proposal for a

# **REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

# on statistics on agricultural input and output and repealing Regulations (EC) No 1165/2008, (EC) No 543/2009, (EC) No 1185/2009 and Council Directive 96/16/EC

# (Text with EEA relevance)

#### THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 338 (1) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) A statistical knowledge base is necessary to design, implement, monitor, evaluate and review policies related to agriculture in the Union, in particular the common agricultural policy ('CAP'), including rural development measures, as well as Union policies relating to, among other things, the environment, climate change, land use, regions, public health and the sustainable development goals of the United Nations.
- (2) The collection of statistical data, in particular on agricultural input and output, should aim, among other things, to inform the decision-making process with updated data to support the European Green Deal with the related 'farm to fork' and 'biodiversity' strategies and future CAP reforms.
- (3) High quality harmonised statistical data are important to assess the state and trends of agricultural input and output in the Union, the functioning of markets, and food security and to assess the sustainability as well as the environmental, economic and social impacts of Union and national policies. Those data include, but are not limited to, livestock and meat statistics, the production and use of eggs, and the production and use of milk and milk products. Statistics on the area, yield and production of arable crops, vegetables, various permanent crops and grasslands and commodity balances are also important. Increasingly, statistics on the sales and use of plant protection products and fertilisers are needed.

- (4) An international evaluation of agricultural statistics led to the creation of a global strategy to improve agricultural and rural statistics of the Food and Agriculture Organization of the United Nations that was endorsed by the United Nations Statistics Committee in 2010. European agricultural statistics should, where appropriate, follow the recommendations of that global strategy.
- (5) Regulation (EC) No 223/2009 of the European Parliament and of the Council <sup>(12)</sup> provides for a framework to develop, produce and disseminate European statistics based on common statistical principles. Regulation (EC) No 223/2009 establishes quality criteria and refers to the need to minimise the response burden on survey respondents and to contribute to the more general objective of reducing the administrative burdens.
- (6) The strategy on agricultural statistics for 2020 and beyond <sup>(13)</sup>, endorsed by the European Statistical System Committee ('ESSC') in November 2015, envisages the adoption of two framework regulations covering all aspects of EU legislation on agricultural statistics, with the exception of the economic accounts for agriculture. This Regulation is one of those two framework regulations and should complement the already adopted framework Regulation (EU) 2018/1091<sup>(14)</sup>.
- (7) European statistics on agricultural inputs and outputs are currently collected, produced and disseminated on the basis of a number of legal acts. This structure does not provide proper consistency across the individual statistical domains, nor does it promote an integrated approach towards the development, production and dissemination of agricultural statistics. This Regulation should replace those legal acts for the purposes of harmonisation and comparability of information, and to ensure consistency and coordination across European agricultural statistics, facilitate the integration and streamlining of the corresponding statistical processes, and enable a more holistic approach. It is therefore necessary to repeal Regulations (EC) No 1165/2008 <sup>(15)</sup>, (EC) No 543/2009<sup>(16)</sup> and (EC) No 1185/2009 of the European Parliament and of the Council <sup>(17)</sup>, and Council Directive 96/16/EC <sup>(18)</sup>. The numerous related European Statistical System (ESS) agreements and gentlemen's agreements on data transmission should be integrated into this Regulation where there has been

Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities (OJ L 87, 31.3.2009, p. 164).

<sup>&</sup>lt;sup>13</sup> <u>https://ec.europa.eu/eurostat/web/agriculture/methodology/strategy-beyond-2020</u>

Regulation (EU) 2018/1091 of the European Parliament and of the Council of 18 July 2018 on integrated farm statistics and repealing Regulations (EC) No 1166/2008 and (EU) No 1337/2011 (OJ L 200, 7.8.2018, p. 1).

<sup>&</sup>lt;sup>15</sup> Regulation (EC) No 1165/2008 of the European Parliament and of the Council of 19 November 2008 concerning livestock and meat statistics and repealing Council Directives 93/23/EEC, 93/24/EEC and 93/25/EEC (OJ L 321, 1.12.2008, p. 1).

<sup>&</sup>lt;sup>16</sup> Regulation (EC) No 543/2009 of the European Parliament and of the Council of 18 June 2009 concerning crop statistics and repealing Council Regulations (EEC) No 837/90 and (EEC) No 959/93 (OJ L 167, 29.6.2009, p. 1).

<sup>&</sup>lt;sup>17</sup> Regulation (EC) No 1185/2009 of the European Parliament and of the Council of 25 November 2009 concerning statistics on pesticides (OJ L 324, 10.12.2009, p. 1).

<sup>&</sup>lt;sup>18</sup> Council Directive 96/16/EC of 19 March 1996 on statistical surveys of milk and milk products (OJ L 78, 28.3.1996, p. 27).

evidence that the data fulfil user needs, that the agreed methodology works and that the data are of appropriate quality.

