

# Eco-schemes – First year of implementation in Austria and first experiences

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06.06.2023

# Agriculture in Austria

- **32%** of total area is **agricultural area** (around 2,6 Mio. ha)
  - 50% arable land and 50% permanent grassland
- **154.000 farms** which cultivate  $\approx$  about **23 ha agricultural land**
  - 45% full-time farmers and 55% part-time farmers
- Almost **27%** of agricultural area under **organic farming**
- Around **75%** of agricultural **area** is facing **natural constraints** (most of them due to mountain area)
- **CAP** payments -> 40% first pillar and **60% second pillar** (due to high national co-financing)



# Austrian CAP Strategic Plan at a glance – 1st pillar

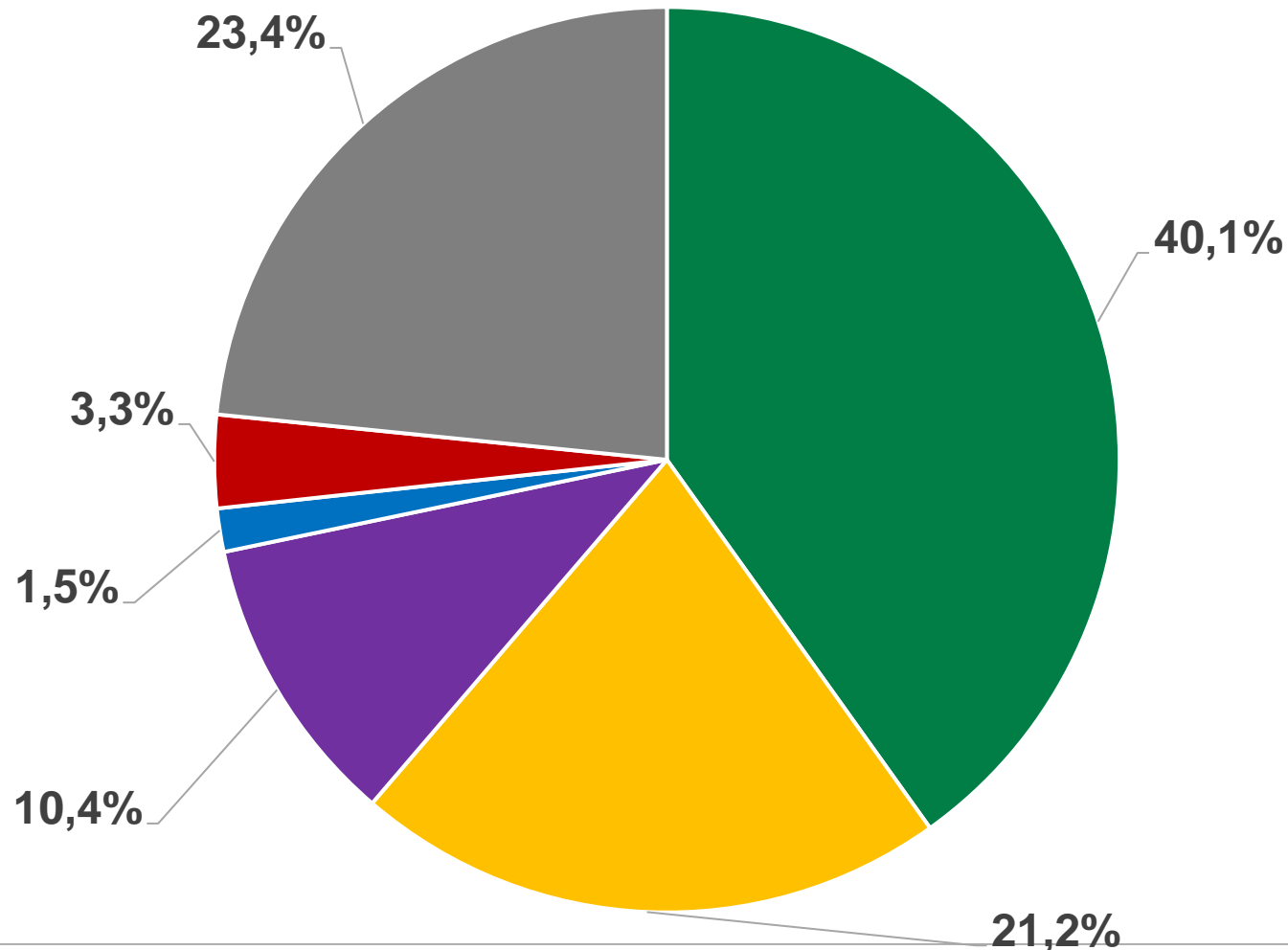
## 677,6 Mio. €/year

- **No transfer between pillars** and no small farmers scheme
- **Active Farmer:** direct payments  $\leq 5.000$  € or insured via national compulsory Farmers-Insurance-Law
- **Capping** with consideration of labour costs / no degression
- **Basic payment** (69,9% of 1<sup>st</sup> pillar budget): 208 €/ha
- **Redistributive payment** (10,4% of 1<sup>st</sup> pillar budget): 44 €/ha (for 0 – 20 ha) and 22 €/ha (for 20 – 40 ha)
- **Young farmers** (2,1% of 1<sup>st</sup> pillar budget): 66 €/ha (for 0 – 40 ha)
- **Coupled support** (2,6% of 1<sup>st</sup> pillar budget) for grazing on alpine pastures:
  - Cows 100 €/LU
  - Other cattle 50 €/LU
  - Milk sheep/goats 95 €/LU
- Simplification/relief on several levels:
  - **Abolition of payment entitlements**, uniform minimum farm size in both pillars (1,5 ha ut. agric. area), etc.



# Austrian CAP Strategic Plan at a glance – 2nd pillar

1.181 Mio. €/year (50% EU funding and 50% national funding)



- Agri-environmental measures  
-> 21 measures
- Payment for ANCs  
-> until 70 ha UAA with highest premia for first 10 ha
- Investments in agriculture  
-> modernisation, diversification, renewable energy, etc.
