Workshop on the Farm Sustainability Data Network (FSDN)

Background Briefing

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1. Introduction and context

The **Farm Accountancy Data Network (FADN)** is the long-standing EU-wide survey that collects data on farm income and business activities from a representative sample of agricultural holdings across the EU. Established in 1965, FADN serves as a key instrument for evaluating the economic health of farms and assessing the economic impact of the Common Agricultural Policy (CAP) by providing harmonised, detailed farm-level financial data. This data enables analysis of the production, profitability, and financial resilience of farms, helping policymakers make informed decisions. With the evolving focus on sustainability, FADN is being transformed into the **Farm Sustainability Data Network (FSDN)**.

The FSDN aims to provide an extensive and updated understanding of farm sustainability across the European Union. The transition to FSDN marks a significant evolution, with an enhanced focus on capturing the economic, social, and environmental aspects of farming in the EU, responding to the changing needs of agricultural policy and the broader sustainability goals of the EU. It is intended for the FSDN to be operational by 2025, with first data available at EU level in 2027.

The FSDN's objectives go beyond the economic and financial indicators that FADN traditionally focused on. It aims to offer a multidimensional view of farm structures, integrating data on a broad range of **sustainability indicators**, such as renewable energy use, nutrients, emissions, biodiversity, water management, labour and market integration. These data will be part of the same previous FADN dataset, which will allow analysing the trade-offs or synergies between economic, environmental and social dimensions at the farm level. In this way, the FSDN will support evidence-based policy decisions, enable benchmarking, and help farmers adopt more sustainable practices that align with their own goals. This shift aligns with the European Green Deal and the Common Agricultural Policy (CAP) reforms which emphasise sustainability, resilience, and social inclusion.

In this context, on 12 February 2025 the EU CAP Network, together with the European Commission (DG AGRI), is organising a one-day workshop in Brussels. The workshop brings together the two communities of FADN/FSDN stakeholders and CAP managers and evaluators to discuss key aspects of the transition, improve awareness and understanding on the new data collection requirements and provide a platform to exchange challenges and good experiences aimed at an improved use of the data within the national CAP implementation. FSDN stakeholders include farmers, data collectors and or advisers, liaison agencies in the Member States as well as policymakers at national and EU levels.

2. State of play

The transition from FADN to FSDN marks a significant shift in how agricultural data are collected and analysed within the EU. This transition process is characterised by several key differences in scope, objectives, and data collection methodologies.

The objectives of this transition are to provide a more holistic understanding of sustainability at farm level, which is crucial for informed EU policymaking. A significant part of this effort involves expanding the scope of data to align with the European Green Deal and CAP reform objectives. The processes for data collection within each Member State are adapted. An overview of differences between FADN and FSDN can be seen in Table 1.

Table 1: Overview of differences between FADN and FSDN

FADN	FSDN
Focus on economic performance	Multidimensional focus including further economic topics, environmental and social aspects
Analysis linked to CAP needs in relation to economic objectives	Broader scope on the agricultural sector
"Stand alone" dataset	Improved interoperability and data sharing with other datasets at national and EU level
Information used for economic analysis and support to the CAP	Enhanced and broader use of data, benchmarking to farmers

A list of all economic, environmental and social topics covered by FSDN, including topics currently collected in FADN, can be found in Table 2.

Table 2: List of topics covered by variables in the FSDN

Economic	Environmental	Social
General information on the holding	Farming practices	Labour
Type of occupation	Soil management	Education

Assets and investments	Nutrient use and management	Gender balance
Quotas and other rights	Carbon farming	Working conditions
Debts and credits	Greenhouse gas emissions and removals	Social inclusion
Value added tax	Air pollution	Social security
Inputs	Water use and management	Infrastructure and essential services
Land use and crops	Plant protection use	Generation renewal
Livestock production	Antimicrobial use	
Animal products and services	Animal welfare	
Market integration	Biodiversity	
Quality products – geographical indications	Organic farming	
Membership in producer organisations	Certification schemes	
Risk management	Energy consumption and energy production	
Innovation and digitalisation	Food loss on primary production level	
Other gainful activities related to the holding	Waste management	
Subsidies		
Indicative share of off-farm income		

The development timeline of FSDN reflects ongoing efforts to modernise agricultural data collection to better support evidence-based policymaking and feedback to farmers. Key milestones include the expansion of data points beyond economic performance to include social and environmental metrics and enhancing the ability to analyse the long-term viability and resilience of farms. By incorporating these elements, FSDN aims to better serve both policymakers and stakeholders in addressing the challenges faced by the agricultural sector.

There are several intended interactions with other data surveys / data sets at EU level:

- The Integrated Farm Statistics (IFS)[1] is currently linked to the FADN/FSDN methodology as it sets the basis for selecting the agricultural holdings that are part of the FADN/FSDN sample.
- At national level, Member States can use other national datasets to fill in the FADN/FSDN information.
- At EU level, with the aim to improve the analytical potential, in addition to the farm return (FADN/FSDN questionnaire), Member States must set out the links between the holding for which data are being collected and the identifiers pertaining to that holding in the Database for interventions and beneficiaries, part of the Data for Monitoring and Evaluation (DME) (Annex IV to Regulation (EU) 2022/1475) and the Integrated Administration and Control System (IACS).

