



Farm Sustainability Data Network

State of play and way forward

29th Pacioli Workshop

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1. Political context

Strategic dialogue, new Commission,
and the vision for agriculture and food

Strategic dialogue on the future of EU agriculture

STATE OF THE UNION 2023

"We need more dialogue and less polarisation. That is why we want to launch a strategic dialogue on the future of agriculture in the EU"

Ursula von der Leyen,
President of the European
Commission, September 2023



Agriculture and rural development

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Main initiatives: Strategic Dialogue on the future of EU agriculture

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Purpose of the Dialogue

Launched in January 2024, the Strategic Dialogue on the future of EU agriculture is a new forum that aims to shape a shared vision for EU farming.

The Strategic Dialogue brings together key stakeholders from across the whole agri-food chain, including farmers, co-operatives, agri-food businesses, and rural communities; as well as non-governmental organisations and civil society representatives, financial institutions and academia.

Professor Peter Strohschneider has been appointed as chair, based on his longstanding experience, notably as chair of the Federal government of Germany's "Commission for the Future of Agriculture".

Developing a joint understanding

The Dialogue is crucial for developing a joint understanding of the future EU farming and food system. It tackles the following challenges and opportunities:

Strategic dialogue report

- *In a nutshell.* Food production plays a central role but faces **changing and challenging contexts**; a vision of EU agriculture and food systems and rural areas in 10-15 years guides **political principles** and **recommendations** for pathways towards competitiveness, sustainability, and social responsibility.
- *Where does FSDN come into play?* A new approach to deliver on sustainability includes a **benchmarking system** that harmonises methodologies, relies on scientifically sound indicators, dynamically and bottom-up designed and developed.



The Farm Accountancy Data Network (FADN) should be further developed into the Farm Sustainability Data Network (FSDN) and implement methodologies to collect sustainability data at farm level. The FSDN should be used by the European board on Agri-food (EBAF, C.1.6) to assess sustainability indicators, to test data collection methods for farmers and to monitor sustainability. In the future, a methodology for product-level assessment needs to be developed.



New Commission: vision for agriculture and food

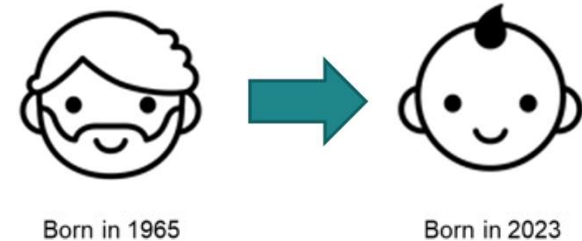


Some highlights

- Strengthen the **competitiveness, resilience and sustainability** of the agricultural sector (future CAP fit for purpose, fair and sufficient income for farmers, farmers' position in the value chain, strategy for generational renewal, etc.).
- Prepare in the first 100 days a **Vision for Agriculture and Food**, building on the recommendations of the Strategic Dialogue and in consultation with EBAF.
- Propose an **EU-wide benchmarking system** in the agri-food sector.