- Setting-up young farmers  
-> up to 15.000 € per young farmer based on 4 modules
- Food quality schemes and diversification
- Other investments  
-> forestry, tourism, LEADER, etc.



# Eco-schemes in Austria – An Overview

- **Measures for each farm type**, as eco-schemes reduced direct payments for all farm types
- No similar measures in 2<sup>nd</sup> pillar to **avoid “cannibalization”**
- Based on **measures that are well known from previous programme periods** and are rather stable in application
- **15% of 1<sup>st</sup> pillar budget** (100 Mio. Euro/year) instead of 25%, as 58,4% of 2<sup>nd</sup> pillar is used for environmental and climate sustainability -> rebate system acc. Art. 97 but not of learning period
- **4 eco-schemes implemented** -> Two for arable land, one for grassland and one for permanent crops
- Payments **based on costs incurred and income forgone** (Art. 31 (7) b – CAP-RL)



# Eco-schemes in Austria - in detail

## Permanent greencover on arable land

- For **arable land**
- Focus on maintaining and increasing soil carbon
- Requirements -> area-wide **greening of min. 85% of arable land** all year long; max. 50 days bare soil between main crops and 30 days between main crop and catch crop; **no PPPs and N fertilizer** on catch crops; min. 3 plant species from 2 families in catch crops



## Catch crops on arable land

- For **arable land**
- Focus on reduction of soil erosion
- Requirements -> yearly, area-wide **greening of mind. 10% of arable land** by making use of **seven different variants** (different periods and number of plant species); no PPPs and N fertilizers



# Eco-schemes in Austria - in detail

## Animal welfare – grazing of livestock

- For **grassland** (indirect via **ruminants** -> cattle, sheep, goat, equids, lama and alpaca)
- Focus on improving animal welfare
- Requirements -> mind. **120 days of grazing**; top-up for 150 days of grazing; documentation



