

Distr.
GENERAL

CES/AC.61/1999/10
11 June 1999

Original: ENGLISH

STATISTICAL COMMISSION and
ECONOMIC COMMISSION FOR EUROPE

CONFERENCE OF EUROPEAN STATISTICIANS

COMMISSION OF THE EUROPEAN
COMMUNITIES (EUROSTAT)

ORGANISATION FOR ECONOMIC
CO-OPERATION AND DEVELOPMENT
(OECD)

FOOD AND AGRICULTURAL
ORGANISATION (FAO)

Meeting on Food and Agricultural
Statistics in Europe

(Geneva, 23-25 June 1999)

**THE ADAPTATION OF POTENTIAL NEW MEMBER COUNTRIES TO THE EU STATISTICAL SYSTEM-
THE POINT OF VIEW OF ONE OF POTENTIAL NEW MEMBER**

Invited paper submitted by Statistical Office of the Republic of Slovenia¹

Summary:

In the accession countries the process of harmonisation of agriculture statistics with the EU standards started in the early nineties. Harmonisation was financially supported by EU PHARE Funds, mainly in term of knowledge transfer. It was recognised by EU and accession countries that good statistical data were necessary for the preparation of accession and for the evaluation of its affect on the EU and on the accession countries. Good statistics are already required for the negotiations, so they have to be available well before the accession. Relatively undeveloped administrative structures in accession countries and the high share of farms producing only for their own consumption forced the development of agriculture statistics towards a system which is mainly based on statistical surveys. The use of data from administrative sources is limited. In parallel to the statistical surveys' harmonisation in accession countries, the introduction of the Integrated Administrative and Control System (IACS) is taking place. IACS is an information system for support of subsidy payments and market interventions in the frame of Common Agriculture Policy (CAP). With full implementation of IACS, some of the statistical surveys could be dropped. This will only be possible by proper co-ordination, which could result in the administrative

¹ Prepared by Ms. Irena Orešnik, Head of Agricultural Statistics Department, Statistical Office of the Republic of Slovenia

data reaching the statistical standards. For using this data for the statistics relevant legal bases must also be available. Statisticians have to be careful before dropping surveys but at the same time they have to take care to carry out the surveys which are needed and to reduce the burden on the farmers to a minimum. In this respect more has to be done in using other statistical surveys such as household budget survey and administrative records on taxes and income to cover the needs for the social and income situation in agriculture, without introducing new surveys or survey characteristics.

1. Introduction:

EU legislation on agricultural statistics and gentlemen agreements are the main orientation in restructuring agricultural statistics in accession countries.

The character and timetable of the adaptation of the agricultural statistics is very much determined by national characteristics of agriculture, the stage of development of the national system of agricultural statistics, institutions capability and co-ordination, staff capability and budget.

The current situation in agriculture statistics in the accession countries, and even more in the future, is also depending on the implementation of Acquis Communautaire in the domain of Common Agriculture Policy (CAP) and in particular the introduction of Integrated Administrative and Control System (IACS).

Besides the above mentioned conditions the timetable and priorities in adaptations are depending on the timetable of negotiations and accession.

Both negotiating partners are interested in good statistical data on agriculture. That explicitly means that reliable and harmonised data are needed before negotiations.

2. Parallel implementation of Acquis on agricultural statistics and Acquis in the domain of IACS and influence of IACS on the current situation of agricultural statistics.

Agriculture statistics in the EU is regulated by legislation and partly by gentlemen agreements. In the accession countries, the process of harmonisation of Agriculture statistics started in the early nineties. It was recognised from the side of EU and accession countries that statistics is a pre-requisite for the preparation of accession and evaluation of its consequences on the EU and on the accession countries.

Statisticians were faced with big structural changes in the agriculture sector, change of ways of marketing of agricultural products and big changes in the society in general. In many cases as a consequence the statistical systems were considerably damaged.

Its reconstruction was connected with the aid from EU and other countries mainly in the sense of knowledge transfer.

Relatively bad administrative structures and in many countries a high share of

farms producing only for their own consumption, forced a development of agriculture statistics which was based on pure statistical surveys. Use of data from existing administrative sources is limited only to the use of updating the farm list.

The implementation of the common agriculture policy requires a large amount of timely and accurate information on the level of the individual farmer. The Integrated Administrative and Control System is indispensable in managing subsidised payments to the farmers. Accession countries are obliged to establish such an information system, which has to include:

- register of farms
- register of vineyards
- register of olive oil cultivation
- register of livestock
- register of milk quotas
- annual collection of the data from the farmers at least on the production of products which are the subject of common agriculture policy

Through a step by step introduction of IACS in the accession countries, the statisticians are faced in many cases with the duplication of collection of some characteristics by some of the farmers. Many times data collected by IACS are of a good quality on an individual level, but in statistical terms are incomplete. IACS does not include all of the data needed and does not cover all the farms. Data collected within the IACS may cover only the products that are the subject of subsidising and only those farmers asking for the subsidies. Farmers providing data for IACS feel that additional statistical data collection is an unnecessary burden. On the other hand, users became confused by two different data for the same products.

The situation asks for proper co-ordination, which is somehow limited by tight timetables for implementation of the Acquis in both domains and also by the need of reliable, representative statistical data already for the negotiations.

