



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 26.07.1996
COM(96)371 final

96/0208 (CNS)

Proposal for a

COUNCIL REGULATION (EC)

amending Council Regulation (EEC) No 571/88

on the organization of Community surveys on the structure of agricultural holdings

(presented by the Commission)

EXPLANATORY MEMORANDUM

Council Regulation (EEC) No 571/88 provides for a programme of four Community surveys on the structure of agricultural holdings in the period 1988 to 1997; this survey programme follows on from a series of Community surveys on agricultural structures, the first of which was conducted in 1966/67. The Regulation in question also provides for the implementation of the EUROFARM data bank for storing, processing and disseminating the survey results.

Trends in the structure of agricultural holdings are an important factor in determining the development of the common agricultural policy; these structure surveys should therefore be continued after 1997.

Experience in conducting the structure surveys in the Community has shown that the survey programme and methodology of the Community structure surveys should remain unchanged wherever possible and should be adjusted in future surveys only in so far as this is necessary to take account of new developments in agriculture, in particular in farming techniques, and/or to take account of the new orientation of the common agricultural policy and of the new information requirements of the European Union and the Member States.

Council Regulation No 571/88 has been in perfect accordance with these objectives; it is therefore logical to extend the period of application of this Regulation for ten years and to amend the Regulation to apply both to surveys conducted in the period 1988 to 1997 and in the period 1998 to 2007.

Proposal for a
COUNCIL REGULATION (EC)

amending Council Regulation (EEC) No 571/88

on the organization of Community surveys on the structure of agricultural holdings

The Council of the European Union,

Having regard to the Treaty establishing the European Community, and in particular Article 43 thereof,

Having regard to the proposal from the Commission¹,

Having regard to the opinion of the European Parliament²,

Whereas Council Regulation (EEC) No 571/88 of 29 February 1988 on the organization of Community surveys on the structure of agricultural holdings between 1988 and 1997³, as last amended by Commission Decision 96/170/EC⁴ provides for a programme of four Community surveys on the structure of agricultural holdings in the period 1988 to 1997; whereas this survey programme follows on from a series of Community surveys on agricultural structures, the first of which was conducted in 1966/67; whereas the Regulation in question also provides for the implementation of the EUROFARM data bank for storing, processing and disseminating the survey results;

Whereas trends in the structure of agricultural holdings are an important factor in determining the development of the common agricultural policy; whereas these structure surveys should therefore be continued after 1997;

Whereas experience in conducting the previous structure surveys in the Community has shown that the survey programme and methodology of the Community structure surveys should remain unchanged wherever possible and should be adjusted in future surveys only in so far as this is necessary to take account of new developments in agriculture, in particular in farming techniques, and/or to take account of the new orientation of the common agricultural policy and of the new information requirements of the European Union and the Member States;

Whereas Council Regulation (EEC) No 571/88 has been in accordance with these objectives; whereas it is necessary to extend the period of application of this Regulation for another ten years covering the period 1998 to 2007;

Whereas structure statistics broken down in small regional detail are increasingly needed in the context of the reform of the common agricultural policy, but also for regional policy purposes; whereas it is therefore necessary to organise and conduct structural surveys in

¹ OJ No C

² OJ No C

³ OJ No L 56, 2.3.1988, p. 1

⁴ OJ N° L 47, 24.2.1996, p.23.

such a way that disaggregates survey results can be provided at district level; consequently, the survey costs will be higher and it will be necessary to increase the Community contribution towards costs of the 1999/2000 basic survey.

Whereas, in order to carry out these surveys, both the Member States and the Community will need to set aside over a number of years substantial budgetary resources, a large proportion of which will have to be used to meet the information requirements of the Community institutions; whereas continuing provision should therefore be made in the Community budget for the necessary funds for a Community contribution towards the survey costs and towards the processing and dissemination of the survey results via the EUROFARM system;

Whereas for the purpose of implementing the present regulation and in particular the EUROFARM project, the individual data transmitted to the Statistical Office of the European Communities must be treated in accordance with the contents of Council Regulation (EURATOM, EEC) No 1588/90¹⁾ on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities.

