

Voluntary Report – Voluntary - Public Distribution

Date: June 06, 2024

Report Number: NL2024-0007

Report Name: Dutch Loss of Manure Derogation

Country: Netherlands

Post: The Hague

Report Category: Agricultural Situation, Agriculture in the Economy, Agriculture in the News, Climate Change/Global Warming/Food Security, Dairy and Products

Prepared By: Marit van der Hoek

Approved By: Laura Geller

Report Highlights:

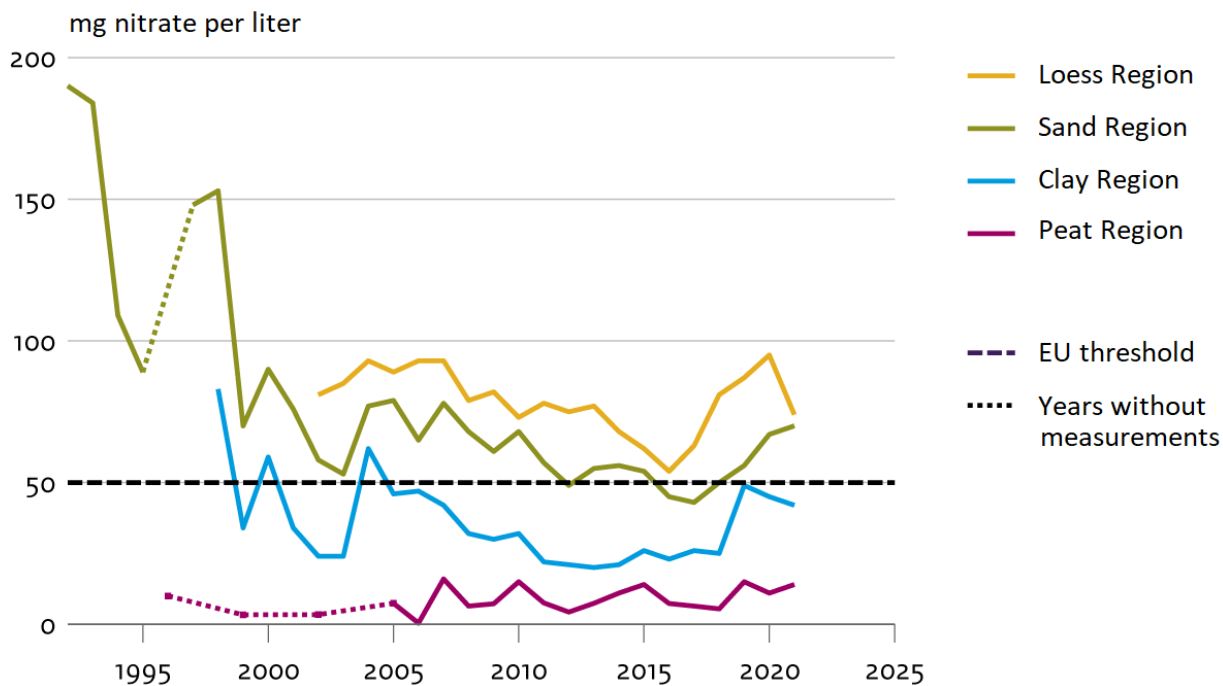
In 2024, the Netherlands lost its manure derogation, an exception through which Dutch farmers could spread more manure on their land than stipulated in the EU Nitrate Directive. With the loss of this derogation, the Dutch agricultural sector is faced with an immediate surplus of manure which can only be disposed of at a cost, impacting production costs and productivity. This situation has the potential to disaffect many dairy farmers through loss of income and/or buyout schemes. The Dutch Ministry of Agriculture, Nature, and Food Quality is looking for solutions, and plans to address the issues in a manure plan.

The EU Nitrate Directive and Dutch Manure Derogation

In the EU, an obligation exists to limit the use of manure on ‘vulnerable zones’ to protect water quality. This has been decided by [EU Council Directive 91/676/EEC](#) (concerning the protection of waters against pollution caused by nitrates from agricultural sources, or ‘the EU Nitrate Directive’). The Directive was a response to increased manure use (particularly in slurry). The Netherlands decided to designate the whole country as ‘vulnerable zone’, given the country’s intertwinement of water and land.¹ An example of the quality of water near agricultural holdings can be seen in figure 1, showing that in sand and loess regions the EU threshold is exceeded.

Figure 1. Nitrate in leaching water under Dutch agricultural holdings

Nitrate in leaching water under agricultural holdings



Source: <https://www.clo.nl/indicatoren/nl027114-nitraat-in-het-uitspoelend-water-onder-landbouwbedrijven-1992-2021>

The EU Nitrate Directive prescribes that EU farmers may use manure containing 170 kg of nitrogen per hectare on these designated vulnerable zones. Some EU countries have been receiving a derogation from this requirement, such as [Denmark](#) and [Ireland](#). These

¹ <https://www.boerderij.nl/derogatie-eindigt-in-2025>

derogations will however expire in 2024² and 2025 respectively, and they will not be extended.

