

REGULATION No 79/65/EEC OF THE COUNCIL

of 15 June 1965

setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Economic Community

THE COUNCIL OF THE EUROPEAN ECONOMIC COMMUNITY,

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

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament¹;

Whereas the development of the common agricultural policy requires that there should be available objective and relevant information on incomes in the various categories of agricultural holding and on the business operation of holdings coming within categories which call for special attention at Community level;

Whereas the accounts of agricultural holdings constitute the basic source of essential data for any assessment of incomes on agricultural holdings or study of their business operation;

Whereas the data collected must be obtained from agricultural holdings specially and suitably selected in accordance with common rules and must be based on verifiable facts; whereas such data must reflect technical, economic and social conditions on the holdings involved, be taken from individual holdings, be available as quickly as possible, be based on uniform definitions, be presented in a common form and be usable at all times and in full detail by the Commission;

Whereas these objectives can be attained only by means of a Community network for the collection of farm accountancy data, based on the farm accountancy offices existing in each Member State, enjoying the

confidence of the parties concerned and relying on their voluntary participation;

Whereas the complexity, both at Community and at Member State level, of the work involved in creating a Community network for the collection of farm accountancy data is such that the setting up of the accounting system must proceed gradually, thus entailing for the first few years a limited field of survey;

Whereas in selecting agricultural holdings and analysing and evaluating the data collected it is necessary to refer to data derived from other sources;

Whereas farmers must be given an assurance that their accounts and all other individual details obtained in implementation of this Regulation will not be used for taxation purposes or divulged by persons participating or having participated in the Community farm accountancy data network;

Whereas, in order that it may satisfy itself as to the objectivity and relevance of the data collected, the Commission must be in a position to obtain all necessary details concerning the manner in which the bodies entrusted with the selection of agricultural holdings and the accountancy offices participating in the Community farm accountancy data network discharge their duties and, if necessary, to send experts to work on the spot with the collaboration of the competent national authorities;

Whereas, to facilitate implementation of the provisions envisaged, a procedure should be provided for whereby the Member States and the Commission may co-operate closely within a Community committee;

Whereas after the Community farm accountancy data network has been in operation for a few years the Commission will be in a position to report on experience gained and to propose any necessary amendments to this Regulation;

¹ OJ No 157, 30.10.1963, p. 2653/63.

HAS ADOPTED THIS REGULATION:

CHAPTER 1

Creation of a farm accountancy data network for the European Economic Community

Article 1

1. To meet the needs of the common agricultural policy, there shall be set up a Community network for the collection of farm accountancy data, hereinafter called the 'data network'.
2. The purpose of the data network shall be to collect the accountancy data needed for, in particular:
 - (a) an annual determination of incomes on agricultural holdings coming within the field of survey defined in Article 4; and
 - (b) a business analysis of agricultural holdings.
3. The data obtained pursuant to this Regulation shall serve primarily as the basis for annual report by the Commission to the Council on the situation of agriculture and of agricultural markets in the Community.

Article 2

For the purposes of this Regulation:

- (a) 'operator' means the natural person responsible for the day-to-day management of an agricultural holding;
- (b) 'category of holding' means a group of agricultural holdings having the same characteristics according to the criteria listed in Article 4 (3) (a);
- (c) 'returning holding' means any agricultural holding making returns for the purposes of the data network;
- (d) 'division' means the territory of a Member State, or any part thereof as delimited with a view to the selection or returning holdings; a list of such divisions appears in the Annex to the Regulation.
- (e) 'accountancy data' means any technical, financial or economic data relating to an agricultural holding derived from accounts consisting of entries made systematically and regularly throughout the accounting year.

CHAPTER II

Determination of incomes on agricultural holdings

Article 3

The provisions of this Chapter concern the collection of accountancy data for the purpose of making an annual determination of incomes on agricultural holdings.

