



**EUROPEAN COMMISSION**  
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT  
Directorate D. Direct support  
**D.3. Implementation support, monitoring, IACS and LPIS**

**GUIDANCE DOCUMENT ON THE LAND PARCEL IDENTIFICATION SYSTEM (LPIS) UNDER  
ARTICLES 5, 9 AND 10 OF COMMISSION DELEGATED REGULATION (EU) NO 640/2014**

**CLAIM YEAR 2015 ONWARDS**

**This document is referred to as "LPIS guidance".**

The purpose of this document is to give guidance to Member States (MS) on how the legal provisions in reference are best met; it is not to repeat what is in the legislation. In case part of the work related to the LPIS is contracted out, it remains the responsibility of the MS authority that the work is carried out in line with the applicable legislation and to the standard required (Regulation 1306/2013 and its delegated act and implementing act regarding IACS). Detailed guidelines for the purpose of instructing the contractor are also the responsibility of the individual MS opting for sub-contracting.

This guidance is either derived directly from the mentioned legal provisions or, whilst not expressing straight-forward legal obligations, constitutes recommendations by the Commission services to the Member States.

It should be emphasised that the considerations contained in this document are without prejudice to any further position taken by the Commission acting as a collegiate body, nor to any future judgement of the European Court of Justice, which alone is competent to hand down legally binding interpretations of Union law.

## 1. LPIS: BASIC PRINCIPLES

### 1.1. Reference parcels, Maximum Eligible Area, etc.

LPIS in EU are composed of different types of reference parcels (RP) (agricultural parcel, farmer's block, physical block, cadastral system / topographic block or a combination of those) chosen by the MS for each LPIS (national or regional). RP should contain agricultural area as defined in Art. 4(1)(e) of Regulation (EU) No 1307/2013.

Even though the LPIS are already in place in all the MS, regular reviews (upgrade, update, completion, etc.) are necessary based on information coming from on-the-spot checks, the LPIS Quality Assessment (LPIS QA), indications by beneficiaries, on changes in the eligibility conditions, on new ortho-imagery, etc. In view of preparing 2015 claim year and implementation of the reform, this review is necessary in all MS at least in view of the new definition of permanent grassland (completion of the LPIS with new eligible land) and depending on MS choice in view of implementing Art. 9 and 10 of Regulation (EU) No 640/2014.

### 1.2. Different Maximum Eligible Areas for different purposes

Article 5(1) of Regulation (EU) No 640/2014 sets out how all the agricultural area as defined in Article 4(1)(e) of Regulation (EU) No 1307/2013, and where appropriate areas referred to in Article 32(2)(b) of the same Regulation as well as areas referred to in Article 28(2) of Regulation (EU) No 1305/2013, should be identified in the LPIS.

Article 5(2) of Regulation (EU) No 640/2014 lays down further requirements on the LPIS, including that the maximum eligible area (MEA) for various schemes or payments shall be identified. This implies that the MEA (e.g. for the Basic Payment Scheme - BPS or the Single Area Payment Scheme and Natura 2000) might not be the same. It is recommended that this zoning is explicitly handled by different "layers/themes" in the LPIS, responding to every requirement listed in Article 5 of Regulation (EU) No 640/2014. Each "layer" should contain the MEA for the scheme in question.

In order to facilitate the geospatial aid applications and make controls more efficient, further specific information, e.g. more detailed delineations, can be included. In particular, when a RP contains agricultural area as defined in Art. 4(1)(e) of Regulation (EU) No 1307/2013 together with areas referred to in Article 32(2)(b) of the same Regulation and/or areas referred to in Article 28(2) of Regulation (EU) No 1305/2013, it is important that those areas are geo-localised in the LPIS. It would help the farmers and ease the controls by avoiding errors in the aid applications and/or applications for support.

## **2. MEA FOR THE PURPOSE OF THE SCHEMES LISTED IN ANNEX I TO REGULATION (EU) NO 1307/2013 (ART. 5(2)(a) OF REGULATION (EU) NO 640/2014)**

This section deals with the LPIS “reference” layer of eligible areas for BPS/SAPS as from 2015 (Art. 32(2) and 32(5) of Regulation (EU) No 1307/2013). It should be noted that this reference layer also serves the purpose of the following other direct payments: the redistributive payment, the payment for young farmer, the payment for agricultural practices beneficial for the climate and the environment (“greening”) and the small farmers scheme. Additional conditions linked to areas apply to the voluntary coupled support (types of crops) and the payment for areas with natural constraints (further delineation of the natural constraints in the LPIS needed).