2. FSDN: where we stand

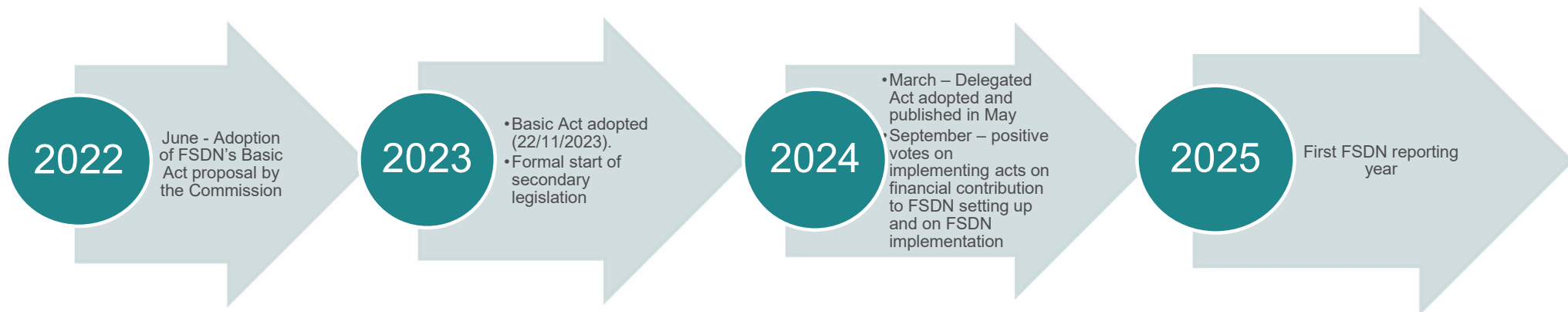
Conversion of FADN to FSDN



Objectives:

- Improve the **role of FADN/FSDN** for policy analysis, research, evaluation and policy-making.
- **Add variables** related to environmental and social dimensions, complement economic variables: data needed at **farm level**.
- **Introduce innovative and modern data collection systems and practices**, also through better interoperability – data sharing with other data sources.
- Improving the provision of advisory services to farmers and benchmarking of farm **sustainability performance**.