- (8) The statistics required in accordance with Commission Regulation (EC) No 617/2008 <sup>(19)</sup> have been collected by the ESS, meeting some, but not all of its quality standards. Those statistics support European and national policies in the longer term and should be integrated as European statistics to guarantee the availability and quality of the data. In order to avoid double reporting from the Member States, the statistical requirements under Regulation (EC) No 617/2008 should be removed.
- (9) A large part of the European agricultural area consists of grasslands. The production of those areas was not considered to be important in the past, so no production data have been included in crop statistics. As the impact of grasslands and ruminants on the environment has become more important due to climate change, statistics on grassland production and animal grazing are needed.
- (10) For the purposes of harmonisation and comparability of information on agricultural input and output with information on the structure of agricultural holdings and to further implement the strategy on agricultural statistics for 2020 and beyond, this Regulation should complement Regulation (EU) 2018/1091.
- (11) Regulation (EC) No 138/2004 of the European Parliament and of the Council <sup>(20)</sup> does not cover agricultural price statistics, but their availability and coherence with the economic accounts for agriculture ('EAA') should be ensured. As the EAA are a satellite account of national accounts, it is not appropriate to include agricultural price statistics in Regulation (EC) No 138/2004. Statistics on agricultural input and output should therefore cover statistics on agricultural input prices that are coherent with the EAA. Absolute agricultural output price data should be available in Member States to allow EAA calculations and comparable price indices.
- (12) Data regarding the placing on the market and use of pesticides to be submitted pursuant to Directive 2009/128/EC of the European Parliament and of the Council <sup>(21)</sup> and Regulation (EC) No 1107/2009 of the European Parliament and of the Council <sup>(22)</sup> should be used in accordance with the relevant provisions of that Directive and of that Regulation for the purposes of the requirements of this Regulation.
- (13) Comparable statistics from all Member States on agricultural input and output are important to determine the development of the CAP. Standard classifications and common definitions should therefore be used insofar as possible for variables.

<sup>&</sup>lt;sup>19</sup> Commission Regulation (EC) No 617/2008 of 27 June 2008 laying down detailed rules for implementing Regulation (EC) No 1234/2007 as regards marketing standards for eggs for hatching and farmyard poultry chicks (OJ L 168, 28.6.2008, p. 5).

<sup>&</sup>lt;sup>20</sup> Regulation (EC) No 138/2004 of the European Parliament and of the Council of 5 December 2003 on the economic accounts for agriculture in the Community (OJ L 33, 5.2.2004, p. 1).

<sup>&</sup>lt;sup>21</sup> Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides (OJ L 309, 24.11.2009, p. 71).

Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC (OJ L 309, 24.11.2009, p. 1).

- (14) The data needed to compile statistics should, where possible, be collected in a manner with the least costs and administrative burden. It is therefore necessary to identify possible owners of sources of the required data and ensure that these can be used for statistics.
- (15) The datasets to be transmitted cover several statistical domains. In order to maintain a flexible approach that allows the statistics to be adapted when data requirements change, only the domains, topics and detailed topics should be specified in the basic regulation, with the detailed data sets specified in implementing acts.
- (16) Organic production is becoming increasingly important as an indicator of sustainable agricultural production systems. It is therefore necessary to ensure that available statistics on organic farming are consistent with other agricultural production statistics by integrating those in the datasets. Those organic production statistics should also be coherent with and use the administrative information produced under Regulation (EU) 2018/848 of the European Parliament and of the Council <sup>(23)</sup>.
- (17) In accordance with Regulation (EC) No 1059/2003 of the European Parliament and of the Council <sup>(24)</sup>, territorial units should be defined in accordance with the Nomenclature of Territorial Units for Statistics ('NUTS') classification.
- (18) It should be possible to collect data on ad-hoc subjects related to agricultural input and output at a specific time in order to supplement the data collected on a regular basis with complementary data on subjects that require more information, emerging phenomena or innovations.
- (19) In order to decrease the administrative burden on Member States, exemptions from certain regular transmissions of data should be allowed if Member States' contributions to the EU total for these data are low.
- (20) In order to improve the efficiency of the statistical production processes of the ESS and to reduce the administrative burden on respondents, national statistical institutes ('NSIs') and other national authorities should have the right to access and use, promptly and free of charge, any administrative data that are gathered for public purposes, irrespective of whether they are held by public or private bodies. NSIs and other national authorities should also be able to integrate those administrative data with statistics, to the extent that such data are necessary for developing, producing and disseminating European agricultural statistics, in accordance with Article 17a of Regulation (EC) No 223/2009.
- (21) Member States or responsible national authorities should endeavour to modernise data collection modes insofar as possible. The use of digital solutions should be promoted.
- (22) In order to ensure flexibility and to reduce the administrative burden on respondents, NSIs and other national authorities, Member States should be allowed to use statistical surveys, administrative records and any other sources, methods or innovative

Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 on organic production and labelling of organic products and repealing Council Regulation (EC) No 834/2007 (OJ L 150, 14.6.2018, p. 1).

Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS) (OJ L 154, 21.6.2003, p. 1).

approaches, including scientifically based and well documented methods such as imputation, estimation and modelling. The quality, and in particular the accuracy, timeliness and comparability of statistics based on these sources, should always be ensured.

- (23) Regulation (EC) No 223/2009 includes provisions on the transmission of data from Member States to the Commission (Eurostat) and on the use of such data, including on the transmission and protection of confidential data. Measures taken in accordance with this Regulation are to ensure that confidential data are transmitted and used exclusively for statistical purposes in accordance with Articles 21 and 22 of Regulation (EC) No 223/2009.
- (24) Regulation (EC) No 223/2009 provides for a reference framework for European statistics and requires Member States to comply with the statistical principles and quality criteria specified in that Regulation. Quality reports are essential for assessing, improving and communicating the quality of European statistics. The ESSC has endorsed the single integrated metadata structure as the ESS standard for quality reporting, thereby helping to satisfy, through uniform standards and harmonised methods, the statistical quality requirements laid down in Article 12 (3) of Regulation (EC) No 223/2009. That ESS standard is to contribute to the harmonisation of quality reporting under this Regulation
- (25) An impact assessment has been carried out in accordance with the principle of sound financial management, in order to focus the statistical programme established by this Regulation on the need for effectiveness in achieving the objectives and in order to incorporate budgetary constraints.
- (26) Since the objective of this Regulation, namely the systematic production of European statistics on agricultural input and output in the Union, cannot be sufficiently achieved by the Member States because a coordinated approach is required, but can rather, by reasons of consistency and comparability, be better achieved at Union level, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that article, this Regulation does not go beyond what is necessary in order to achieve that objective.
- (27) In order to take into account emerging data needs mainly stemming from new developments in agriculture, from revised legislation and from changing policy priorities, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in order to amend the detailed topics listed in this Regulation and to establish the topics and detailed topics to be provided and other practical arrangements for the collection of ad hoc data as laid down in this Regulation. It is of particular importance that the Commission carry out appropriate consultations during the preparatory work, including at expert level, and that those consultations are conducted in accordance with the principles laid down in the Inter-institutional Agreement of 13 April 2016 on Better Law-Making <sup>(25)</sup>. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at