### **2.1. Distinction of the agricultural area / land cover within the reference parcels**

#### *2.1.1. Principles*

The distinction of agricultural area / land cover in arable land, permanent grassland (PG) and permanent crops in the LPIS is at least necessary in order to:

- in general to facilitate and control the declaration of the agricultural areas by beneficiaries (permanent grassland, arable land, permanent crops), in particular where land with grasses and other herbaceous forage are declared by beneficiary as arable land while they have actually not been included in the crop rotation for 5 years or more;
- facilitate the declaration of arable land by farmers and the calculation of the relevant shares based thereon for EFA and crop diversification (CD), as well as the cross-check by the administration;
- establish the EFA-layer as referred to in Art.5(2)(c) of Regulation (EU) No 640/2014 (EFAs are located on arable land or for some of them adjacent to arable land);
- identify the agricultural parcels of sensitive permanent grassland to be protected under greening as referred to in Art.5(2)(d) of Regulation (EU) No 640/2014, etc.

#### *2.1.2. Technical modalities*

The distinction between the different types of agricultural area should be done in two ways depending on the situation:

- By alphanumerical recording of the types and the corresponding area values as attributes of the reference parcel (RP),
- By delineation (assigning geometries to each type within the RP).

Where a RP corresponds to one type of agricultural area (permanent grassland or arable land or permanent crops), there is no need to duplicate the geometries (spatial representation) of the agricultural area. The information on the type of area can be

included as an attribute of the RP. Where a RP corresponds to several types of agricultural area, there is no need to split the RP but each type should be geo-localised ("object referencing") and its area recorded in the LPIS as attributes. The sum of the area of each type of agricultural area in a RP should equal the MEA of the RP. In other words, the distinction of the agricultural area in PG, arable land and permanent crops could be seen as another layer.

The geo-referenced area of arable land, of permanent crop or of PG may include landscape features and/or trees. For eligibility purpose (for BPS/SAPS) there is no need to delineate eligible landscape features or trees in the LPIS reference layer.

Where a RP made up of one type of agricultural area (permanent grassland or arable land or permanent crops) contains "eligible" landscape features and/or trees (see relevant sections on landscape features and trees hereinafter), the area of those latter should be considered as area under the type of agricultural area composing the RP (e.g. an eligible pond located on a reference parcel composed of arable land is considered as "arable land").

Where a RP containing different types of agricultural areas also contains "eligible" landscape features and trees (see section 2.4 for what is an "eligible" feature), each MS shall establish the objective criteria which will allow for the "distribution" of the landscape features and trees between the 3 types of agricultural areas depending on their location (i.e. on or serving as a boundary). An example of such distribution could be:

- if those features are located on permanent grassland, arable land or permanent crops, their area should be accounted for under the type of agricultural area they are located on in the LPIS (e.g. an eligible pond located on arable land is considered as "arable land; if the pond is located partly on arable land and partly on permanent grassland, its area should be considered arable land and permanent grassland for the proportion which is on each type of agricultural area");
- if those features serve as a common boundary between two types of agricultural area in the same RP, half of their area should be attributed to each type of the bordering agricultural areas. .

As the principles retained to attribute the features to one or the other type of agricultural areas has a strong influence on greening (respective size of arable land and permanent grassland and thus on exceptions from EFA, CD, on the ratio of PG and on the calculation of the share for CD and of the EFA percentage to be fulfilled, etc.), MS should decide once for all on those principles and apply them along the entire process of LPIS update and administration and control of the aid applications. The retained principles should apply to all "eligible" landscape features and trees, and be made clear to farmers during the application process and to inspectors for the OTSC.

See also section 2.3.4.3 of the OTSC guidelines (document DSCG/2014/32-Rev1) as regards the application of Article 40(2) of Regulation (EU) No 639/2014 for crop diversification.