The stage of development of IACS in the accession countries for the time being does not allow much use of its data for the statistical estimates. It can make more harm than help to the statistical system. Even these data can not be directly used for statistical estimates, the data collected from the farmers by administration can be effectively used in preparation of the farm lists, used as a sampling frame or as a frame for censuses.

3. Future development of agricultural statistics systems in EU accession countries.

In comparison to the current situation, where most of the agricultural statistics data in the EU accession countries are based on statistical surveys, we can expect several changes in the direction of more intensive use of the administrative data, mainly from the IACS system.

In addition to the influence of IACS, changes in agriculture sector such as the decrease in the number of self-sufficient farms and the stabilisation of market channels will simplify the work of the statistician. Especially the quality of data on production of meat and crops will be improved by parallel simplification of the system of surveys.

We can expect many changes in agricultural statistics towards more regular use of administrative data for updating the farm lists (sampling frame) and also as a replacement of certain statistical surveys. In the accession countries substantial differences in comparison to the existing system could be expected in vineyard statistics, milk statistics, livestock numbers and crop area statistics.

Beside IACS there are also other administrative data, such as tax records, which can be used for evaluation of income and social situation of the farms. These topics are covered also with statistical surveys which are not treated as agriculture statistics surveys, such as household budget survey. Combining this data with the data from agricultural surveys can provide new information, without additional surveying and can be another step towards reduction of the burden on the respondents.

3.1 Vineyard statistics

Production of wine in Europe is regulated by a system of quotas. Accession countries producing wine are interested in a good outcome of the negotiations, which will be based on statistical data on vineyard areas and production of grape and wine.

One of the instruments for managing quotas is a register of vineyards and a system of annual reports of production by wine producers. Data are reported to administrative bodies responsible to the Ministry of Agriculture.

According to EU statistical regulation every ten years the basic survey on vineyards has to be carried out. If the vineyards register data satisfy the statistical criteria, the register data can be used instead of a statistical survey.

In most of the EU accession countries the vineyard registers which would also meet the statistical criteria are not available yet. On the other hand it is important to have good statistical data on vineyards before the negotiations. In this situation, even the vineyard registers are in preparation, the statistical surveys on vineyard areas and production have to be carried out in order to have the necessary data for negotiations. It is assumed that after the full introduction of vineyard registers and EU harmonised annual reports on production, the statistical surveys on vineyards will not be anymore needed. Administrative data will be used to provide statistical estimates.

3.2. Milk Statistics

Also milk production is managed in the EU by quotas. For its administration, many of the data are collected on the level of the individual farmers, including details on protein and fat content. It means that after the introduction of a system of quotas in the accession countries the statistical data on milk could be obtained from this information system. As for the accession countries the size of the national quota is important, reliable data on milk production are needed before the negotiations. Before the introduction of IACS, these data have to be obtained by statistical surveys.

3.3 Statistics on livestock numbers

In the accession countries the preparation of a daily updated database of livestock is underway. The system of statistical surveys on livestock numbers is well established in accession countries. Nevertheless when the database on livestock will be operational, the need for multi-annual surveys of livestock numbers should be reviewed and some of the surveys even dropped.

3.4 Crop statistics

For the accession countries the base area for cereals, oil seeds and pulses are also an element of negotiations with the EU. Therefore good statistical data on the areas under these crops are needed. With the introduction of IACS in the accession countries those data will be available also in the frame of IACS. If the data from IACS could reach the appropriate coverage then it would be worthwhile to have close co-operation between the statistical offices and MAFF in preparation of the IACS questionnaire on areas of crops in order to cover in the questionnaire not only the crops which are the subject of CAP but also other crops. In this way the response burden on farmers would be reduced and IACS data could be used for statistical estimates on areas for all crops.

4. Conclusions

The accession process is very demanding for agricultural statisticians. We can talk about statistical systems in EU accession countries before the introduction of CAP and after. As far as Slovenia is concerned implementation of Aquis Communautaire in the area of CAP and in the area of agricultural statistics asks for the best possible co-ordination in order to save money, human resources and to save time; all in order to implement both systems in time.

Statisticians have to provide the best possible statistics well before accession; statistics have to be available before negotiations. Good statistical data are needed from both negotiating partners: EU and accession countries. Data are needed to evaluate the consequences of accession and to prepare negotiation positions.

The possibility of using more administrative data for the statistical estimates in the future is a challenge for statisticians. They would have to be able to judge the quality of the administrative data and to decide whether they are of acceptable quality to be taken as official statistics.

Beside using the administrative data agriculture statisticians have to be aware of the possibility of using also non agriculture statistical surveys. By combining data from different survey new information can be obtained without additional surveying. Some of the agriculture questions can be added to other statistical surveys, like in the population census filter questions can be added to obtain the farm list.

Of course the situation in Europe is particular. Information system IACS is supporting highly subsidised EU agriculture. The question is how long this source of administrative data will exist and how often will it be changed. When using data of IACS for the statistics, we have to be aware that the

priority of IACS is to support administrative needs. On the other hand the role of statistics is to measure the phenomena in time and time series have to be continued. Therefore the use of IACS for statistical estimates has to be seen also from the perspective of time series continuation.