



The EU's Common Agricultural Policy in Denmark – green transition

Climate change mitigation, the aquatic environment, increased biodiversity, organic farming and plant-based production

FACT SHEET 6

The reform of the EU's Common Agricultural Policy (CAP) offers many new opportunities for a more green agricultural production. Ensuring the competitiveness and the adaptability of the sector to new economic and environmental circumstances shall also be taken into account.

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- A key element in the new CAP reform is a greater focus on green initiatives.
- Income support to farmers must be used to give incentives to switch to more sustainable production and thus support the green transition in the sector.
- With the agreement, Denmark fulfils the EU requirement that at least 25 percent of the budget for direct payments goes to green initiatives. Denmark has previously transferred 7 percent from direct support to the rural development program. Overall, almost 27 billion DKK (approx. 3.6 billion euro), including 4 billion DKK (approx. 0.5 billion euro) in additional national funds, are targeted towards the green transition of the agricultural sector.
- The agreement includes that farmers may allow nature to develop on agricultural land and at the same time receive income support.
- From 2023 it is required that at least 4 percent of the arable land must remain uncultivated. However, farmers who choose not to cultivate at least 7 percent of their arable land can have the requirement reduced to 3 percent and obtain additional support for the remaining 4 percent.
- Six new schemes (eco-schemes) will be established as part of the direct payment system. Support under eco-schemes are conditional on farmers making green initiatives on the individual farm.

Eco-schemes	Purpose
Organic farming	To support conversion and maintenance of areas under organic farming.
Environmentally and climate-friendly grass	Postponement of the ploughing of grasslands which achieves an environmental and climate effect on the individual area. Furthermore, it contributes to improved microbiology and soil fertility.
Extensification of carbon rich soils	Promotion of an extensive use of carbon-rich peat soils or associated areas by removing biomass and enforcing a ban on fertilization. Thereby preparing the soils for a possible later rewetting.
Plant-based production	Focus on the plant-based agenda by supporting a more varied production of crops for human consumption, including fruits, berries, vegetables, oilseeds and legumes, root crops, potatoes, flax and hemp.
Biodiversity and sustainability	Support to develop more habitats for animals and plants for the benefit of biodiversity, which at the same time has positive effects on the environment and climate, such as fallow and field scrub on agricultural land with a ban on the use of fertilizers and pesticides.
Targeted regulation	The scheme will from 2026 reduce the emissions of nitrogen and greenhouse gasses. The scheme will be an upgraded version of the current targeted regulation. Support is provided for a basket of measures.