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FACULTY OF AGRICULTURE**



**Book of Proceedings**

**The Seminar**

**AGRICULTURE AND RURAL DEVELOPMENT -  
CHALLENGES OF TRANSITION AND  
INTEGRATION PROCESSES**

**50<sup>th</sup> Anniversary**

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# ESTABLISHMENT OF THE SERBIAN FADN INSTITUTIONAL FRAMEWORK<sup>1</sup>

*Ivana Ivkov<sup>2</sup>, Zorica Vasiljevic<sup>3</sup>, Rino Ghelfi<sup>4</sup>*

## *Summary*

*While the Republic of Serbia is increasingly moving towards EU integration, and while one of the many EU requirements is the yearly transmission of the accountancy data that are important for the annual determination of the incomes of agricultural holdings and analysis of their business operation, the need to establish and develop Serbian Farm Accountancy Data Network (FADN) system becomes a crucial strategic option. This research paper describes how this requirement has been fulfilled for the Republic of Serbia, with special focus on FADN institutional framework.*

*In this paper it is used unique replicable European Union (EU) methodology that has been applied and adjusted in accordance with national conditions. Furthermore, a comparative research method was used in a particular area of this study, which aimed to make comparisons across different FADN institutional framework of certain EU member states and Republic of Serbia.*

*The results of this research paper showed that the FADN institutional frameworks in EU member states as well as institutional framework of the Republic of Serbia as candidate country have been established on the same bases, such as accountancy data collection–processing–transmission chain. However, the FADN*

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Author wishes to use this opportunity and express deepest gratitude also to her friend Elma Filipovic (Directorate for European Integration of Bosnia and Herzegovina) for her valuable assistance and support.

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*institutional frameworks in EU member states are different and complex. Furthermore, taking into consideration comparison of the current state of FADN institutional framework in certain EU member states and Republic of Serbia, this paper demonstrated that although currently there is no specific sub-legal act, that prescribes the functioning of the FADN system in Serbia, there is a dynamic phase at an early stage of the Serbian FADN institutional framework development.*

*Evidently, it is in development and needs to be further improved and strengthened while the sub-legal act, that prescribes the functioning of the FADN system, needs to be adopted.*

*Consequently, for completed Serbian FADN system establishment and its sustainable development and functioning, there are still many challenges to overcome.*

**Key words:** *FADN, institutional framework, Republic of Serbia, EU*

## **1. Introduction**

Today, Serbia is modern country in transition, recognizing in agricultural sector the needs for viability of innovation in farm accounting and its consequences for data gathering for economic and policy analysis in Farm Accountancy Data Network (FADN).

In contrast to EU member states, Serbia doesn't have farm accounting legal base and as a consequence, in the last years there has been a growing interest for financial results of the agricultural holdings and analysis of their business operation. As the result of the above-mentioned and since the Republic of Serbia is increasingly moving towards EU integration and moreover, taking into consideration that the establishment and functioning of FADN system is one of the preconditions to join the EU, the need to establish and develop FADN system becomes an important strategic option. On this basis, the establishment of Serbian FADN system has officially been introduced in late 2011<sup>5</sup>.

## **2. Methodology**

In this paper it is used unique replicable European Union (EU) methodology that has been applied and adjusted in accordance with national conditions.

Furthermore, a comparative research method was used in a particular area of this

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<sup>5</sup> Establishment of FADN system is assisted by the project "Establishment of the Serbian Farm Accountancy Data Network (FADN)" financed under EU IPA 2010 programming cycle.

study, which aimed to make comparisons across different FADN institutional framework of certain EU Member States (such as Republic of Poland, Republic of Estonia, Republic of Croatia) and Republic of Serbia.

### **3. An overview of the European Union FADN system**

The legislation establishing FADN is Council Regulation 79/65/EEC of 15 June 1965. The Farm Accountancy Data Network (FADN) is a European system of sample surveys conducted every year to collect structural and accountancy data on farms, with the aim of monitoring the income and business activities of agricultural holdings and evaluating the impact of the measures taken under the Common Agricultural Policy. The annual survey is carried out by the each member states of the European Union.

Holdings are selected to take part in the survey on the basis of sampling plans established at the level of each region in the Union. The survey does not cover all the agricultural holdings in the Union but only those which due to their size could be considered as the commercial ones. The methodology applied aims to provide representative data along three dimensions: region, economic size and type of farming.

Currently, the annual sample covers +/- 83,000 agricultural holdings. They represent a population of about 6,400,000 farms in the 27 Member States, which cover approximately 90% of the total utilized agricultural area (UAA) and account for about 90% of the total agricultural production of the Union.