<sup>&</sup>lt;sup>25</sup> OJ L 123, 12.5.2016, p. 1.

the same time as Member State experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

- (28) In order to ensure uniform conditions for this Regulation's implementation, the Commission should be given implementing powers to specify the datasets linked to the topics and detailed topics listed in the Annex and the technical elements of the data to be provided, to establish the lists and descriptions of the variables and other practical arrangements for the collection of ad hoc data, and to set out the practical arrangements for and contents of the quality reports. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council <sup>(26)</sup>.
- (29) Where this Regulation's implementation would require major adaptations to the national statistical system of a Member State, the Commission should, in duly justified cases and for a limited period of time, be able to grant derogations to the Member States concerned. Such major adaptations may arise in particular from the need to adapt the data collection systems to include the new data requirements, including the access to administrative sources.
- (30) The financial interests of the Union should be protected through proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, administrative and financial penalties.
- (31) This Regulation should apply without prejudice to both Directive 2003/4/EC <sup>(27)</sup> and Regulation (EC) No 1367/2006 <sup>(28)</sup>.
- (32) Collaboration and coordination between the authorities within the framework of the ESS should be strengthened to ensure coherence and comparability of European agricultural statistics produced in accordance with the principles laid down in Article 338(2) of the Treaty on the Functioning of the European Union. Data is also collected by other Union bodies beyond those referred to in this Regulation and by other organisations. Cooperation between such organisations and those involved in the ESS should therefore be reinforced in order to take advantage of synergies.
- (33) The ESSC has been consulted,

<sup>&</sup>lt;sup>26</sup> Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13.).

<sup>&</sup>lt;sup>27</sup> Directive 2003/4/EC of the European Parliament and of the Council of 28 January 2003 on public access to environmental information and repealing Council Directive 90/313/EEC (OJ L 41, 14.2.2003, p. 26).

<sup>&</sup>lt;sup>28</sup> Regulation (EC) No 1367/2006 of the European Parliament and of the Council of 6 September 2006 on the application of the provisions of the Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters to Community institutions and bodies (OJ L 264, 25.9.2006, p. 13).

#### HAVE ADOPTED THIS REGULATION:

#### Article 1

#### Subject matter

This Regulation establishes a framework for aggregated European statistics related to the inputs and outputs of agricultural activities, as well as the intermediate use of such output within agriculture and its collection and industrial processing.

#### Article 2

#### Definitions

For the purposes of this Regulation, the definitions of 'agricultural activity', 'utilised agricultural area', 'livestock unit', 'agricultural holding' and 'common land agricultural unit', as laid down in Article 2, points (a), (b), (d), and (e) of Regulation (EU) 2018/1091 shall apply.

In addition, the following definitions shall apply:

- (1) 'dairy enterprise' means an enterprise or agricultural holding that purchases whole milk or, in certain cases, milk products, in order to transform them into milk products; and enterprises that collect milk or cream in order to transfer it in whole or in part, without any processing, to other dairy enterprises ;
- (2) 'slaughterhouse' means an officially registered and approved enterprise with permission to slaughter and dress animals, the meat of which is intended for human consumption;
- (3) 'hatchery' means an enterprise for incubating eggs, hatching and supplying chicks;
- (4) 'reporting unit' means the unit that supplies the statistical data;
- (5) 'observation unit' means an identifiable entity about which data can be obtained;
- (6) 'domain' means one or several data sets that cover particular topics;
- (7) 'topic' means the content of the information to be compiled about the observation units, each topic covering one or more detailed topics;
- (8) 'detailed topic' means the detailed content of the information to be compiled about the observation units related to a topic, each detailed topic covering one or more variables;
- (9) 'data set' means one or several aggregated variables organised as a table;
- (10) 'variable' means a characteristic of a unit being observed that may assume more than one of a set of values;

- (11) 'pre-checked data' means data verified by the Member States, based on agreed common validation rules, wherever available;
- (12) 'ad hoc data' means data that are of a particular interest for users at a specific point in time but that are not included in the regular data sets;
- (13) 'administrative data' means data generated by a non-statistical source, usually held by a public or private body, the main aim of which is not to provide statistics;
- (14) 'metadata' means information that is needed to be able to use and interpret statistics and which describes data in a structured way;
- (15) 'professional user' means any person who uses plant protection products in the course of their professional activities, including operators, technicians, employers and self-employed people, in the farming sector.

# Statistical population and observation units

- 1. The statistical population to be described shall consist of statistical units such as agricultural holdings, common land agricultural units, enterprises providing goods and services to agriculture or buying or collecting products from agricultural activities, and enterprises processing these agricultural products, especially hatcheries, dairy enterprises and slaughterhouses.
- 2. The observation units to be represented in the statistical frame shall be the statistical units referred to in paragraph 1 and, depending on the statistics to be reported, the following:
  - (a) land used for agricultural activity;
  - (b) animals used for agricultural activity;
  - (c) imports and exports of products from agricultural activities by non-agricultural enterprises;

(d) transactions and flows of production factors, of goods and services to and from agricultural activities.

