

Controles por monitoring:

Beneficios de la tecnología para modernizar y simplificar los controles de la PAC

16 Diciembre 2019

Unit D3

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- 1. IACS at a glance**
- 2. Checks by Monitoring (CbM)**
- 3. Monitoring and IACS in the future CAP**

IACS at a glance

since 1992

Integrated

Administration

management and control of
payments to beneficiaries in
application of the CAP



Protection of EU financial interests

- *prevents irregularities*
- *detects non-compliances*
- *allows for appropriate actions*
- *ensures payments are made correctly*

Control

System

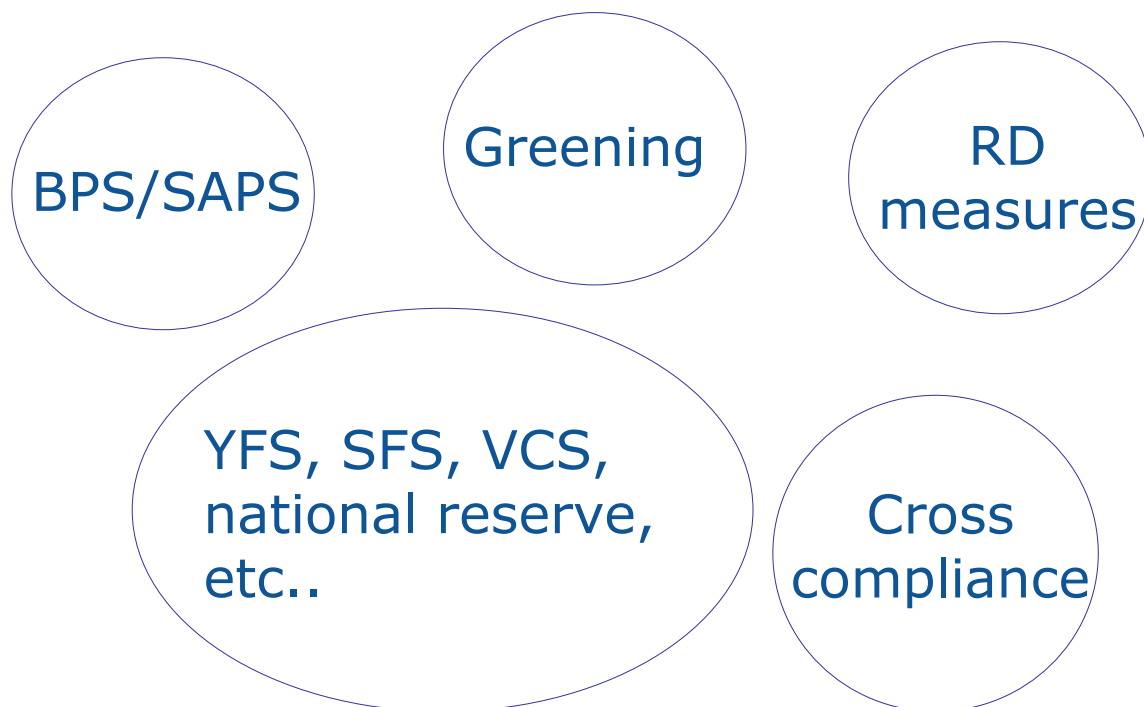
Integrated

- all area- and animal-related schemes under EAGF
- some area- or animal-related measures under EAFRD