Timeline of the FSDN legal process



FSDN implementation

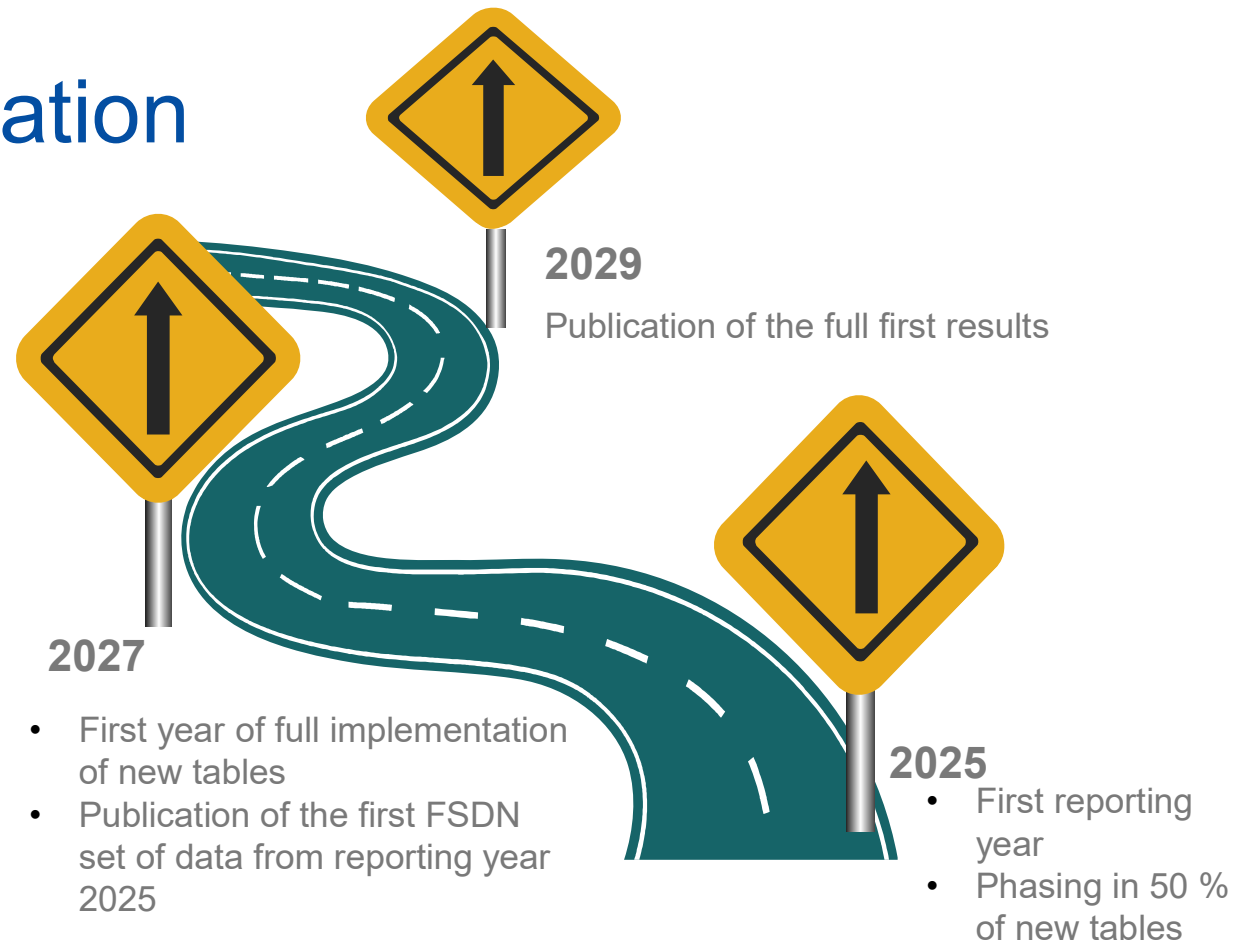
Regulation (EC) No 1217/2009

Annex -I:

- 18 economic topics
- 16 environmental topics
- 8 social topics

Implementation: 22 new tables in FSDN farm return:

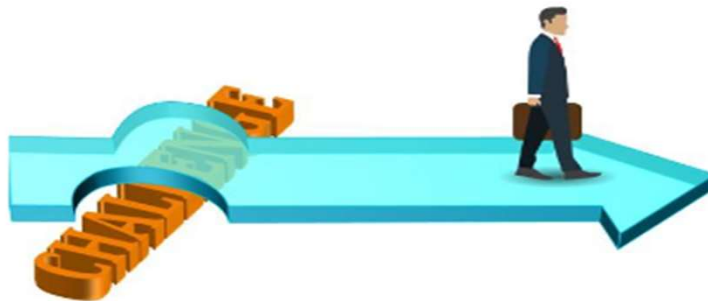
- 3 tables with economic variables
- 14 tables with environmental variables
- 5 tables with social variables



3. Takeaway messages after one year of FSDN negotiations

Challenges faced

- **Different approaches to data collection** among Member States.
- **Cooperation barriers:** challenges in fostering collaboration between public authorities and liaison agencies.
- **Farmer participation issues:** resistance or lack of participation from farmers in sharing sensitive data for extended variables.
- **Significant investments needed** for infrastructure and software updates.
- **Lack of flexibility** of the existing systems slows the integration of the environmental and social dimensions.
- **Lack of centralised coordination** for data-sharing efforts.
- **Divergent priorities** between national and regional authorities.
- Concerns about **data privacy** and **protection**.



The positive outcomes of the transition

- **Increased resources (contribution to setting up costs and annual amount):** more EU funding and support to Member States for integrating new data collection tools and systems and, potentially/possibly, for participating farmers.
- **Better data quality:** the inclusion of economic, environmental, and social variables will result in more comprehensive data.
- **Enhanced analysis:** more robust, multi-dimensional analysis will lead to better decision-making for policymakers.
- **Feedback to farmers:** farmers will receive valuable insights on farm performance, sustainability, and efficiency improvements.
- Continued focus on **building trust, ensuring data protection, and enhancing cooperation** is essential for future success.
- New dynamic within the FADN/FSDN network, driving **enhanced collaboration, knowledge sharing, unlocking new opportunities for dynamic exchange and collective progress**

4. Analysis potential of new variables

Opportunities for analysis with new FSDN variables

Enhanced multi-dimensional analysis of farm performance, sustainability, and resilience:

- **Economic:** deeper insights into farm profitability and financial sustainability.
- **Environmental:** Analysing farm-level impacts on sustainability by evaluating farming practices, energy use, emissions, and nutrient management.
- **Social:** assessing generational renewal, gender balance, working conditions, and social well-being.

