

FARM ACCOUNTANCY DATA NETWORK STRUCTURES IN THE EUROPEAN UNION AND POSSIBLE VARIANTS FOR ROMANIA

The present paper aims to present the principals types of Farm Accountancy Data Network (F.A.D.N.) existing in European Union countries as the possibles variants for Romania.

In the first part are analysed the national structures of F.A.D.N. (in E.U.) and the differences which appears from one country to another.

The second part treat the Romanian initiatives to achive a similar network like that from E.U. Are proposed in this way four variants, a special interest being granted to a mixed structure that put into gear more governmentals and non governmentals institutions. This last variant combine the advantages from each institution and assure a co-operation between three competents parts with prerogatives in this domain (Ministry for Agriculture and Food, Research Institutes, National Agency for Agricultural Consulting).

1. FADN structures in the European Union

Farm accountancy data network (FADN) is a network of institutions and organizations involved in data collection from the agriculture of EU members. The main objective is to provide an informational support to Direction for Agriculture of European Commission in the elaboration process of Common Agricultural Politics.

FADN was founded in 1965; this structure joined all the members of EU since then. Later, the network was extended also to the states newcomers in EU.

The principal task of this network is to collect data from EU members agriculture by questionnaires system applied on farmers samples. The analysis by questionnaires touches all the agricultural and non agricultural activities (including tourism and forestry). The collected data are processed into information that show, mainly, the agricultural revenues level, the economic

situation of farms and the effects of different agricultural policies [1]. The network analyses unitarily all the collected data and information. It results to be a complex action owing to big amount of data as well as the necessity of an adequate representation of the farms from all geographical regions of EU. At the same time, the terms used in questionnaires and the technico-economic indicators have the same meaning for all the EU members.

FADN from EU present a pyramidal structure with the staff at Brussels, subordinated only to the Direction for Agriculture and to the European Commission. In each EU member there is a national organism for contact with a task to organize data collection from the respective state. In case it's not involved directly in the collection operation then the responsibility to realize this action incumbe on other institutions subordinated. As a rule the national organism for contact is the Ministry for Agriculture and Food, its actions on the way of agricultural information collection being supervised by a national committee of FADN. Sometimes this Ministry may be substituted in this position by the Institute for Agrarian Economy (in Italy) or by the Central Statistics Office (in Ireland). The national organism for contact, collaborates in the territory with research institutes, consulting centers, universities and private accounting offices that assume the responsibility for data collection. At the same time to these institutions incumbe the difficult task of constitution of farms samples that will be studied (professional farms that have to surpass a minimum level of economic size).

Oversimplified, the circuit of farm accountancy data in EU is presented in fig. 1.

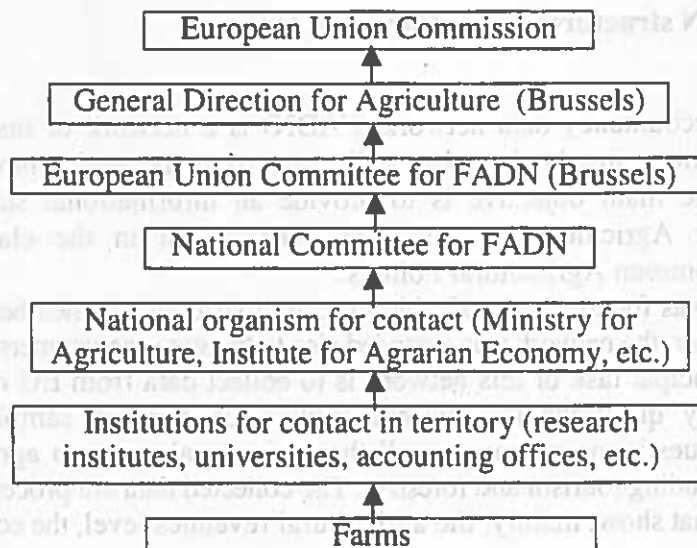


Fig. 1 – Standard structure for FADN in the European Union

From the point of view of hierarchical levels, the network has the same form in all the EU members. Generally the first four levels are the same. Differences start to appear, from one country to another, as concerns the institutions that are either for contact or for data collection. These differences proceed from the fact that FADN structure is influenced by a series of elements like the size of country area, the size of agricultural area, administrative organization of territory and the autonomy of the same regions, the size of farms and the technico-economic specialization.

