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COMMISSION IMPLEMENTING REGULATION (EU) .../...

of XXX

Commission Implementing Regulation (EU)laying down rules for the application of Regulation [HZR] of the European Parliament and Council with regard to the integrated administration and control system

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COMMISSION IMPLEMENTING REGULATION (EU) .../...

of XXX

laying down rules for the application of Regulation (EU) 2021/2116 of the European Parliament and of the Council with regard to the integrated administration and control system in the common agricultural policy

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013¹, and in particular Article 26, first paragraph, point (c), Article 60(4), first subparagraph, point (b), Article 75, and Article 92 thereof,

Whereas:

- (1) Regulation (EU) 2021/2116 lays down the basic rules concerning, inter alia, the obligations on Member States to protect the financial interests of the Union and to report on policy performance. In order to ensure the smooth functioning of the new legal framework, certain rules have to be adopted in relation to the assessment reports on quality of three elements (the identification system for agricultural parcels, the geo-spatial application system and the area monitoring system) of the integrated administration and control system ('integrated system') and the related remedial actions, the requirements for aid applications and the area monitoring system, the framework governing the acquisition of satellite data for the purpose of the area monitoring system and on checks of the approved interbranch organisations with regard to crop-specific payment for cotton. The new rules should replace the relevant provisions of Commission Implementing Regulation (EU) No 809/2014².
- (2) The quality assessment reports of the identification system for agricultural parcels, of the geo-spatial application system and of the area monitoring system should be comprehensive to allow assessing reliability of the information generated by these elements of the integrated system. The content of these reports should also allow to conclude whether sufficient assurance is provided on the quality of the information used in relation to Member State's obligation of performance reporting in respect to the output and result indicators of area-based interventions managed under the integrated system. Therefore, these reports should in particular contain information on the work carried out under the quality assessment, the deficiencies detected as well as diagnostic information on the potential root causes of these deficiencies. More specifically, the reports should include information on the data and imagery used for the quality assessments as well as their testing results.
- (3) In order to deliver on their purpose of providing reliable data for the annual performance report, the results of the three quality assessments, and notably the ones

¹ OJ L 435, 6.12.2021, p. 187.

² Commission Implementing Regulation (EU) No 809/2014 of 17 July 2014 laying down rules for the application of Regulation (EU) No 1306/2013 of the European Parliament and of the Council with regard to the integrated administration and control system, rural development measures and cross compliance (OJ L 227, 31.7.2014, p. 69).

of the geo-spatial application and of the area monitoring system, should be combined to estimate the area error of the reported data on output and result indicators stemming from deficiencies of the systems. Rules should be established on the remedial actions that may be needed to address the deficiencies in a defined timeframe. In addition, the reports prepared in relation to years 2024 and 2026 should allow verifying that the area monitoring system is properly established in all Member States and that the gradual implementation of the area monitoring system has been successful covering all eligibility conditions and interventions that can be monitored. For this purpose, the reports should contain a list of all eligibility criteria for all area-based interventions under the integrated system together with information regarding the data sources used for the analysis. In order to facilitate the work of Member States, templates are to be provided by the Commission. These templates should be based on the methodology and instructions provided by the Commission and should be used for exchanges in electronic form to facilitate the communication between the Commission and the Member State concerned.

- (4) Member States should put in place a reliable and modern system to manage aid applications, allowing for communication by electronic means and operating in an annual cycle. Member States should take into account simplification for beneficiaries and national administration, for example by providing that one application can cover several interventions or several beneficiaries applying jointly or that one application per holding is considered in a given year in case of transfer of that holding. Member States should take the required measures to ensure the proper management of interventions where more than one paying agency is responsible for the same beneficiary.
- (5) Member States should harvest the benefits of digitisation by using, as a rule, the electronic means for all communication with beneficiaries. Moreover, to boost simplification, Member States should, to the extent possible, retrieve the information necessary for managing interventions from data sources at the disposal of public administration.
- (6) In order to facilitate the process of submitting aid application, Member States should provide pre-filled forms, containing all information relevant for beneficiaries and the most recently updated. Member States should prevent irregularities by allowing for amendments to the pre-filled forms and providing guiding alerts helping the beneficiary to identify potential non-compliances and apply correctly. Member States should take into account the modifications introduced by beneficiaries for the update of the information in the databases of the national administration. For the sake of equal treatment of beneficiaries, if a Member State decides to apply the automatic claim system, such system should ensure the same level of detail as required for the aid application under this Regulation.
- (7) Aid applications under the integrated system should provide, to the extent possible, all information that is necessary for the proper and reliable management of the interventions covered and for the correct reporting on output and result indicators. For proper management of interventions, beneficiaries should remain responsible for the aid application submitted, so that all related rights and responsibilities can be clearly assumed.
- (8) The prevention of irregularities should be put in place by allowing the possibility of amending or withdrawing aid applications within a certain deadline. When all beneficiaries for a given intervention are covered by administrative checks and/or