Improved geospatial information on the **location of the holding:**

- **INSPIRE** Statistical Units Grid code will enhance the ability to geographically visualize data in all three dimensions.
- Test ongoing with JRC

Economic dimension: e.g. farmers' position in the value chain



- Are the **policy measures aiming at enhancing farmers' position in the value chain** improving farms' economic results? Will the **reinforcement of the rules applicable to contracts** that farmers conclude with buyers bring measurable value added for farms? What indication can be obtained to **better design CAP support** measures?
- Analyse the relation between the level of farms' resilience and...
 - The **participation in producer organisations** to act collectively in the food supply chain
 - The **sale of produce to different buyers** (direct sales, wholesalers, etc.)
 - The use of **different types of contracts** (price arrangements and other contract terms)
- Are there any **sector-specific features** in farms' choices on market integration?
- Do farmers use contracts as **risk management tools**? How does this affect farm economic performance in case of adverse events?

Environmental dimension



- **Farming practices** – Analysis of the relationship between the adoption of sustainable farming practices and economic performance/agricultural output.
- **Greenhouse gas emissions** – Carbon footprint: emission per unit of product/ha/LU; Assessment of CAP measures' efficiency; Evaluation of mitigation potential.
- **Plant protection product use** – Estimation of pesticide environmental impact; Quantity of active substances used; Analysis of the correlation between pesticide use and farm economic viability.
- **Antimicrobial use** – Monitoring antimicrobial usage over time and across regions.
- **Energy** – Analysis of the relationship between renewable energy production and farm economic performance.
- **Nutrient use and management** – N use efficiency, assessment of nitrogen losses.

Social dimension: e.g. insights on generational renewal

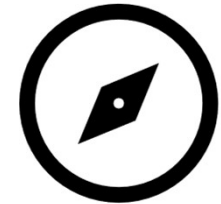


- **Perspectives** of farms (which types of farms, economic size classes, areas, etc. are more likely to have successors?), role of family farming vs other forms (transmission and succession), characteristics of farms managed by young/new farmers (in terms of level of education, digitalisation, innovation, investments, profitability, adoption of sustainable farm practices etc.).
- Is **CAP support** able to promote generational renewal?
- Can some elements **outside the CAP** contribute to explain the phenomenon? eg. Can the lack of old-age pension contribute to the lack of generational renewal? Does the presence of services attract more young farmers (possible JRC geospatial analysis combining FSDN data with maps of services)?
- The analysis can include a breakdown by **gender**.

5. *Way forward*

Guidance, communication and networking

Guiding documents



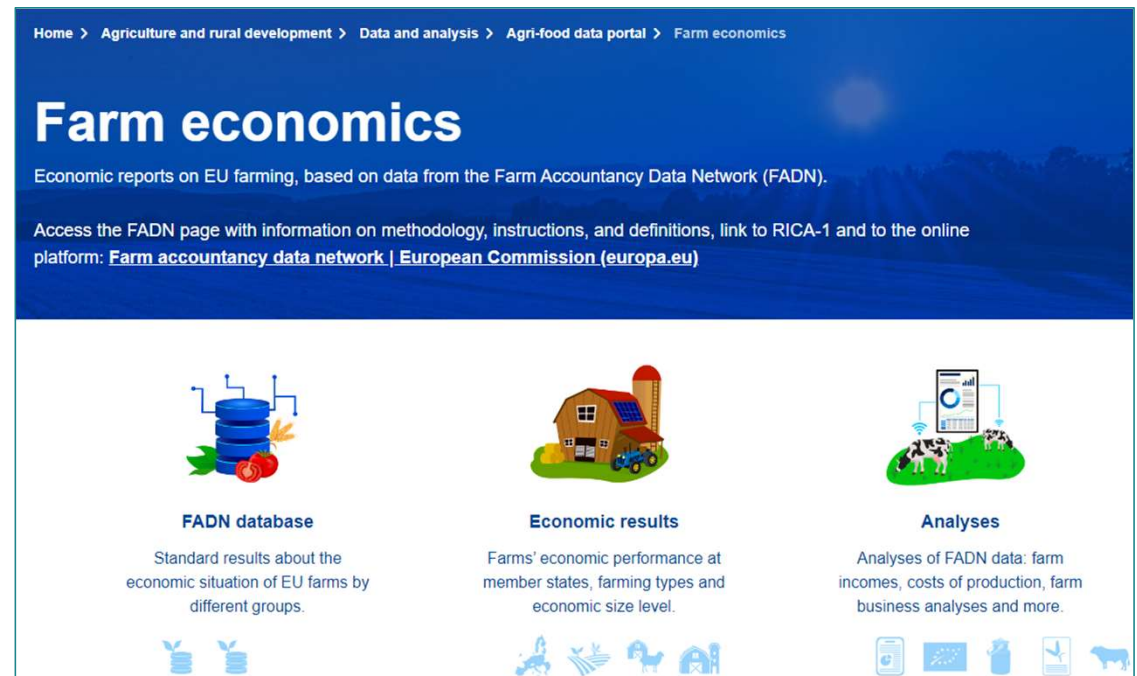
- Supporting documents under preparation
 - Guidelines (ex “RICC 1680”): detailed specifications on the variables; anticipate how to treat special cases.