In continuation of the current legislation and in particular the definition of permanent pasture (Article 2(c) of Regulation (EC) N)1120/2009), parcels of arable land with set aside/land laying fallow for 5 years or longer may have to be reclassified as permanent grassland if their land cover fulfils the conditions of Art. 4(1)(h) of Regulation (EU) No

1307/2013 and if they do not fall under the derogation provided for in Article 45(2) of Regulation (EU) No 639/2014. This provision foresees that those areas remain arable land beyond the limit of 5 years as long as they are declared (without interruption) as EFA. Areas with grasses and other herbaceous forage should be declared permanent grassland after 5 years of declaration as such (e.g. an arable land declared for the first time as "temporary" grassland in the 2010 single application and continuously declared as such in 2011, 2012, 2013 and 2014 should become and be declared as permanent grassland in the single application of 2015 and be registered as such in the LPIS).

Please also note the derogation foreseen in Article 4(1)(f) of Regulation (EU) No 1307/2014 for areas set aside under an agri-environmental commitment.

## 2.2. New eligible land to be included

### 2.2.1. Principles

When updating/upgrading the LPIS, particular attention should be paid to the new definition of "permanent grassland" (Art. 4(1)(h) of R.1307/2013) applicable as from claim year 2015 which extends the current scope of "permanent pasture" (Art.2 (c) of Regulation (EC) No 1120/2009). This may lead to the introduction of new eligible land into the LPIS.

In particular permanent grassland (PG) "*may include other species such as shrubs and/or trees which can be grazed provided that the grasses and other herbaceous forage remain predominant*". This part of the definition should be understood as the fact that:

- "grasses or other herbaceous forage" should cover more than 50% of the eligible area of the agricultural parcel of permanent grassland (see Art.6 of R.639/2014), and
- the features "*which can be grazed*" should be actually accessible to farm animals for grazing for their full area.

Note the articulation of the new definition which embeds non herbaceous species in the permanent grassland area which should not be confused with non eligible landscape features.

Where a MS makes use of the possibility under Art. 4(1)(h) of Regulation (EU) No 1307/2013 to consider eligible "*land which can be grazed and which forms part of established local practices where grasses and other herbaceous forage are traditionally not predominant in grazing areas*" those areas should after assessment be added to the maximum eligible area in the LPIS and, where the reduction coefficient referred to in Art.32(5) of the same Regulation is applied, identified as such. Such a specific identification is also recommended when a geographical restriction is applied. The specific identification of those areas is essential in view of distinguishing them from ineligible areas as well as other permanent grassland. For the purpose of this document, those areas are called "permanent grassland under established local practices (PG-ELP)".

### 2.2.2. Technical modalities

Including new eligible land in LPIS can follow three different approaches:

- Adapting the MEA of an existing RP

- Creating one or more new RPs by delineating their boundaries and assigning new identifiers to them: this process also comprises the determination of the MEA related to every parcel.
- Updating the boundary of existing RP: this method is applicable when a RP is now including land that was previously not eligible. The MEA (including where applicable the pro-rata category in which the RP falls) have to be updated accordingly. The question, whether the identifier of the parcel has to be changed should be decided based on the internal business rules (i.e. usage of unique, thematic or both identifiers). Attention of the MS is drawn to the possible risk related to the inadequate extension (artificial increase) of a RP in view of embedding areas with ineligible scattered features and trees in view of benefiting from the use of the pro rata system referred to in Article 10 of Regulation (EU) No 640/2014. Those cases should be carefully looked at.

The system should be set up in such a way that it enables historic queries on RPs. Note that rapid field visits may be necessary during the process of the LPIS update/upgrade.

### **2.3. Ineligible area**

#### *2.3.1. General principles*

Whatever their size, man-made constructions (such as buildings, roads, etc.) should be excluded from the RP by delineation.

As a general principle, areas above 100m<sup>2</sup> not taken up by agricultural activities (such as, woods, permanent ponds, certain paths, etc.) are to be excluded by delineation from the RP.

Areas not taken up by agricultural activities with a size below 100m<sup>2</sup> could as a general principle not be deducted from the RP unless their summed-up size is above 100 m<sup>2</sup> and where appropriate, exceeds the technical tolerance of the RP. If this is the case, those areas should be deducted alphanumerically in the LPIS.

Paths that cannot be used for agricultural activity, other than those created by animal access or those necessary to access the agricultural area, are to be excluded. In general, a path has to be excluded if it is permanent, part of a transport network entering and exiting a parcel (even if used by tractors only) or when it is not part of the agricultural activity carried out on the parcel.