with the use of the area monitoring system, the deterrent effect of sanctions is not necessary. Therefore, the amendments or withdrawals should be allowed at any time prior to a deadline, which is necessary for the proper administration of interventions. However, amendments or withdrawals should not be allowed in respect to non-compliances related to non-monitorable eligibility conditions revealed from sources other than the area monitoring system and administrative checks. In other situations, the possibility to make amendments or withdrawals should not be allowed when the beneficiary has been informed of a planned on-the-spot check or such check, when unannounced, has already detected irregularities. In addition, in order to support reliability of information necessary for the interventions under Article 34(2) of Regulation (EU) 2021/2115 of the European Parliament and of the Council³ for bovine animals, sheep and goats, the deadline to make amendments should be set in a way to allow changes in the aid application and updates in the computer database for animals prior to the date fixed by the Member State for the identification and registration requirement to be met.

- (9) Member States should ensure that the geo-spatial application includes the necessary information to manage area-based interventions under the integrated system and, to the extent necessary, area-based interventions in the wine sector and for requirements under conditionality. A non-exhaustive list of the elements of the geospatial application should be provided to offer useful guidance to Member States. In respect to the information on the use of plant protection products to be provided by the beneficiary when relevant for an intervention for which CAP support is applied for, Member States may decide to use this information with regard to the obligation of registration of the use of these products as referred to in Regulation (EC) No 1107/2009 of the European Parliament and of the Council⁴.
- (10) For proper management of animal-based interventions, certain rules on the content of the relevant aid applications should be laid down. To ensure transparency and equal treatment of beneficiaries, it should also be clarified that when automatic claim system is used, all animals that the beneficiary owns and are potentially eligible to receive aid under a given intervention are to be considered declared for that intervention.
- (11) Regulation (EU) 2021/2116 introduced the area monitoring system as a mandatory element of the integrated system. In order to ensure this obligation is properly implemented in a uniform manner, the area monitoring system should have the same scope in all Member States, thus covering all beneficiaries and all area-based interventions managed under the integrated system and all monitorable conditions. Automation of the data analysis under the area monitoring system should be prioritised in order to support the cross-cutting objective of modernisation of the common agricultural policy (CAP). For these reasons, the number of eligibility conditions that can be monitored with Copernicus Sentinels satellites data or other data with at least equivalent value, should be gradually enlarged. For this purpose,

³ Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 (OJ L 435, 6.12.2021, p. 1).

⁴ Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC (OJ L 309, 24.11.2009, p. 1).

Member States should ensure that in 2023 and 2024, all eligibility conditions that can be considered monitorable by automatic processing of Copernicus Sentinel satellites data, are subject to the area monitoring system. However, Member States may decide whether these monitorable eligibility conditions are actually addressed via the processing of Copernicus Sentinels satellite data or of other data with at least equivalent value. Where eligibility conditions cannot be considered monitorable via Copernicus Sentinels satellite data, Member States may decide to address these via the processing of other data with at least equivalent value or else consider them as being non-monitorable. From 2025 onwards, Member States should ensure that all eligibility conditions that can be monitored by automatic processing of either Copernicus Sentinels satellites data or else geotagged photos are subject to the area monitoring system. However, considering the effort and investments needed to include the geotagged photos as data with at least equivalent value for the area monitoring system, Member States should be granted a period of time to carry out the necessary preparatory work. For this reason, Member States need to ensure that eligibility conditions that can be monitored by geotagged photos should be covered in a gradual manner throughout the programming period. These efforts should ensure a constant rate of progress from 2025 onwards. Member States should decide on which eligibility conditions can be monitored by geotagged photos become subject to the area monitoring system each year. In addition, to further facilitate Member States in the integration of this new technology in the area monitoring system, Member States should as a minimum, subject a percentage of interventions for which eligibility conditions can be monitored only by geotagged photos to the area monitoring system by 1 January 2027. Member States should have the flexibility to decide which interventions, having at least one eligibility condition that will be monitored by geotagged photos under the area monitoring system, are included in the percentage. However, in their decision, Member States should ensure all area-based interventions are subject to area monitoring system as required by Article 70 of Regulation (EU) 2021/2116,