Aadministration

Control

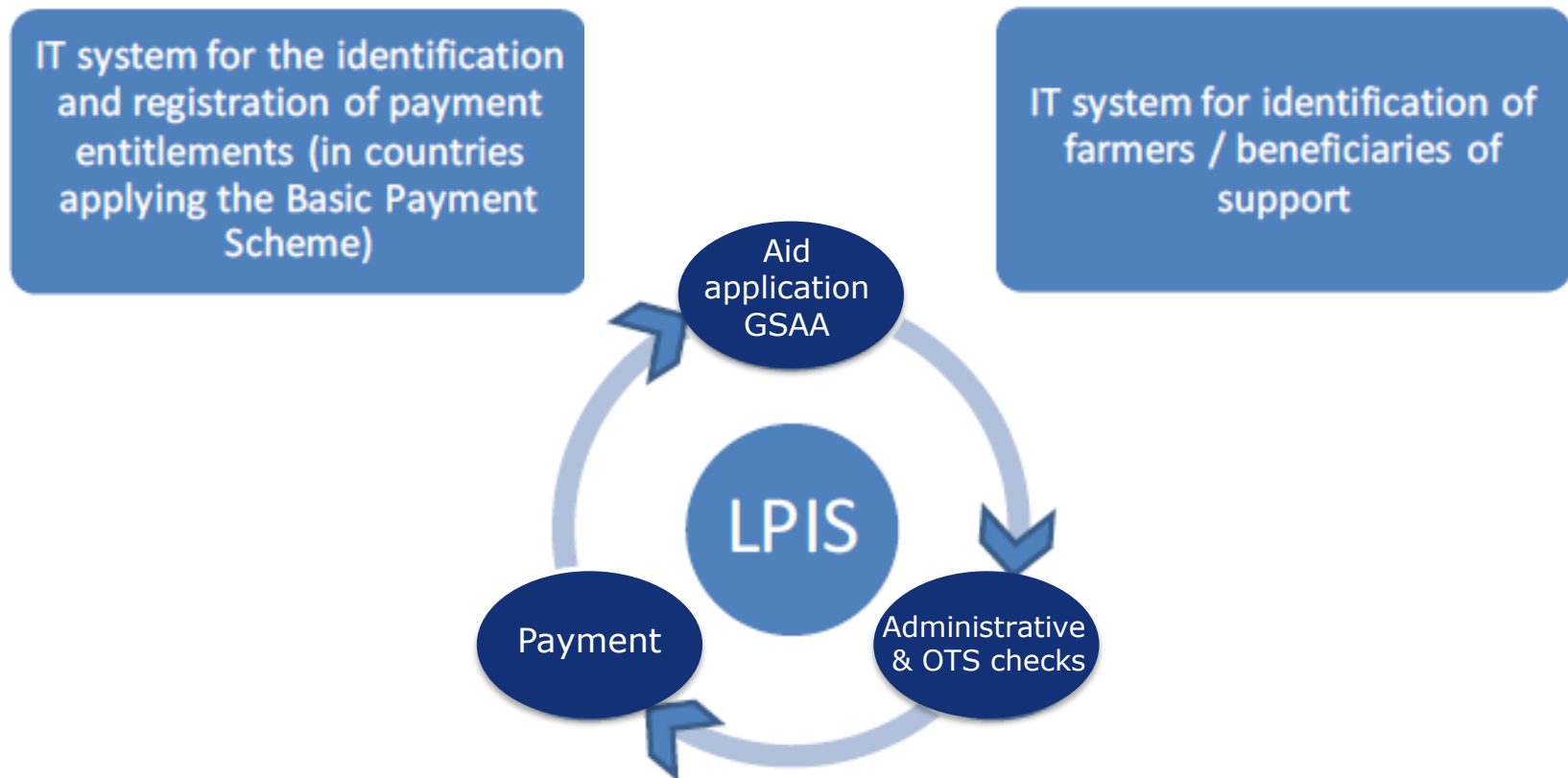
System





IACS annual circular process

Area-related schemes – Direct Payments



GSAA: *Geo-Spatial Aid Application*

LPIS: *Land Parcel Identification System*

OTSC: *On-The-Spot-Checks*

IACS covers a delivery process from the aid application to the payment of aid

GSAA

- farmer's area declaration
- identity, payment entitlements, agricultural parcels – **area, location, use** etc.
- pre-established electronically
- support farmer to declare correctly

LPIS

- eligible agricultural area in a MS
- maps/land registry/cartographic references
- computerised GIS database
- LPIS Quality Assessment (QA)

Controls

- to verify the eligibility conditions for the aid

administrative
(cross-) checks

On-The-Spot-
Checks (OTSC)

Payment

GSAA: *Geo-Spatial Aid Application*
LPIS: *Land Parcel Identification System*
OTSC: *On-The-Spot-Checks*

- Measurement/ determination of areas
- Verification of eligibility criteria

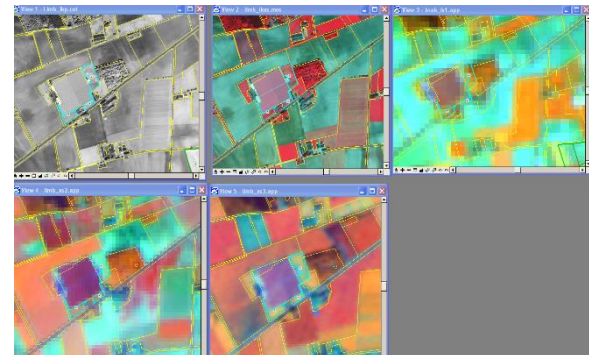
On-The-Spot-Checks (OTSC)

classical field
visits



Controls with
Remote Sensing
(CwRS)

[+ Rapid
Field Visits]



Checks by Monitoring

Simplification and modernisation agenda

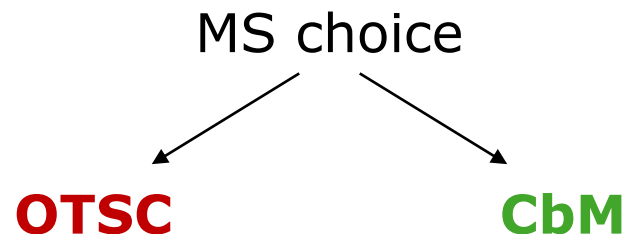
- Reduce burden of controls for competent authorities and beneficiaries
- Promote the use of new technologies in IACS