Whereas to carry out these surveys successfully, the close and trusting cooperation between the Member States and the Commission must continue, in particular via the Standing Committee for Agricultural Statistics set up by Decision 72/279/EEC²⁾,

HAS ADOPTED THIS REGULATION:

1) OJ No L 151 of 15.6.1990, p.1

2) OJ No L 179 of 7.8.1972, p.1

Article 1

Council Regulation (EEC) No 571/88 is amended as follows:

1. In the title of Regulation 571/88, the words "between 1988 and 1997" are deleted.
2. The recitals are amended as follows:
 - a) In the fifth recital, the words "during the period 1993 to 1997" are deleted.
 - b) The ninth recital is replaced by the following:

"Whereas, when the procedures to be employed for the Community censuses in 1989/90 and 1999/2000 are determined, account must be taken as far as possible of the recommendations of the United Nations Food and Agriculture Organization (FAO) regarding world censuses of agriculture to be conducted sometime around 1990 and also around 2000."
3. In Article 1, the words "1988 and 1997" are replaced by the words "1988 and 2007".
4. Article 2 is replaced by the following :

"In line with the FAO recommendations for world censuses of agriculture , Member States shall carry out a basic survey in one or more stages in the form of a general census (full survey) of all agricultural holdings, between 1 December 1988 and 1 March 1991 and between 1 December 1998 and 1 March 2001 respectively. These surveys shall relate to the crop year corresponding to the crop to be harvested in 1989 or 1990 and in 1999 or 2000.
5. Article 3 is amended as follows:
 - a) In the first sentence, after the words "The following surveys", the words "interim

- b) The third indent becomes the second indent; after this indent, the words "as last amended by Regulation (EEC) No 797/85" are replaced by the words "as last amended by the Act of Accession of Austria, Finland and Sweden²⁾".
- c) Between the third and fourth indent, the following is added as an additional indent:
 - "- the "objective zones" within the meaning of Council Regulation (EEC) No 2052/88³⁾, as last amended by Council Regulation (EEC) No 2081/93⁴⁾ and Commission Decision No 94/197/EEC⁵⁾ ",
- d) After the fourth indent, after the words "Decision 85/377/EEC⁶⁾" the following words are added:
 - "as last amended by Decision (to be specified)"
- e) At the end of the article, the following paragraph is added: "The Member states take the necessary measures to ensure that samples are structured in a way which allows the use of one single coefficient per holding for raising the information collected by sampling."

7. Article 8 is amended as follows:

- a) In paragraph (1), the words "1993 to 1997" are replaced by the words "1993 to 2007".
- b) After paragraph (1), the following new paragraph (2) is added:
 - "2. In the 1999/2000 basic survey, the geographic situation of each holding is defined by a code which allows for aggregation by territorial units lower than the survey-district level or at least by objective zones".
- c) Paragraph (2) is replaced by the following paragraph (3):
 - "3. The definitions relating to the characteristics and to the delimitation and coding of regions, survey districts and other territorial units shall be fixed in accordance with the procedure laid down in Article 15".
- d) The former paragraph (3) becomes paragraph (4).
- e) The footnotes 1), 2) and 3) are deleted.

8. Article 10 is amended as follows:

"Member States shall forward to the Statistical Office of the European Communities the information mentioned in Article 8 (1) obtained from the censuses and sample surveys in the form of individual data per holding, in accordance with the procedure described in Annex II, hereafter called 'EUROFARM project'.

The Member States shall ensure that the data transferred in the Eurofarm standard record layout are complete and plausible, using the uniform checking conditions laid down by the Statistical Office of the European Communities after consultation of the competent committees

2) OJ No L1 of 1.1.1995, p.1
3) OJ No L185 of 15.7.1988, p.9
4) OJ No L193 of 31.7.1993, p.5
5) OJ No L96 of 14.4.1994, p.1
6) OJ No L220 of 17.8.1985, p.1

and working parties; the checking tables mentioned in paragraph 9 of Annex II shall also be used for checking individual data."

9. Article 14, (1) is amended as follows:
 - a) In the first sentence the words "in carrying out the basic survey and the surveys provided for in article 3" are replaced by the words "in carrying out the surveys provided for in articles 2 and 3".
 - b) The maximum sums per survey concerning the Member States Austria, Finland and Sweden are inserted as follows:
 - "- ECU 600 000 for Sweden,
 - ECU 700 000 for Finland,
 - ECU 1 400 000 for Austria."
 - c) Between the first and the second subparagraph, the following is inserted:

"For carrying out the 1999/2000 basic survey, the sums mentioned before are increased by 50 %."
 - d) The second subparagraph of paragraph 1 becomes subparagraph 3; the word "four" is deleted.
10. Article 14, (2) is amended as follows:
 - a) After the word "development", the words "maintenance, necessary adaptations" are added;
 - b) After the words "Eurofarm project", the words "including the dissemination of results" are added;
 - c) The annual maximum for the development and maintenance of the Eurofarm system concerning the period 1999 to 2010 is fixed as follows:
 - "- ECU 700.000 for 1999 and 2000;
 - ECU 550.000 for 2001 to 2010."
11. In Article 15 (2) the words "by a majority of 54 votes" are replaced by the words "by a majority of 62 votes".