Woods (in parcels not declared as short rotation coppice) should be interpreted as areas within an agricultural parcel with tree-cover (including bushes, etc.) preventing growth of vegetative under-storey suitable for grazing and should thus be excluded from the eligible area of the RP.

Depending on MS choices, specific principles may apply for features such as landscape features and trees (see specific sections below). Please note that the permanent grassland, due to the new definition (Art. 4(1)(h) of Regulation (EU) No 1307/2013), may include "eligible" shrubs, trees or other features that are non herbaceous forage.

*2.3.2. Transitional period for delineation of features between 100 m<sup>2</sup> and 1000 m<sup>2</sup>*

In the context of the phasing-in of the geo-spatial aid application referred to in Art. 17 of Regulation (EU) No 809/2014 and in continuation of the current period, ineligible areas between 100 m<sup>2</sup> and 1000 m<sup>2</sup> could still be excluded only alpha-numerically. However, the delineation of such ineligible areas in the LPIS should be foreseen at the same time as the geo-spatial aid application (GSAA) as it is an important graphical information that will support the farmers when making their application based on GIS tool.

For the MS which have LPIS based on a cartography at a scale of 1:5000 following Art. 70(1) of Regulation (EU) No 1306/2013, the alpha-numerical delineation should be limited to the ineligible areas between 100 m<sup>2</sup> and 500 m<sup>2</sup>.

Minimum size for delineation of ineligible areas in the LPIS, during the transition period:

Claim year	2015 :	2016, 2017:	2016, 2017:	2018:	2018:
	Whatever the scale of the LPIS	For LPIS with scale of 1:5000	For LPIS with scale of 1:10000	For LPIS with scale of 1:5000	For LPIS with scale of 1:10000
Part of the territory with GSAA	1000 m <sup>2</sup>	100 m <sup>2</sup>	100 m <sup>2</sup>	100 m <sup>2</sup>	100 m <sup>2</sup>
Part of the territory without GSAA	1000 m <sup>2</sup>	500 m <sup>2</sup>	1000 m <sup>2</sup>	N/A	N/A

#### **2.4. Landscape features and trees: general principles**

Where applicable, all the elements below should be defined beforehand by MS so that the choices are reflected in the LPIS and communicated to beneficiaries in advance of the claim year and lodging of aid application.

*2.4.1. in relation to the good agriculture cropping or utilisation practices in certain regions (Art. 9(1) of Regulation (EU) No 640/2014)*

With regard to rocks, temporary ponds, certain temporary paths, hedges, ditches, walls and other landscape features, where they are not subject to the requirements or standards under cross compliance, the conditions under which these elements can be considered as part of the agricultural parcel (i.e. counted as eligible area) may be defined by MS on the basis of the "good agriculture cropping or utilisation practices on agricultural area in

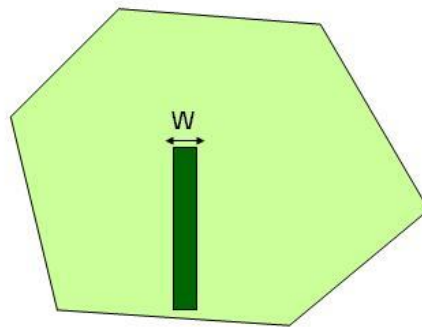
*certain regions*" (e.g. land cover type, maximum area percentage) in accordance with Art. 9(1) of Regulation (EU) No 640/2014.

Such features, internal or serving as boundaries between parcels, are under the same conditions accepted as forming part of the agricultural parcel.

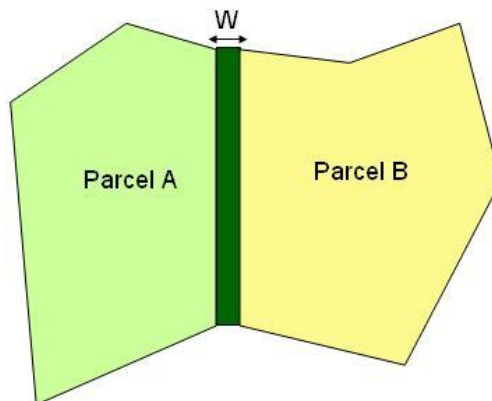
Where, a feature of up to 2m wide (e.g. walls, ditches, hedges) serves as boundary between parcels its area should be attributed to each adjacent parcel along the same principles as the ones pre-defined under section 2.1.2.