## Erosions protection in vineyards, orchards and hops

- For **permanent crops**
- Focus on soil erosion reduction § water protection
- Requirements -> yearly area-wide **greening of machine tracks** (min. 3 plant species and no PPPs); top-up for use of **beneficial insects/pheromones**

# Eco-schemes – findings in first year of implementation

- **Using well established measures** has proven **right decision!**
- **Administrative simplification** due to implementation under envelope of Austrian Agri-Environmental Programme ÖPUL (same process of application & processing, financing is only difference)
- Based on applications for 2023 expected that number of applied ha/LU correspond more or less perfectly with planned amounts -> **100% utilization of eco-schemes budget predicted**
- Approx. **65% of farmers applied at least for one eco-scheme** (81% of farmers applied at least for one agri-environmental measure)
- Fact that  **premia of eco-schemes can vary over the years** (+/- 20%) may cause some confusion and discussions



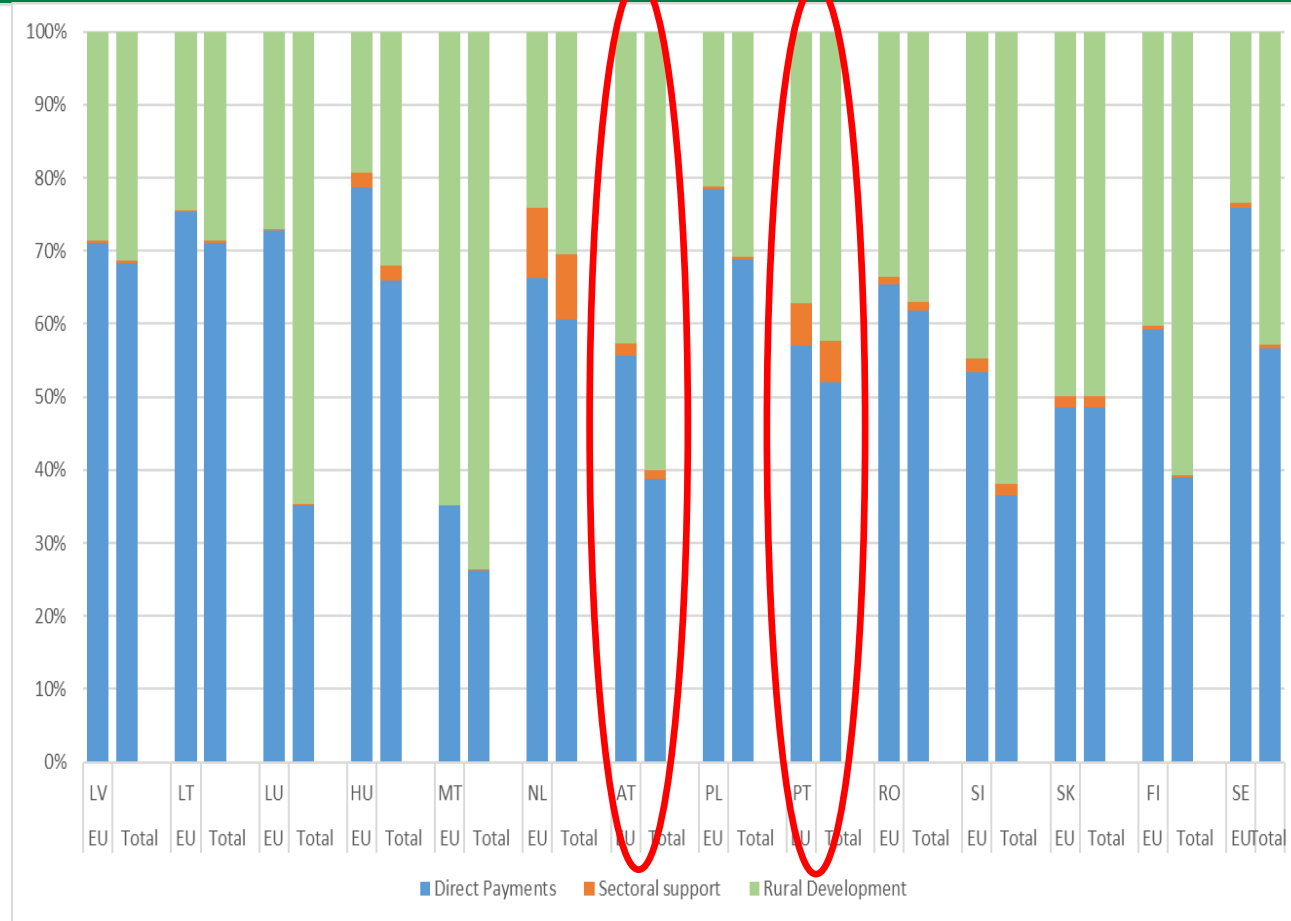
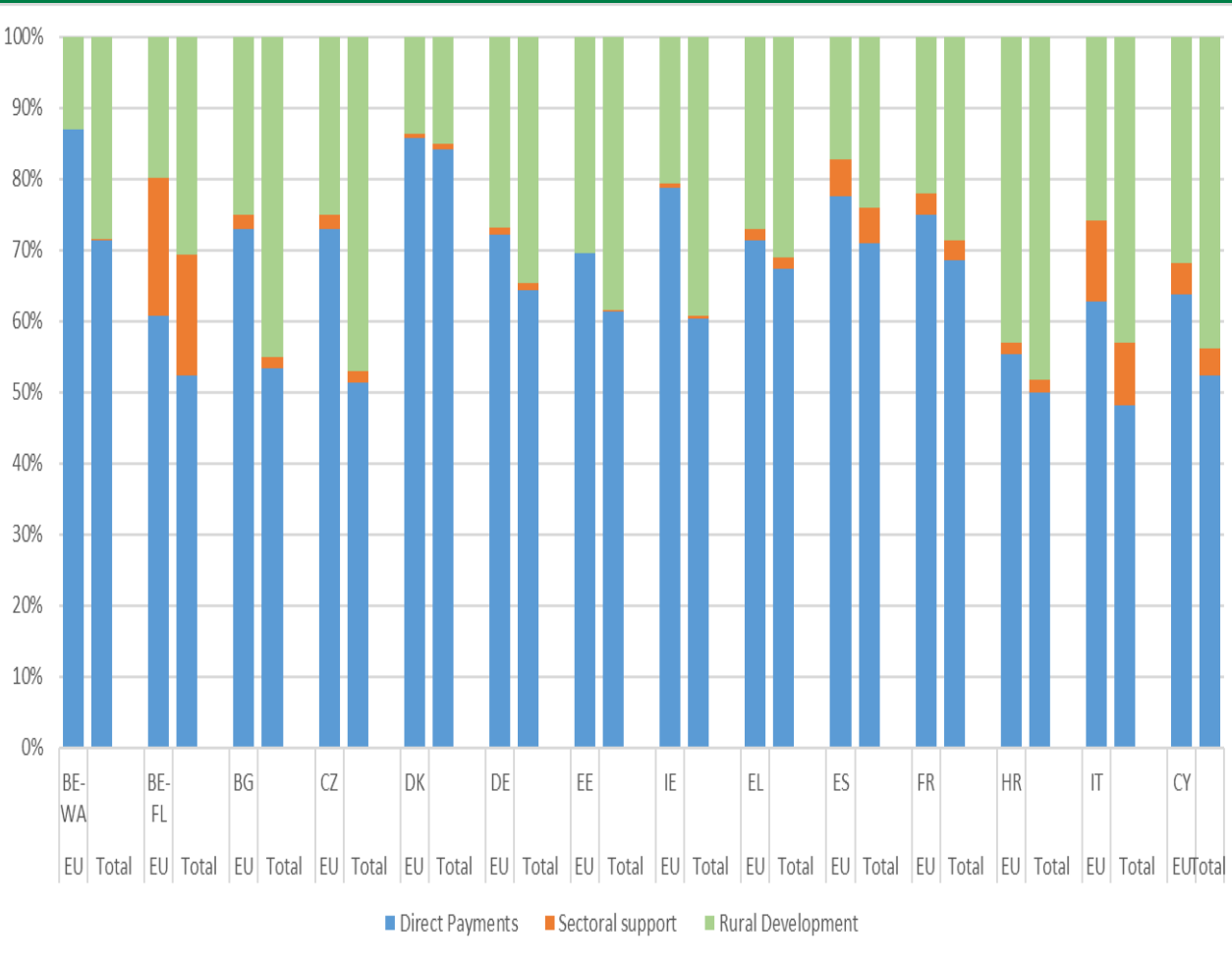
# Overview of ÖPUL\* 2023 (AEEM + Eco-schemes)

