

Conference
"EU-FADN – 50 years of providing essential information for the CAP"
Brussels, Charlemagne, Sicco Mansholt room, 11 June 2015

Conclusions

At the initiative of DG AGRI, the EU Farm Accountancy Data Network (FADN) celebrated its 50th anniversary with a one-day conference on 11 June 2015, gathering around 120 participants: representatives of the 28 EU Member States, renowned experts and Commission officials. The objective of the



conference was to raise awareness of this information source, to take stock of 50 years of its existence and to assess how it can remain fit for purpose.

Why was the FADN created 50 years ago?

- To create a harmonised source of farm level economic data in the EU that allows comparisons across countries and regions.
- To support the CAP by providing information about the economic situation of farms – today this is as relevant as ever.
- Nowadays, not only the CAP but other policies and broader EU objectives can benefit from information of the FADN (e.g. boosting jobs and growth, climate policy).

Why is it useful for policy makers?

- FADN is the only harmonised source of farm-level economic data in the EU.
- FADN provides comprehensive information on different indicators of farm income – absolute levels, distribution, and trends.
- In addition, FADN data can be used to calculate production costs, margins, share of subsidies, as well as other financial parameters.
- FADN allows comparisons of competitiveness (across farm types, sizes and regions).

At EU level, FADN data have been and are being used widely for the following purposes:

- In-depth monitoring of farm income

- Impact assessments
- Policy evaluations
- Assessments of potential effects of changed market conditions
- Budget planning
- Modelling: from ex-post analyses (feeding evaluations) to ex-ante analyses (feeding impact assessments)
- Ad-hoc requests (e.g., in crisis situations)



In addition, numerous research projects are based on the analysis of FADN data.

How to engage all stakeholders?

During the conference, special attention was paid on how to encourage the participation of **farmers** in the network and on the need of **sharing experiences** on this matter. Possible approaches include:

- **limiting the information collected directly on farm** by making extensive use of administrative registers and by re-using information collected for other purposes ("collect once, use many times");
- providing **feedback** on the farm's individual situation / benchmarks / projections in different scenarios, as incentives for participation;
- **involving farm advisory staff** in contacting farmers, thereby building on already existing personal contacts and knowledge of the farm's situation;
- using adequate **communication tools and methods** to explain the purpose of FADN data collection (also linked to the receipt of subsidies).

The engagement of **policy makers** as data users (both at EU and national level) can be maintained by presenting high-quality, timely and relevant analyses in evaluations and policy proposals, particularly in view of the "better regulation" initiative.

Stakeholders at the **national level**, who collect data from farmers and process them for transmission to the European Commission, are often faced with severe budget cuts and insufficient resources. They will look for ways to link FADN with other data sources in order to decrease the burden. In countries where FADN data are used for national policy purposes, the situation of liaison agencies is often better than in those that collect FADN data solely for EU purposes.

Citizens are often not aware of the existence of FADN. However, communication actions could highlight how the use of FADN data lends credibility to policy proposals and policy performance evaluations through evidence-based analyses.

Researchers already make extensive use of FADN data for different types of models and/or analyses. For them to stay engaged, greater access to data and its faster availability are key factors.

How to represent EU agriculture?

FADN aims to represent

- the largest possible share of agricultural output, agricultural area and farm labour, of holdings run with a market orientation;
- various farming types and economic sizes at regional level.

In order to provide as accurate a picture of EU agriculture as possible, the **representativeness of sampled farms** is a key factor for success.

In line with the development of the CAP, certain aspects of farms and farming are gaining importance, such as sustainability issues and other gainful activities.

The main challenges for the future:

- Need to make compromises! Common rules across the EU mean that not all specificities of each country, region or type of farming can be addressed.
- Minimise respondent burden! Farmers' participation in the FADN is voluntary.
- Minimise the burden for administrations in a context of decreasing human and financial resources.
- Budget constraints set limits to the introduction of new variables and/or an increased sample size.
- Maintain comparability of data over time (thus don't make too many changes too often).
- Constant improvements in data quality, timeliness, scope – thanks to an excellent network!

The key challenges for FADN data and analyses can be summed up in three words:

Timeliness, accuracy and usefulness!

Finally: what will the FADN look like in the long term? A lot depends on future developments of the CAP but there will always be a need from farmers and governments to have an overall picture of the agricultural economy and its sustainability. Precision farming (i.e. computerised info), big data, interlinked databases ... whatever the technology, the basic data will still be needed. There is always room for improvement, but by and large the FADN has served its purpose very well – to provide information on the income and business operation of EU farms, in order to help the Commission in monitoring the effects of CAP and in further developing the policy.

