



Haushaltskontrollausschuss

10.1.2017

ARBEITSDOKUMENT

zum Sonderbericht Nr. 25/2016 des Europäischen Rechnungshofs
(Entlastung 2015) mit dem Titel:

Das System zur Identifizierung landwirtschaftlicher Parzellen: ein nützliches
Instrument zur Bestimmung der Beihilfefähigkeit landwirtschaftlicher Flächen,
dessen Verwaltung allerdings noch verbessert werden könnte

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Audit scope, objective and approach.

A Land Parcel Identification System (LPIS) is an IT system based on aerial or satellite photographs recording all agricultural parcels in the Member States. It is a key control mechanism under the Common Agricultural Policy (CAP) designed to verify eligibility for area-based subsidies, which amounted to approximately 45.5 billion euro in 2015. The Court's Statement of Assurance (SoA) estimated the level of error for the European Agricultural Guarantee Fund (EAGF) at 2.9 % (2.2 % without cross-compliance errors) in 2014. Close to half of the errors were area-related.

The system also increasingly plays a role in checking compliance with various environmental obligations. In the 28 Member States, there are currently 44 national or regional LPISs in operation, containing over 135 million reference parcels.

The European Court of Auditors sought to answer the overall audit question: is the Land Parcel Identification System (LPIS) well managed?

In order to answer this question, the Court checked whether the LPIS allowed Member States to reliably check the measurement and eligibility of land claimed by the farmers and whether the systems were being adapted to meet the requirements of the 2014-2020 CAP, in particular those concerning greening obligations and the need to simplify the implementation of the policy. Finally, the Court examined whether the Commission was adequately fulfilling its monitoring role.

The audit was carried out between July 2015 and April 2016. It included visits to the European Commission and to five Member States (Austria, Germany (Saarland and North Rhine-Westphalia), Ireland, Poland and the United Kingdom (Scotland)). These Member States were selected on the basis of the amounts paid out there, their reference parcel system and on recent audit coverage by both the Court and the Commission. In total, over 400 reference parcels were checked on-screen in the presence of the national authorities, of which more than 100 were visited on-the-spot.

Furthermore, the Court sent a survey to the Member States covering all 44 different LPISs, in order to obtain key data and information on their set-up and implementation. In addition, the Court conducted a documentary analysis of previous audit findings by us and the Commission, as well as a review of previous studies.

Court's findings and observations

The Court concludes that the LPIS is a useful tool to determine the eligibility of agricultural land but that its management could be further improved.

1. Apart from regularly renewing the ortho-imagery, systematic and accurate interpretation of the new ortho-photos is critical in order to ensure that eligible agricultural area is correctly recorded and ineligible area correctly excluded in the LPIS. In the LPIS update process, while the ortho-imagery was mostly up-to-date, the Court found that the audited Member States experienced difficulties in correctly determining the maximum eligible areas of reference parcels. This happened mainly in cases where ortho-images alone did not make it possible to conclusively assess land eligibility e.g. for certain types of

grassland. Member States have also the option of using a pro-rata system in their LPISs for permanent grassland reference parcels containing both eligible agricultural land and ineligible natural features such as scrub, trees, rocks, bushes or rushes. In order to determine the eligible area within reference parcels, Member States establish different ranges of eligibility percentages, which impact the payment accordingly. The Court found that pro-rata was not always applied reliably.

Semi-automated detection tools aiming at mitigating the risk of incorrectly registering eligible area in an LPIS and to achieve more objective results were being tested but were not yet operational

In some of the LPISs additional information concerning ownership and lease rights was included in order to ensure that each parcel had been declared by the right farmer.

2. Member States did not evaluate the cost-effectiveness of their LPISs in order to better design the related checks. This would help to design more efficient control systems and to support any future policy impact assessments.
3. The LPIS provisions in the 2014-2020 CAP legal framework have increased the number of requirements that must be checked by the Member States. The adaptation of LPISs for greening is progressing, although not yet complete, and the greening payment conditions can only partially be checked using the LPIS.