Article 4

1. The field of survey referred to in Article 1 (2) (a) shall cover those agricultural holdings, which:
 - are run as market-oriented holdings, and
 - provide the main occupation of the operator.
2. (a) During the first three years of operation of this Regulation, data shall be taken only from those agricultural holdings within the field of survey defined in paragraph 1 having an area exceeding five hectares.

This limitation as to area shall not apply, however, in respect of holdings more than half of whose output consists of one or more of the following products: wine, fruit, vegetables, olive products.

For this period, the number of returning holdings shall be ten thousand.

- (b) Before the end of this period, the Council, acting by a qualified majority on a proposal from the Commission, shall determine the increase to be made in the number of returning holdings for future years and shall lay down a timetable for gradually extending the survey to cover those agricultural holdings within the field of survey which were excluded during the first three years.
3. To qualify as a returning holding for the purpose of paragraphs 1 and 2, an agricultural holding shall satisfy the following conditions:
 - (a) the holding must be characteristic of its division as regards:
 - type of farming,
 - area,
 - labour force (numbers and density),
 - type of occupancy;
 - (b) the person farming the holding must be a person willing and able to keep farm accounts and willing to allow the accountancy data from his holding to be made available to the Commission;

(c) the conditions of production on the holding and its location in relation to markets must be such as to be regarded as normal for the division in question.

4. Detailed rules for the implementation of this Article, laying down in particular the number of returning holdings per division, shall be adopted in accordance with the procedure laid down in Article 19.

Article 5

1. Each Member State shall, within three months from the date of entry into force of this Regulation, set up for each of its divisions a Committee, hereinafter called 'Regional Committee'.

2. A Regional Committee shall consist of not more than twelve members, representing:

- the administrative authorities,
- farmers,
- farm accountancy offices, and,
- in so far as such exist in the division and their co-operation is necessary, the bodies concerned with agricultural economics, agricultural education and advisory services, agricultural extension work, agricultural statistics and agricultural credit.

3. The Chairman of a Regional Committee shall be appointed by the Member State from among the members of that Committee.

Decisions of a Regional Committee shall be unanimous; where unanimity cannot be reached, decisions shall be taken by an authority designated by the Member State.

A Regional Committee may obtain the assistance of experts.

4. The duties of a Regional Committee shall be:

- (a) to determine the categories of holding to be found in its division and to ascertain the numerical distribution of holdings among the various categories. In so doing it shall base itself principally upon available statistics;
- (b) to fix the number of returning holdings per category, having regard to the distribution pattern referred to in subparagraph (a), the number of returning holdings fixed for its division as provided in Article 4 (4) and the need for proper representation of each category;

(c) to select the returning holdings, having regard to the provisions of Article 4 (3) and to its own decisions under subparagraphs (a) and (b) of this paragraph;

(d) to compile a list of the holdings selected, specifying for each:

- the characteristics justifying its selection and its placing within a given category;
- the accountancy office, chosen as provided in Article 8;

and to send that list to the liaison agency provided for in Article 6.

5. Detailed rules for the implementation of this Article shall be adopted in accordance with the procedure laid down in Article 19.

Article 6

1. Each Member State shall, within two months following the date of entry into force of this Regulation, appoint a liaison agency.

2. The duties of a liaison agency shall be:

- to inform the Regional Committees and accountancy offices as to the detailed implementing rules concerning them, in order to ensure that such rules are applied in a uniform manner;
- to compile and send to the Commission lists of the accountancy offices willing and able to complete farm returns in accordance with the terms of the contracts provided for in Articles 9 and 14;
- to forward to the Commission the lists of returning holdings compiled by the Regional Committees in accordance with the provisions of Article 5 (4), after verifying that such lists have been properly drawn up;
- to assemble the farm returns sent to it by the accountancy offices and to verify that they have been duly completed;
- to forward the farm returns duly completed to the Commission;
- to pass on to the Regional Committees and to the accounting offices the requests for information mentioned in Article 16 and to forward the relevant answers to the Commission.

3. Detailed rules for the implementation of this Article shall be adopted in accordance with the procedure laid down in Article 19.