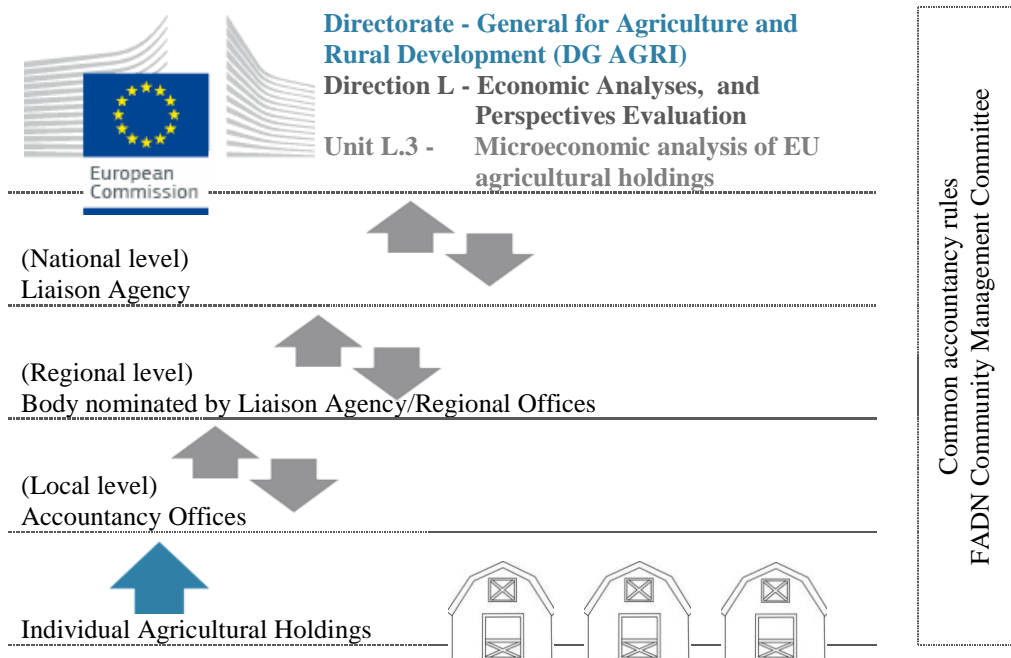
The collected data, for each sample farm, concerns approximately 1,000 variables. These variables described in a specific questionnaire called Farm Return refer to:

- Physical and structural data, such as location, crop areas, livestock numbers, labour force, etc.
- Economic and financial data, such as the value of production of the different crops, stocks, sales and purchases, production costs, assets, liabilities, production quotas and subsidies, including those connected with the application of CAP measures.

FADN presents the only source of microeconomic data that is harmonised and comparable, which is governed by EU Regulations and supported by supplementary instructions contained in FADN Community Committee publications (RI/CC documents).

#### 4. Organisational structure for data collection as the basis for FADN institutional framework

The source of accountancy data for the FADN purposes is located at level of individual agricultural holding. The required data are extracted from the appropriate inventory, cash book, ledger or journal kept by the farmer and/or field officer-data collector. In some Member States, the Liaison Agencies have drawn up special entry books to be completed periodically by the farmers.



Source: Shaped and modified by authors based on the information contained in the related materials (Presentation: "The Farm Accountancy Data Network of the European Union", Chart: "Organization Chart DG AGRI")

**Chart 1** FADN organisational structure for data collection

Further data transmission depends on the Member State's FADN institutional framework and on the characteristics of the national legislation. The most common organizational structure for data collection, which presents the basis for FADN institutional framework, is shown by the Chart 1.

## 5. EU FADN institutional framework

In this section there are described activities and responsibilities of each participant within EU FADN institutional framework.

**European Commission:** Data collected in a variety of ways, through different organizations appointed as Liaison Agency always arrive to the EU FADN highest authority - European Commission.

While the European Commission is the primary user of FADN system (for instance, the European Commission is user of analyses based on FADN-data), it also contributes to the system:

- Financially: The Commission recognizes that participation in the FADN survey imposes a cost on the Liaison Agencies. Therefore, a payment is made for each successfully completed (validated and approved) Farm Return received by the Commission.
- Technically:
  - Data Validation: Both the Liaison Agencies and the Commission take great care to ensure that any errors in FADN data are identified and corrected. The Commission checks on the validity of the manner in which the returning holdings were selected, and of the information received, in assistance and consultation with a **FADN Community Committee**, which is composed of representatives of the Member States and over which the Commission presides.
  - Data Storage: Since 1989 FADN public data base presents unique collection of structured, harmonised and comparable agricultural accounting data from a variety of agricultural holdings.