- (12) In addition, common set of requirements should also be set to ensure that areas claimed under an intervention are free from ineligible land, ineligible land use and changes in the category of agricultural area that could impact the analysis of intervention-specific eligibility conditions using the area monitoring system. Throughout the claim year, these requirements should be assessed in respect to the eligibility conditions of interventions included in a given aid application so as to enable a meaningful subsequent analysis by the area monitoring system. Land use should be assessed within a delineated area in order to conclude whether based on a given aid application and the intervention concerned, the expected spatial or temporal behaviour has occurred. When developing the area monitoring system, Member States should fully benefit of its potential by using the information available for updating the identification system of agricultural parcels and communicating with beneficiaries in view of allowing amendments to aid applications. When the Member State needs to inform the beneficiary of non-compliances following the results of the area monitoring system in cases of presence of ineligible areas or ineligible land use, the information on the non-compliance should be communicated as early as it is detected in order for the beneficiary to be given the possibility to amend the aid application as soon as possible and the analysis of the area monitoring system to occur once again in a meaningful and timely manner. It should also be clarified how the possibility of gradual implementation of the system applies in practice, by specifying the interventions to be covered in 2023.

- (13) For the area monitoring system to be able to cover all eligibility conditions of all area-based interventions managed under the integrated system, which can be monitored with Copernicus Sentinels satellites data or other data with at least equivalent value, it is necessary to expand the types of data sources and provide the standards ensuring their equivalence to satellite data. In order to avoid gaps in the modernisation efforts of Member States, geotagged photos should be considered as data with at least equivalent value for the purpose of the area monitoring system.
- (14) Specific rules need to be laid down for an objective and efficient procedure under which the acquisition of satellite data for the purpose of the area monitoring system is to be carried out.
- (15) For proper management of the interventions with regard to cotton, certain rules should be provided on the content of checks that Member States carry out on the approved interbranch organisations.
- (16) In the interest of clarity and legal certainty, Implementing Regulation (EU) No 809/2014 should be repealed. However, that Regulation should continue to apply to aid applications for direct payments lodged before 1 January 2023 and to payment claims made in relation to support measures implemented under Regulation (EU) No 1305/ 2013 of the European Parliament and of the Council⁵.
- (17) The measures provided for in this Regulation are in accordance with the opinion of the Committee on the Agricultural Funds and the Committee on Common Agricultural Policy,

HAS ADOPTED THIS REGULATION:

Article 1

Scope

This Regulation lays down rules for the application of Regulation (EU) 2021/2116 with regard to integrated administration and control system ('integrated system') referred to in Article 65 of Regulation (EU) 2021/2116 in relation to:

- (a) the form and, content of and arrangements for transmitting or making available to the Commission of:
 - (i) the assessment reports on the quality of the identification system for agricultural parcels, of the geo-spatial application system and of the area monitoring system;
 - (ii) the remedial actions referred to in Articles 68, 69 and 70 of Regulation (EU) 2021/2116;
- (b) basic features of, and rules on the aid application system under Article 69 of Regulation (EU) 2021/2116, and the area monitoring system referred to in Article 70 of that Regulation, including parameters of the gradual increase of the number of interventions under the area monitoring system;

⁵ Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 (OJ L 347, 20.12.2013, p. 487).

- (c) the procedure under which the acquisition of satellite data referred to in Articles 24 of Regulation (EU) 2021/2116 shall be carried out in order to meet the objectives assigned;
- (d) the framework governing the acquisition, enhancing and use of satellite data, and the applicable deadlines; and
- (e) a system for checks of the approved interbranch organisations with regard to crop-specific payment for cotton as referred to in Title III, Chapter II, Section 3, subsection 2 of Regulation (EU) 2021/2115.