Key objectives

- Use innovative technologies to increase efficiency of controls
- Reduce number of field visits, save time costs for Paying Agencies and farmers
- Promote digitalisation and e-governance for more efficient processing of applications

Regulation (EU) No 746/2018 amending Implementing Regulation (EU) No 809/2014 adopted on 18 May 2018

- Expressly allows the use of new technologies in IACS (Sentinel data, drones, geo-tagged photos, EGNOS/Galileo)
- Allows Member States to start using monitoring techniques based on Earth Observation data to substitute the classical "On The Spot Checks" by "Checks by Monitoring"



- Applicable from Claim Year 2018 onwards

Where competent authorities opt for **Checks by Monitoring**, they shall:

- set up a procedure of regular and systematic observation, tracking and assessment of all eligibility criteria, commitments and other obligations

which can be monitored by Copernicus Sentinels satellite data or other data with at least equivalent value,

over a period of time that allows to conclude on the eligibility for the aid or support requested;

- set up tools to communicate with beneficiaries for warning alerts and evidence requested during follow-ups.

Pre-conditions for substituting the 'OTSC sample'

- GSAA fully in place ✓
- Proven LPIS quality ✓
- Effective procedure for recovery of undue payments ✓
- Effective cross-checks ✓

Flexibility for MS in application of monitoring

- Application per scheme/ measure
- Phasing-in over three years (for a scheme/ measure)

Notification requirements

- by 1 December of year preceding commencement

Notifications for 2019

MS	PA/ CB	Concerned Region	Scheme / Measure	Phasing in
BE	Flanders	Flanders	BPS, YFS, Greening (exemption from)	No
DK	DAA	all	ANC, BPS	No
ES	Andalucía	Andalucía	BPS, crop-specific payment for cotton	Yes
	Aragon	Aragon	SFS	No
	Castilla y León	Castilla y León	BPS, greening scheme, SFS, YFS, VCS (4 schemes)	Yes
	Catalonia	Catalonia	VCS: rice	Yes
	Murcia	Murcia	VCS: rice	No
	FEGA	Andalucía, Comunidad Valenciana, Extremadura, Galicia, Madrid, Murcia, Navarra	BPS	Yes
		Comunidad Valenciana	SFS, greening, VCS: nuts	Yes
IT	AGEA	Province of Foggia and Bari, Province of Pordenone	BPS, SFS	Yes
		Province of Viterbio	BPS, SFS, VCS durum wheat & leguminous crops	
	ARCEA	Province of Cosenza & Crotona	BPS, SFS, VCS durum wheat & leguminous crops	Yes
MT	ARPA	all	VCS: tomatoes	No

BPS = Basic Payment Scheme; YFS = Young Farmers Scheme; SFS = Small Farmers Scheme; VCS = Voluntary Coupled Support

Checks by Monitoring (CbM)