Your questions and feedback are welcome!

- New standard results (ex “RICC 1750”) based on some new variables needed.
- Template on incentives to farmers → exchange best practices.

MyFSDN portal

- The **myFSDN** portal will be integrated in the Agri food data portal
- The **objective** is to build a unique access point for additional FSDN external services such as:
 - Benchmarking
 - Emissions calculator
 - IDSAP – Individual Data Secured Platform




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Farm economics


Economic reports on EU farming, based on data from the Farm Accountancy Data Network (FADN).


Access the FADN page with information on methodology, instructions, and definitions, link to RICA-1 and to the online platform: [Farm accountancy data network](#) | [European Commission \(europa.eu\)](#)



FADN database


Standard results about the economic situation of EU farms by different groups.






Economic results


Farms' economic performance at member states, farming types and economic size level.





Analyses

Analyses of FADN data: farm incomes, costs of production, farm business analyses and more.

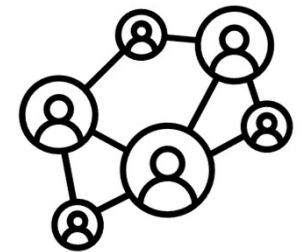


EU benchmarking tool



- Tables and graphs based on FADN data, to be enriched with FSDN variables.
- Targeted to farmers/farm advisors and open to any of them.
- Input data: farmers will be able to identify themselves entering their main data and compare their results to the average of the reference group (same MS, Type of Farming, Economic dimension + possible additional criteria) and see their ranking.
- Output results: organized in 4 views on farm structure, economic, environmental and social data.

Enhancing networking and collaboration



The Commission will place strong emphasis on the following:

- Facilitate collaboration between **public authorities** and **liaison agencies**.
- Support the organisation of **technical missions** to assist Member States in adopting new methodologies and technologies.
- Encourage peer learning and exchange of **best practices** between Member States.

Communication

To help enhance **acceptance**, **collaboration** and **trust** at all network levels:

- Communication activities and material

Webinars, social media campaigns, brochures, flyers, etc., aiming specifically at farmers, data collectors, and other players directly involved in the transition from FADN to FSDN.

- FSDN at the *EU Agri-Food days* in December 2024 – to be confirmed

Stand to reach out to conference participants: information, quiz, prototypes, ...

- “*From accountancy to sustainability: 60 years of the EU farm data network*” – to be confirmed

In 2025, **FADN will celebrate 60 years** of collection of farm-level economic data **and the transition to FSDN will start**. A **one-day public conference** will offer an opportunity to take stock of the contribution of FADN to farm-level analysis and to the provision of recommendations to policy makers and, at the same time, to look at the future of FSDN.



EU AGRI-FOOD DAYS

#EUAgriFoodDays



Thank you



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