Article 2

Quality assessment reports

1. Member States shall provide the quality assessment referred to in Articles 68(3), 69(6) and 70(2) of Regulation (EU) 2021/2116 in the form of reports in accordance with the templates to be provided by the Commission by 1 July 2023.
2. The reports referred to in paragraph 1 shall provide information on the underlying work in the framework of the quality assessments, in particular in respect to the results of the in situ visits and/or the analysis of imagery, and quantify the deficiencies detected by the respective quality assessment. The results of the quality assessments referred to in paragraph 1 shall be combined to quantify the error in the number of hectares or share of areas reported in the annual performance report.
3. In case the results of the quality assessments reveal deficiencies exceeding predefined tolerance levels according to the quality assessments referred to in paragraph 1, Member State shall clearly indicate the remedial actions addressing those deficiencies in the quality assessment report. If the Commission considers that the progress in implementation of the remedial actions proposed in the previous year is insufficient, it may request the Member State to submit an action plan in accordance with Article 42 of Regulation (EU) 2021/2116.
4. For recurrent deficiencies revealed in the quality assessment referred to in paragraph 1, the Commission shall request an action plan in accordance with Article 42(1) of Regulation (EU) 2021/2116 if the same deficiencies are revealed without any improvement in the second consecutive year and are considered serious in accordance with Article 2, point (d) of that Regulation.
5. The quality assessment report of the area monitoring system submitted in relation to year 2024 and 2026 shall list all eligibility conditions for all interventions subject to the area monitoring system with information regarding the data sources used for the analysis.

Article 3

General rules for aid application system

1. Member States shall set up an electronic system for applications, which shall be submitted by the beneficiaries annually and contain all necessary information allowing Member States to verify the eligibility conditions for support at least for the interventions referred to in Article 65(2) and (3) of Regulation (EU) 2021/2116 as well as conditions and requirements relevant to conditionality and payment entitlements, where necessary. The system shall allow clear and unambiguous identification of beneficiaries, in particular where the automatic claim system referred to in Article

65(4), point (f) of Regulation (EU)2021/2116 is used. The system shall include the geo-spatial application system and, where applicable, the animal-based application system as referred to in Article 66(1), point (b) of Regulation (EU)2021/2116.

The aid applications shall be submitted within a deadline set by the Member State and relate to the calendar year of submission.

2. Member States may provide for a single aid application covering several interventions referred to in Article 65(2) and (3) of Regulation (EU)2021/2116, payment entitlements and conditionality.

Member States may decide that a group of beneficiaries can jointly submit an aid application, provided equal treatment of all beneficiaries is ensured.

3. Where a holding is transferred from one beneficiary to another, Member States shall consider only one aid application for that holding in the year of the transfer.

For animal-based interventions under Articles 31, 34 and 70 of Regulation (EU) 2021/2115, where an animal is transferred from one beneficiary to another, Member States may consider more than one aid application for that animal in the year of the transfer provided that they can ensure non-discrimination among the beneficiaries concerned, the efficiency of the checks, a fair application of eventual penalties, and the respect of the annuality of the integrated system.

4. For the proper administration of interventions within a Member State and where more than one paying agency is responsible for managing the aid application of the same beneficiary, Member State concerned shall take all the appropriate measures to ensure that the necessary information is made available to all paying agencies involved.

Article 4

Simplification of procedures related to the aid application system

1. Member States shall establish electronic means of communication between the beneficiary and the authorities ensuring that transmitted data is reliable in view of the proper management of the interventions under the integrated administration and control system. Where supporting documents cannot be transmitted electronically, Member States shall set the same time limits for their transmission by non-electronic means.
2. Member States may provide for simplified procedures where data is already available to the authorities, in particular where the situation has not changed since the last submission of an aid application. Member States may decide to use data derived from data sources at the disposal of national authorities for the purpose of aid applications. Member States shall ensure that those data sources offer the level of assurance necessary for the proper management of the data in order to guarantee the reliability, integrity and security of that data.
3. Where appropriate, Member States may request the information required in any supporting documents to be submitted together with the aid application directly from the source of information.