3. The reporting units shall be the statistical units referred to in paragraph 1 and other enterprises and institutions handling information about the data requirements referred to in Articles 5 and 6.

# Article 4

#### **Coverage requirements**

1. The statistics shall be representative of the statistical population that they describe.

2. For the domain of animal production statistics as referred to in Article 5(1), point (a), the data shall cover 95 % of the livestock units of each Member State and the related activities or outputs.

3. For the domain of crop production statistics as referred to in Article 5(1), point (b), and the topic of nutrients as referred to in Article 5(1), point (d)(i), the data shall cover 95% of the total utilised agricultural area (excluding kitchen gardens) of each Member State and the related production volumes.

4. For the topic of plant protection products as referred to in Article 5(1), point (d)(iii), the data shall cover the plant protection products placed on the market as defined in Article 3, point 9 of Regulation (EC) No 1107/2009.

5. The Commission may adopt implementing acts further specifying the coverage requirements referred to in paragraphs 2, 3 and 4. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 15(2).

# Article 5

# **Regular data requirements**

- 1. The statistics referred related to the inputs and outputs of agricultural activities shall cover the following domains and topics:
  - (a) animal production statistics
    - (i) livestock and meat
    - (ii) eggs and chicks
    - (iii) milk and milk products
  - (b) crop production statistics
    - (i) crop production
    - (ii) crop balances
    - (iii) grasslands and grazing
  - (c) agricultural price statistics
    - (i) agricultural price indices
    - (ii) absolute input prices
    - (iii) agricultural land prices and rents
  - (d) statistics on nutrients and plant protection products
    - (i) nutrients in agricultural fertilisers
    - (ii) nutrient balances
    - (iii) plant protection products
- 2. The detailed topics shall be as set out in the Annex.
- 3. The data shall be transmitted to the Commission in the form of aggregated data sets.

- 4. The data on organic production and products that comply with Regulation (EU) 2018/848 shall be integrated into the data sets.
- 5. Regional data shall be provided at NUTS2 level as defined in Regulation (EC) No 1059/2003.
- 6. Where a variable has low or zero prevalence in a Member States, the values of that variable may be excluded from the transmitted data sets, if the Member State concerned has duly justified its exclusion to the Commission (Eurostat).
- 7. Relevant price information on agricultural input and output, including the characteristics and weights of the goods and services, shall be collected by Member States for compiling comparable price indices and for the variables necessary for the economic accounts for agriculture covered by Regulation (EC) No 138/2004.
- 8. The Commission is empowered to adopt delegated acts in accordance with Article 14 amending the detailed topics set out in the Annex.
- 9. The Commission may adopt implementing acts to define the data sets to be transmitted to the Commission (Eurostat). Those implementing acts shall specify the following technical elements of the data to be provided, where appropriate:
- (a) the list of variables;
- (b) the descriptions of the variables;
- (c) the variables on organic production and products;
- (d) the variables at regional level;
- (e) the observation and reporting units;
- (f) the precision requirements;
- (g) the methodological rules;
- (h) the deadlines for transmitting the data.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 15(2) not later than 9 months before the beginning of the reference year.

10. Member States shall transmit pre-checked data and related metadata using a technical format specified by the Commission (Eurostat) for each data set. The single entry point services shall be used to transmit the data to the Commission (Eurostat).

# Ad hoc data requirements

- 1. The Commission is empowered to adopt delegated acts supplementing this Regulation in accordance with Article 14 concerning specifying the information to be provided on an ad hoc basis, where collection of additional information is deemed necessary. Those delegated acts shall specify:
- (a) the topics and detailed topics to be provided in the ad hoc data collection and the reasons for such additional statistical needs;
- (b) the reference periods.
- 2. The Commission is empowered to adopt delegated acts referred to in paragraph 1 starting with the reference year *[insert 2 years after entering into force of the regulation]* and with a minimum of 2 years between each ad hoc data collection.
- 3. The Commission may adopt implementing acts to provide:
- (a) a list of variables to be transmitted to the Commission (Eurostat);
- (b) the descriptions of variables;
- (c) the precision requirements;
- (d) the data transmission deadlines.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 15 not later than 12 months before the beginning of the reference year.

# Article 7

# Transmission frequency of the data sets

- 1. The transmission frequency of the data sets shall be as set out in the Annex. The Commission may adopt implementing acts to further specify each transmission frequency.
- 2. A Member State may be exempted from certain regular transmissions of the data where the impact of the Member State on the EU total of a variable is limited. The Commission may adopt implementing acts defining thresholds for variables according to specific methodology in such a way that the application of those thresholds does not reduce the information on the expected EU total of the variable in the reference year by more than 5%. The thresholds shall be revised so that they correspond to the trends of EU totals, initiated by the Commission (Eurostat).
- 3. The Commission may adopt implementing acts to further specify the following:

- (a) the threshold under which the production of a variable is considered to have a limited impact on the expected EU total aggregate;
- (b) the source of the data and the methodology to be used for defining the threshold;
- (c) the variables to which this exemption applies.

The implementing acts referred to in paragraphs 1, 2 and 3 shall be adopted in accordance with the examination procedure referred to in Article 15(2).