eligibility conditions

monitorable



track & assess



follow-ups

not monitorable

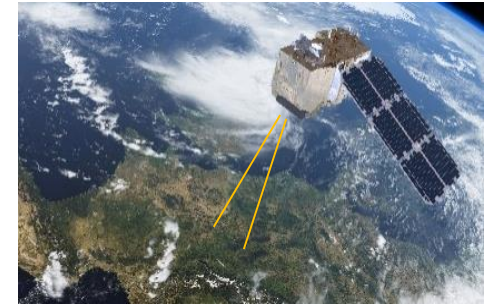


**check 5% of
beneficiaries**

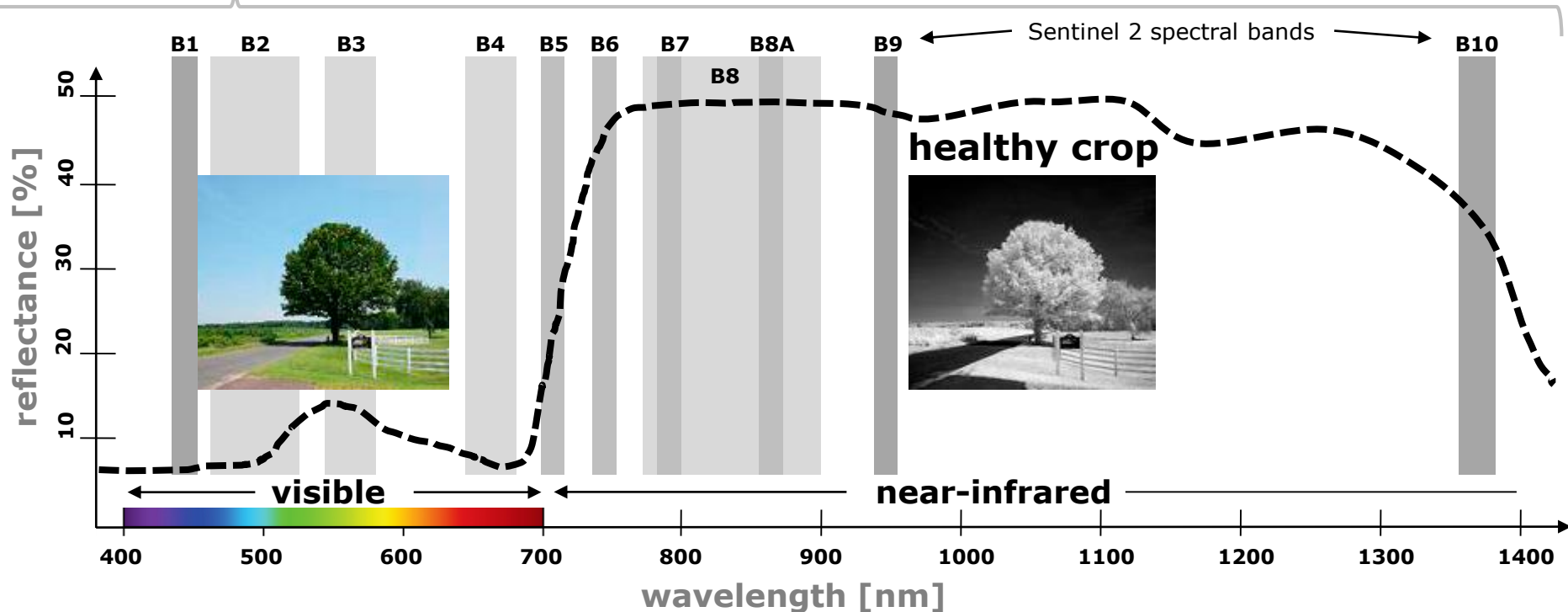
Why do we use satellites?

Copernicus Sentinel satellites

- systematic observations
- free & open data access
- optical & radar



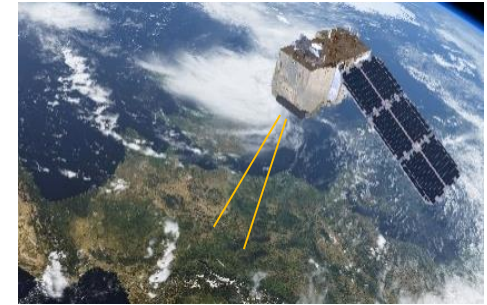
esa.int



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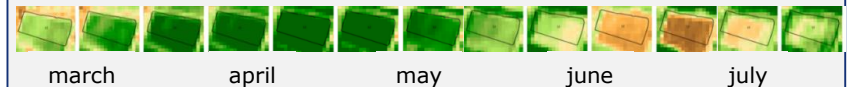
Monitor agricultural events

- track behaviour of parcels
- mark agricultural events
- identify crop groups

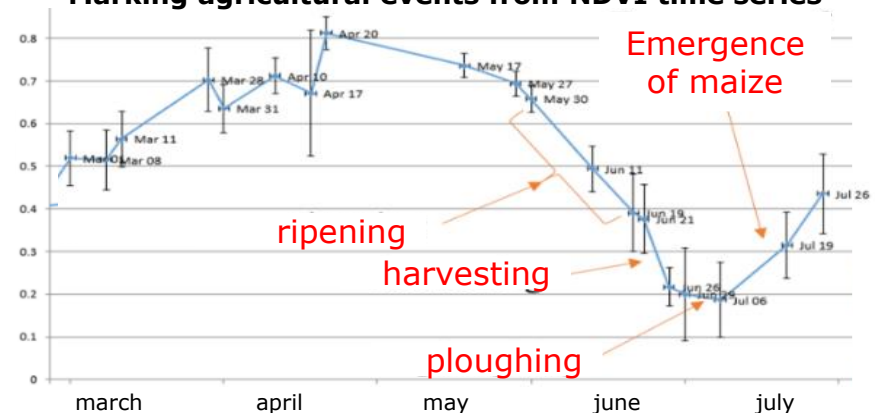
Advantages of satellites

- wall to wall coverage
- automatic processing
- information retrieval

NDVI time series of parcel with winter cereal



Marking agricultural events from NDVI time series

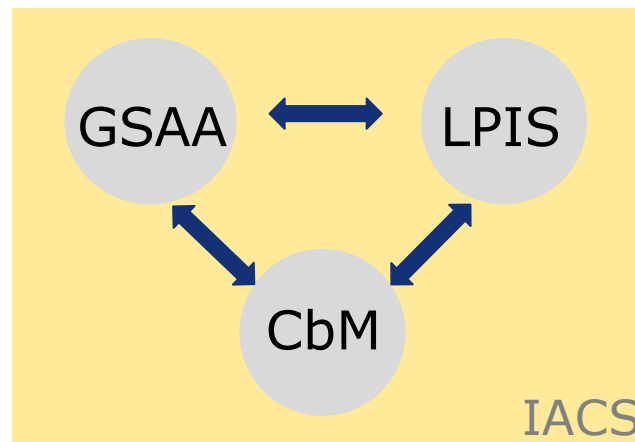


Concluding on eligibility

For parcel/holding: find required conditions/events
find absence of unwanted conditions/events