Article 5

Requirements pertaining the aid application system

1. Member States shall provide to the beneficiaries, through electronic means, pre-filled forms as referred to in Article 69(3) of Regulation (EU) 2021/2116.

2. For area-based interventions referred to in Article 65(2) and (3) of Regulation (EU) 2021/2116, the pre-filled forms shall contain the most recently updated corresponding graphic material, provided through an interface based on geographic information system in order to facilitate the geospatial declaration of areas for the purpose of these interventions and of conditionality.
3. The pre-filled forms referred to in paragraph 1 shall indicate:
 - (a) the unique identification of all agricultural parcels and units of land containing non-agricultural areas considered eligible by the Member State of the holding;
 - (b) the surface and location of the declared areas of these parcels and corresponding eligible area determined for payment for the previous year for the purpose of area-based interventions;
 - (c) information relevant for conditionality.

Information stemming from the area monitoring system may also be provided to beneficiaries, where relevant for the aid application.
4. For animal-based interventions concerning bovine animals or sheep and goats, Member State shall rely on an updated computer database defined Article 2, point (25) of Commission Delegated Regulation (EU) 2019/2035⁶ in order to provide the pre-filled forms with the most recent information from that database, which has to be up-to-date in accordance with the deadlines provided for in Commission Implementing Regulation (EU) 2021/520⁷.
5. Member States shall provide the beneficiaries with the possibility to correct the pre-filled forms within a deadline to be established by the Member State in accordance with the conditions for amendment or withdrawal of aid applications laid down in Article 7.
6. Modifications provided by the beneficiaries in the pre-filled forms shall be taken into account for the update of the identification system of agricultural parcels, the application of the area monitoring system and the computer database, referred to in paragraph 3, where relevant.
7. In view of facilitating the submission by the beneficiaries, the aid application system shall provide for guiding alerts during the application process.
8. Member States applying the automatic claim system referred to in Article 65(4), point (f) of Regulation (EU) 2021/2116 shall ensure an equivalent level of detail as set out in this Regulation.

Article 6

Content of aid applications

⁶ Commission Delegated Regulation (EU) 2019/2035 of 28 June 2019 supplementing Regulation (EU) 2016/429 of the European Parliament and of the Council as regards rules for establishments keeping terrestrial animals and hatcheries, and the traceability of certain kept terrestrial animals and hatching eggs (OJ L 314, 5.12.2019, p. 115).

⁷ Commission Implementing Regulation (EU) 2021/520 of 24 March 2021 laying down rules for the application of Regulation (EU) 2016/429 of the European Parliament and of the Council with regard to the traceability of certain kept terrestrial animals (OJ L 104, 25.3.2021, p. 39).

1. Aid application means application for support under any of the interventions governed by the integrated system or, where relevant an application for support or a payment claim.

The aid application shall at least contain:

- (a) the identity of the beneficiary;
- (b) details of the intervention(s) applied for;
- (c) where appropriate, any supporting documents needed to establish the eligibility conditions and other relevant requirements for the intervention concerned;
- (d) information relevant to conditionality.

The beneficiary shall remain responsible for the aid application and the correctness of the information transmitted. This shall also be the case when a Member State applies an automatic claim system.

2. Member States shall ensure that the aid application contains all information necessary to extract data relevant for the correct reporting on output and result indicators referred to in Article 66(2) of Regulation (EU)2021/2116 in respect to the interventions covered by the aid application.