**Liaison Agency:** The highest authority at national level, which plays a key role in the management of the data network, is Liaison Agency.

Each Member State appoints a relevant organisation as a Liaison Agency, which should be competent authority for the data transmission to the European Commission. The selection of organisations that are appointed as national Liaison Agencies for FADN was approached differently among EU members, as shown in Table No. 1.

Data collection is also the responsibility of a Liaison Agency in each Member State and is also undertaken by the Liaison Agency itself or by bodies nominated by it. These either employ their own staff to visit the sample agricultural holdings and to collect the data, or they contract this work out to accountants, universities, farmers' cooperatives or other organisations.



**Table 1: EU member states organisations appointed as Liaison Agency**

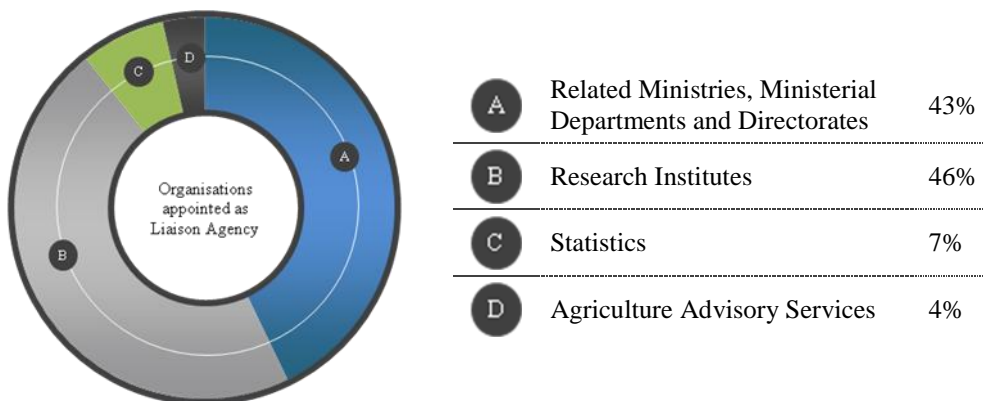
EU Member States	Organisations appointed as Liaison Agency
 <b>Belgium</b>	Office for Agricultural Coordination (BCA/LB) - FADN Liaison Agency / <i>Verbindingsorgaan ILB-RICA Landbouwbureau/BCA</i> Ministry of Agriculture and Food, Directorate General "Agriculture and Land Relations" / <i>Министерство на земеделието и храните, Главна дирекция "земеделие и поземлени отношения"</i>
 <b>Bulgaria</b>	Institute of Agricultural Economics and Information / <i>Ústav zemědělské ekonomiky a informací</i>
 <b>Czech R.</b>	Statistics Denmark , Division for account statistics for agriculture / <i>Danmarks Statistik</i>
 <b>Denmark</b>	Johann Heinrich von Thünen Institute (vTI)
 <b>Germany</b>	Rural Economy Research Centre (RERC) / <i>Maamajanduse Infokeskus</i>
 <b>Estonia</b>	Teagasc Hq - The Irish Agriculture and Food Development Authority
 <b>Ireland</b>	Ministry of Rural Development and Food, General Directorate of Agricultural Extension & Research, Directorate of Agricultural Extension / <i>Υπουργείο Αγροτικής Ανάπτυξης και Τροφίμων, Γενική Διεύθυνση Γεωργικών Εφαρμογών &amp; Έρευνας, Διεύθυνση Γεωργικών Εφαρμογών</i>
 <b>Greece</b>	Ministry of Agriculture, Food and the Environment, Undersecretariat of Agriculture, Food and the Environment, General Technical Secretariat / <i>Ministerio de Agricultura, Alimentación y Medio Ambiente, Subsecretaría de Agricultura, Alimentación y Medio Ambiente, Secretaría General Técnica</i>
 <b>Spain</b>	Ministry of Agriculture, Food and Forestry, General Secretariat, Department of Statistics and Prospective / <i>Ministre de l'Agriculture, de l'Agroalimentaire et de la Forêt, Secrétariat general, Service de la Statistique et de la Prospective</i>
 <b>France</b>	National Institute of Agriculture Economics (I.N.E.A.) / <i>Istituto Nazionale di Economia Agraria</i>
 <b>Italy</b>	Agricultural Research Institute, Scientific support division, FADN Unit / <i>Ινστιτούτο Γεωργικών Ερευνών, Τομεας Επιστ Υποστηριξης, ΔΙΓΕΑΠ</i>
 <b>Cyprus</b>	Latvian State Institute of Agrarian Economics / <i>Latvijas Valsts agrārās ekonomikas institūts</i>
 <b>Latvia</b>	Lithuanian Institute of Agrarian Economics / <i>Lietuvos agrarinės ekonomikos institutas</i>
 <b>Lithuania</b>	Ministry of Agriculture, Viticulture and Rural Development, Department of Rural Economy / <i>Ministère de l'Agriculture, Viticulture et Développement Rural, Service d'Economie Rurale</i>
 <b>Luxembourg</b>	Research Institute of Agricultural Economics, Farm Business Analysis Department / <i>Agrárgazdasági Kutató Intézet,</i>
 <b>Hungary</b>	

