Support to Organic Farming in Denmark

In 1987 the Danish government introduced legislation on organic farming in order to support development in this type of farming. The legislation authorised financial support to organic farming.

A precondition for receiving support to organic farming is that the farm is authorised to organic farming. When a farm is authorised to organic farming, the farm is entitled to receive an area support for a period of five to eight years. In this period the farmers are obliged to maintain organic farming. The period varies according to the time of transition of the last field.

After fulfilling an obligation period it is possible to apply for another obligation period. However, if the farmers get new fields over 2 hectare or apply for new types of subsidies, they will have to start on a new obligation period.

Organic farmers can apply for six different types of subsidies depending on types of farms:

1. Running subsidy
2. Transition subsidy (the transition period is usually two years per field)
3. Subsidy to permanent grassland
4. Environmental subsidy (for fields placed in special environmentally sensitive areas)
5. Supplementary transition subsidy for plant production (for farms without milk production)
6. Supplementary transition subsidy for pork production (for farms without milk production)

Please find below an overview of the different kinds of subsidies as of 2002. The amounts are quoted in DKK per 1 hectare per year.

Types of farms	***Types of subsidies***	***Areas under transition to organic farming***		***Areas after transition to organic farming***			***New Period***
		Year 1	***Year 2***	***Year 3***	***Year 4***	***Year 5***	***Year 1-5***
All	Running subsidy	600	600	600	600	600	600
All	Transition subsidy	450	450				
All	Subsidy to permanent grassland	600	600	600	600	600	600
Special environmentally sensitive areas	Environmental subsidy	500	500	500	500	500	500
Plant production (without milk)	Transition of plant production	2.000	2.000	1.200	500	500	0
	Subsidy limit (incl. Hectare Subsidies & Agri-environment Subsidies)	5.000	5.000	4.000	3.500	3.500	3.500
Pork production (without milk)	Transition of pork production	2.000	2.000	2.000	2.000	2.000	0
	Subsidy limit (incl. Hectare Subsidies & Agri-environment Subsidies)	5.000	5.000	5.000	5.000	5.000	3.500