



Public Goods Bonus

Environmental and income security considered together by a combination of a scoring and a remuneration system for public goods

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in a triad to a public good-oriented CAP:

(1) We must achieve the public good goals!

- (1) We must be better and more ambitious than before in environmental and climate performance in the agricultural landscape.
- (2) The goals have not been achieved so far; despite all the agri-environmental programmes to date, a trend reversal has been achieved selectively, or in some areas, but not across the whole landscape.
- (3) More farms are needed that allow or actively "create" these environmentally and climate-friendly conditions.



Foto: Neumann

(2) We need to take into account the farmers mindset

Entrepreneurial aspects are in the foreground:

- A measure must "pay off" from a business point of view.
- Offers must be flexible and voluntary.
- There must be room for autonomous decisions-making in order to motivate people.
- The administration should lay down the rules but leave the farmers room for manoeuvre in implementation.

Start a discussion of a new self-image of agriculture: e.g. a new model "farmer of the future" (German Farmers' Ass.): anticipate public demands, integrate them into your business plan and earn money with it!



Foto Roggenthin

(3) We need a real change in the system of funding logic

- Replacement of the pure disadvantage compensation of AECM and the lump-sum watering-can support
- Provision of public goods as an established component of “agricultural activity” (extension of the definition)
- Linking payments to concrete environmental and climate benefits and effects
- Consider environmental services as an income factor and no longer as a cost factor
- Eco schemes are the gate to the future!
- For this, the public services must be valued and assigned an imputed price.



Foto Neumann

Point systems can fix it!



Gemeinwohlprämie

Ein Konzept zur effektiven Honorierung landwirtschaftlicher Umwelt- und Klimaschutzleistungen innerhalb der Öko-Regelungen in der Gemeinsamen EU-Agrarpolitik (GAP) nach 2020

Entwickelt in Zusammenarbeit mit der Landwirtschaft, Wissenschaft und Verwaltung



Steckbriefe für die Maßnahmen der Gemeinwohlprämie

Bewertung der Umweltleistungen und Hinweise zur verwaltungstechnischen Umsetzung in der Gemeinsamen EU-Agrarpolitik in Deutschland



- 19 nationwide measures (arable land, grassland, special crops, farm gate)
- Different scoring according to differently expected effects
- Result orientation via scoring
- Introduction of a "bonus for diversity of measures"
- Integration into existing IACS
- Feasibility studies and economic calculations for farms