Next will be presented the main types of FADN from the EU members [2]:

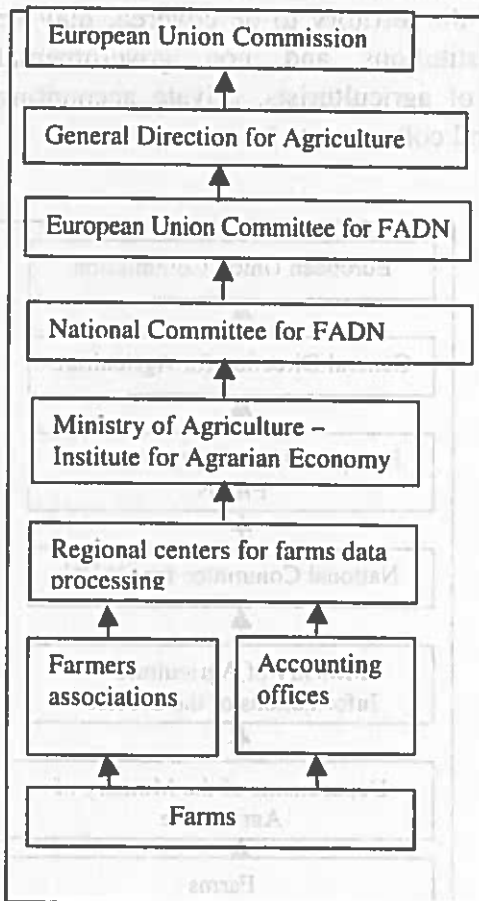


Fig. 2 – FADN structure in Germany, Belgium and Denmark

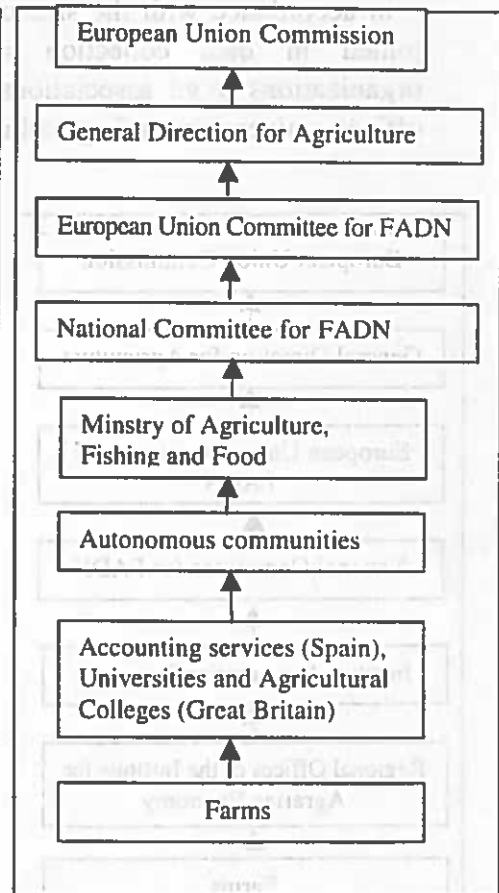


Fig. 3 – FADN structure in Great Britain and Spain

Comparing the different types of FADN we can remark the following important features:

- the national organism for contact is, mainly, either the Ministry for Agriculture or the Institute for Agrarian Economy. The last may be included in the structure of the Ministry of Agriculture (in Germany, Belgium and Denmark). A special case is Ireland where the organism for contact is the Central Statistics Office.
- the national organism for contact assures its necessary farm accountancy data by co-operation with regional organisms/institutions or by departments from its structure that collect and process data concerning certain agricultural activity (e.g.: Greece).
- in accordance with the size of the territory to be covered, may be joined in data collection institutions and non governmental organizations (e.g.: associations of agriculturists, private accounting offices, universities and agricultural colleges, etc.)