\*ÖPUL = Austrian Agri-Environmental Programme

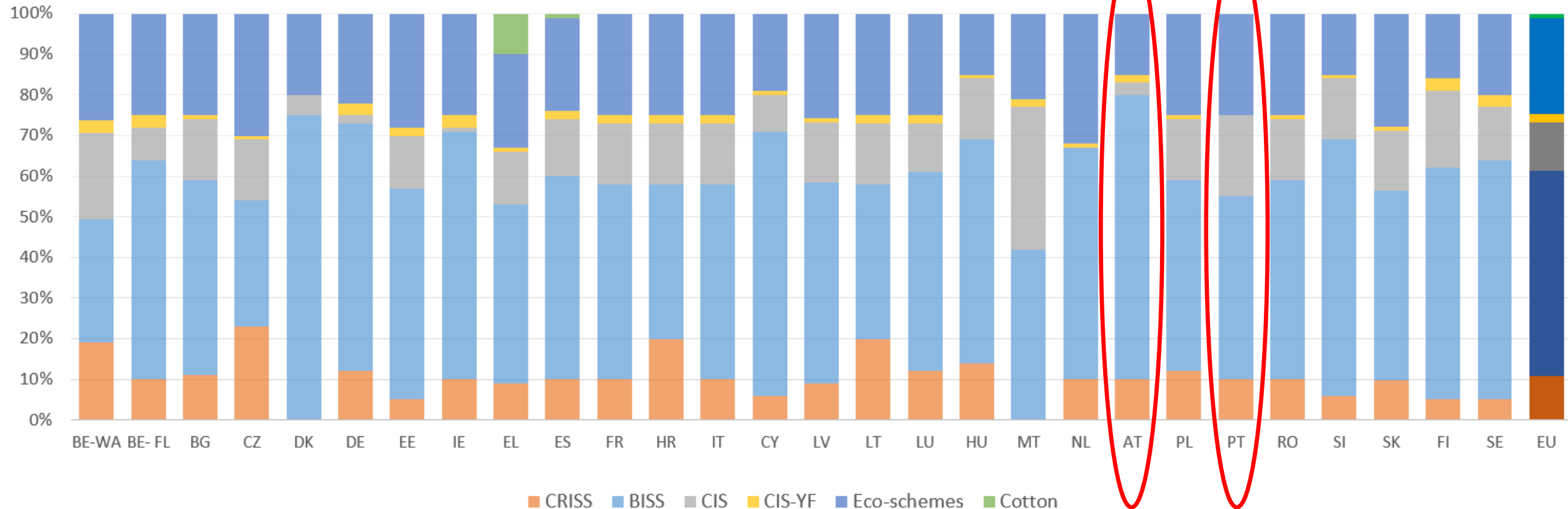
Generell	Arable Land	Grasland	Animal Welfare	Permanent crops	Natura 2000 / WFD
Environmentally sound and biodiversity-promoting management (UBB)	Permanent greencover on arable land	Humus conservation and soil protection on arable grassland**	Animal welfare – grazing of livestock	Erosions protection in vineyards, orchards and hops	Natura 2000 – agriculture
Organic farming (Bio)	Intermediate crops on arable land	Limitation of yield-increasing inputs (PPP & mineral fertilizers)*	Animal welfare – enhanced stable for pigs	Herbicide renouncement in vineyards, orchards and hops	WFD – agriculture (regional)
Nature conservation	Groundwater protection on arable land	Hay production**	Animal welfare – enhanced stable for cattle	Insecticide renouncement in vineyards, orchards and hops	Eco-Scheme
Results-based management	Erosion protection on arable land	Cultivation of mown mountain grassland	Animal welfare – herding	Use of beneficial organisms in greenhouses	
Surface-near application of liquid manure & separation of manure		Grazing on alpine pastures	Maintenance of endangered livestock breeds		