Development of the public good bonus idea



2011/12

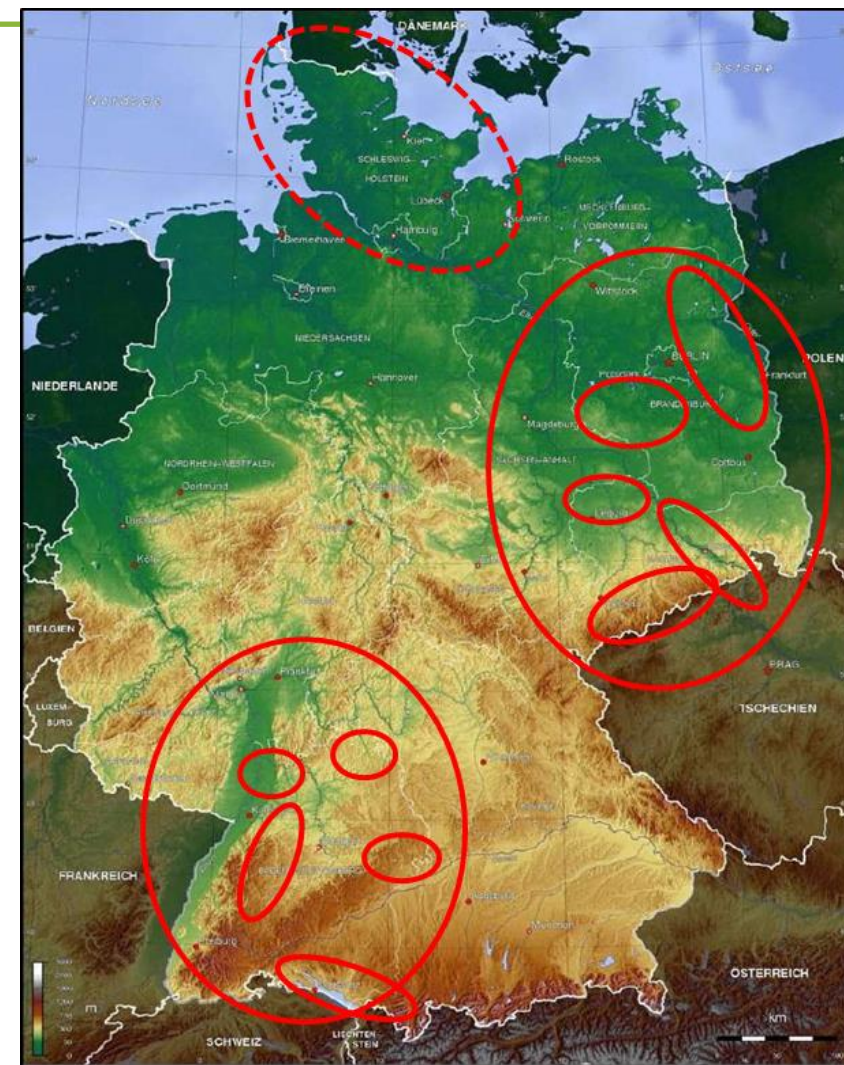



2020

selection of (standard) measures

Requirements:

- more targeted and effective than before
- uniform nationwide, simple, definable, administrable
- connectable to IACS, area monitoring, etc.
- accessible to all farmers and types of farming (and management directives (ecolog.))
- annual payment, but multi-annuality possible
- must be linkable with AECM and the Conditionality
- Consideration of individual farm landscape situations (small scale)



Measures	point scoring	Minimum area share for bonus diversity of measures
	[points/ha]	[% of netto agricultural area]
Arable land (AL)		
AL 1 Small-scale arable farming (< 10ha)	1	10
AL 2 Summer cereals	1	10
AL 3 Legumes and their mixtures	2	5
AL 4 Uncultivated stubble fields	2	10
AL 5 Flowering areas and strips	10	1
AL 6 Fallow land with self-vegetation	12	1
AL 7 No use of synthetic-chemical pesticides and mineral fertilisers	4	5
Grassland (GL)		
GL 1 Small-scale grassland management (< 10ha)	1	10
GL 2 Permanent grassland	1	30
GL 3 Pasture	2	10
GL 4 Old grass and fringe strips	1	10
GL 5 No use of synthetic-chemical pesticides and mineral fertilisers	4	5
GL 6 No use of organic fertilisation b	4	5
GL 7 Orchards with grassland use	4	0,5
Special crops (SC)		
SC 1 Alternating management of the lanes	1	10
SC 2 Flowering and beneficial insect strips	3	1
SC 3 No use of synthetic-chemical pesticides and mineral fertilisers	8	5
Farm gate nutrient balances (FNB) c		
FNB 1 Gross farm-gate nitrogen (N) balance	0-12 points/farm * 0,7 * AA in total d	No credit for the bonus 
FNB 2 farm-gate phosphorus (P) balance	0-12 points/farm * 0,7 * AA in total e	

Valuation of the public good bonus

- 0-12 points per measure: the higher the public service, the more points; e.g.: stubble field 2 points, fallow land 12 points.
- Additional points through "bonus system for diversity of measures":

Anzahl unterschiedlicher Maßnahmen im Betrieb ^a	4	5	6	7	8	9	10	...
Zuschlag in % der Gesamtpunktzahl auf Gesamtpunktzahl	10	11	12	13	14	15	16	...

a): eine Maßnahme kann nur an dem Bonussystem angerechnet werden, wenn sie einen definierten Mindestflächenanteil aufweist. Die Hoftorbalen werden in dem Bonussystem nicht berücksichtigt.

3 steps on the PGB-calculator: from performance to public good bonus

1. selection of measures

2. valuation of the
effects in points

3. monetisation: total
points (x bonus) x
point value (50€/pct.)



Foto DVL

Conclusion of the economic studies

- ✓ PGB also creates **incentives for diversification in highly specialised farms**
=> **brings nature conservation into the landscape**
- ✓ **Versatile and extensive farms** achieve **higher premiums** and **higher profit** from PGB
- ✓ **Organic farms receive more support** than at present (2020)
- ✓ Good **incentive effect in all farms**: more ecological performance => better payment => higher profit
- ✓ PGB has the **potential to engage farmers at large in nature-conservation.**

Conclusion of the Thünen* study on the public goods bonus (abstract)

- ✓ Appropriate approach to the provision of services of general interest
- ✓ Can be implemented as eco-schemes for income generation
- ✓ Higher environmental efficiency of GWP approach than previous approaches
- ✓ Entrepreneurial flexibility given
- ✓ administrability given
- ✓ According to projections, more than 3 points (150 euros) will be earned by farms in all regions and across all farm types.
- ✓ Dynamic further development to include new public services is possible

*: Thünen Institute is the Department Research Institut of the federal ministry of agriculture and food

Thank you for your attention!

What are your experiences and expectations of such a proposal?

Die Zeit ist REIF: GEMEINWOHLPRÄMIE!



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