



Organic area payment: A Danish eco-scheme from 2023

A long tradition for organic area payments in Denmark

- **Organic area payments for the last 25 years +**
- **2014-2022 RDP: Combined conversion and maintenance commitments (5 years)**
 - + Increasing organic area
 - Administrative challenges
 - Delayed payments
 - Frustrated farmers
 - Difficult to predict uptake and make budgets



CAP 2020 – considering new possibilities to support the organic area in the future (part 1)

Eco-scheme concept looked interesting

- 1 year payments and no commitments!
- A "simple" supplement on top of the basic income subsidy (BISS)
- Possibility to base payment rates on top up instead of income foregone/costs

CAP 2020 – considering new possibilities to support the organic area in the future (part 2)

Eco-scheme concept also looked difficult

- Keeping conversion and maintenance together in one scheme AND avoiding short term conversion
- Handling over/under up-take
- Handling flexible payment rates (the farmer perspective)
- Handling all the existing commitments running till 2025

Organic area payments as an eco-scheme from 2023 (part 1)

The result

- Conversion and maintenance in the same scheme
- 1 year payments – but 5 years obligation on conversion
- Payment rates based on income foregone/costs
- 3 years transition period with existing commitments running parallel to eco-scheme

Organic area payments as an eco-scheme from 2023 (part 2)

”Exciting” challenges ahead

- How is the handling of over/under up-take going to work in practice?
- How are farmers going to react to the flexible subsidy levels in practice?
- Will the 5 years obligation on the conversion supplement be manageable?



Questions?