Article 7

Amendments or withdrawals of aid applications

1. Aid applications may be amended or totally or partially withdrawn by the beneficiary under the following conditions:
 - (a) for interventions subject to the area monitoring system, at any time prior to a deadline to be set by the Member State, which shall be no later than 15 calendar days before the date when the payment of first instalment or the advances to be made in accordance with Article 44 of Regulation (EU)2021/2116. However, amendments or withdrawals shall not be allowed in respect to non-compliances related to non-monitorable eligibility conditions revealed by means other than the area monitoring system or administrative checks;
 - (b) for animal-based interventions under Article 34 of Regulation (EU) 2021/2115 concerning bovine animals or sheep and goats, at any time preceding the date fixed by the Member State in accordance with the second sentence of paragraph 2 of that Article or until the beneficiary has been informed of the Member State's intention to carry out an on-the-spot check or until the beneficiary becomes aware of a non-compliance as a result of an unannounced on-the-spot check. Nevertheless, amendments or withdrawals shall be authorised in respect to the part not affected by the non-compliance detected by the on-the-spot check.
 - (c) for other interventions, at any time prior to a deadline to be set by the Member State, which shall be no later than 15 calendar days before the date when the payment of first instalment or the advances to be made in accordance with Article 44 of Regulation (EU)2021/2116 or until the beneficiary has been informed of the Member State's intention to carry out an on-the-spot check or until the beneficiary becomes aware of a non-compliance as a result of an unannounced on-the-spot check. Nevertheless, amendments or withdrawals shall be authorised in respect to the part not affected by the non-compliance detected by the on-the-spot check.

2. In case of non-compliances with eligibility conditions detected by the administrative checks or the area monitoring system, Member States shall inform the beneficiaries allowing for the possibility to amend or withdraw the aid application in respect to the part affected by the non-compliance in accordance with paragraph 1, points (a), (b) and (c). In order to facilitate the process for the beneficiary, Member States may proceed to the necessary corrections of the aid application in respect to the part affected by the non-compliance. However, in this case, Member States shall ensure that the beneficiary is aware of the changes introduced by the Member State and has the possibility to react in case of disagreement remaining this way responsible for the aid application.
3. For the animal-based interventions under Article 34 of Regulation (EU) No 2021/2115 concerning bovine animals or sheep and goats, Member States may provide that the notifications to the computer database, referred to in Article 5(4) of this Regulation, of an animal that has left the holding may substitute a withdrawal of the animal in writing.
4. Member States applying an automatic claim system referred to in Article 65(4), point (f) of Regulation (EU) 2021/2116 for animal-based interventions may only withdraw their claim in respect of all animals relevant for the intervention that are registered in the computer database.
5. Amendments or withdrawals shall be made with the use of the official communication channels established by the Member State.
6. Member States shall inform the beneficiaries of the latest date to amend or withdraw the aid application. Member States shall ensure equal treatment towards beneficiaries who are subject to an automatic claim system referred to in Article 65(4) point (f) of Regulation (EU) 2021/2116.

Article 8

Geo-spatial application

1. The geo-spatial application shall be used for all area-based interventions under the integrated system and for the relevant information in relation to conditionality, also in case of the beneficiaries who are subject to conditionality but are not applying for support under the area-based interventions.
2. The geo-spatial application shall also be used for the interventions in the wine sector as laid down in Title III, Chapter III, Section 4 of Regulation (EU) 2021/2115..
3. Without prejudice to Article 6, the geo-spatial application shall contain at least the following information:
 - (a) unambiguous identification of agricultural parcels and units of land containing non-agricultural areas considered eligible by the Member State of the holding;
 - (b) clear delineation of the area declared for aid under each intervention on the agricultural parcels and units of land containing non-agricultural areas considered eligible by the Member State, in particular if the area claimed is smaller than the total area of the agricultural parcel;
 - (c) the type, location and, where relevant, size of landscape features relevant for conditionality or interventions;
 - (d) crop on agricultural parcels, where relevant;

- (e) where relevant, whether the parcel is subject to organic farming, and in particular for the conversion or maintenance of organic farming practices and methods as laid down in Regulation (EU) 2018/848, relevant for support granted for interventions referred to in Article 31 and 70 of Regulation (EU) 2021/2115 or conditionality;
- (f) where relevant, information on the use of plant protection products for parcels under interventions for sustainable and reduced use of pesticides under Articles 31 and 70 of Regulation (EU) 2021/2115. Member States may decide to use this information in respect to the requirement of record-keeping of plant protection products laid down in Article 67(1) of Regulation (EC) 1107/2019;
- (g) the identification of the payment entitlements in accordance with the identification and registration system provided for in Article 73 of Regulation (EU) 2021/2116 for the purpose of the basic income support for sustainability;
- (h) for areas claimed for the crop-specific payment for cotton, the variety of cotton seed used and, where applicable, the identification of the approved interbranch organisation of which the beneficiary is a member;
- (i) for areas used for the production of hemp, the variety of seed used, an indication of the quantities of the seeds used, expressed in kilograms per hectare, and the official labels used on the packaging of the seeds in accordance with Council Directive 2002/57/EC⁸, and in particular Article 12 thereof, or any other document recognised as equivalent by the Member State. Where the labels also have to be submitted to other national authorities, Member States may provide for those labels to be returned to the beneficiaries. The labels returned shall be marked as used for an application.