Article 2

Annex II of regulation 571/88/EEC is amended as follows:

1. In paragraph 2, the first indent is replaced by the following:
 - "- the Individual Data Bank (BDI), which will contain the individual data not directly identifiable on all holdings (in the case of basic surveys) or data on all holdings or on a representative sample of holdings (in the case of interim surveys) which is sufficient to enable analyses to be carried out at the geographical levels mentioned in Article 4 of the Regulation."
2. In paragraph 3, the words "Except in the case of Germany" are replaced by the words "Except in case of the individual data of Germany concerning the 1988 to 1995 surveys".
3. Paragraph 6 is amended as follows:

"By way of derogation, Germany will not forward individual data but tabular results corresponding to the BDT table programme mentioned under paragraph 2. This derogation expires after the surveys of the period 1988 to 1995.

Germany undertakes to centralise the individual data on a magnetic carrier in a single data-processing centre, within 12 months of completion of data collection in the field."

4. Paragraph 16 is replaced by the following:

"16. In the framework of their respective responsibilities and in accordance with Council Regulation (Euratom, EEC) N° 1588/90, the Statistical Office of the European Communities and the Member States will establish rapid consultation procedures with a view to:

- ensuring the confidentiality and statistical reliability of the information prepared on the basis of the individual data,
- informing the Member States of the use made of these data.

Article 3

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

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

Done at Brussels, ...

For the Council

FINANCIAL STATEMENT

on a draft Regulation amending Regulation 571/88 on the organization of Community surveys on the structure of agricultural holdings

1. TITLE OF ACTION

Draft Council Regulation amending Regulation No 571/88 on the organization of Community surveys on the structure of agricultural holdings.

2. BUDGET LINE CONCERNED

B2-5121 (new line in the 1997 PDB), (previously contained partly in line B-5600)

3. LEGAL BASE

Article 43 of the Treaty.

Council Regulation (EEC) No 571/88 of 29 February 1988 on the organization of Community surveys on the structure of agricultural holdings.

4. DESCRIPTION OF THE ACTION

4.1 Specific objectives

To collect statistics permitting a monitoring over time of developments in agricultural structures for the purposes of Community policies (agricultural, regional, social, environmental etc.), and to enable other statistical surveys to be carried out in the agricultural field.

4.2 Period covered

After amendment, Council Regulation No 571/88 would cover the period from 1988 to 2007.

4.3 Target population

Beneficiaries:

- The Member States;
- The Community Institutions: Council, EP, Commission, Court of Auditors etc.;
- The general public (business, universities, agricultural associations etc.).

5. CLASSIFICATION OF EXPENDITURE OR RECEIPTS

5.1 NCE

5.2 DA

5.3 Types of receipts

6. WHAT KIND OF EXPENDITURE OR RECEIPTS WOULD BE INVOLVED?

6.1 Subsidy

No: Community contribution to the costs of the survey. The Community would cover only a very small part of the total survey costs, i.e. around 5% of total expenditure in the case of a basic (full) survey and around 15% to 20% in the case of a sample survey. Nevertheless, this contribution is necessary to offset in part the additional costs incurred by Member States in order to meet the Commission's specific statistical requirements.

6.2 Subsidy for cofinancing with other public and/or private sources

Cofinancing with the public sector (budgets of national governments and statistical services) and the private sector (receipts from sales of statistical products).

6.3 Interest rebate

No

6.4 Other

None.

6.5 In the event of economic success, is partial or total reimbursement of the Community contribution provided for?

No.

6.6 Will there be a change in the level of receipts?

No.

7. FINANCIAL IMPLICATIONS

7.1 Calculation of total costs

After amendment, Regulation 571/88 would be extended to cover the period 1998 to 2007, providing for a basic (full) survey in 1999/2000 and three interim surveys

u

in 2003, 2005 and 2007, which the Member States could choose to carry out as full surveys or sample surveys.

As a contribution to the costs incurred, Member States would be reimbursed ECU 20 per holding for which complete data are transmitted to the Statistical Office up to a maximum fixed for each Member State.

The calculation is based on the number of agricultural holdings covered by the survey in 1985 (full survey or sample survey according to the choice of the Member State in question) and in 1989/90 (full basic survey) and on the following elements:

- ECU 20 per holding for which complete data are transmitted to Eurostat;
- a sample of around 25% of the holdings covered by the survey, up to a limit of 100 000 holdings per country;
- rounding of the calculation result.