# Article 8

#### Data sources and methods

- 1. For the purpose of obtaining statistics related to the inputs and outputs of agricultural activities, Member States shall use one or more of the following sources or methods, provided that the information allows for the production of statistics that meet the quality requirements laid down in Article 10:
- (a) statistical surveys or other statistical data collection methods;
- (b) the administrative data sources specified in paragraph 2;
- (c) other sources, methods or innovative approaches.
- 2. Member States may use any information from the integrated administration and control system ('IACS') established by Regulation (EU) No 1307/2013 of the European Parliament and of the Council <sup>(29)</sup>, the system for the identification and registration of bovine animals established by Regulation (EC) No 1760/2000 of the European Parliament and of the Council <sup>(30)</sup> and the system for the identification and registration of ovine and caprine animals established by Council Regulation (EC) No 21/2004 <sup>(31)</sup>, the vineyard register implemented in accordance with Article 145 of Regulation (EU) No 1308/2013 of the European Parliament and of the Council <sup>(32)</sup>, and the organic farming registers set up pursuant to Regulation (EU) 2018/848.

<sup>&</sup>lt;sup>29</sup> Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L 347, 20.12.2013, p. 608).

<sup>&</sup>lt;sup>30</sup> Regulation (EC) No 1760/2000 of the European Parliament and of the Council of 17 July 2000 establishing a system for the identification and registration of bovine animals and regarding the labelling of beef and beef products and repealing Council Regulation (EC) No 820/97 (OJ L 204, 11.8.2000, p. 1).

<sup>&</sup>lt;sup>31</sup> Council Regulation (EC) No 21/2004 of 17 December 2003 establishing a system for the identification and registration of ovine and caprine animals and amending Regulation (EC) No 1782/2003 and Directives 92/102/EEC and 64/432/EEC (OJ L 5, 9.1.2004, p. 8).

Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ L 347, 20.12.2013, p. 671).

- 3. The statistics on plant protection products as referred to in Article 5(1), point (d)(iii) shall be provided using the records kept and made available in accordance with Article 67 of Regulation (EC) No 1107/2009.
- 4. For that purpose, the Member States shall request from professional users of plant protection products, in electronic format, records covering at least the name of the plant protection product, the dose of application, the main area and the crop where the plant protection product was used in accordance with this Regulation.
- 5. Member States which decide to use the sources, methods or innovative approaches referred to in point (c) of paragraph 1 shall inform the Commission (Eurostat) during the year preceding the reference year during which the source, method or innovative approach will be introduced, and shall provide details concerning the quality of the data obtained.
- 6. National authorities responsible for complying with the requirements of this Regulation shall have the right to access and use, promptly and free of charge, data, including individual data on enterprises and agricultural holdings in administrative files compiled on their national territory pursuant to Article 17a of Regulation (EC) No 223/2009. The national authorities and the owners of the administrative records shall establish the necessary cooperation mechanisms for such access. That access shall also be granted in cases where the competent authority has delegated tasks to be carried out on its behalf to private or semi-public bodies.

#### **Reference period**

The information collected shall refer to a single reference period that is common to all Member States by a reference to the situation during a specified timeframe.

The reference period for each detailed topic shall be as specified in the Annex. The first reference periods shall begin in calendar year *[insert the year starting on 1 January following 18 months after adoption]*.

The Commission may adopt implementing acts to further specify the reference periods. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 15(2).

#### Article 10

# Quality and quality reporting

1. Member States shall take the necessary measures to ensure the quality of the data and metadata transmitted.

- 2. Member States shall ensure that the data obtained using the sources and methods laid down in Article 8 give accurate estimates on the statistical population defined in Article 3 at national level, and, where required, at regional level.
- 3. For the purpose of this Regulation, the quality criteria defined in Article 12(1) of Regulation (EC) No 223/2009 shall apply.
- 4. The Commission (Eurostat) shall assess the quality of the data and metadata transmitted in a transparent and verifiable way.
- 5. For that purpose, Member States shall transmit a quality report describing the statistical processes to the Commission (Eurostat), for the first time by 31 December of the year *[insert the year starting 1 January following 30 months after adoption]*, and thereafter every 3 years, for the data sets transmitted during the period, including in particular:
- (a) metadata describing the methodology used and how technical specifications were achieved by reference to those laid down by this Regulation;
- (b) information on compliance with the coverage requirements as described in Article 4, including in developing and updating it.
- 6. Separate methodological reports for the detailed topic '*Weights and re-based indices*' shall be transmitted at the same time as the data.
- 7. The Commission may adopt implementing acts setting out the practical arrangements for the quality reports and their contents. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 15(2).
- 8. Member States shall, where necessary, inform the Commission (Eurostat) about any relevant information or changes with regard to the implementation of this Regulation that could significantly influence the quality of the data transmitted.
- 9 At the request of the Commission (Eurostat), Member States shall provide necessary additional clarification to evaluate the quality of the statistical information.

#### Union contribution

- 1. For the implementation of this Regulation, the Union may provide grants to the national statistical institutes and other national authorities referred to in Article 5(2) of Regulation (EC) No 223/2009 in order to cover the implementation costs of an ad hoc data collection.
- 2. The Union financial contribution shall not exceed 90% of the eligible costs.

# Protection of the financial interests of the Union

- 1. The Commission shall take appropriate measures to ensure that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportionate and dissuasive administrative and financial penalties.
- 2. The Commission or its representatives and the Court of Auditors shall have the power of audit, on the basis of documents and on-the-spot checks, over all grant beneficiaries, contractors and subcontractors who have received Union funds under the programme.
- 3. The European Anti-Fraud Office (OLAF) may carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions and procedures laid down in Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council <sup>(33)</sup> and Council Regulation (Euratom, EC) No 2185/96 <sup>(34)</sup> with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement or grant decision or contract funded under the programme.
- 4. Without prejudice to paragraphs 1, 2 and 3, cooperation agreements with third countries and with international organisations, contracts, grant agreements and grant decisions resulting from the implementation of this Regulation shall contain provisions expressly empowering the Commission, the Court of Auditors and OLAF to conduct such audits, and investigations, in accordance with their respective competences.