Examples

- BPS/SAPS: confirm each parcel eligibility
- crop diversification: respect holding minimum ratios
- ecological focus area: respect holding minimum share
- permanent grassland: verify ESPG- PG parcel persistence



Concluding on eligibility

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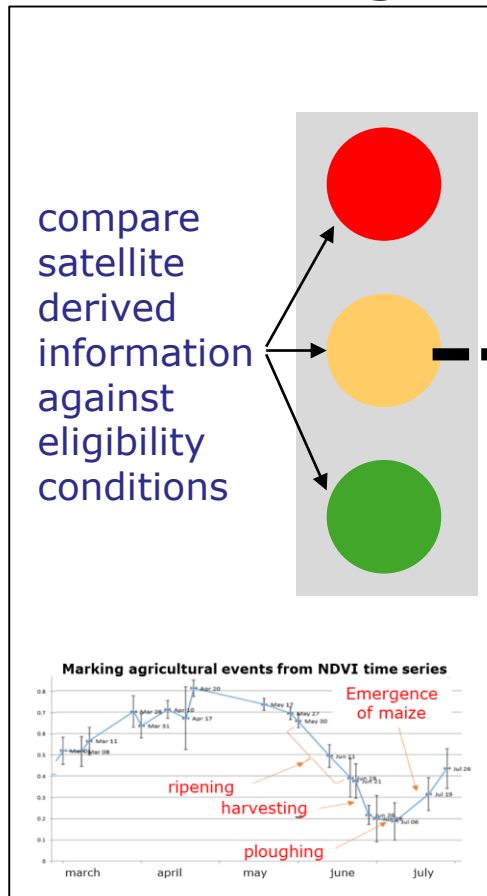
3 different **outcomes**:

- Non Compliant → red
- Inconclusive → yellow
- Compliant → green



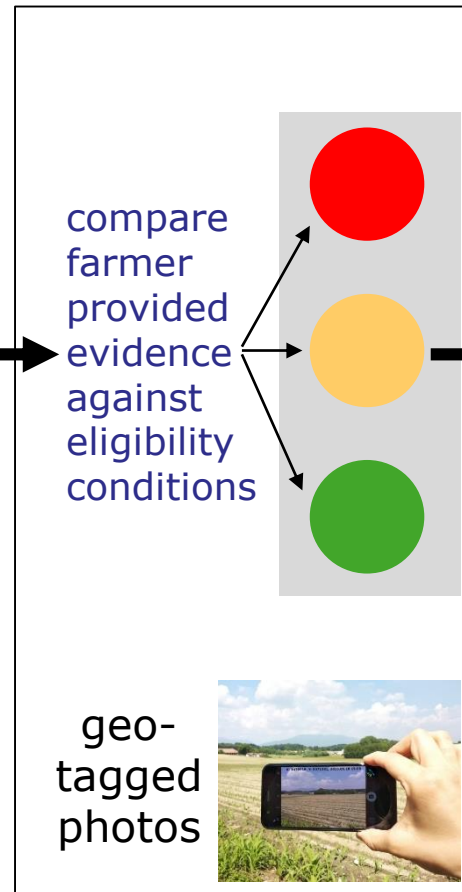
Concluding on eligibility

satellite monitoring



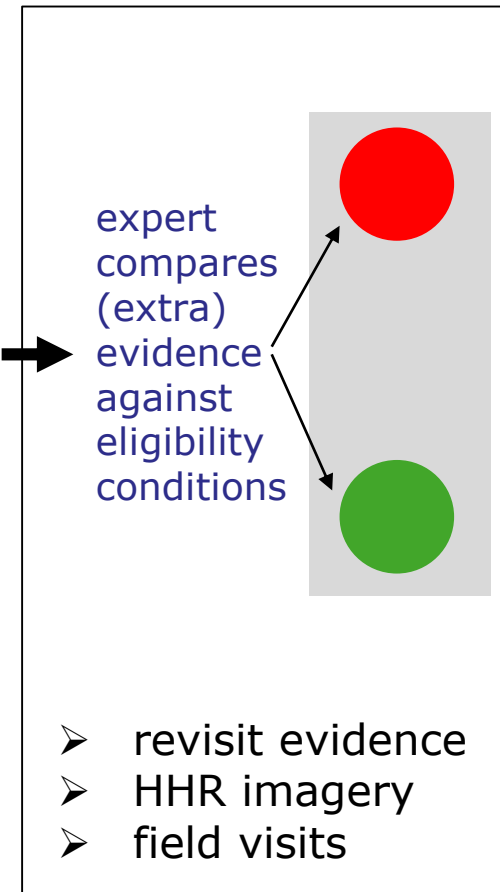
fully automated

follow-up (farmer/operator)



semi automated

follow-up (expert)



manual

Follow-up (expert)

