A photograph of several purple eggplants and green eggplant flowers on a dark background. The eggplants are of various sizes and are arranged around the text. The flowers are small and green, clustered together. The background is a dark, textured surface.

**Assessment of the European
Commission's proposal for the
CAP after 2027, as presented
on 16 July 2025**

Foreword

Organic Denmark, The Danish Society for Nature Conservation, Animal Protection Denmark, Green Transition Denmark, The Vegetarian Society of Denmark, Danish Plantbased Business Association, World Animal Protection, The Danish Beekeepers' Association and BirdLife Denmark have joined forces on a common proposal for the design of the EU's agricultural policy after 2027, based on the European Commission's proposal for CAP 2028 as part of the MFF package published on 16 July 2025.

The joint proposal is a response to the Commission's proposal, together with the organisations' "Submission on the legal framework and principles for CAP 2028" from June 2025.

The organisations cooperate as an alliance for the future EU agricultural policy (CAP), working for a green, sustainable and fair development of agriculture through the EU's farm support scheme, and thereby for the basis of its implementation in Denmark.

The following assessment and proposed amendments are not exhaustive and focus primarily on the CAP proposal.

Towards payments for climate, water environment, biodiversity and animal welfare



**ANIMAL PROTECTION
DENMARK**

Overall assessment

Opportunities

Positive elements

Could mark the beginning of a phase-out of direct income support, replacing it with payments for ecosystem services.

An increased level of national flexibility allows Member States to choose how EU funds are used and to prioritise public goods that benefit society.

Targeted measures for climate, nature and animal welfare, combined with the possibility of financial support for these, can enhance impact and facilitate an effective transition.

Provides a basis for payments supporting the extensification of livestock production.

Risks and challenges

Uncertainty as to whether it will be possible to introduce incentive payments linked to green requirements.

Payments for ecosystem services will have to compete with other priorities within the National and Regional Partnership Fund (NRP Fund).

Unlike today, where agri environmental schemes are 100% EU-funded, there will be a requirement for 30% co-financing by Member States.

It is uncertain whether the European Commission will be able to ensure that Member States do not lower their green ambitions.

Coupled support is maintained and expanded from 13% to 20% and is not subject to capping. It is extended to cover additional sectors, including poultry and pig production. This entails a risk of market distortion and of maintaining incentives for intensive livestock production.

Member States must support farmers' participation in risk management tools, such as subsidies for insurance premiums. This carries a risk that funds will be used for financial compensation rather than for preventive measures and the transition towards more robust and sustainable farming systems.

Key improvements

Create a basis for genuine payments for ecosystem services through incentive-based schemes.

Ensure that green measures are 100% EU-funded.

Bring coupled support under the capping.

Phase out coupled support for livestock production, unless it is used to deliver a real and measurable improvement in animal welfare.