# Article 13

# Derogations

1. Where the application of this Regulation or of the implementing measures and delegated acts adopted pursuant to them necessitates major adaptations in a national statistical system of a Member State, the Commission may adopt implementing acts granting derogations to Member States for a maximum duration of two years.

The relevant Member State shall submit a duly reasoned request for such a derogation to the Commission within three months of the date of the entry into force of the act concerned.

<sup>&</sup>lt;sup>33</sup> Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1).

<sup>&</sup>lt;sup>34</sup> Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2.)

The impact of such derogations on the comparability of Member States' data or on the calculation of the required timely and representative European aggregates shall be kept to a minimum. The burden on respondents shall be taken into account when granting the derogation.

2. The implementing acts referred to in paragraph 1, first subparagraph shall be adopted in accordance with the examination procedure referred to in Article 15(2).

# Article 14

#### **Exercise of delegation**

- 1 The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
- 2. The power to adopt delegated acts referred to in Article 5(8) and Article 6(1 and 2) shall be conferred on the Commission for an undetermined period from [Publications Office: please insert exact date of entry into force of the Regulation].
- 3. The delegation of power referred to in Article 5(8) and Article 6(1 and 2) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
- 4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Inter-institutional Agreement of 13 April 2016 on Better Law-Making.
- 5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
- 6. A delegated act adopted pursuant to Article 5(8) and Article 6(1 and 2) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

# **Committee procedure**

- 1. The Commission shall be assisted by the European Statistical System Committee established by Regulation (EC) No 223/2009. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
- 2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

# Article 16

# Amendment to Regulation (EC) No 617/2008

Regulation (EC) No 617/2008 is amended as follows:

- (1) in Article 8, paragraphs 3, 4 and 5 are deleted;
- (2) Article 11 is deleted;
- (3) Annex III and IV are deleted.

This amendment shall apply from 1 January [of the year following 18 months after adoption].

### Article 17

# Repeals

- 1. Regulations (EC) No 1165/2008, (EC) No 543/2009, (EC) No 1185/2009 and Directive 96/16/EC are repealed with effect from 1 January [*of the first calendar year starting at least 18 months after adoption*].
- 2. References to the repealed acts shall be construed as references to this Regulation.

#### Article 18

#### **Entry into force**

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January [of the year following 18 months after adoption].

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament The President

For the Council The President

# **LEGISLATIVE FINANCIAL STATEMENT**

### 1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

- 1.1. Title of the proposal/initiative
- 1.2. Policy area(s) concerned
- 1.3. The proposal/initiative relates to
- 1.4. Grounds for the proposal/initiative
- 1.5. Duration and financial impact
- 1.6. Management mode(s) planned

#### 2. MANAGEMENT MEASURES

- 2.1. Monitoring and reporting rules
- 2.2. Management and control system
- 2.3. Measures to prevent fraud and irregularities

# 3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- 3.2. Estimated impact on expenditure
- 3.2.1. Summary of estimated impact on expenditure
- 3.2.2. Estimated impact on operational appropriations
- 3.2.3. Estimated impact on appropriations of an administrative nature
- 3.2.4. Compatibility with the current multiannual financial framework
- 3.2.5. Third-party contributions
- 3.3. Estimated impact on revenue

# LEGISLATIVE FINANCIAL STATEMENT

#### 1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

#### **1.1.** Title of the proposal/initiative

Regulation of the European Parliament and of the Council on Statistics on Agricultural Input and Output and repealing Regulations (EC) No 1165/2008, (EC) No 543/2009, (EC) No 1185/2009 and Directive 96/16/EC.

#### **1.2.** Policy area(s) concerned (*Programme cluster*)

Production of European Statistics

#### **1.3.** The proposal/initiative relates to:

□ a new action

□ a new action following a pilot project/preparatory action<sup>35</sup>

 $\Box$  the extension of an existing action

X a merger or redirection of one or more actions towards another/a new action

#### **1.4.** Grounds for the proposal/initiative

# *1.4.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative*

The objective of the present proposal on statistics on agricultural input and output (SAIO) is to improve the quality, comparability and coherence of European agricultural statistics so that policymakers, businesses and the general public are able to take appropriate evidence-based decisions.

SAIO covers agricultural statistics collections on crop and animal production statistics, agricultural price statistics and nutrients and plant protection products statistics with a main framework regulation and implementing acts. As a regulation, SAIO will be directly applicable in all Member States. The four implementing acts will mainly specify variable lists and descriptions and methodological requirements. The legal package will be implemented in Member States individually by transposing the variables and other requirements into national databases, questionnaires etc. from the moment of the adoption of the acts on. The regulation is expected to be adopted by the European Parliament and the Council in 2022, and the implementing acts in 2023.

35

As referred to in Article 58(2)(a) or (b) of the Financial Regulation.

1.4.2. Added value of Union involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this point 'added value of Union involvement' is the value resulting from Union intervention which is additional to the value that would have been otherwise created by Member States alone.

Important common EU policies such as the CAP inherently depend on comparable, harmonised and high-quality agricultural statistics at European level. These can best be ensured by Regulations, which are directly applicable in Member States and do not need to be transposed into national law first.