Where the feature is  $>2\text{m}$  wide, the feature should not be counted in the eligible area (see figures below), unless the feature has been recognized under Art. 9(2) of Regulation (EU) No 640/2014 as subject to the requirements and standards under cross compliance or unless the MS notified to the Commission before 09/12/2009 a width greater than 2 meters (see 2<sup>nd</sup> paragraph of Article 9(1) of the same Regulation).

Note that depending on MS choices, this feature  $>2\text{m}$  wide may be a potential EFA that would have to be specifically identified and digitized in the EFA layer (see the "EFA layer guidance").



*a) Feature of width  $W$ : if  $W < 2\text{m}$  or if subject to cross compliance include the feature in the agricultural parcel; otherwise exclude the feature*



*b) Boundary feature of width  $W$ : if  $W < 2\text{m}$  or if subject to cross compliance, distribute the feature area to parcels A and B according to MS pre-defined principles; otherwise exclude the feature.*



For the sole purpose of eligibility for BPS/SAPS, there is no need to specifically identify and digitize those features referred under examples a) and b) above provided that they are included in the eligible area of the parcels.

The provisions of Art. 9(1) of Regulation (EU) No 640/2014 cannot apply to permanent grassland with landscape features and trees where the MS has decided to apply Art. 10 of the same Regulation (pro-rata system).

*2.4.2. in relation to cross compliance (Art. 9(2) of Regulation (EU) No 640/2014)*

Where, under Art.9(2) of Regulation (EU) No 640/2014, features are part of the good agricultural and environmental condition (GAEC) obligations or the statutory management requirements (SMR), e.g. hedges, drainage ditches, small woods according to the local regulations, etc., they are considered as part of the eligible area of the agricultural parcels.

Those elements, when stable in time, should be specifically identified in the LPIS, in such a way as to make possible the control of their maintenance (cf. the respect of the cross compliance obligations) and their distinction with the non eligible features. However in relation to EFA, if some elements of GAEC or SMR are used as potential EFAs in a MS, they should be recorded in the EFA-layer following the relevant guidelines (DSCG/2014/31 -FINAL).

**2.5. Maximum tree density for parcels with scattered trees (Art. 9(3) of Regulation (EU) No 640/2014)**

The provisions of Art. 9(3) cannot apply to permanent grassland with landscape features and trees if the MS decided to apply Art. 10 of Regulation (EU) No 640/2014.

When applying Art. 9(3) of Regulation (EU) No 640/2014 to decide whether an agricultural parcel containing scattered trees is eligible or not, MS shall define the maximum density to be applied as well as the characteristics of the trees to be considered under this provision. The method for assessing the tree density should be clearly defined taking into account that the crown (diameter) may have an impact on the condition that the agricultural activities can be carried out in a similar way as on parcels without trees in the same area.

The maximum density and tree characteristics to be considered should be applied consistently to all areas to which Art 9(3) applies.

MS may define different maximum tree densities in different regions based on the traditional cropping practices, natural conditions and environmental reasons. Those regions should be defined beforehand and criteria should be objective and non-discriminatory.

Please note that "grazable" trees on permanent grassland, which are considered as part of the eligible area, should thus not be counted to assess whether the parcel is below or above the maximum tree density. This applies also where the MS makes use of the possibility to further extend the definition of permanent grassland to PG-ELP or for trees subject to cross compliance (Art. 10(2) of Regulation (EU) No 640/2014).

Groups of trees are not eligible, even if their density spread over the whole parcel would be less than 100 trees/ha (cf "wood" in section 2.3 above), because they hamper the agricultural activities. Their area should thus be excluded from the MEA of the RP.

The provisions of Art. 9(3) should be assessed for each agricultural parcel concerned. The result of this assessment should to the extent possible be reflected in the LPIS.

However, where justified on the basis of the regionally differentiated characteristics, Member States may adapt the choice with respect to the application of either Article 9 or Article 10 at regional level based on the traditional cropping practices, natural conditions and environmental reasons. These choices should be made in advance, in an objective and non-discriminatory manner and communicated clearly to farmers and inspectors.