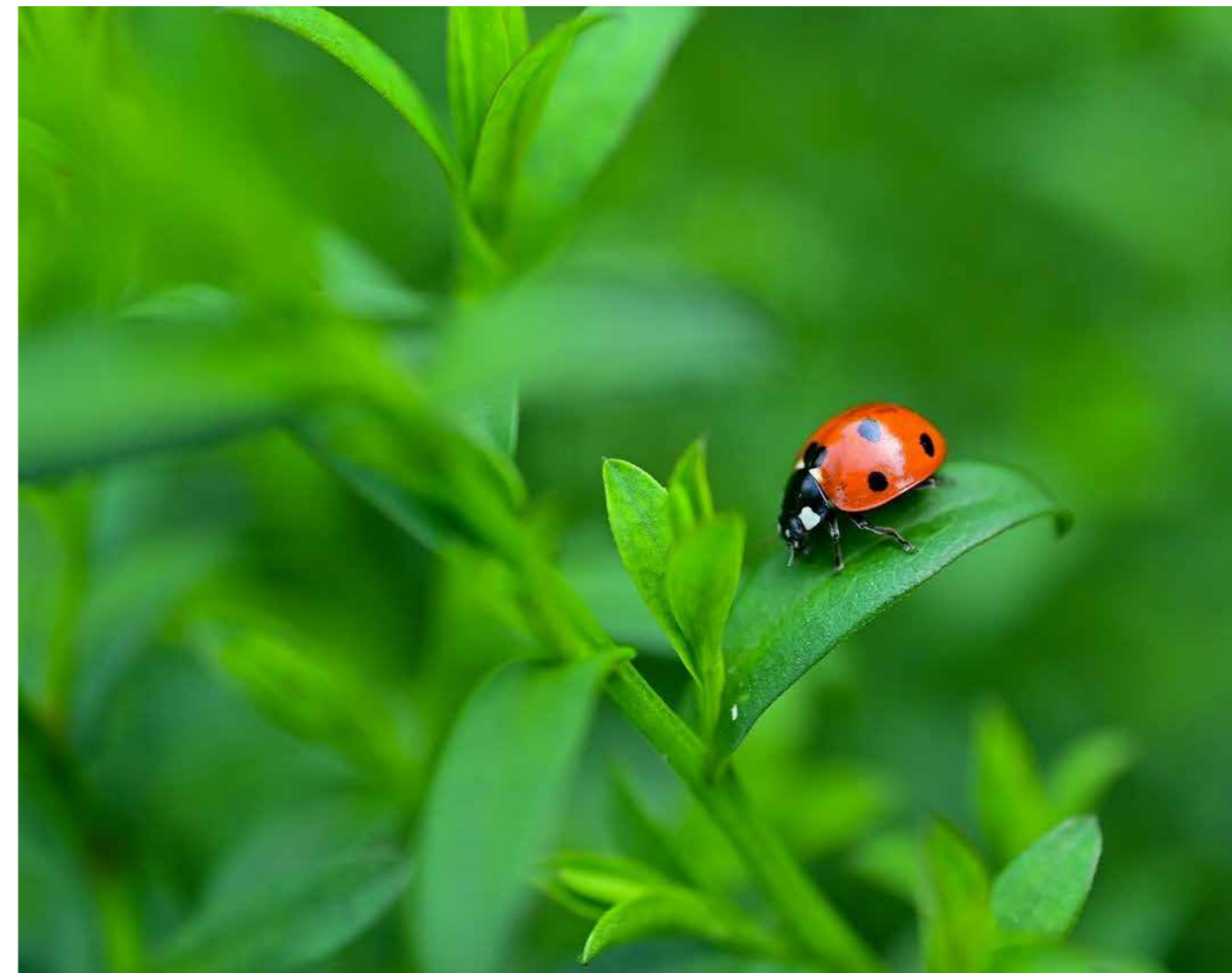
Explore alternative approaches to phasing in reduced income support so that the impact is more even across EU Member States.

Explore options for providing stronger guarantees that the level of environmental ambition is

sufficiently high and that the green transition is given priority.

Strengthen incentives to prioritise higher animal welfare.

Remove the requirement to provide support for participation in risk management tools, as this runs counter to the transition towards more sustainable and resilient production systems and interferes with the functioning of the free market.



Proposals

Phasing out direct payments and rewarding public goods

The European Commission continues to prioritise ensuring a stable income for farmers, but proposes a system with capping and degressive payments, whereby the level of support is gradually reduced in line with the total amount received in direct income support. The cap is set at EUR 100,000, or EUR 3,000 in the case of small farms. According to the Commission, these levels have been determined on the basis of the average level of support income across Member States.

The Commission has not defined what constitutes a small farm.

Farmers are not eligible to receive income support once they have reached the statutory retirement age, if they are in receipt of a pension.

A total of EUR 293.7 billion from the Multiannual Financial Framework (MFF) has been earmarked for direct income support for the period 2028–2034. This direct income support is 100% EU-funded. In addition, EUR 6.3 billion has been allocated to a crisis reserve, bringing the overall allocation for agriculture to EUR 300 billion under the new NRP Fund, which totals EUR 865 billion. For comparison, the current budget allocates EUR 291.1 billion to Pillar I and EUR 95.5 billion to Pillar II, amounting to a total of EUR 386.6 billion.

No minimum budget is earmarked for green measures, but Member States are required to provide support for: (a) adaptation to climate change and water resilience; (b) climate change mitigation, including carbon sequestration and on-farm renewable energy production, such as

biogas; (c) soil health; (d) the conservation of biodiversity, including the protection of habitats and species, landscape features, and the reduction of pesticide use; (e) the development of organic farming; (f) animal health and animal welfare.