		<i>Vállalkozáselemzési Osztály</i>
	<b>Malta</b>	Ministry for Resource and Rural Affairs
	<b>Netherlands</b>	Agricultural Economics Research Institute / <i>Landbouw Economisch Instituut (LEI)</i>
	<b>Austria</b>	Federal Ministry of Agriculture, Forestry, Environment and Water Management / <i>Bundesministerium für Land- und Forstwirtschaft, Umwelt und Wasserwirtschaft</i>
	<b>Poland</b>	Institute of Agricultural and Food Economics - National Research Institute, Agricultural Accountancy Department / <i>Instytut Ekonomiki Rolnictwa i Gospodarki Żywnościowej - Państwowy Instytut Badawczy, Zakład Rachunkowości Rolnej</i>
	<b>Portugal</b>	Ministry of Agriculture, Sea, Environment and Spatial Planning, Office of Planning and Policies, Statistics Unit / <i>Ministra da Agricultura, do Mar, do Ambiente e do Ordenamento do Território, Gabinete de Planeamento e Políticas (GPP), Divisão de Estatística</i>
	<b>Romania</b>	Ministry of Agriculture and Rural Development, Directorate General of Food Industry, Service for quality policy, RICA Department / <i>Ministerul Agriculturii si Dezvoltarii Rurale, Directia generala de industrie alimentara, Serviciul politici de calitate, Compartimentul RICA</i>
	<b>Slovenia</b>	Ministry of Agriculture, Forestry and Food, Directorate for Agriculture, Education Non-Governmental and FADN Section / <i>Ministrstvo za kmetijstvo, gozdarstvo in prehrano, Direktorat za kmetijstvo, Sektor za podnebne spremembe nevladne organizacije, šolstvo in knjigovodstvo</i>
	<b>Slovakia</b>	Research Institute of Agricultural and Food Economics (RIAFE), Department of Informatics, FADN Division / <i>Výskumný ústav ekonomiky poľnohospodárstva a potravinárstva (VÚEPP), Odbor Informatiky, Oddelenie informačnej siete poľnohospodárskeho účtovníctva</i>
	<b>Finland</b>	MTT Agrifood Research Finland / <i>Maa- ja elintarviketalouden tutkimuskeskus MTT</i>
	<b>Sweden</b>	Statistics Sweden / <i>SCB Statistiska centralbyrån</i>
	<b>UK</b>	Department for Environment, Food & Rural Affairs (DEFRA)
	<b>Croatia</b>	Agriculture Advisory Service (Public administration) - Department of FADN / <i>Poljoprivredna savjetodavna služba, Samostalni odjel za sustav poljoprivrednih knjigovodstvenih podataka (FADN)</i>

Source: Shaped and modified by authors based on the information contained in the related web site and related links under it

[http://ec.europa.eu/agriculture/rica/liaisonagency\\_en.cfm?CodeCountry=EUR](http://ec.europa.eu/agriculture/rica/liaisonagency_en.cfm?CodeCountry=EUR)

Based on Table 1, it can be concluded that currently there are four basic types of organisations appointed as Liaison Agency. Percentage share of four basic types of organisations in the total number of Liaison Agencies of the EU member states is shown by the following Figure No. 1.



*Source: Computed by the authors based on the information presented in the Table 1 EU member states organisations appointed as Liaison Agency*

**Figure 1** Percentage share of four basic types of organisations appointed as Liaison Agency in the total number of Liaison Agencies of the EU member states

Highest percentage of 46% makes Research Institutes as the most frequent type of organisation appointed as Liaison Agency under the EU FADN system. The above mentioned organisations are usually leading Research Institutes in EU member state, undertaking innovative research in the areas of agriculture production, food, the environment and the rural economy.

Research Institutes are immediately followed by the Related Ministries, Ministerial Departments and Directorates with percentage of 43%.

The Statistics appointed as Liaison Agency account only 7% of total number of EU Member States Liaison Agencies, while the Republic of Croatia is currently the only EU member which has appointed Agriculture Advisory Service as national Liaison Agency.