Follow up if the financial impact of inconclusive parcels at holding level exceeds predefined limits

- **> €250** – all application(s)/claim(s) must be followed-up
- **€50 to €250** – at least 5% must be followed-up

Follow up (expert)

- revisit available evidence
- use other aerial/satellite data
- field visit as last resort



Inform

- Explain Checks by Monitoring (farmer as partner)
- Lower risk for farmers to incur penalties

Warn

- Alerts to farmers (focus on prevention)
- Modification of GSAA in certain circumstances
- Facility for beneficiary to submit evidence

Follow-up

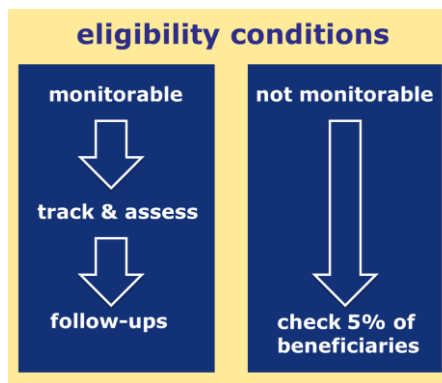
- Focus on assurance of activities for claimed land
- Evidence for inconclusive parcels (geo-tagged photos, invoices, seed labels, etc.)

early season

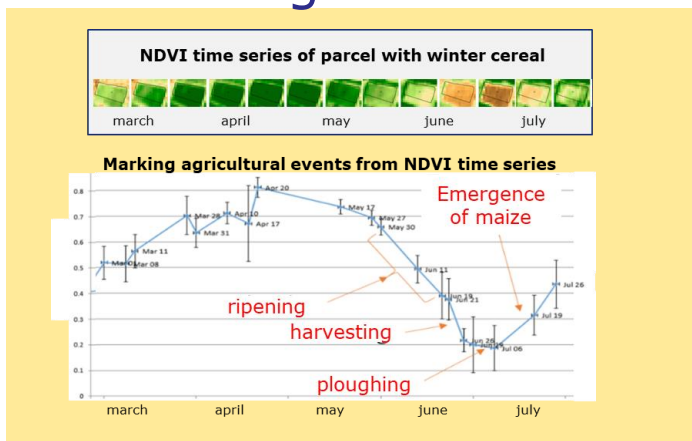
late season

In a nutshell...

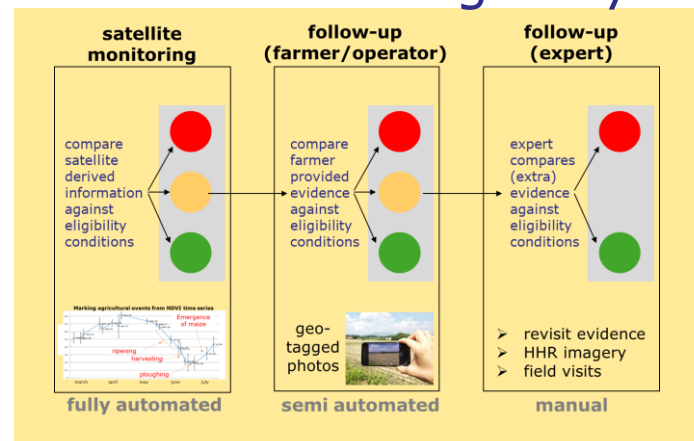
CbM is an alternative to OTSC



sentinel-based
monitoring of activities



process to
conclude on eligibility



Benefits of Checks by Monitoring

For Paying Agencies:

- Automated data processing for efficient administration
- Reduced costs associated with field visits

For Farmers:

- Reduced time and stress associated with field inspections
- Streamlined communication process with paying agencies
- Less errors & penalties thanks to warning systems and preventative effect

From European Union perspective:

- Assessment of farmer obligations on full EU area, rather than sample-based
- Assurance levels maintained while control costs contained

- Sentinels data
- Processing capacity of the DIAS infrastructure
(Copernicus Data Information and Access Service)
- Common technical specifications
- Q & A document (legal interpretations)
- Continued support for “early adopters” of CbM
- Bilateral meetings with MS wishing to start CbM

Checks by Monitoring update

CbM update in a nutshell: it works!