Article 9

Applications for animal-based interventions

1. Without prejudice to Article 6, applications for animal-based interventions shall contain at least the following:
 - (a) the number of animals or, as relevant, the number of livestock units, of each type, in respect of which an animal-based intervention is applied for;
 - (b) where relevant, information on the location where the animals will be held in the calendar year covered by the aid application;
 - (c) where the support concerns the bovine animals or sheep and goats, updated information relevant for the intervention on the animals in relation to the system for the identification and registration of animals, in accordance with Article 34(2) of Regulation (EU) 2021/2115.
2. Member States applying an automatic claim system according to Article 65(4), point (f) of Regulation (EU) 2021/2116 shall ensure equivalent level of detail as set out in paragraph 1 of this Article based on the information available in the official computerised database, which shall be up-to-date for all animals, in accordance with Article 34(2) of Regulation (EU) 2021/2115. Under the automatic claim system, all

⁸ Council Directive 2002/57/EC of 13 June 2002 on the marketing of seed of oil and fibre plants, (OJ L 193, 20.7.2002, p. 74).

animals of the beneficiary relevant for an intervention shall be considered as included in the claim.

Article 10

Area monitoring system

1. The area monitoring system shall apply to all aid applications for area-based interventions under the integrated system submitted in Member States and shall be used to observe, track and assess agricultural activities and practices on hectares under these area-based interventions and at least for the purpose of annual performance reporting.
2. Member States shall ensure that for all area-based interventions the eligibility conditions, which can be monitored with Copernicus Sentinels satellites data or other data with at least equivalent value, are subject to the area monitoring system.
3. For the purpose of the area monitoring system, an eligibility condition shall be considered monitorable when it can be monitored by Copernicus Sentinels satellites data. In order to address eligibility conditions considered monitorable, Member States may decide to use Copernicus Sentinels satellites data or any other data with at least equivalent value as provided for in Article 11. However, as from 1 January 2025, an eligibility condition shall be considered monitorable when it can be monitored by Copernicus Sentinels satellites data or geotagged photos referred to in Article 11. In order to address eligibility conditions considered monitorable as from 1 January 2025, Member States may decide to use Copernicus Sentinels satellites data, geotagged photos or any other data with at least equivalent value.
4. For the eligibility conditions that can be monitored with geotagged photos, Member States may decide to gradually include them under the area monitoring system. Member State shall ensure that at least 70% of interventions with eligibility conditions that can be monitored only with geotagged photos will be subject to the area monitoring system at the latest by 1 January 2027. Member States shall decide which eligibility conditions that can be monitored by geotagged photos become subject to the area monitoring system each year.
5. For the analysis of monitorable eligibility conditions under the area monitoring system, Member States may choose to combine Copernicus Sentinels satellites data and/or other types of data with at least equivalent value in accordance with the criteria specified in Article 11 to cover the full population of aid applications concerned. Member States may also decide to perform a cascaded analysis of Sentinel satellite data and/or other types of data with at least equivalent value for the purpose of reducing the number of non-conclusively monitored cases. For eligibility conditions that can be monitored only by geotagged photos, in case of absence of input by the beneficiary, the Member State may decide to consider that this eligibility condition has not being met.
6. Member States shall ensure that hectares, which do not meet the relevant eligibility conditions at the latest date allowed for amendments of aid applications in accordance with Article 7, are excluded from the annual performance reporting.
7. In order to allow the reliable observation, tracking and assessment of agricultural activities and practices, the area monitoring system shall, at the level of agricultural parcel or units of land containing non-agricultural areas and agricultural land considered eligible by the Member State, ensure the detection of:

- (a) presence of ineligible area, in particular due to permanent structures;
- (b) presence of ineligible land use;
- (c) change in the category of agricultural area whether it is arable land, permanent crop or permanent grassland.