In particular while the LPIS can be an effective tool for monitoring permanent grassland and some ecological focus areas it is less so for requirements of a more temporary nature such as crop diversification.

According to the new legislation, Member States have also to register all permanent ecological focus areas in a layer in their LPISs by 2018, in order to check whether farmers have complied with their obligation to generally maintain at least 5 % of their land as ecological focus areas. The findings of the Court were concerning in certain regions.

Other elements beneficial for the environment, such as landscape features protected under cross-compliance, are not included in LPISs and, in cases where Member States had voluntarily decided to include them, the Court found cases of incorrect registration in the system.

4. Simplification is ongoing but remains a challenge - despite the benefit of useful tools such as geospatial aid applications –, as some provisions are either not used in practice (the 2 % stability threshold) or present significant implementation challenges (the 100-tree rule or the new categories of eligible land).

A new component of the 2014-2020 CAP framework is the option for Member States to not update their LPISs if the difference between the new MEA of a reference parcel and the MEA as previously assessed is below 2 % (the 'stability threshold'). This new rule aims to simplify the administrative handling of the LPIS. However, the Commission provided guidance to the Member States indicating that, although no update is legally required when the difference is below 2 %, it is nonetheless recommended to do so.

None of the Member States visited during the audit chose to use the 2 % stability threshold.

The new CAP framework contains also a provision that areas with scattered trees on agricultural land are now considered eligible if there are no more than 100 trees per hectare and agricultural activities can be carried out in a similar way as on parcels without trees in the same area³⁴. Trees which are considered ‘grazable’ (can be grazed) should not be counted for the 100-tree threshold.

The Court found that it is difficult to identify such trees by photo-interpretation which further translates into uncertainty in assessing land’s (partial) eligibility for agricultural aid, and entails complication and administrative burden for Member States. New specifications of eligible land presented challenges for the LPIS¹ whilst current efforts to simplify the LPIS are not yet complete.

Six major changes potentially affecting the LPIS were introduced in May 2015 but the Court found that the complexity of the rules and the procedures required to deal with those changes has further increased the administrative burden for Member States.

5. The Commission’s monitoring of legality and regularity in LPISs has improved compared to the previous CAP period. The Commission’s audit work is comprehensive, action plans are instigated as required and financial corrections are applied.
6. However, the Commission’s LPIS-related guidance essentially addresses aspects of legality and regularity and does not focus on how to improve the overall effectiveness of the LPIS system. In particular, the Commission introduced the LPIS quality assessment² to allow Member States to pro-actively identify possible weaknesses in the system and to take remedial action where required. It is meant to add value to the LPIS but the reliability of the quality assessment results is undermined by weaknesses in applying the methodology possibly due to its complexity, but also by issues in the sampling approach. In addition, the quality assessment results are not used effectively to improve LPIS data, as remedial action plans are not always prepared. The Commission did not make sufficient use of quality assessment results to foster improvement in the LPISs.

Replies of the Commission

The Commission accepts all the recommendations not addressed to the Member States.

¹ As a general rule, only agricultural land recorded in LPISs that is predominantly used for agricultural activities qualifies for the Pillar 1 payments. Where Member States have defined a ‘minimum maintenance activity’ on land not used for production, its performance is unlikely to be verifiable in the LPIS.

A new category of eligible permanent grassland concerns ‘areas which can be grazed and which form part of established local practices and where grasses and other herbaceous forage are traditionally not predominant’. Picture interpretation in the LPIS is therefore often not sufficient to accurately identify this type of land as eligible.

² Since 2010, following the identification of EU-wide recurrent LPIS-related weaknesses and the imposition of significant financial corrections on Member States, the Commission introduced the LPIS quality assessment (QA) as an obligatory tool. The legal basis for this exercise, previously Article 6(2) of Regulation (EC) No 1122/2009, is now Article 6 of Regulation (EU) No 640/2014.