Nota bene: There are no specific provisions as regards landscape features and trees in areas under the agronomic practices so-called "agro-forestry"; they should thus be dealt with under the rules of Art. 9 and/or 10 of Regulation (EU) No 640/2014 depending of MS choice. As an example it is recalled that Art. 9(3) does not apply to scattered fruit trees which yield repeated harvests.

## **2.6. Permanent grassland with scattered ineligible features: Pro-rata system (Art. 10 of Regulation (EU) No 640/2014)**

### *2.6.1. Setting up the pro-rata categories*

Where a MS decides to apply a pro-rata system as referred to in Art. 10 of Regulation (EU) No 640/2014 to permanent grassland with scattered ineligible features such as landscape features and trees, it should define categories of homogeneous land cover type in which each RP containing such permanent grassland would fall, together with the corresponding fixed reduction coefficient (RC) for each category. Homogeneous land cover types are areas where the nature and density of the scattered ineligible features and trees are homogeneous. The RC is used to determine the MEA of the RP. The category representing the lowest percentage of ineligible area shall not exceed 10% and no RC shall apply to that category (hereinafter referred to as the "maximum 10% bonus").

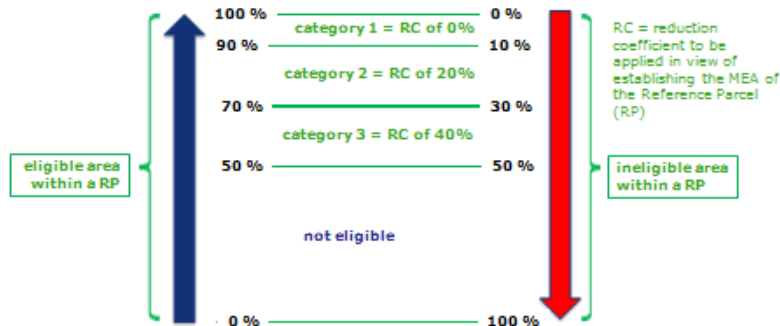
Different categories of homogeneous land cover type can co-exist in the same RP. In this case, several options for calculating the MEA could be applied e.g.:

1. Each area with an homogeneous land cover type is classified into one category and the correspondent reduction coefficient is applied to its area; the resulting areas within the RP are then summed up to establish the MEA;

or,

2. The actual percentage of ineligible scattered features in each area with an homogeneous land cover type is assessed; each percentage is then combined proportionally to obtain an actual percentage of ineligible scattered features at the level of the RP; based on this latter, the relevant reduction coefficient to be applied to the RP is established.

An example of categories is given below:



Where a MS decides to apply a pro-rata system in accordance with Art. 10 of Regulation (EU) No 640/2014 rather than the provisions under Art. 9(1) and (3), this choice should be done for all the parcels of permanent grassland with scattered ineligible features of the MS territory.

Taking account of the variation in natural conditions or for environmental reasons, it could be considered that the pro-rata system is adapted regionally, regions being defined by MS beforehand on the basis of non discriminatory natural conditions and environmental criteria. It could also be considered that in certain regions, the pro-rata is applied and in others the provision of Art. 9(1) and/or (3) is applied.

The applicable pro-rata system should be applied to each relevant RP individually and the result of this assessment should be reflected in the LPIS (MEA of the RP).

When setting the fixed percentages, great care should be taken if it is envisaged to use a percentage below a 50%-eligibility threshold as it bears, in the view of the Commission services, a substantial risk of error. The higher the share of ineligible area, the more difficult it is to justify the agricultural activity (accessibility for grazing animals) and the more difficult it is technically to identify the boundary between the agricultural area and the surrounding non-agricultural area which may hamper significantly the correct area determination. In addition, it should be ensured that agricultural activity remains predominant, which becomes more doubtful the less eligible area is present. In this respect thresholds which lead to eligibility below 50% should be carefully assessed.

Permanent grassland with fruit trees which yield repeated harvest do not fall under the pro-rata system where MS decides to apply the pro-rata.

For certain non herbaceous features such as shrubs and trees which can be grazed (i.e. "grazable" and they should also actually be accessible to animals) and whose area (together with other grazable non herbaceous features) covers less than 50% of the eligible area of the agricultural parcel of permanent grassland, they are considered as part of the eligible area and should not be counted, within the pro-rata system, as ineligible elements. This applies also where the MS makes use of the possibility to further extend the definition of permanent grassland (PG-ELP). The same applies for features subject to cross compliance (Art. 10(2) of Regulation (EU) No 640/2014).