\* = combination with UBB/Bio  
\*\* = combination with UBB

# Financial distribution per Member State – EU and public financing

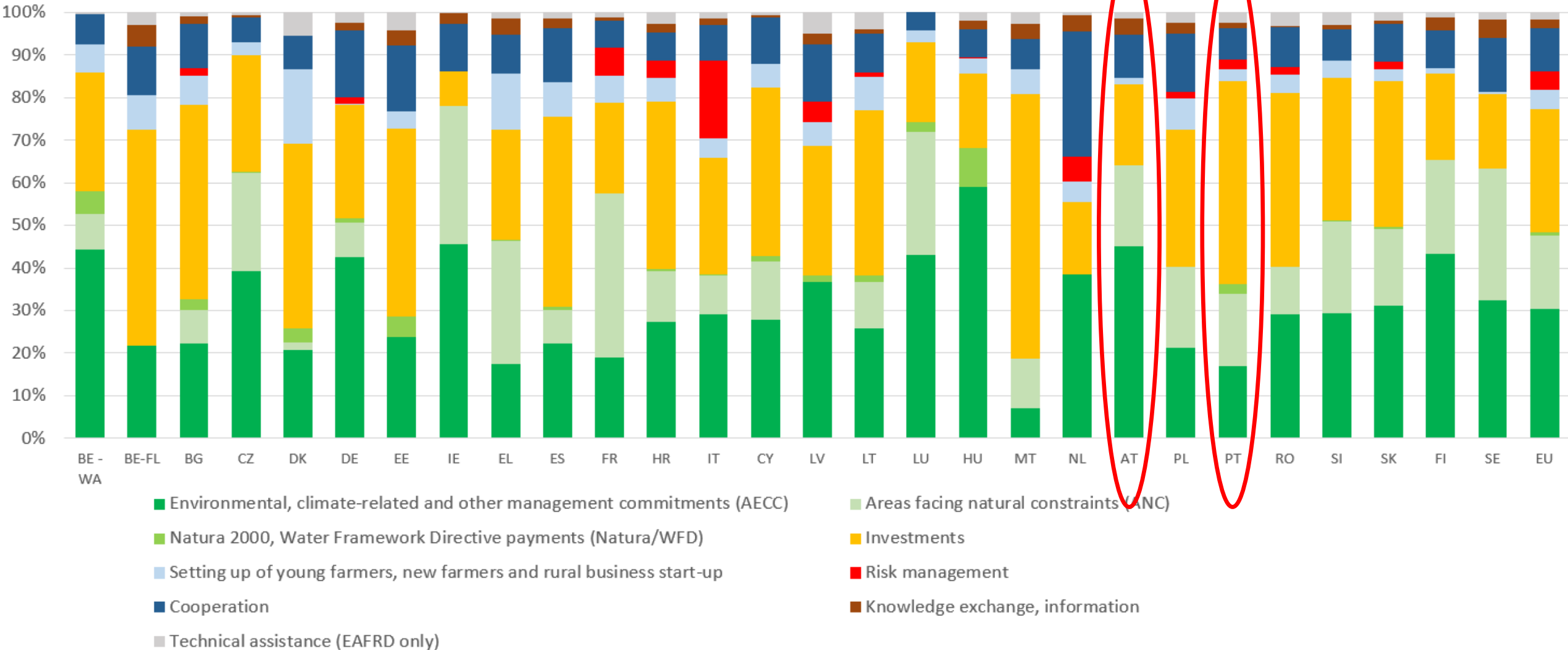


# Financial distribution within direct payments (1st pillar) per Member State

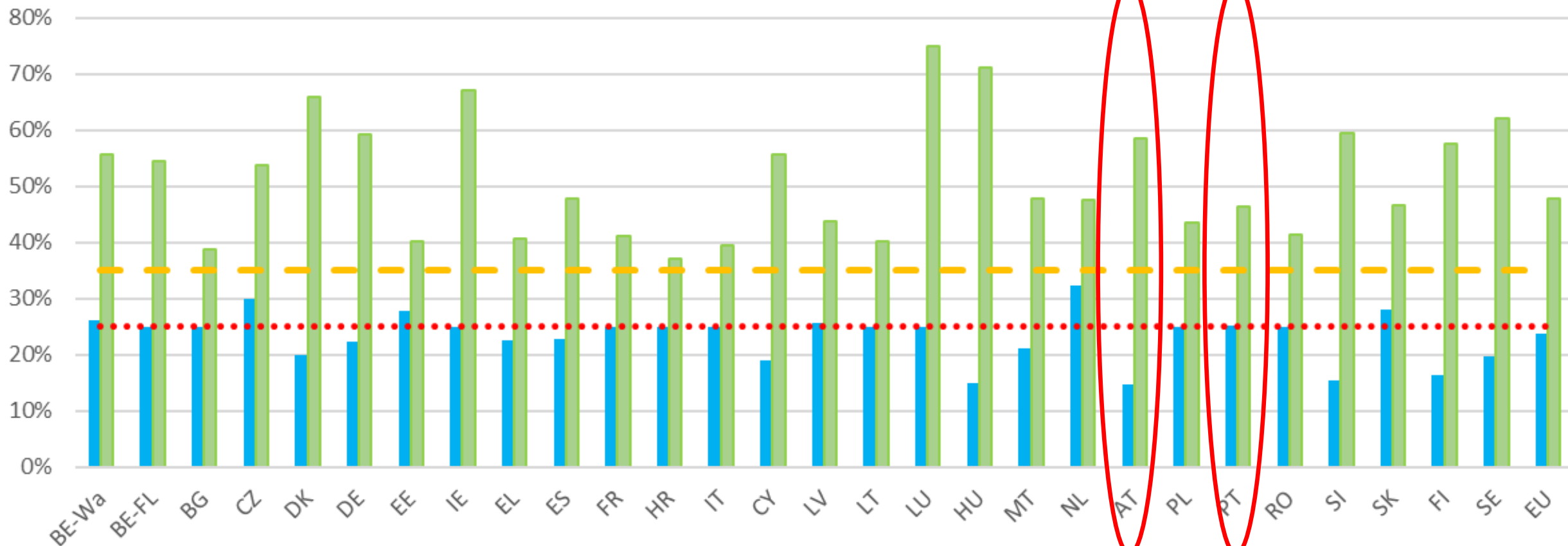




# Financial distribution within EAFRD (public)



# Budget allocations for environment, climate and animal welfare according to ring-fencing obligations (% , 2023-2027)



■ % of Direct Payments earmarked for eco-schemes

■ % of rural development spending (EAFRD) earmarked for environment, climate, animal welfare

..... 25 % Eco-schemes

--- 35% EAFRD



# Thank you for your attention!

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