Article 7

1. Each returning holding shall be the subject of an individual and anonymous farm return.

2. The accountancy data provided by each farm return must be such that it is possible:

- to characterise the accounting holding by reference to the main elements of its factors of production;
- to assess the income of the holding in its various forms;
- to test by means of spot-checks the veracity of the information given.

3. The type of accountancy data to be given in a farm return, the form in which such data are to be presented and the definitions and instructions relating thereto shall be determined in accordance with the procedure laid down in Article 19.

Article 8

A farmer whose holding is selected as a returning holding shall choose from a list compiled for the purpose by the liaison agency an accountancy office willing to complete the return for his holding in accordance with the terms of the contract provided for in Article 9.

Article 9

1. A contract shall be concluded annually on the authority of the Member State between the competent authority designated by the latter and each accountancy office chosen as provided in Article 8. Under this contract the accountancy office will undertake, in consideration of a standard fee, to complete farm returns in a manner consistent with the provisions of Article 7.

2. The terms of this contract, which must be uniform in all Member States, shall be determined in accordance with the procedure laid down in Article 19.

The supplementary terms which may be included in this contract by Member States shall be determined in accordance with the same procedure.

3. Where the duties of an accountancy office are carried out by an administrative department, the

latter shall be notified as to its duties through the normal administrative channels.

CHAPTER III

Collection of accountancy data for the purpose of a business analysis of agricultural holdings

Article 10

The provisions of this Chapter concern the collection of accountancy data for the purpose of a business analysis of agricultural holdings.

Article 11

There shall be determined in accordance with the procedure laid down in Article 19:

- the subjects of the analyses mentioned in Article 1 (2) (b);
- detailed rules concerning the selection and number of returning holdings, these being established according to the objectives of each particular analysis.

Article 12

1. Each returning holding selected in accordance with the second indent of Article 11 shall be subject of a special farm return, which shall be individual to that holding and anonymous. This farm return shall include the accountancy data required under Article 7 (2) and all such further accountancy items and details as each particular analysis may require.

2. The type of accountancy data to be given in a special farm return, the form in which such data are to be presented and the definitions and instructions relating thereto shall be determined in accordance with the procedure laid down in Article 19.

3. Special farm returns shall be completed by the various accountancy offices chosen as provided in Article 13.

Article 13

A farmer whose holding is selected in accordance with the second indent of Article 11 shall choose from a list compiled for the purpose by the liaison agency an accountancy office willing to complete the special return for his holding in accordance with the terms of the contract provided for in Article 14.

Article 14

1. A contract shall be concluded on the authority of the Member State between the competent authority designated by the latter and each accountancy office chosen as provided in Article 13. Under this contract the accountancy office will undertake, in consideration of a standard fee, to complete special farm returns in a manner consistent with the provisions of Article 12.

2. The terms of this contract, which must be uniform in all Member States, shall be determined in accordance with the procedure laid down in Article 19.

The supplementary terms which may be included in this contract by Member States shall be determined in accordance with the same procedure.

3. Where the duties of a accountancy office are carried out by an administrative department, the latter shall be notified as to its duties through the normal administrative channels.

CHAPTER IV
General provisions

Article 15

1. It shall be prohibited to use for taxation purposes any individual accountancy data or other individual details obtained in implementation of this Regulation.

2. It shall be prohibited for any person participating or having participated in the data network to divulge any individual accountancy data or any other individual details of which knowledge was acquired in the exercise of his duties or otherwise incidentally to such exercise.

3. Member States shall take all appropriate measures to penalise infringement of the provisions of paragraph 2.

Article 16

1. The Regional Committees and accountancy offices shall be bound, within their respective areas of responsibility, to furnish the Commission with all information which the latter may request of them regarding the discharge of their duties in implementation of this Regulation.

Such requests for information and the relevant answers shall be forwarded in writing through the liaison agency.