### 2.6.2. *Determination of the eligible area using the pro-rata*

Firstly, whatever their size, man-made constructions should be excluded from the RP by delineation.

Secondly, to distinguish between the "scattered" ineligible elements which are dealt with by the pro-rata (i.e. their area is deducted via the pro-rata – see third step below), and the "clustered" ineligible elements, ineligible features and trees with a size above 1000 m<sup>2</sup>, which are inaccessible for grazing animals (i.e. there is no obvious access to animals) or which cannot be grazed, should be delineated in the LPIS reference layer, deducted from the MEA of the RP beforehand and they should be excluded, when applying the pro-rata system<sup>1</sup>. Therefore they do not enter in the so-called "maximum 10% bonus" of the pro-rata system.

Thirdly, for the remaining part of the RP, the percentage of the scattered ineligible features and trees (in total) should be assessed and the category of the pro-rata system in which the RP falls registered in the LPIS reference layer. Each RP can only fall in one category of the pro-rata system.

## 2.7. General points

Where a MS decides to apply the provisions of Art. 9 and / or 10 at regional level based on criteria such as the traditional cropping practices, natural conditions and environmental reasons, it should be aware that a separate LPIS QA for each region would have to be performed.

As a general principle for dealing with landscape features and trees, MS shall define beforehand the criteria and procedures used to assess, quantify and where appropriate delineate the (in)eligible part of the parcel in order to ensure that these criteria are communicated to beneficiaries, correctly transposed in the LPIS and adequately included in the instructions for the on-the-spot checks; this in order to ensure that the land declared and accepted for payment complies with all legislative requirements (e.g. agricultural activity / parcel). It is recommended to draft guidance and share them with farmers and inspectors.

<sup>1</sup> Note that when passing cartography scale from 1:10000 to 1:5000 (see Art.70(1) of Regulation (EU) No 1306/2013, it would be recommended to delineate ineligible features above 500 m<sup>2</sup>.

### 3. THE "2% STABILITY THRESHOLD" - ART. 5(3) OF R. 640/2014

#### 3.1. Objectives

Art. 5(3) of Regulation (EU) No 640/2014 states that "*Member States shall ensure that the maximum eligible area per reference parcel (...) is correctly quantified within a margin of maximum 2%, thereby taking into account the outline and condition of the reference parcel.*"

This means that, taking into account the principles below, if the difference in area between the new value and the pre-existing MEA value within the LPIS is below 2% an update of the LPIS is not needed.

This is referred to below as the "2% stability threshold" with the following objectives:

- to keep the MEA of RPs in the LPIS as stable as possible and to precise when an LPIS update is really needed;
- to address the difficulties of photo-interpretation such as for parcels with fuzzy boundaries;
- to avoid that farmers are confronted with frequent and small changes in the LPIS and their inherent possible consequences in terms of calculation of aid and administrative penalties.

#### 3.2. How to proceed

An update of a RP in the LPIS could be triggered by the LPIS quality assessment (LPIS QA) process, new orthoimagery, a measurement of the RP in the context of an OTSC, information provided by the beneficiary in the aid application, etc.

In this respect it should be noted that where the new measurement or the LPIS QA confirms the current MEA indicated in the LPIS (i.e. the result stays within the single value buffer tolerance - Art. 38(4) of Regulation (EU) No 809/2014) - or the thresholds for LPIS QA, where applicable) this is normally not considered as triggering an update. Where the current MEA is not confirmed, the 2% stability threshold applies.

However, any clear change in the eligible area, due for example to a newly built house, to the introduction of the pro-rata system, to a change in the interpretation of the eligibility criteria or a clear change in the boundary of the RPs due to for instance the creation of a road, should lead to an update of the LPIS.

Example:

Reference Parcel with a current MEA of 4,00 ha (200m x 200m)

(2% of 4,00 ha = 0,08 ha)

Result of the new measurement based on a new orthophoto = 3,95 ha and no clear change

→No update of the RP needed in the LPIS

### 3.3. Workflow

Update of a Reference Parcel (Art. 5(3) of Delegated Regulation (EU) No 640/2014)