Member States with areas affected by water pollution caused by excess nitrates must provide support to farmers for extensification of their livestock systems or diversifying into other agricultural activities.

In the NRP proposal, 43% of the resources for NRP plans must be allocated to environmental and climate-related objectives. The NRP Fund finances support for rural development, economic, social and territorial cohesion, fisheries and the maritime sector, as well as measures to promote prosperity and security.

Support for green schemes must be 30 % co-financed by Member States and support for these green measures must comply with the WTO Green Box rules. The European Commission has indicated that it considers that incentive payments can be provided within this framework.

With the increased flexibility in the proposal, Member States will, to a much greater extent, have to decide how highly they prioritise payments for green services in agriculture compared with other measures that are also financed from the new NRP Fund.

The 30% co-financing requirement for green schemes risks weakening the incentive to give these measures sufficient priority. Compared with the current situation, where agri-environment schemes are 100 % EU-funded, the requirement also runs counter to the goal of shifting EU agricultural support towards financing public goods rather than primarily functioning as income support.

In Denmark, farms have an average size of more than 80 hectares, whereas the average farm

size at EU level is considerably smaller. Denmark will therefore be more affected by capping of direct income support than most other Member States. However, Denmark will be able to supplement direct income support with payments for green measures.

In practice, the proposal would allow Denmark to begin restructuring agricultural support so that the focus shifts from passive income support towards payments for public goods and the green transition.

Proposal

1) A dedicated budget should be **earmarked for green measures** to ensure that at least the same level of funding as today is guaranteed for environmental and climate action under Pillars I and II

2) Green measures should be **100 % EU-funded**, ensuring that they are given at least the same status as direct income support.

At present, at least 25 % of the Pillar I budget must be allocated to eco schemes, and at least 35 % of Pillar II funding must be allocated to environmental and climate objectives.

As an alternative to guaranteeing 100 % EU funding for green measures, a requirement could be introduced for Member States to provide co-financing for direct income support at a level at least equal to, or higher than, their co-financing for green measures.

Direct income support should be gradually phased down and subsequently phased out over two CAP periods. At the start of CAP28, it should be capped at 70% of its current level, declining to 50% by the end of the CAP28 period. It is recommended that direct payments be reduced as a proportion of total support, so that the phase-down is more equitable across Member States.

From subsidies to result-based payments

The proposal allows Member States to apply targeted, legally binding management requirements and protection practices. This provides a solid basis for shifting from subsidies for selected measures to payments for documented results, using accounts, indices or similar tools to demonstrate how farming delivers on climate, water quality, nature and biodiversity and animal welfare. The proposal also provides for farmers to be compensated for the costs incurred in complying with these legal requirements.

Proposal

It should be stated explicitly that support may be granted on the basis of performance assessments.

Small farms

In the Commission's proposal, there is cap on income support of 3,000 euros for small farms, and they are exempt from certain environmental requirements in the support rules.

However, "small farms" are not defined. It needs to be considered whether it is appropriate to establish a common EU level definition, or whether this should be left to Member States to decide, based on their specific circumstances and context. The absence of a definition may prove problematic, given that small farms are exempt from several environmental requirements in the support scheme.

Member States are expected to be able to apply higher support rates for small farms, in line with the organisations' joint position from June 2025.

Proposal

Member States should have the option to apply a multiplication factor to the applicable rates for direct income support and green measures, in order to strengthen the economic viability of small farms.



Animal welfare

Animal welfare is identified as a priority area in the CAP proposal, which includes the possibility of support for the extensification of livestock production in areas affected by water quality problems, as well as for measures to fight antimicrobial resistance.

However, animal welfare is not assigned any weight in contributing to climate and environmental objectives under the performance proposal, which is a cross-cutting results framework for the EU budget in which each intervention area is assigned a performance coefficient. As animal welfare does not count towards the Commission's "green coefficients", it does not contribute to either the 35% requirement under the MFF or the 43% requirement in the NRP plans. Despite being identified as a priority in the CAP proposal, this creates a significant risk that Member States will not give sufficient priority to animal welfare in their NRP plans.

Proposal

Incentives to prioritise animal welfare should be strengthened so that it becomes a clear, guiding and mandatory element in the national implementation of NRP plans, on an equal footing with climate and environmental objectives.