**National Committee:** For the purposes of FADN each Liaison Agency is guided by a National FADN Committee. The National Committee is formed of representatives of the different organisations which could be considered as corresponding organizations for the FADN sustainable functioning.

**Regional Committees:** Furthermore, EU member states which have several divisions may, for each of the divisions under their jurisdiction, set up a regional committee of the data network. The Regional Committee, in particular, has the duty of cooperating with the Liaison Agency in selecting the returning holdings.

**Accountancy Offices:** For the purposes of FADN each EU member states sets up the Accountancy Offices<sup>6</sup>.

**The National Committee, the Regional Committees, the Liaison Agency and the Accountancy Offices** have been bound, within their relevant areas of responsibility, to provide the Commission with any information<sup>7</sup>

## 6. Serbian FADN institutional framework

Although currently there is no specific legal basis for FADN in Serbia, there is general legal act in power, supporting establishment of FADN in the Republic of Serbia. Existing Law on Agriculture and Rural Development of the Republic of Serbia (Article 33) stipulates that the Ministry of Agriculture, Forestry and Water Management keeps the system of agricultural accountancy data to monitor the level of income and expenses of the registered farms and family farms, assess the efficiency of agricultural production and analyse the agricultural policy measures. It provides the legal base for the establishment of the FADN and will be the ground for the future Rulebook on Farm Accountancy Data Network in the Republic of Serbia.

Serbian FADN system has officially been introduced in late 2011 where the establishment of FADN institutional framework has been got from initial stage. Related organizations are involved in different aspects of FADN system and represent Serbian FADN institutional framework in the early stages, which is shown by the following Organisational Chart (Chart No. 2)

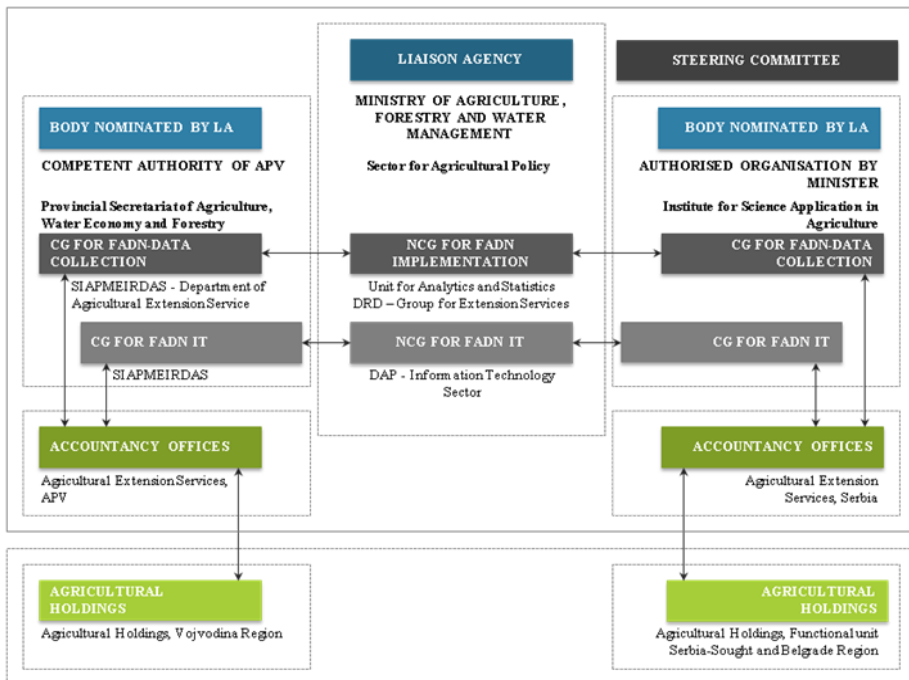
Sector for Agricultural Policy within the Ministry of Agriculture, Forestry and Water Management (MAFWM) is appointed to be the **Liaison Agency** – competent authority for the data transmission to the European Commission. The subsidiary Unit for Analytics and Statistics is appointed to manage the Serbian FADN system. Group for Extension Services within the Department for Rural Development is providing assistance and support to the establishment and

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<sup>6</sup> Accountancy Offices (AO) is official FADN term for the organisations appointed for data collection from agricultural holdings in the FADN sample.