After SAIO is fully in force, the EU and its Member States should have European agricultural statistics of high quality that are comparable and coherent and that impose an acceptable burden on data respondents and data producers as compared to their benefits. Evidence-based policymaking is crucial to the success of policies such as the CAP, an important driver for jobs and smart, sustainable and inclusive growth in the Union.

# *1.4.3.* Lessons learned from similar experiences in the past

European agricultural statistics are a fundamental cornerstone of the CAP and many other important EU policies for many decades. However, their legal basis needs to be updated to respond to changes in agriculture and to remedy the main issues identified in the evaluation of the current European agricultural statistics system. These issues are:

1. The current agricultural statistics legislation does not adequately serve new and emerging data needs

2. The EASS is not sufficiently flexible and is not reacting quickly enough to the emerging needs

3. The data collections are not harmonised and coherent to a satisfactory degree

4. The statistics could be produced more efficiently

5. The burden of providing data is perceived as high

# *1.4.4.* Compatibility and possible synergy with other appropriate instruments

The proposed regulation is part of Eurostat's strategy for agricultural statistics for 2020 and beyond, and is to consist of two framework regulations on integrated farm statistics (IFS) and statistics on agricultural input and output (SAIO) respectively, and an updated regulation on economic accounts for agriculture (EAA). All three regulations will integrate a common scope and share technical and methodological documentation, and together cover all aspects of agricultural statistics.

# **1.5.** Duration and financial impact

### □ limited duration

□ in effect from [DD/MM]YYYY to [DD/MM]YYYY

□ Financial impact from YYYY to YYYY for commitment appropriations and from YYYY to YYYY for payment appropriations.

# X unlimited duration

Implementation with a start-up period from 2022 to 2024, followed by full-scale operation.

# 1.6. Management mode(s) planned<sup>36</sup>

X Direct management by the Commission

X by its departments, including by its staff in the Union delegations;

 $\Box$  by the executive agencies

□ Shared management with the Member States

□ **Indirect management** by entrusting budget implementation tasks to:

 $\Box$  third countries or the bodies they have designated;

 $\Box$  international organisations and their agencies (to be specified);

□the EIB and the European Investment Fund;

□ bodies referred to in Articles 70 and 71 of the Financial Regulation;

 $\Box$  public law bodies;

 $\Box$  bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees;

 $\Box$  bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that provide adequate financial guarantees;

 $\Box$  persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.

If more than one management mode is indicated, please provide details in the 'Comments' section.

Comments

 <sup>36</sup> Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: https://myintracomm.ec.europa.eu/budgweb/EN/man/budgmanag/Pages/budgmanag.aspx

# 2. MANAGEMENT MEASURES

#### 2.1. Monitoring and reporting rules

Specify frequency and conditions.

Grant recipients must deliver the data collected and the corresponding quality reports.

#### 2.2. Management and control system(s)

*Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed* 

The subsidiarity principle applies as the proposal does not fall within the exclusive competence of the Union. The European Statistical System (ESS) provides an infrastructure for statistical information. The system is designed to meet the needs of multiple users, for the purpose of decision-making in democratic societies. The proposal for this regulation has been drafted to protect core activities of ESS partners while better ensuring and assuring the quality and comparability of agricultural statistics.

One of the main criteria that the statistical data must meet is to be consistent and comparable. Member States cannot achieve the necessary consistency and comparability without a clear European framework, that is to say, Union legislation laying down the common statistical concepts, reporting formats and quality requirements.

The objective of the proposed action cannot be achieved satisfactorily by the Member States acting independently. Action can be taken more effectively at the Union level, based on a Union legal act ensuring the comparability of statistical information in the statistical domains covered by the proposed act. The data collection itself, meanwhile, can be carried out by the Member States.

2.2.1. Information concerning the risks identified and the internal control system(s) set up to mitigate them

Risks: potential data quality and timeliness issues.

Control systems set up to mitigate the risks: Technical and methodological documentation and guidelines to be communicated to Member States in advance. Compliance with deadlines will be monitored. Quality reports will be scrutinised.

2.2.2. Estimation and justification of the cost-effectiveness of the controls (ratio of 'control costs ÷ value of the related funds managed'), and assessment of the expected levels of risk of error (at payment & at closure)

The controls will be carried out by Commission officials as part of their regular duties. Their benefits are increased data quality and comparability. The expected level of risk of error is low, as the collection of data on agricultural statistics has been carried out in good cooperation with Member States since the 1950s. The adaptation of technical and other systems could lead to a slight increase in the risk of error in the short term, but is expected to regress to the mean in the short to mid-term.

# 2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures, e.g. from the Anti-Fraud Strategy.

In addition to applying all regulatory control mechanisms, Eurostat will apply an anti-fraud strategy in line with the Commission's general anti-fraud actions. This will ensure that the fraud management risk approach is geared to identifying fraud risk areas and adequate responses. Networking groups and specific IT tools dedicated to analysing fraud cases will be set up where necessary.

Eurostat has defined a control strategy accompanying the implementation of expenditure. The measures and tools in this strategy are fully applicable to the proposed regulation. Reducing complexity, applying cost-effective monitoring procedures as well as conducting risk-based *ex-ante* and *ex-post* controls will aim to reduce the likelihood of fraud and help to prevent it. Specific awareness-raising measures and relevant training in fraud prevention are part of the control strategy.

### 3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

# **3.1.** Heading of the multiannual financial framework and new expenditure budget line(s) proposed

The financial impact of the proposal is not known at the time of the adoption of the regulation. The Union contribution is not applicable to regular statistical data collection, but only to the ad hoc data collections specified in Article 6. The first ad hoc data collection can be done at the earliest 2 years after the first reference year if there is a well justified unexpected data need identified. Because of this, it is not possible to identify the financial impact at this stage.