Where relevant, Member States shall use the information referred to in this paragraph for the purpose of updating the identification system for agricultural parcels.

8. Member States shall communicate to beneficiaries the information on hectares where the relevant eligibility conditions are potentially not met and on detected presence of ineligible area, ineligible land use or change in the category of agricultural area so that beneficiaries can make amendments to aid applications, referred to in Article 7, or provide additional evidence.
9. By way of derogation from paragraph 1 and in order to allow for a gradual increase of the number of interventions subject to area monitoring system, in 2023 the system shall provide information at least on the following:
 - (a) all relevant eligibility conditions for Basic Income Support for Sustainability, referred to in Article 21 of Regulation (EU) No 2021/2115;
 - (b) all relevant eligibility conditions for interventions for Natural or other area specific constraints, referred to in Article 71 of Regulation (EU) No 2021/2115.

Article 11

Data with at least equivalent value for the area monitoring system

For the purpose of the area monitoring system, Member States may decide to use other data with at least equivalent value if they are in digital form, allow automatic processing of data, are systematically available for the beneficiaries concerned or categories of areas in the Member State, not discriminatory and suitable for determining compliance with a particular eligibility condition or obligation on the area subject to the relevant condition. In that context, geo-tagged photos shall be considered as other data with at least equivalent value, referred to in Article 65(4), point (b) of Regulation (EU) 2021/2116.

Article 12

Acquisition of satellite data

1. For the purposes of Article 24 of Regulation (EU) 2021/2116, each Member State shall inform the Commission at the latest by 1 November of the calendar year preceding the year of the performance of the quality assessment of the area monitoring system, about its specification on the acquisition of the satellite data in respect to:
 - (a) the population of parcels per intervention from which the quality assessment sample will be selected;
 - (b) the timetable for obtaining the satellite data for the eligibility conditions of the intervention on the selected parcels.
2. For the purpose of point (a) of paragraph 1, Member States shall draw the population of parcels for the quality assessment sample based on the aid applications of the year

preceding the calendar year of the quality assessment. The population of the parcels for which imagery is requested may be updated in the calendar year of the quality assessment for parcels that, following the aid applications of the calendar year concerned, are not relevant anymore for a given intervention or for parcels under interventions for which aid was not applied for the previous year.

3. The Commission shall finalise the agreement with the Member State concerned on the information referred to in paragraph 1, point (a) and (b), before 15 January following the communication of information referred to in paragraph 1.
4. The competent authorities or bodies representing them referred to in Article 24 of Regulation (EU) 2021/2116 must observe the provisions on copyright set out in the contracts with the suppliers.
5. If the total requests received by Member States exceed the budget available for the application of Article 24 of Regulation (EU) 2021/2116, the Commission shall decide on a limitation of the satellite data to be provided, aiming at the most efficient use of the available resources. In addition, where Member States add parcels during the calendar year to the population for the quality assessment of the area monitoring system, the Commission may not be able to acquire all relevant imagery.

[...]

Article 13

Checks of the approved interbranch organisations for crop-specific payment for cotton

Member States shall carry out administrative checks on the approved interbranch organisations for crop specific payment for cotton in accordance with this article.

Where appropriate to verify the eligibility for an increase of aid provided for in Article 40(2) of Regulation (EU) 2021/2115, Member States shall cross-check the declaration of the beneficiary in the geo-spatial application to be a member of an approved interbranch organisation with the information transmitted by the organisation concerned.

At least once every 5 years, Member States shall verify the compliance with the criteria for the approval of interbranch organisations and the list of their members.

Article 14

Repeal

Implementing Regulation (EU) No 809/2014 is repealed with effect from 1 January 2023.

However, it shall continue to apply to:

- (a) aid applications for direct payments lodged before 1 January 2023;
- (b) payment claims made in relation to support measures implemented under Regulation (EU) No 1305/ 2013;
- (c) the control system and administrative penalties as regards rules on cross-compliance.

Article 15

Entry into force and application

This Regulation shall enter into force on the [...] day following that of its publication in the *Official Journal of the European Union*.

It shall apply to aid applications relating to interventions implemented in accordance with Regulation (EU) 2021/2115 as from 1 January 2023.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission
The President
[...]