<sup>7</sup> Further duties of the European Commission, the FADN Community Committee, national Liaison Agency, the National Committee, the Regional Committees as well as the Accountancy Offices are described in the COUNCIL REGULATION (EC) No 1217/2009 of 30 November 2009 setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Community.

development of Serbian FADN system considering the fact that it has responsibility for the agricultural extension services and close cooperates with Institute for Science Application in Agriculture (IPN) - authorised organisation by Minister to coordinate and control the activities of Agricultural Extension Services from the R. Serbia, except for those located on the territory of the Autonomous Province of Vojvodina. Furthermore, the Information Technology Sector within the Directorate for Agrarian Payments is appointed to be FADN database hosting provider.



Source: Shaped and modified by authors based on the information contained in the related web sites (<http://195.178.40.73/poljoprivreda/node/108#2.1> , <http://psss.rs/page.php?63> , <http://www.mpt.gov.rs> ) and related materials (Answers to the European Commission’s Questionnaire on Serbia’s candidacy for membership in the European Union – Chapter 11: Agriculture and Rural Development, Law on performing consultancy and expertise in Agriculture (Official Gazette of Republic of Serbia No. 30/2010), Leaflet: “Establishment of the Serbian Farm Accountancy Data Network”, Presentation: “FADN project implementation experiences”, Work Information of the related Ministry)

**Chart 2** Organisational chart of current<sup>8</sup> Serbian FADN institutional framework and its relationship with Agricultural Holdings

<sup>8</sup> In this research paper the term “current” is used due to the fact that the structure of the FADN institutional frameworks is changeable and mutable.

Authorised organisation by Minister - IPN and competent authority of Autonomous Province of Vojvodina - Provincial Secretariat for Agriculture, Water Management and Forestry (PSAWMF) are appointed to be **bodies under the Liaison Agency** responsible for management of data collection. Accurately described, within the PSAWMF it is Sector for Implementation of Agricultural Policy, Monitoring of European Integration in the field of Rural Development and Advisory Services (SIAPMEIRDAS) as well as its Department of Agricultural Extension Service.

The total number of agricultural extension services which are appointed as **Accountancy Offices** is 33. Currently, these offices have 66 advisers appointed as Data Collectors responsible for collection, processing, and dissemination of data from agricultural holdings.

Serbian FADN Steering Committee that is precursor of **the National Committee** has been established. Statistical Office of Republic of Serbia (SORS), Faculty of Agriculture in Zemun, University of Belgrade and Faculty of Agriculture, University of Novi Sad, Serbian EU Integration Office (SEIO) are represented in the FADN system through the Steering Committee. Related Ministry as well as EU Delegation is also represented in the Steering Committee.

## 7. Participating organizations within Serbian FADN

Participating organizations that are currently appointed for the Serbian FADN purposes are described by following Table No. 2.

However, besides organisations, the most important participants of the FADN system are holders and managers of agricultural holdings and their families.

**Table 2:** Participating organizations that are currently appointed for the Serbian FADN purposes

<b>Participating organization of the Republic of Serbia and its brief description</b>	<b>The role of participating organisations within the FADN</b>
<b>Ministry of Agriculture, Forestry and Water Management</b>	
Is, among other things, responsible for proposing system solutions in the areas of agriculture, creation of agricultural policy and its implementation.	
<b>Sector for Agrarian Policy</b>	Steering Committee member
Performs, among other tasks, providing agricultural analysis; following and analysis of EU legislation, rules, principles; harmonization of regulations, etc.	Liaison Agency
<b>Unit for Analytics and Statistics</b>	
Performs among other tasks related to: analysis of agricultural policy measures, harmonization of national agricultural measures with measures of Common	National Coordination Group for FADN implementation

Agricultural Policy, etc.

**Department for Rural Development – Group for Extension Services**

Performs, among other, tasks related to: programming, monitoring and coordination of agricultural extension services, etc. Support Group for FADN implementation

**Directorate for Agrarian Payments - Information Technology Sector**

Steering Committee member

Performs, among other, tasks related to: organizing, managing and executing tasks within the field of information technology, etc. National Coordination Group for FADN information technology

**Provincial Secretariat of Agriculture, Water Economy and Forestry**

Performs in the field of agriculture, forestry, hunting, water management, food, veterinary, plant protection, fisheries, agrarian cooperatives and rural development.

Sector for Implementation of Agricultural Policy, Monitoring of European Integration in the field of Rural Development and Advisory Services and its Department of Agricultural Extension Service Steering Committee member

Sector/Department are, among other things, responsible for monitoring and analysis of the development of agricultural extension services in order to improve agricultural production, preparation and monitoring of the implementation of the program for improvement extension services in agriculture in AP Vojvodina.

Body nominated by Liaison Agency responsible for management of data collection from Agricultural Extension Services of Autonomous Province of Vojvodina. It is composed of two Coordination Groups: for FADN data collection and for FADN information technology.