Empfehlungen der Verfasserin zur möglichen Aufnahme in den jährlichen Entlastungsbericht

Das Europäische Parlament spricht folgende Empfehlungen aus:

1. Ausgehend von einer quantifizierten Kosten-Nutzen-Analyse sowie einer Risikobewertung bemühen sich die Mitgliedstaaten im aktuellen GAP-Zeitraum verstärkt darum, die Zuverlässigkeit ihrer LPIS-Daten auf der Grundlage rechtzeitiger und gründlich durchgeführter Systemaktualisierungen zu erhöhen. Angesichts der Komplexität der Pro-rata-Bewertung sollten die Mitgliedstaaten, die diese Option nutzen, im aktuellen GAP-Zeitraum weitere Anstrengungen dahin gehend unternehmen, einen Pro-rata-Katalog mit einer eindeutigen Beschreibung und eindeutigen Bewertungskriterien zu erstellen und ergänzende technische Instrumente einzusetzen, um die Objektivität der Analysen von Orthofotos zu erhöhen und für Reproduzierbarkeit zu sorgen. Ferner sollten die Mitgliedstaaten prüfen, ob sie nicht die Daten zu Eigentums- und Pachtrechten in ihren LPIS erfassen können, wann immer dies machbar und kosteneffizient erscheint.
2. Die Mitgliedstaaten arbeiten mit Unterstützung der Kommission daran, im aktuellen GAP-Zeitraum einen Rahmen auszuarbeiten und einzurichten, mit dem eine Bewertung der mit ihren LPIS verbundenen Betriebs- und Aktualisierungskosten vorgenommen werden kann. Dadurch sollten die Mitgliedstaaten in der Lage sein, die Leistung ihrer LPIS und die Kosteneffizienz von Systemverbesserungen zu messen.
3. Die Mitgliedstaaten sorgen mithilfe ihrer LPIS dafür, dass im Umweltinteresse genutzte Flächen, Dauergrünlandflächen und neue Kategorien von Flächen zuverlässig ermittelt und registriert und anschließend wirksam überwacht werden. Darüber hinaus sollten sie die Kosten und den Nutzen einer Aufnahme aller gemäß Cross-Compliance oder Agrarumweltprogrammen geschützten Landschaftselemente in ihre LPIS gegeneinander abwägen, um die Überwachung und den Schutz derartiger Elemente, die sich vorteilhaft auf die Umwelt und die biologische Vielfalt auswirken, weiter zu verbessern.
4. Die Kommission prüft den derzeitigen Rechtsrahmen erneut, um die Vorschriften zum LPIS für den nächsten GAP-Zeitraum zu vereinfachen und zu verschlanken, indem sie beispielsweise die Notwendigkeit der 2%-Stabilitätsschwelle und der 100-Baum-Regel überdenkt.
5. Die Kommission führt noch vor Beginn des Qualitätsbewertungsverfahrens 2017 eine Kosten-Nutzen-Analyse durch, um zu ermitteln, ob der Repräsentationsgrad der Stichproben für die Qualitätsbewertung verbessert werden könnte, sodass die Grundgesamtheit der Parzellen im LPIS besser abgedeckt wird.
6. Seit 2016 arbeitet die Kommission an der Verbesserung der Überwachung der Qualitätsbewertungsergebnisse, indem sie sämtliche Unstimmigkeiten in Qualitätsbewertungsberichten untersucht und weiterverfolgt, den Mitgliedstaaten Rückmeldung gibt und dafür Sorge trägt, dass erforderlichenfalls Pläne für Abhilfemaßnahmen ausgearbeitet und umgesetzt werden. Darüber hinaus sollte die Kommission für jeden Mitgliedstaat und jede Art von Referenzparzelle eine ausführliche jährliche Trendanalyse vornehmen, um möglicherweise auftretende Probleme rechtzeitig zu ermitteln.