2. If the information supplied is inadequate or if such information fails to arrive in good time, the Commission may, with the collaboration of the liaison agency, send experts to work on the spot.

Article 17

There is hereby set up a Community Committee for the Farm Accountancy Data Network, hereinafter called the 'Community Committee'.

Article 18

1. The Community Committee shall consist of representatives of the Member States and of the Commission. Each Member State shall be represented on the Community Committee by not more than five officials.

The Chairman of the Community Committee shall be a representative of the Commission.

2. Where the procedure laid down in Article 19 is applied, the votes of Member States shall be weighted as provided in Article 148 (2) of the Treaty. The Chairman shall not vote.

Article 19

1. Where the procedure laid down in this Article is to be followed, matters shall be referred to the Community Committee by the Chairman, either on his own initiative or at the request of the representative of a Member State.

2. The representative of the Commission shall submit a draft of the measures to be adopted. The Community Committee shall deliver its opinion on such measures within a time limit set by the Chairman having regard to the urgency of the matter. Opinions shall be delivered by a majority of twelve votes.

3. The Commission shall adopt measures which shall apply immediately. However, if these measures are not in accordance with the opinion of the Community Committee, they shall forthwith be communicated by the Commission to the Council. In that event the Commission may defer application of the measures which it has adopted for not more than one month from the date of such communication.

The Council, acting by a qualified majority, may take a different decision within one month.

Article 20

1. The Community Committee shall be consulted:
 - (a) for the purpose of verifying that the selection of returning holdings under Article 5 has been carried out in conformity with the provisions of Article 4;
 - (b) for the purpose of analysing and evaluating the accountancy data furnished by the data network, while having regard in particular to data deriving *inter alia* from farm accounts and statistics generally and from national accounts.
2. The Community Committee may examine any other question raised by its Chairman, either on his own initiative or at the request of a representative of a Member State.

It shall be kept regularly informed of the working of the data network.

Article 21

The Chairman shall convene the meetings of the Community Committee.

Secretarial services for the Community Committee shall be provided by the Commission.

The Community Committee shall draw up its own rules of procedure.

Article 22

1. Appropriations to cover those costs of the data network attributable specifically to payment of fees to accountancy offices in consideration of their performance of the duties referred to in Articles 9 and 14 shall be included in the Community budget, in the Commission section.

2. Costs in respect of the setting up and operation of the Regional Committees and liaison agencies shall not be included in the Community budget.

Article 23

Before 1 January 1970 the Commission shall submit to the Council a full report on the operation of the data network, together with any proposal for amending this Regulation.

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

Done at Brussels, 15 June 1965.

For the Council

The President

M. COUVE de MURVILLE

ANNEX

List of divisions referred to in Article 2 (d)

GERMANY	<ol style="list-style-type: none">1. Schleswig-Holstein2. Niedersachsen3. Nordrhein-Westfalen4. Hessen5. Rheinland-Pfalz6. Baden-Württemberg7. Bayern8. Saarland9. Hamburg10. Bremen11. Berlin
FRANCE	<ol style="list-style-type: none">1. Nord, Picardie2. Basse-Normandie, Haute-Normandie3. Bretagne, pays de la Loire, Poitou-Charente4. Centre, Région parisienne5. Franche-Comté, Champagne, Bourgogne6. Lorraine, Alsace7. Limousin, Auvergne8. Rhône-Alpes9. Aquitaine, Midi-Pyrénées10. Languedoc, Provence-Côte d'Azur-Corse
ITALY	<ol style="list-style-type: none">1. Piemonte, Valle d'Aosta2. Lombardia3. Veneto, Trentino-Alto Adige, Friuli-Venezia Giulia4. Liguria5. Emilia-Romagna6. Toscana7. Umbria, Marche8. Lazio, Abruzzi9. Campania, Calabria, Molise10. Puglia, Basilicata11. Sicilia12. Sardegna
BELGIUM	Constitutes a single division
LUXEMBOURG	Constitutes a single division
NETHERLANDS	Constitutes a single division