**Institute for Science Application in Agriculture**

Steering Committee member

Authorised organisation by Minister, which is, among other things, responsible to coordinate and control the activities of agricultural advisory and extension services in Central Serbia (NUTS 1 – Serbia South functional unit and NUTS 2 – Belgrade Region).

Body nominated by Liaison Agency responsible for management of data collection from Agricultural Extension Services of Serbia. It is composed of two Coordination Groups: for FADN data collection and for FADN information technology.

**Agricultural Extension Services (AES)**

The agricultural extension services are, among other things, responsible for: giving expert advices and recommendations to farmers, organizing seminars, workshops and publishing expert material, as well as carrying

Accountancy Offices

out other activities which improve the agricultural production. AES include: Agricultural Extension Services of Autonomous Province of Vojvodina that cover NUTS 2 – Vojvodina Region and Agricultural Extension Services of Serbia that cover NUTS 1 – Serbia South functional unit and NUTS 2 – Belgrade Region.

<b>Statistical Office of the Republic of Serbia</b>	Steering Committee member
Performs among other expert tasks related to: adopting programs, organization and conducting of the statistical surveys, methodology creation, collecting, processing, statistical analysis and publishing of the statistical data, etc.	It will be appointed to carry out tasks such as typology of agricultural holding, standard output coefficient, etc.

<b>Faculty of Agriculture in Zemun, University of Belgrade and Faculty of Agriculture, University of Novi Sad</b>	Steering Committee member
Faculties are a teaching and research institutions whose activities cover all aspects of agricultural production and food technology, etc.	Faculties are providing valuable contributions to the Serbian FADN establishment and development. Furthermore, they will improve cooperation with other agricultural research institutions.

<b>Other Institutions: Serbian EU Integration Office (SEIO)</b>	Steering Committee member
Is, among other things, responsible for: monitoring the realization of obligations of ministries and special organizations in the process of EU association and accession; participating in coordination of the programming of EU's technical assistance; partaking in coordination of activities for planning and use of European funds, etc.	SEIO is providing assistance and support to the establishment and development of the Serbian FADN system.

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*Source: Shaped and modified by authors based on the information contained in the related web sites (<http://www.agrif.bg.ac.rs/pages/fakultet/index>, <http://polj.uns.ac.rs>, <http://195.178.40.73/poljoprivreda>, <http://www.mpt.gov.rs>, <http://webrzs.stat.gov.rs/WebSite>, <http://www.seio.gov.rs/home.50.html>, <http://www.polj.savetodavstvo.vojvodina.gov.rs>, <http://psss.rs/page.php?63>) and related materials (Answers to the European Commission's Questionnaire on Serbia's candidacy for membership in the European Union – Chapter 11: Agriculture and Rural Development, Work Information of the Ministry of Agriculture, Forestry and Water Management, Presentation: "FADN project implementation experiences", Leaflet: "Establishment of the Serbian Farm Accountancy Data Network", Law on performing consultancy and expertise in Agriculture (Official Gazette of Republic of Serbia No. 30/2010))*



## 8. Comparison of the current FADN institutional frameworks in certain EU Member States and Republic of Serbia

The following Table 3 shows the comparisons across different current FADN institutional frameworks of certain EU member states and Republic of Serbia.

**Table 3:** Current FADN institutional frameworks in Republic of Poland, Republic of Estonia, Republic of Croatia and Republic of Serbia

EU level				
FADN Committee				
EUROPEAN COMMISSION (DG AGRI, Direction L, Unit L.3)				
Country	Republic of Poland	Republic of Estonia	Republic of Croatia	Republic of Serbia <sup>9</sup>
National level				
<b>National Committee</b>	Ministry of Agriculture and Rural Development, Ministry of Finance, Ministry of Regional Development, Central Statistical Office, National Council of Agricultural Chambers (KRIR), Institute of Agricultural and Food Economics	Ministry of Agriculture, Statistics Estonia, Estonian University of Life Sciences, Estonian Chamber of Agriculture and Commerce, representatives of producers' organizations	Ministry of Agriculture, Agriculture Advisory Service, Agricultural Holdings, Central Bureau of Statistics, Faculty of Agriculture, University of Zagreb, Faculty of Agriculture, Josip Juraj Strossmayer University of Osijek	MAFWM, PSAWMF, IPN, SORS, Faculty of Agriculture in Zemun, University of Belgrade, Faculty of Agriculture, University of Novi Sad, SEIO, EU Delegation <sup>10</sup>
<b>Liaison Agency</b>	Institute of Agricultural and Food Economics,	Rural Economy Research Centre	Agriculture Advisory Service, Department	MAFWM, Sector for Agricultural Policy

<sup>9</sup> After EU accession, Republic of Serbia has to transmit accountancy data for the FADN purposes to the European Commission (DG AGRI, Direction L, Unit L.3) for the purpose of meeting the requirements of the Common Agricultural Policy.