Heading of	Budget line	Type of expenditure		Contr	ibution	
financial financial	Number [][Heading ]	Diff./Non- diff. <sup>37</sup>	from EFTA countries <sup>38</sup>	from candidate countries <sup>39</sup>	from third countrie s	within the meaning of Article [21(2)(b)] of the Financial Regulation
		Diff./Non- diff.	YES/NO	YES/NO	YES/ NO	YES/NO

<sup>&</sup>lt;sup>37</sup> Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

<sup>&</sup>lt;sup>38</sup> EFTA: European Free Trade Association.

<sup>&</sup>lt;sup>39</sup> Candidate countries and, where applicable, potential candidates from the Western Balkans.

#### **3.2.** Estimated impact on expenditure

#### 3.2.1. Summary of estimated impact on expenditure

EUR million (to three decimal places)

Heading of multiannual financial framework	<>	[][Heading]
---	----	-------------

			2021	2022	2023	2024	2025	2026	2027	<b>Post</b> 2027	TOTAL
Operational appropriations (split according to	Commitments	(1)									
the budget lines listed under 3.1)											
Appropriations of an administrative nature financed from the envelope of the programme <sup>40</sup>	Commitments = Payments	(3)									
TOTAL appropriations for the envelope	Commitments	ommitments =1+3									
of the programme	Payments	=2+3									

Heading of multiannual financial framework	7	'Administrative expenditure'
---	---	------------------------------

This section should be filled in using the 'budget data of an administrative nature' to be firstly introduced in the <u>Annex to the Legislative</u> <u>Financial Statement</u>, which is uploaded to DECIDE for interservice consultation purposes.

<sup>&</sup>lt;sup>40</sup> Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

EUR million (to three decimal places)

		2021	2022	2023	2024	2025	2026	2027	Post 2027	TOTAL
Human resources		0.300	0.300	0.300	2.100	2.100	2.100	2.100	2.100 p.a.	9.300
Other administrative expenditure		0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030 p.a.	0.210
	(Total commitments = Total payments)									9.510

EUR million (to three decimal places)

		2021	2022	2023	2024	2025	2026	2027	Post 2027	TOTAL
TOTAL appropriations across HEADINGS	Commitments	0.330	0.330	0.330	2.130	2.130	2.130	2.130	2.130 p.a.	9.510
of the multiannual financial framework	Payments									

#### 3.2.2. Summary of estimated impact on appropriations of an administrative nature

 $\Box$  The proposal/initiative does not require the use of appropriations of an administrative nature

X The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

Years 2	2021 2022	2023	2024	2025	2026	2027	TOTAL
---------	-----------	------	------	------	------	------	-------

HEADING 7 of the multiannual financial framework								
Human resources	0.300	0.300	0.300	2.100	2.100	2.100	2.100	9.300
Other administrative expenditure	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.210
Subtotal HEADING 7 of the multiannual financial framework	0.330	0.330	0.330	2.130	2.130	2.130	2.130	9.510

Outside HEADING 7 <sup>41</sup> of the multiannual financial framework				
Human resources				
Other expenditure of an administrative nature				
Subtotal outside HEADING 7 of the multiannual financial framework				

TOTAL 0.330 0.330 0.330 2.130 2.130 2.130	9.510
---	-------

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

<sup>&</sup>lt;sup>41</sup> Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

#### 3.2.2.1. Estimated requirements of human resources

 $\Box$  The proposal/initiative does not require the use of human resources.

 $\mathbf{x}$  The proposal/initiative requires the use of human resources, as explained below:

Years		2021	2022	2023	2024	2025	2026	2027
Establishment plan po	osts (officials and tempo	orary staff)						
Headquarters and Commission's Representation Offices		2	2	2	14	14	14	14
Delegations								
Research								
Financed from HEADING 7 of the multiannual financial	- at Headquarters - in Delegations							
	- in Delegations							
Financed from the envelope of the	- at Headquarters							
programme 43	- in Delegations							
Research								

Estimate to be expressed in full time equivalent units

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

- validation of data
- support and methodological work
- analysis of reports
- dissemination of data
- management of grants related to the initiative
-

<sup>&</sup>lt;sup>42</sup> AC= Contract Staff; AL = Local Staff; END = Seconded National Expert; INT = agency staff; JPD= Junior Professionals in Delegations.

<sup>&</sup>lt;sup>43</sup> Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

### 3.2.3. Third-party contributions

The proposal/initiative:

x does not provide for co-financing by third parties

□ provides for the co-financing by third parties estimated below:

Appropriations in EUR million (to three decimal places)

Years	2021	2022	2023	2024	2025	2026	2027	TOTAL
Specify the co-financing body								
TOTAL appropriations co-financed								

# **3.3.** Estimated impact on revenue

x The proposal/initiative has no financial impact on revenue.

 $\Box$  The proposal/initiative has the following financial impact:

 $\Box$  on own resources

on miscellaneous revenue

please indicate, if the revenue is assigned to expenditure lines  $\Box$ 

EUR million (to three decimal places)

Budget revenue line:	Impact of the proposal/initiative <sup>44</sup>								
	2021	2022	2023	2024	2025	2026	2027		
Article									

For assigned revenue, specify the budget expenditure line(s) affected.

n/a

Other remarks (e.g. method/formula used for calculating the impact on revenue or any other information).

n/a

<sup>&</sup>lt;sup>44</sup> As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 20 % for collection costs.