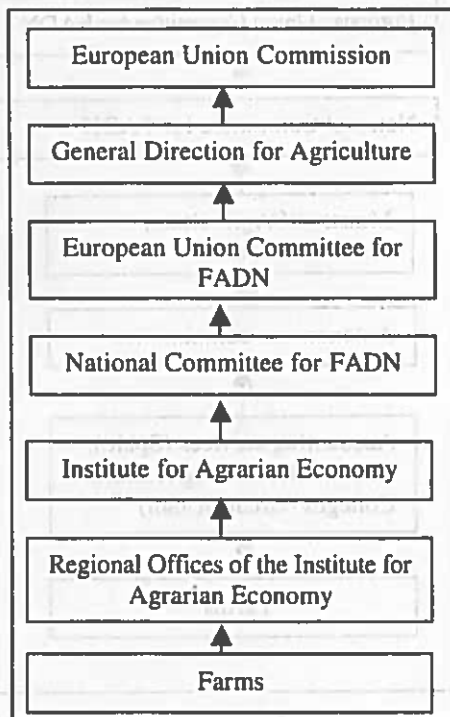


Fig. 4 – FADN structure in Italy and Holland

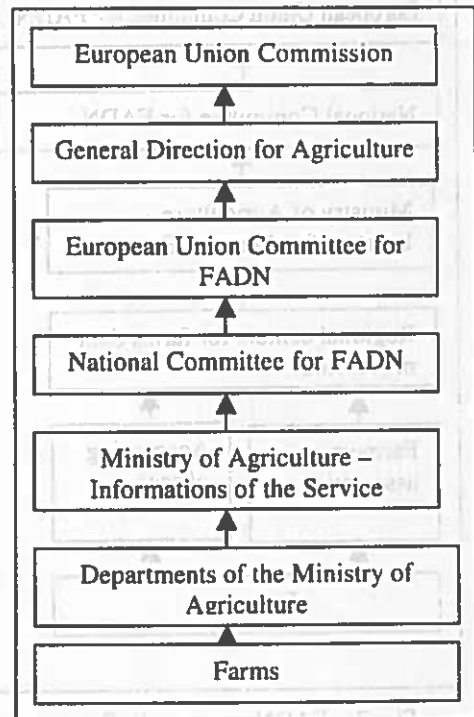


Fig. 5 – FADN structure in Greece

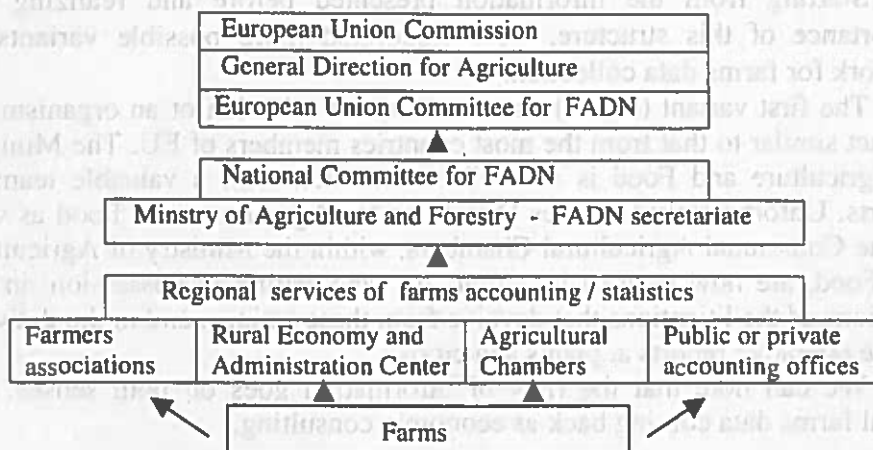


Fig. 6 – FADN structure in France, Luxemburg, Portugal

2. Variants for farm accountancy data network in Romania

In Romania, by Governmental Resolution no. 390/1997, was approved a new schema of structure and functions for the Ministry of Agriculture and Food. At this level appeared new directions and compartments with new missions. In the prospective joining the European Union and if the Ministry of Agriculture and Food will be designated a national organism for contact for FADN at least two directions from this ministry could be involved directly: the Statistics and Informatic Direction and the International Organisms Direction [3].