➤ **So far very positive result of first year of CbM**

E.g. Belgium Flanders, provisional results 2019

Red Parcels 0,5%

Yellow parcels 2,9%

Green parcels 96.6%



Monitoring & IACS

in

the future performance-based CAP

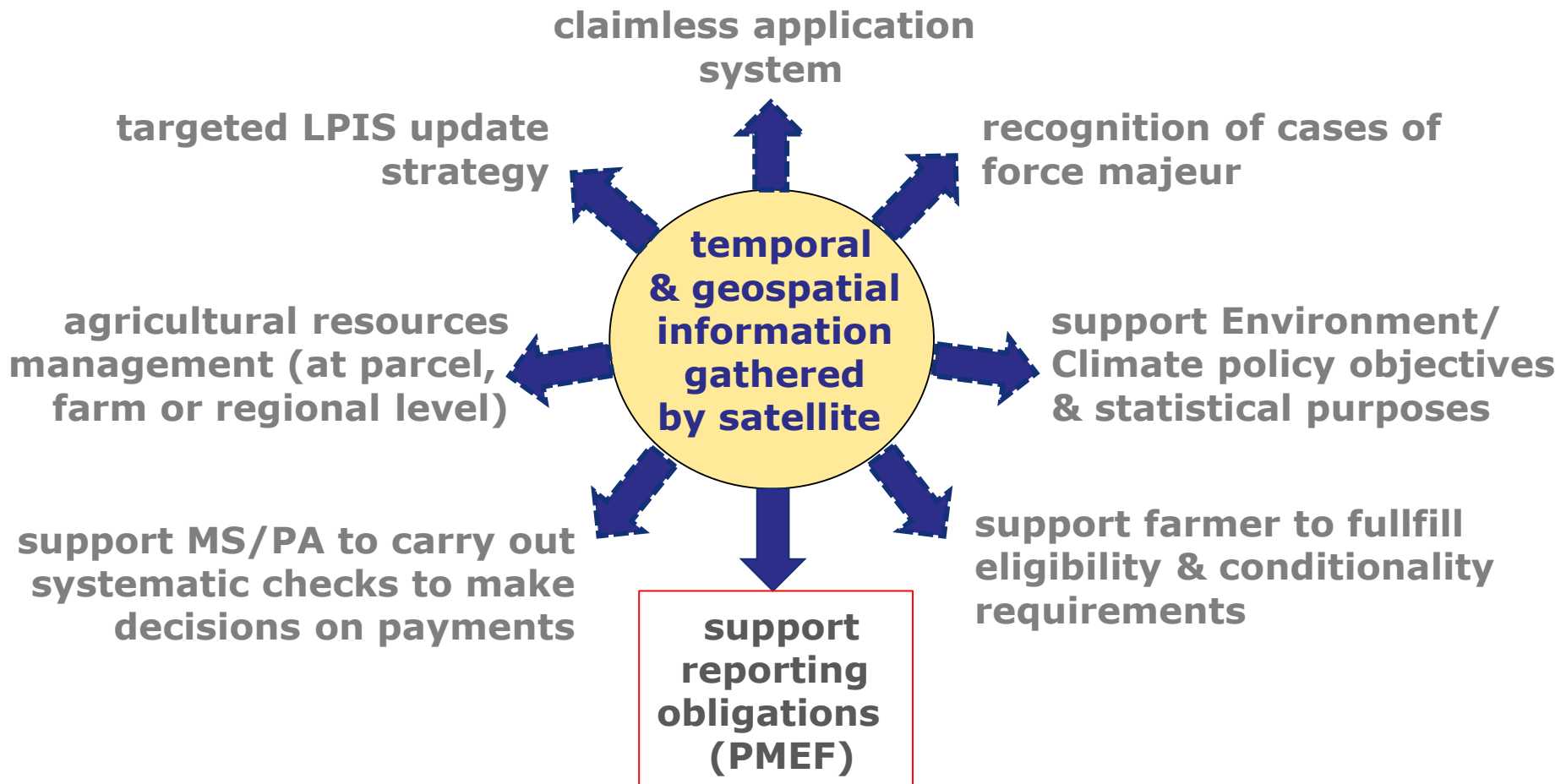
Area Monitoring System (AMS)

- AMS shall be a mandatory element of IACS (Art. 64 HZR)
- MS have obligation to annually assess quality of AMS (Art. 68)
- AMS is defined as (Art. 63(4)b HZR):

