



Eco-schemes: Evolving the Common Agricultural Policy's green architecture



POLICY INSIGHTS

The reform of the Common Agricultural Policy (CAP) for the 2023-2027 period introduced eco-schemes, an innovative component of the CAP and a main tool through which to deliver the environmental and climate goals of the European Green Deal.

Eco-schemes are a major new intervention within the CAP's green architecture, requiring EU Member States to use a proportion of their direct payments from the CAP for climate, environment and animal welfare purposes as well as combating anti-microbial resistance. This policy novelty is in its early stages, as the CAP Strategic Plans (CSPs) came into force in January 2023, and EU countries have already introduced a wide range of different eco-schemes throughout rural Europe.

EU Member States are allocating a total of €44.7 billion during the 2023-2027 period to eco-schemes, which are designed to provide additional environmental or climate outcomes.

Current eco-scheme commitments (2023)

On average across the EU, nearly 24% of CSP direct payments have been committed to eco-schemes at the start of the programming period. Ten EU Member States took advantage of the possibility to allocate less than 25% of their direct payments to eco-schemes (meaning that they allocated more than 30% of their rural development funding to certain interventions addressing environmental and climate objectives).¹ This ranged from around 15% in Austria, Hungary and Slovenia to between 15-23% in Cyprus, Denmark, Finland, Sweden, Germany, Malta and Spain. Seven EU Member States allocated more than the required 25% to their eco-schemes, with Czechia and the Netherlands allocating the greatest proportion (30% and 32% respectively).

Eco-scheme payments are conditional on farmers and land managers adjusting their operations to apply sustainable practices that exceed the standard requirements for area and animal-based payments under both CAP funds (EAGF and EAFRD). The CSP regulation highlights a core of nine standards of Good Agricultural and Environmental Condition (GAEC) with which farmers must comply as well as a series of Statutory Management Requirements, which involves compliance with core elements of regulations. In relation to the environment, these cover climate change, water, soil, and biodiversity and landscape.



Eco-schemes are distinct from other policy tools in the CAP's green architecture and they are implemented mainly as an annual payment via voluntary commitments. Eco-scheme payments can complement the multi-annual schemes that EU Member States design as part of the environment-climate intervention under the EAFRD – the Agri-Environment-Climate Commitments (AECC).



¹ The rebate is a clause that allows EU Member States to allocate less than 25% of their EAGF commitment to eco-schemes if they spend more than 30% of their EAFRD commitment on specified interventions for environment-climate. See the Thematic Group on Eco-schemes' [background paper](#) (p. 4).

	AT	BE-FL	BE-WA	BG	CY	CZ	DE	DK	EE	EL	ES	FI	FR	HR	HU	IE	IT	LT	LU	LV	MT	NL	PL	PT	RO	SE	SI	SK	
Integrated production/High environmental value													HVE																
IPM/pesticide management																													
Fertilisation																													
Soil conservation practices																													
Organic farming																													
Landscape and biodiversity																													
Wetlands and peatlands																													
Grassland and grazing																													
Animals and animal welfare																													
Precision agriculture																													
Water management																													

CSPs according to thematic coverage of eco-schemes (CSPs addressing the topic through at least one eco-scheme, including 'multi-dimensional') (Source: EC 2023¹²)

In total, EU Member States introduced 158 eco-schemes in 2023 across the 28 CSPs. Some EU Member States set up eco-schemes to cover single requirements regarding a particular management practice while in others a single eco-scheme might contain a range of different measures to which farmers must adhere.

Additionally, some EU Member States have introduced only one eco-scheme which covers multiple options and practices that farmers can choose to use. Two of these countries (the Netherlands and Hungary) introduced a points-based eco-schemes system, weighting and scoring the different practices according to their likely positive environmental impact. Four CSPs provide at least ten different eco-schemes, with Lithuania including 16 eco-schemes. While being an annual instrument, two CSPs (Spain and Lithuania) have put in place multi-annual schemes to help incentivise farmers to subscribe for more than one year.

An ambitious CAP

Most of the new eco-schemes have evolved from earlier policy measures in the 2014-2020 period, building on the previous CAP's greening measures (within direct payments) as well as the agri-environment-climate schemes (within rural development), but will be carried out on a more ambitious scale. Some EU Member States moved their support for the conversion and/or maintenance of organic farming to an eco-scheme. In other cases, new practices and measures have been included through eco-schemes.

Arable land is a popular target for eco-schemes, as are grasslands and permanent crops. Almost all CSPs foresee eco-scheme measures on soil conservation practices and preserving biodiversity and landscape features. Overall, soil conservation

accounts for 30% of all eco-schemes. Eco-schemes addressing biodiversity and landscape features represent nearly 20% and those on grazing and grassland management account for 15%. Support for organic farming and pesticide management account for 6% each. Few plans include specific schemes targeted to peatland and wetlands (2%) and animal-related actions (5%). Twenty EU Member States included measures for the sustainable and reduced use of pesticides. Ten CSPs include support for organic farming in the form of eco-schemes. Nearly all CSP have one scheme or more including relevant fertilisation commitments.



¹² Approved 28 CAP Strategic Plans (2023-2027): <https://agriculture.ec.europa.eu/system/files/2023-06/approved-28-cap-strategic-plans-2023-27.pdf>

EU CAP Network Thematic Group on eco-schemes

Because the eco-schemes are new in this CAP period, a number of issues have arisen in early stages of their implementation. Some of the main implementation issues identified (by CSP Managing Authorities and stakeholders) are being examined through our [EU CAP Network Thematic Group on eco-schemes](#).

An ambitious agenda for the Thematic Group involves examining how to optimise the design and implementation of eco-schemes. This includes considering success factors in relation to scheme design, good practices in administrative procedures, efficient verification controls, complementarity with other parts of the green architecture, including conditionality, as well as

addressing how to raise awareness and other factors affecting the take-up of eco-schemes by farmers.

A well-attended [first meeting of the Thematic Group](#) highlighted the many and varied good examples of what it was possible to achieve through eco-schemes. Members of the group stressed the importance of keeping eco-schemes simple and ensuring that they were accessible to farmers of all farm types and sizes, while also emphasising the importance of increasing their environmental ambition over time. The importance of involving farmers in the design process and the need for high quality advice and opportunities for knowledge exchange were also highlighted.