Also, in the interval 1994 – 2000, with assistance from EU by PHARE funds appeared more consulting firms for agriculture and were tested more pilot projects at the level of Romanian farms. These projects had as objective to extend the number of farms that joined a consulting firm for a better management. With the occasion of computerized data processing at farms level it was possible to obtain more lists with technico-economic indicators as well as sets of informations in the form required for FADN from EU.

The FADN achievement in Romania is a feasible project in the conditions of INTERNET spreading. By this modern way of data teletransmission it would remain to solve the problem of management and the selection of institutions to compose the network.

Starting from the information presented before and realizing the importance of this structure, were elaborated more possible variants of network for farms data collection:

The first variant (Fig. 7) stands out by the selection of an organism for contact similar to that from the most countries members of EU. The Ministry of Agriculture and Food is a credible institution with a valuable team of experts. Unfortunately Counties Directions for Agriculture and Food as well as the Communal Agricultural Chambers, within the Ministry of Agriculture and Food, are now implied in actions for land setting in possession, in the solutions of the litigations that devolve from these actions, and in the drawing up the operative reports at plants and crops.

We can note that the flow of information goes on both senses, the initial farms data coming back as economic consulting.

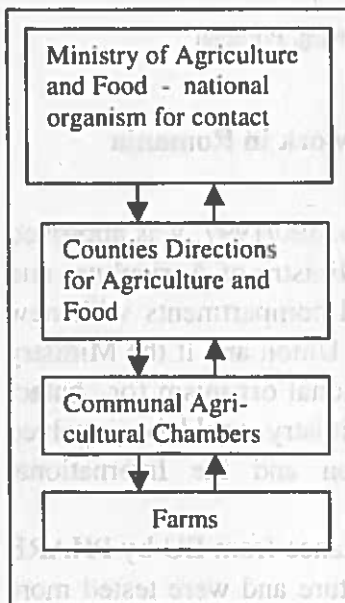


Fig. 7 - The first FADN variant having in structure the network of the Ministry of Agriculture and Food

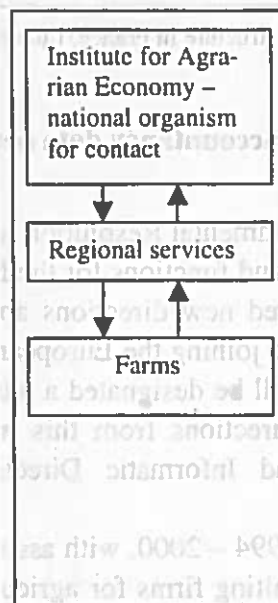


Fig. 8 - A Second FADN variant having in structure the Institute for Agrarian Economy - Bucharest

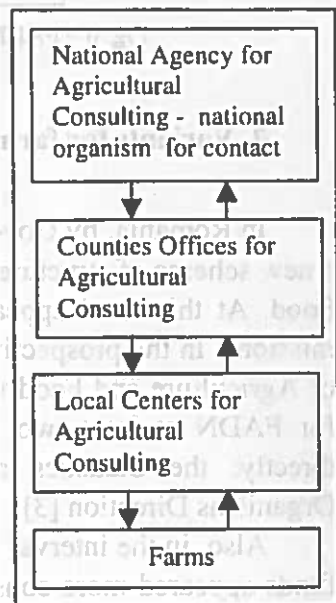


Fig. 9 - The third FADN variant having in structure the network of the National Agency for Agricultural Consulting

A second variant (Fig. 8), having the Institute for Agrarian Economy as a national organism for contact, could be a viable variant for a FADN but only if this institute has regional offices. Unfortunately the transition period

to a market economy determined a difficult financial situation at these regional offices (Regional Centers for Agrarian Economy), their number decreasing. A reconsideration of the research activity could constitute a premise for a reinforcement of these centers, with important impact for the FADN achievement in Romania.

