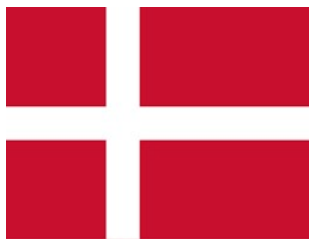


Denmark

- Facts:
- 4,3 million ha total
 - 2,6 million ha agricultural land
 - 560.000 ha grassland
 - 6 million citizens
 - 543.000 dairy cows: 5,69 billion Liters of milk
 - 2218 dairy farms



Interviewed people

Anna Flysjö, Julia Williams (Arla Foods)

Louise Burn, Nesle

Mette Termansen, University Copenhagen

Key topics around sustainable farming: Revenue model, Self-sufficiency in feed, Importing feed, small family farms.

Overall summary of the sector:

Collaboration within the chain

The Danish Agriculture & Food Council (DAFC) represents the entire Danish agricultural sector, with dairy farming at its core. Farmers, cooperatives, and the food industry work together across the whole chain – from feed production to dairy export. Through knowledge sharing, innovation, and joint strategies on sustainability and animal welfare, DAFC strengthens both farmers' economic position and the international competitiveness of Danish food production. It acts as a bridge between primary producers and processors, aiming for a future-proof, efficient, and climate-friendly dairy sector.

Climate policy

Denmark has committed to the Paris Agreement and set a national target of a 70% CO₂ reduction by 2030 compared to 1990. For agriculture, this translates into 55–65%. Protected nature areas must increase from 4% to 20% of total land, requiring 250,000 additional hectares of forests and wetlands within 5 years. Farmers will lose around 10% of their land to these goals, though they remain owners and will be compensated. A budget of 50 billion DKK (€6.7 billion) is available, but allocation is unclear.

Green Tripartite Plan

After a decade of negotiations, Denmark introduced a CO₂ tax plan. Each cow is estimated to emit 6.1 tons of CO₂, with a 40% reduction possible through innovations and feed additives. By 2030, a maximum of 4 tons per cow will be allowed; exceeding this results in a tax of €50–€100 per cow per year. Farmers are expected to invest in reduction rather than pay the tax. The plan also addresses water quality and biodiversity. Public debate focuses on nitrate and phosphate pollution, especially in fjords and drinking water, leading to stricter future regulations. Denmark is divided into 23 regions to tackle environmental issues locally.

Animal welfare in Denmark

Animal welfare standards were set in 2012, with full compliance required by 2034. These include space requirements for feeding, lying, and walking, water availability, brushes, calving pens, sick pens, minimum calf-mother contact (12 hours), daily inspection



system.

Arla Farm Ahead program

Arla, with 7,300 members producing 13.7 billion liters of milk across 7 countries, has implemented the Farm Ahead program. Based on farm data (verified by third parties), farmers earn points on sustainability. Each point provides a milk price premium of €0,003, with top performers earning up to €0.025 extra per liter. Currently, €500 million per year is redistributed within Arla, but the goal is to attract more external market value through measurable sustainability.

<https://www.arla.com/sustainability/the-farms/arlal-sustainability-incentive-model-qa/>

of grazing cattle, and access to adequate shade. Requirements differ for Jersey and Holstein-Friesian cows. Many older barns will face challenges meeting the standards, especially regarding walking space. Additionally, Denmark operates a voluntary public-private welfare label called the 3-heart system. Government oversight ensures consumer trust, and farmers meeting higher standards can earn a premium, although there are no broader market-based welfare concepts beyond this

Findings:

What is Biodiversity?

"Biodiversity as diverse nature from the genetic level to the landscape level, emphasizing its complexity"

"The focus on regenerative agriculture is a key strategy to reduce emissions and improve soil health"

What is important around Biodiversity?

"It's important to focus not only on climate change but also have attention on land use, water quality, and biodiversity"

"The public concern with climate change becomes bigger with the recent green transition in Denmark"

"Denmark's upcoming biodiversity law and the influence of the climate law on policy development"

"The organic label in Denmark is growing and it impact the behaviour of consumers. on consumer"

"Regenerative farming will be the future sustainable way of farming"

"It is important to have transparency and accurate data in sustainability reporting, especially in high-risk areas like deforestation"

"Sustainability efforts must be integrated into business strategy's, driven by the need to adapt to climate change and ensure long-term supply of products"

"Technological advances are crucial for measuring and communicating sustainability impacts accurately"

How should Biodiversity must be rewarded?

"It is important not just setting targets but also addressing the underlying concepts and principles"

"Work towards one label, multiple labels lowers the consumer trust in environmental certifications"

"We must work on a farmer, consumer relationship"

"We check and advise on all the data with a third party on the farm"

"It is important to pay farmers premiums for adopting regenerative agriculture practices, with using different structures depending on the commodity and country"

"We need a holistic approach to sustainability, considering multiple factors and adapting practices to local contexts"

What are the biggest challenges?

"We must focus more on the need for natural processes and species evolution rather than just focusing on rare species"

"We must shift from sparing to land sharing to get the big steps"

"It's very important of combining nature protection with sustainable land use"

"The development of one robust method and tool to track progress across different countries"

"Education about sustainability is important to let consumers understand what is happening"

"The challenge of communicating sustainability on product packaging due to consumer scepticism and the proliferation of greenwashing"

"The EU's new legislation on sustainability claims, which aims to ensure that claims are substantiated and not misleading"

"While consumers are interested in sustainability, price remains a significant barrier"

"Measuring and communicating the impact of regenerative agriculture is complex and requires new tools and metrics"

Take aways/advise:

- It is very strong that the whole dairy industry in Denmark using the modelling of Arla's measuring system to measure sustainability on Farms.
- If we want to tell the story about regenerative farming, we need to know what the guidelines are. What is regenerative farming?
- Water quality is a big issue in Denmark. Grassland will help to restore water quality and biodiversity. Think of ways to stimulate permanent grassland.

Nestlé has set ambitious sustainability goals for its dairy supply chain, aiming to halve greenhouse gas emissions by 2030 and achieve net-zero emissions by 2050.

To do this, the company is pushing for regenerative agricultural practices that improve soil health, biodiversity, carbon sequestration, and water stewardship.

Nestlé works closely with farmers and suppliers, providing training, technical assistance, and co-investing in solutions like methane-reducing feed, better manure management, and digital tools for traceability and emissions measurement.

The company also rewards farmers via premiums for dairy produced under these improved practices.

This multifaceted strategy reflects Nestlé's belief that sustainability, profitability, and community wellbeing in dairy farming can go hand in hand.