<sup>10</sup> Serbian FADN Steering Committee is precursor of the National Committee.

	Agricultural Accountancy Department		of FADN	
<b>Regional level</b>				
<b>Regional Committees</b>	/	/	/	/
<b>Bodies nominated by Liaison Agency/ Regional Offices</b>	Agricultural Advisory Centres, total number 16	/	Agriculture Advisory Service – Regional coordinators, total number 2	Authorised organisation by Minister - IPN and competent authority of Autonomous Province of Vojvodina - PSAWMF
<b>Local level</b>				
<b>Accountancy Offices</b>	Agricultural Advisers on FADN	Data Collectors, total number 22 (on a contract basis) over Estonia – those are advisers who provide advices relating to accounting and/or economics	Agriculture Advisory Service – County Advisors, total number 56	Agricultural Extension Services, total number 33 with 66 Agricultural Advisers on FADN

*Source: Shaped and modified by authors based on the information contained in the related web sites (<http://www.fadn.pl/index.php?id=151>, <http://www.maainfo.ee/index.php?page=9&>, <http://www.savjetodavna.hr/?page=projects,15>) and related materials (Act on the collection and use of accountancy data from agricultural holdings - Republic of Poland, Chart: Croatian FADN institutional framework, Chart: Structure of Polish FADN/ Struktura Polskiego FADN, Leaflet: "Establishment of the Serbian Farm Accountancy Data Network", Presentation: "FADN project implementation experiences", Rulebook on Farm Accountancy Data Network – Republic of Croatia)*

The table above indicates that each of the observed member states including the Republic of Serbia as candidate country has a specific FADN institutional framework. Furthermore, it should be taken into consideration that there are some similarities and differences among observed FADN institutional frameworks, which is presented in the following table (Table 4).

**Table 4:** What are the similarities and differences among observed FADN institutional frameworks?

What are the similarities?		What are the differences?	
All observed FADN institutional frameworks have representatives of the related Ministries and Statistics as members of the National Committee.		Only Serbian Steering Committee that is precursor of the National Committee has representatives of SEIO and EU Delegation as members within it <sup>11</sup> .	
In most observed cases the members of National Committees are representatives of related Faculties.		Most of the observed FADN institutional frameworks have different organizations appointed as Liaison Agency.	
All observed FADN institutional frameworks have not the Regional Committees.			
In most observed cases the local Accountancy Offices are Agricultural Advisers directly involved into FADN on a contract basis.			

*Source: Shaped by the authors based on the information presented in the Table No. 3 – Current state of FADN institutional frameworks in Republic of Poland, Republic of Estonia, Republic of Croatia and Republic of Serbia*

## 9. Conclusion

The result of this research paper showed that the FADN institutional frameworks in EU member states as well as institutional framework of the Republic of Serbia as candidate country have been established on the same bases, such as accountancy data collection – processing – transmission chain.

However, the FADN institutional frameworks in EU member states as well as Serbian are different and complex. They are different because of differences between member states in historical and cultural backgrounds. They are complex because they have been established within agricultural sector, which itself is very complex.

<sup>11</sup> Once the project "Establishment of the Serbian Farm Accountancy Data Network (FADN)" has been completed, and when the Steering Committee will become National Committee, the National Committee will be formed without representatives of SEIO and EU Delegation as members within it.

Furthermore, taking into consideration comparison of the current state of FADN institutional framework in certain EU member states and Republic of Serbia, this paper demonstrated that although currently there is no specific sub-legal act, that prescribes the functioning of the FADN system in Serbia, there is a dynamic phase at an early stage of the Serbian FADN institutional framework development.

Evidently, it is in development and needs to be further improved and strengthened while the sub-legal act, that prescribes the functioning of the FADN system, needs to be adopted.

Moreover, relying on the feature that "Institutions are everywhere, governing our lives in fundamental ways", the general conclusion of the entire paper is that the whole Serbian FADN in the early stages finds itself in the middle of different organizations and individual agricultural holdings who are actively involved in the system, or whose interest may be affected in a positive or negative manner as a result of system execution, whereby its future depends on the capacity, support (and goodwill) of the organizations and agricultural holdings within it, as well as governmental support and assistance.

Consequently, for completed Serbian FADN system establishment and its sustainable development and functioning, there are still many challenges to overcome.

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