The selection of the National Agency for Agricultural Consulting (NAAC) as a national organism for contact (Fig. 9) may be taken into consideration owing to its ramification in all the counties (by Counties Offices for Agricultural Consulting) and communes (by Local Centers for Agricultural Consulting) up to the farmers [4]. The NAAC experience in the informing actions with the farmers and the permanent dialogue with these maintain the idea of FADN achievement on this channel. It must be mentioned the involving of NAAC, by its counties offices, in informing actions concerning the utility of book-keeping evidence at farms level as well as the suitability of these reckonings for future decisions at micro and macroeconomic level [5].

The disadvantage of this variant consists in the fact that, owing to data collection by NAAC structures, is not assured the participation of farmers associations and research institutes. This disadvantage may be avoided by considering a fourth variant that constitutes the most functional and realistic network for Romania.

As part of the last variant (Fig. 10) the Ministry of Agriculture and Food, as national organism for contact, may organize the data collection by a specialized and professional institution, with experience in this kind of actions: the Institute for Agrarian Economy. This co-operate with NAAC having ramifications in each commune, realizing the contact with the farmers. May be involved in the action of farm data collection and processing diverse research institutes, research centers and farmers associations.

The advantages of this FADN variant could be:

- an adequate organizational framework for permanent contact with the farmers;
- a good knowledge of a situation in the territory and a professional team of advisers;
- the utilization of specific methods and techniques of consulting activity with effects on the changing of farmers outlook and the increasing of their interest at all that is new;

- the possibility to involve NAAC advisers and experts from the research institutes in the questionnaire filling in and the farmers preparation for this;
- modalities of farmers documentation and information with papers from the research institutes;
- means for farms questionnaires processing at local level, offering to the farmers technico-economic information and consulting after their activity analysis.

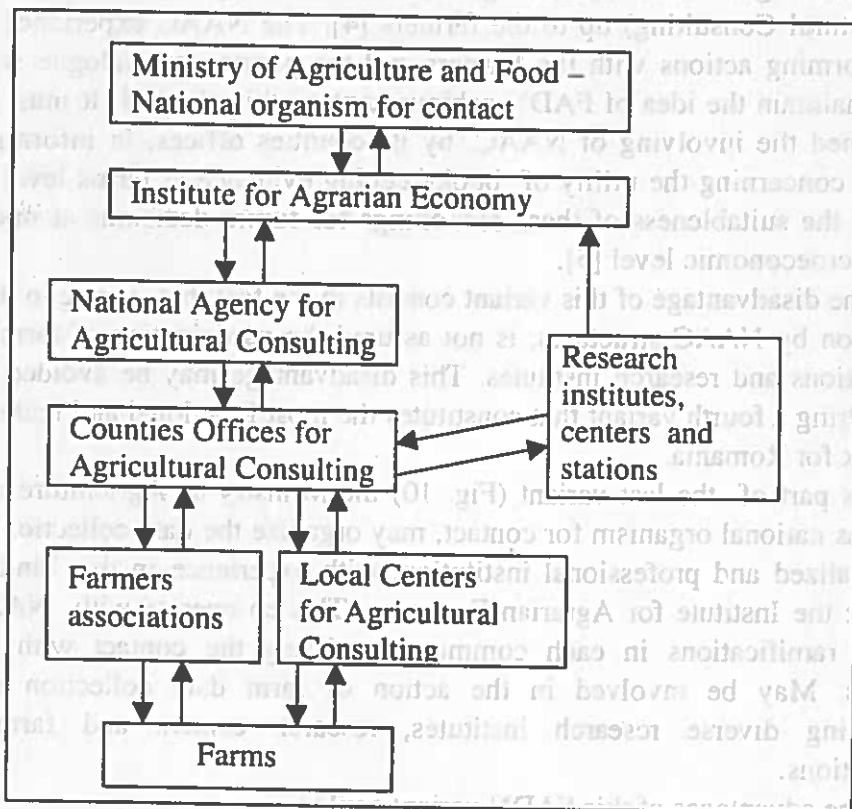


Fig. 10 - A fourth FADN variant

In the prospective EU joining of Romania it is more necessary the setting up of a network with functions of FADN similar to those in EU. This network will be a valuable source of information both the institutions with decisional power from inside the country and the EU institutions involved in the Common Agricultural Politics.

References

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