Animal welfare should be included in Article 3 on farm stewardship and, more broadly, placed on an equal footing as climate and

Animal welfare should be assigned a climate and environment performance coefficient within the performance proposal, so that efforts to improve animal welfare are more firmly anchored as a central element of the EU's green ambitions.

Support for the extensification of livestock production should not be justified solely by concerns related to water quality, but also by other factors such as the use of and pressure on natural resources, the fight against antimicrobial resistance, the promotion of good animal welfare, and the need to address production-related disorders.

Animal welfare
must be placed
on an equal footing
with climate and
environment.



Agricultural support must drive a green and fair transition that benefits both society and farmers.

Coupled support

Agricultural support must drive a green and fair transition that benefits both society and farmers.

The European Commission has maintained coupled support and proposes that it may account for up to 20 % of the funds allocated to direct income support, rising to 25% where it is used for protein crops. This represents an increase compared with the current rules, under which it may account for a maximum of 13 % of the funds for direct income support, with a possible additional 2 % for protein crops. Coupled support is mandatory, but there is no minimum level, meaning that Denmark is not required to increase the share currently allocated to coupled support.

Coupled support is not subject to capping at farm level.

Coupled support distorts market balance and market-based price formation and contributes to distortions of competition between Member States. It therefore runs counter to a model in which food production operates under market conditions, while agricultural support is instead used to finance public goods, also referred to as ecosystem services.

Proposal

The organisations recommend phasing out coupled support altogether. As a minimum, coupled support should be brought under capping and sufficient funding should be secured for green measures within agricultural support, to ensure that these are not deprioritised in favour of direct income support.

Investment in the transition to more sustainable food and biomass value chains

Under the proposed Market Regulation, funding is available to support the development of, inter alia, fruit and vegetables and protein crops. Possible interventions include trade promotion and innovation. This is not mandatory, but an option available to Member States to promote new food value chains and similar initiatives.

Additional funding for the transition may be accessed through the proposed European Competitiveness Fund and Horizon Europe.

It can also be expected that the EU's Bioeconomy Strategy will support the shift towards new food systems with a stronger focus on plant-based products. Moreover, the European Commission's work programme for 2026 includes a revision of public procurement rules among the planned initiatives that could contribute to more sustainable food systems.

It is positive that the market support scheme allows for the prioritisation of organic production and animal welfare within the EU school schemes for fruit, vegetables and milk, by enabling higher environmental and sustainability requirements to be set for the products.

Proposal

It should be specified in the CAP proposal that the school schemes for fruit, vegetables and milk must prioritise organic products and place plant-based drinks on an equal footing with dairy products.

In addition to CAP support, it is recommended that a European action plan for plant-based foods be developed, and that a European fund be established to support the development, demand and roll-out of plant-based products, inspired by the Danish Plant Fund.

The Commission's legislative proposals:

CAP-proposal

- Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the conditions for the implementation of the Union support to the Common Agriculture Policy for the period from 2028 to 2034.

CMO-proposal

- Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) No 1308/2013 as regards the school fruit, vegetables and milk scheme ('EU school scheme'), sectoral interventions, the creation of a protein sector, requirements for hemp, the possibility for marketing standards for cheese, protein crops and meat, application of additional import duties, rules on the availability of supplies in time of emergencies and severe crisis and securities.

NRP-proposal

- Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security for the period 2028-2034 and amending Regulation (EU) 2023/955 and Regulation (EU, Euratom) 2024/2509.

Competitiveness fund-proposal:

- Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on establishing the European Competitiveness Fund ('ECF'), including the specific programme for defence research and innovation activities, repealing Regulations (EU) 2021/522, (EU) 2021/694, (EU) 2021/697, (EU) 2021/783, repealing provisions of Regulations (EU) 2021/696, (EU) 2023/588, and amending Regulation (EU) [EDIP].

MFF-proposal

- Proposal for a COUNCIL REGULATION laying down the multiannual financial framework for the years 2028 to 2034

Performance-proposal

- Proposal for a Regulation of the European Parliament and of the Council establishing a budget expenditure tracking and performance framework and other horizontal rules for the Union programmes and activities — COM(2025) 545 final (2025/0545 COD).