On the basis of these criteria and the total number of holdings in 1985, the following amounts (in ECU 1 000) per country and per survey have been arrived at for 1988 (the year in which Regulation No 571/88 was adopted):

Luxembourg:	100	Germany:	2 000 ¹
Belgium:	500	Greece:	2 000 ¹
Denmark:	500	Spain:	2 000 ¹
Netherlands:	700	France:	2 000 ¹
Ireland:	1 100	Italy:	2 000 ¹
United Kingdom	1 300	Portugal:	2 000 ¹

On the basis of the same criteria and the total number of holdings in 1985 and 1989/90, the following amount have been arrived at for the new Member States (in ECU 1 000):

Sweden:	600
Austria:	1 400
Finland:	700

In all, the amendment to the Regulation would entail an additional ECU 92 million in commitment appropriations and payment appropriations, broken down according to the annual schedule shown in paragraph 7.3.

These costs comprise the following:

- Amounts reimbursed to countries: ECU 28.35 million (for the basic survey)
ECU 18.9 million (per interim survey)

¹ ceiling

- Total for four surveys: ECU 85.05 million
 - Development and maintenance¹ of the Eurofarm system over the period 1999-2010:
 - 1999 and 2000: ECU 1.4 million
 - 2001 to 2010: ECU 5.5 million
 - Total: ECU 6.9 million
- Total (ECU 85.05 million + ECU 6.9 million): ECU 91.95 million

The total annual appropriations would be decided under the annual budget procedure on the basis of the funds available.

This contribution is intended for the national bodies responsible for collecting statistics in the field of agriculture on the basis of work done under established and approved programmes.

7.2 Share of mini-budget in the total costs.

7.3 Approximate schedule for commitment and payment appropriations

The total costs are distributed on the period 1998 to 2007 as follows:

Year:	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
1000 Ecu	8000	8000	8500	9000	9500	9700	9700	9700	9900	10000

8. ARE ANY ANTI-FRAUD MEASURES PROVIDED FOR IN THE PROPOSAL

- a) Community contributions will be paid on the basis of contracts and agreements concluded by the Commission, and payments will be made on the basis of progress reports and after transmission and validation of the survey results.
- b) Statistics are regarded as an objective instrument for evaluating and monitoring Community action programmes in statistical terms, and hence reinforce the anti-fraud measures.

¹ The calculation of the costs for the development and maintenance of the Eurofarm system over the period 1999-2010 is based on actual expenditure over the period 1989-1995, which was in fact substantially higher than provided for in Article 14 of Regulation No 571/88/EEC.

9. COST-BENEFIT ANALYSIS

9.1 Aim(s)

The aim of this draft Regulation is to harmonize and improve the flows of data and hence considerably increase their value.

The surveys on the structure of agricultural holdings are central to agricultural statistics, since they supply, at regular intervals (normally every two years), a large volume of statistics on the main socio-structural characteristics of Community agriculture (size of holdings, land use, agricultural labour force, type of farming, other gainful activity, type of tenure etc.). These statistics are collected by means of full or representative sample surveys on the basis of a list of survey characteristics which has been harmonized at Community level. Their usefulness is not restricted to the establishment of socio-structural policy and rural development but there are also numerous uses in connection with the administration of the agricultural markets and other policies (particularly regional, social and environmental policy). In addition, the structural survey provides the basic data for carrying out other agricultural statistical surveys (on livestock, fruit trees etc.). Finally, structural surveys also play a central part in the 'ex post' assessment of the socio-economic impact of agricultural policies and rural development, since they make it possible to trace the development over time of the main characteristics of agricultural holdings.

- Target population:
 - Community Institutions
 - the Member States
 - the general public (business, universities, research institutes, professional organizations etc.).

9.2 Justification

The structure of agricultural holdings largely determines potential income in agriculture. The results of the Community farm structure surveys, which are carried out approximately every two years, thus form a very important decision-making basis for framing the common agricultural policy. Furthermore, Community decisions must increasingly be quantified in terms of their impact on European agriculture and thus on the Community budget. The Community farm structure surveys allow the impact and results of agricultural policy decisions to be verified and monitored over time.

In the course of meetings of the Agricultural Statistics Committee and its working party responsible for statistics on the structure of agricultural holdings, most national delegations have repeatedly stressed that they see the farm structure surveys as the cornerstone of their agricultural statistics systems. This view is shared by Eurostat and DG VI (Agriculture).