The timeline for the future development of the FSDN includes several key milestones:

- **2025-2027**: Full-scale data collection under the FSDN is expected to be phased in, with Member States progressively expanding the scope of sustainability indicators covered, with key milestones in 2025 and 2027 in terms of data collection years. This period will also involve the training of liaison agencies, data collectors and farmers, to ensure they can meet the new data collection requirements.
- **2028 onwards**: By the end of the current CAP programming period, the first data collected in 2025 will be available at EU level. The FSDN aims to be fully operational across all EU Member States by the end of 2027, with data available at EU level in 2029.

3. Uses and benefits of FSDN

The FSDN offers several key benefits that can contribute to the advancement of EU agricultural policy and sustainability. First of all, it will provide an extensive farm level database that supports the development of evidence-based agricultural policies and more specifically, sustainability analysis at both national and EU levels[2]. Additionally, FSDN will increase the understanding of the entire ecosystem of the farm, helping policy makers tailor support mechanisms that are better aligned with the diverse needs of different types of farms.

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[1] Integrated Farm Statistics Manual | 2023 edition - IFS-Integrated-Farm-Statistics - EC Public Wiki.
[2] Improved collection of data on sustainability thanks to the new Farm Sustainability Data Network. Directorate-General for Agriculture and Rural Development. 25 October 2024.

The FSDN will allow for regular feedback to farmers through various forms of benchmarking,, hence contributing to improving farm management. It is therefore vital to harmonise data collection across Member States, and to ensure data accuracy and comparability.

Of critical importance will be user friendly benchmarking data becoming available to a wide range of stakeholders, especially farmers themselves, facilitating improved farm management decisions.

4. Evaluation perspective on FSDN

The FADN has been widely used for the evaluation of the contribution of the CAP towards its policy objectives. While initially FADN had only been used for economic analysis, increasingly its potential for the assessment of environmental impacts of the CAP are being explored, especially where it was possible to further enlarge the FADN dataset or to cross it with other data sources.

For ex ante evaluations, the FADN data can not only be used as input for simulation models, but they are also used for the assessment of the contribution of the CAP support towards its objectives, during implementation or ex post. This comes from the ability of FADN to allow the construction of groups of holdings with very similar characteristics which differ only in their decision to participate or not in the interventions that are evaluated. By comparing the performance of these groups over time, evaluators can isolate the effect of the CAP in relation to the economic, and, if data are available, the environmental performance of the supported holdings.

The challenges evaluators face when using FADN data come from the fact that the dataset does not explicitly include detailed information about how each individual holding participates or not in the different CAP supported interventions or information about the management practices implemented at the farm level that are beneficial to the environment and/or climate. To overcome these challenges, evaluators must combine FADN data with other datasets, which is not always straightforward or possible. In particular, the link between FSDN and the disaggregated data on interventions and beneficiaries[3] should improve this information at EU level.

The transition to the FSDN will contribute significantly to mitigate these challenges, both through supplementing the farm-level economic variables with environmental and social ones and through the facilitation of the combination of the dataset with DME and

[3] Interventions/Beneficiaries (EAGF/EAFRD) - SFC Support Portal System for Fund Management in the European Union

IACS. Thus, the FSDN will play a crucial role in assessing the progress of the CAP towards sustainability goals. Its data will help assess the impact of CAP support and contribute to transition to a greener and more sustainable model for the EU's agricultural sector. At the Member State level, the FSDN is expected to improve the quality of the evaluations of the CAP Strategic Plans and promote transparency, accountability, and continuous improvement of the response of the CAP to the specific needs and sustainability challenges of each Member State's farming sector.

5. Issues and potential questions for discussion

The transition from FADN to FSDN poses several challenges. Given that participation is still voluntary for farmers, there is a critical need to bring farmers themselves on board, including addressing concerns about the effort needed to compile the necessary information. It is also vital to ensure data accuracy and comparability. However, the broader data set promises to provide a more complete picture of the sustainability performance of EU farms.

A non-exhaustive list of challenges/open questions that can be addressed in the workshop is provided below.

Table 1: Overview of issues identified

Issue	Example
Data collection burden on farmers	• Potential resistance to participation due to increased data reporting requirements
Ensuring data protection, ownership, privacy and confidentiality	• Developing protocols for protecting sensitive farm-level data, farmers should have permanent control of their data, and that data collected for the FSDN must under no circumstances be used for controlling and sanctioning farmers, as provided for the FSDN EU Regulation
Integration with existing systems	• Aligning FSDN data collection with other EU-wide databases for consistency and improved analysis
Participation incentives	• Encouraging farmers to participate actively in data collection through incentives or support mechanisms
Addressing disparities between Member States	• More should be done to build a common data space for agriculture, promoting co-ownership of data and data cooperatives in the agrifood sector

Ensuring that MS organisations in the system have the new competencies required	• Different data collection requirements for, for example, biodiversity and water management variables. Different methodologies required for generating sustainability indicators
Broadband in rural areas	• More efforts should be delivered in reducing white zones and providing phone connectivity and broadband in rural areas

These issues, and possibly others, will be critical points of discussion during the workshop, aiming to find workable solutions that align the interests of farmers, policymakers, and stakeholders.

While it is accepted that challenges remain; it is evident that the FSDN will be a key resource for both policymakers and farmers, promoting transparency, accountability, and continuous improvement in EU agriculture.

Disclaimer
This document has been developed as part of the work carried out by the CAP Implementation Contact Point under the EU CAP Network to support the activities of the workshop on the FSDN. The information and views set out in this document do not necessarily reflect the official opinion of the European Commission.

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