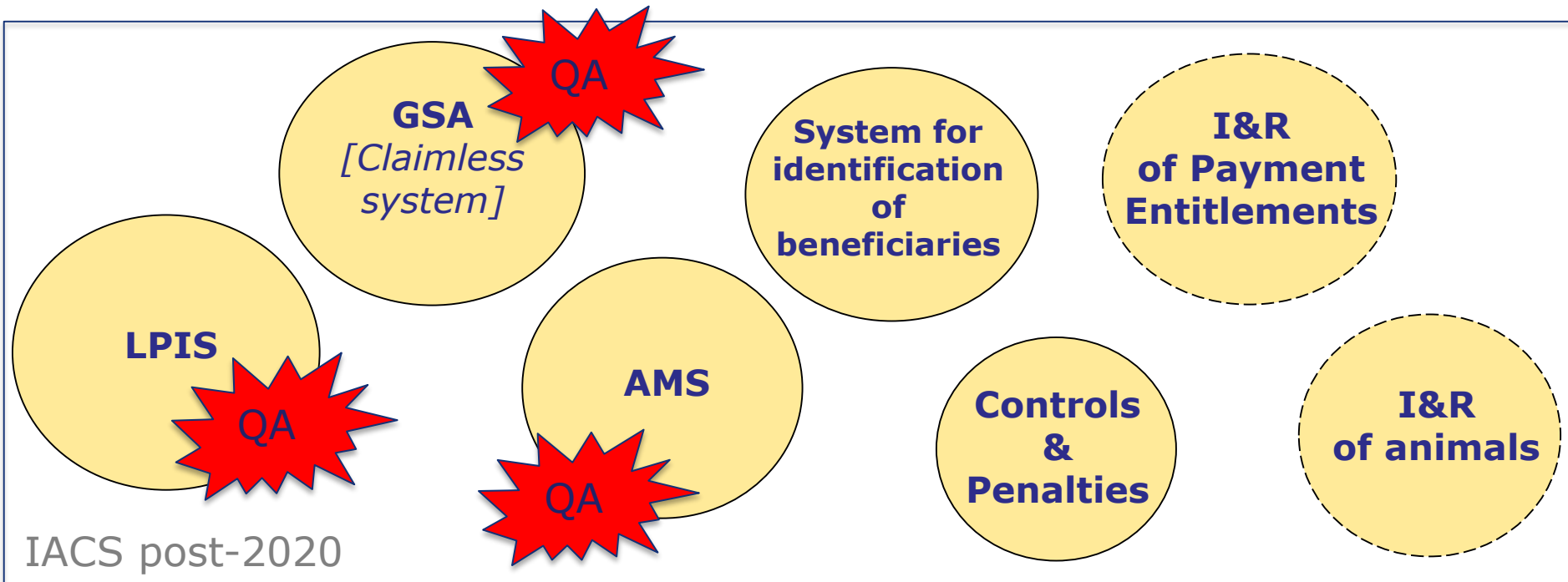
Procedure of regular and systematic observation, tracking and assessment of agricultural activities and practices on agricultural areas by Copernicus Sentinel satellite data or other data with at least equivalent value.

Area Monitoring System (AMS)

AMS allows MS to use monitoring information in various contexts:



IACS post-2020



✓ **Scope :**

no change → area- and animal- based interventions

Six headlines new Commission

- 1. A European Green Deal**
- 2. An economy that works for people**
- 3. A Europe fit for the digital age**
- 4. Protecting our European way of life**
- 5. A stronger Europe in the world**
- 6. A new push for European democracy**



Six headlines new Commission

Green Deal

Europe to strive for more by being the first climate-neutral continent

Biodiversity strategy for 2030

**Support of our farmers:
“Farm to Fork Strategy” on sustainable food along the whole value chain**



I believe that what is good for our planet must be good for our people, our regions and our economy. We will ensure a just transition for all,

Digital transformation High on the political agenda...

- ***"I want Europe to strive for more by grasping the opportunities from the digital age..."***

Ursula von der Leyen, President elect of the European Commission, Political guidelines for the next European Commission 2019-2024, A Europe fit for the digital age

- ***"The Digital Europe program, with a planned overall budget of €9.2 billion, will shape and support the digital transformation of Europe's society and economy"***, Multiannual Financial Framework proposal for the Digital Single Market, June 2019



... as well as in the CAP reform proposals

- ***... "cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake.*** Art. 5 of Cap plan regulation proposal
- ***"The CAP strategic plan shall contain ... a description of the elements that ensure modernisation of the CAP"*** Art. 95 of CAP plan regulation proposal
- ***"... a description of the strategy for the development of digital technologies in agriculture and rural areas and for the use of these technologies to improve the effectiveness and efficiency of the CAP Strategic Plan interventions",*** Art. 102 of Cap plan regulation proposal

Digitisation as key to modernisation

Advantages for Paying Agencies

- Better, faster information
- Saving time and money
- Closer to farmers

Advantages for Farmers

- Improving sustainability and competitiveness
- Supporting respect of eligibility rules

Challenges

Securing resources

- budget
- skilled staff

Ambitious timeline

- be ready for 2021

Training needs

- administration
- farmers

Overcoming the fear of Big Brother

Conclusions of Workshop 1 - Preparing the CAP Strategic Plans: the cross-cutting objective of modernization, Panta Rhei Conference, 16 October 2019

Thank you!

More information at: AGRI-D3@ec.europa.eu