The broad harmonization of the Community farm structure surveys (e.g. delimitation of the survey scope, definition of the agriculture holding, list of survey characteristics with definitions and other methodological aspects) also has positive repercussions on the harmonization of specific agricultural statistics. The results of the basic surveys (full surveys every ten years) are also used to update the farm registers and thus provide a basis for specific sample surveys in the agricultural field.

The results of the Community farm structure surveys are extremely important as a decision-making basis for the reform of the CAP, the object of which is not just to improve the economic situation of persons employed in agriculture, but also to reduce Community expenditure in this field.

The structure surveys, like the Common Agricultural Policy, are thus a Community concern. They impose on Member States special requirements regarding the characteristics to be recorded and the representativeness of results at regional level. It is thus only fair that the Community grant Member States a survey subsidy to cover this specific information requirement. Although this subsidy only amounts to around 5% of the cost of the full survey or 15% to 20% of a sample survey, it is nevertheless crucial for the relevant statistical services, as these financial resources allow the bulk of variable survey costs to be met, e.g. expenditure on recruitment and training of temporary staff, and expenditure on data processing.

The importance of the Common Agricultural Policy led Eurostat to develop numerous statistical applications during the 1960s and 1970s. These applications correspond to the substantial statistical requirements resulting from the CAP for purposes of day-to-day management and planning, and for monitoring its development over time.

All of these applications have been updated to take account of changes in the sectors concerned. The reform of the Common Agricultural Policy and its repercussions in other fields (such as the future of rural society and the environment etc.) mean that Community farm structure surveys must continue.

In the organization of the European Statistical System, in which great account is taken of the principle of subsidiarity, collection and initial processing of (agricultural) statistics are carried out and financed by the national statistical bodies. Nevertheless, a Community contribution is vital if work is to be carried out with a view to improved harmonization and coordination of statistics at Community level and if the Member States are obliged to collect specific data to meet Commission requirements (as stipulated).

9.2.1. Cost

The costs are mainly borne by the Member States (cf. paragraph 6.1), which have a well-established collection and processing structure. If the Commission were to finance the programme totally, **costs would be extremely high and results certainly less reliable.**

9.2.2 Secondary effects

The results will contribute to improving statistics used in the work of the Member States and the exploitation of agricultural statistics in the general system of Community statistics.

9.2.3 Knock-on effects

Progress towards a European statistical area and hence greater Community-level integration of the national statistical systems.

Researchers and universities will have a unique source of scientific material for studies and analyses in the agricultural sector.

There will be implications for the countries of Eastern Europe wishing to adapt their agricultural statistics to the EU system, particularly as regards agricultural structures.

9.3 Monitoring and assessment

9.3.1 Selected performance indicators

A. Implementation of the programme

Work under this Regulation will be prepared and carried out by the national and Commission departments responsible for agricultural statistics as part of the annual work programmes under the Statistical Programme of the European Union.

B. Use of human and budgetary resources

- Organising and conducting pilot surveys;
- Adapting sampling plans, organising surveys, adapting registers;
- Conducting surveys;
- Checking quality and guaranteeing comparability of results;
- Activities concerning the administrative system as a source of additional statistics.

9.3.2 Evaluation procedures and frequency

The regulations in force stipulate that the Member States shall forward to Eurostat, in accordance with a predetermined timetable and procedure, the results of surveys and information on methodology. The Standing Committee for Agricultural statistics is also consulted whenever necessary. Finally, every three years, the Commission must submit to the Council a report on the implementation of this work, and particularly the operation of the database containing the results of the surveys (Eurofarm)

9.4 Consistency with the financial plan

9.4.1 *Is this action provided for in the DG's financial plan for the years concerned*

Yes

9.4.2 *To what more general objective defined in the DG's financial plan does the objective of the proposed action correspond?*

Improving and harmonising the agricultural statistics of the Community Member States.

9.4.3 *Points of uncertainty which might affect the specific results of the action*

Financial and human resources available in Eurostat and the Member States.

10. ADMINISTRATIVE EXPENDITURE (PART A OF THE BUDGET)

10.1 **Will the proposed action require an increase in the number of Commission staff?**

No

10.2 **What operating and staff costs will be incurred by the proposed action?**

Since this would be an extension of an existing action, there would be no new staff or operating costs apart from the normal increase in the cost of developing the Eurofarm database, including protection of confidentiality and security of individual data.

ISSN 0254-1475

COM(96) 371 final

DOCUMENTS

EN

17 03

Catalogue number : CB-CO-96-374-EN-C

ISBN 92-78-07281-8

Office for Official Publications of the European Communities

L-2985 Luxembourg