The Netherlands also had a derogation since 2005. This allowed Dutch farmers (with a permit³) to use manure containing 250 kg of nitrogen per hectare of land, and in the “more polluted” areas, 230 kg nitrogen per hectare of land.⁴ In 2022 however, the EU decided that the exception will not be sustained. The EU repeatedly had been voicing concerns over the water quality of the Netherlands.⁵ The EU was also dissatisfied due to widespread fraud with manure in the Netherlands. For example, use of measuring equipment during manure transports that is sensitive to fraud.⁶

The Netherlands negotiated a [decrease of the Dutch derogation in a gradual manner](#). In 2024, a Dutch farmer is still allowed to use manure containing 230-210 kg of nitrogen per hectare of land, however this is not allowed anymore in certain environmentally sensitive zones.⁷ In 2025 this will be 190 kg, and it will be brought down to the EU threshold of 170 kg in 2026.

Challenges for Dutch Farmers Due to Loss of the Manure Derogation

Losing the derogation has resulted in various challenges for Dutch farmers, and growing frustration amid widespread farmer protests in Europe. With limited amount of land to apply manure on (for example, pig farmers that mostly do intensive farming⁸) farmers need to dispose their manure off-premises. Demand for manure only starts when weather conditions allow the spreading of manure, and not before that. On top of that, renewed EU Common Agricultural Policy rules on when certain crops can be sown and fertilized, narrow time windows even more. In a wet year like 2024, this means that farmers’ manure storages already reached their limits by early spring.⁹

Another factor is that farmers do not get reimbursed for their manure – they in fact need to pay for disposal. With a fluctuating price, set in February 2024 at €30 per m³ for cow manure and €32.50 per m³ for pig manure, prices have increased by 33 percent year to year for disposal.¹⁰ Dairy farmers are especially troubled by their sudden manure surplus;

² <https://www.boerderij.nl/denemarken-vraagt-niet-opnieuw-om-derogatie>

³ Subject to several conditions, see <https://www.rvo.nl/onderwerpen/mest/derogatie>

⁴ Other EU Member States that once had a derogation are the United Kingdom, Belgium, Italy and Germany.

⁵ Water quality in the EU is, next to the EU Nitrate Directive 91/676/EEC, also protected under the [EU Water Framework Directive 2002/60/EC](#), for which full compliance needs to be reached by 2027. Within this framework, the Netherlands currently ranks lowest of all EU member states. An expert estimates that agriculture contributes for a third to this non-compliance, with leaching out of manure and pesticides as a big contributor. Some legal experts predict the non-compliance could have consequences for the Netherlands in 2027, similar to the current ongoing issues surrounding nitrogen. For more information, see <https://www.wur.nl/nl/show-longread/een-dikke-onvoldoende-voor-waterkwaliteit.htm> or preamble 10 of https://eur-lex.europa.eu/eli/dec_impl/2022/2069/oj

⁶ <https://eenvandaag.avrotros.nl/item/waarom-nederlandse-boeren-minder-dierlijke-mest-mogen-gebruiken/>

⁷ Natura 2000 areas (in which many farms are located) and so-called protected “drinking water areas”, see <https://www.rvo.nl/onderwerpen/mest/derogatie>.

⁸ A sector which therefore, most likely, already has found distribution channels for their manure disposal, and on top of that, has most likely already included the costs for foresaid disposal in the price of their product.

⁹ <https://www.boerderij.nl/mest-uitrijden-mag-morgen-weer-maar-kan-nog-niet-echt>

¹⁰ <https://www.mestportaal.nl/2024/kosten-mestafzet-blijven-hoog/>

26 percent have had to set up a distribution channel for the first time for their manure disposal due to the loss of derogation. While 42.5 percent cannot even find a taker. For 73.3 percent, the higher costs for manure disposal causes direct financial problems. The extra costs the Dutch dairy farmers expect to make range from more than €40,000 (for over 50 percent of dairy farmers), €30,000 (for 18 percent), €20,000 (for 24 percent), and up to €10,000 (for 19 percent).¹¹ With a historically low milk price, this is affecting their business model and viability.

Extensification is seen as a solution as well, as with acquiring extra agricultural land, more manure can be applied to that land. But with agricultural land having become increasingly more expensive, this is not a ready solution in most cases.¹²

Finally, farmers will still be allowed to use artificial fertilizers on their land, on top of the permissible 170 kg of nitrogen within manure. If farmers need to revert to fertilizers instead of their own manure, this will also increase their costs - on top of the costs for disposal of their own (readily available) manure. Agricultural experts have pointed out that fertilizers also are produced at a cost for the environment - think energy and natural gas use.¹³

Responses of the Dutch Ministry of Agriculture, Nature, and Food Quality to the Loss of Derogation

The Ministry of Agriculture, Nature, and Food Quality has tried to negotiate prolonging of the derogation, to no avail. As such, it is now faced with aiding the farmers with their challenges, as well as making sure that water quality does not deteriorate further.

As part of a myriad of aid measures, the ministry has made a temporary subsidy available for farmers who preserve 80 percent of their land as grassland.¹⁴ However, there is a fear that the loss of the derogation might result in farmers transforming their grassland in arable land (such as for corn). Since grassland detains more nitrogen than e.g. corn can, preserving grassland is better for overall water quality.¹⁵

The Ministry of Agriculture, Nature, and Food Quality sees another solution in the use of a fertilizer substitute, known as "Recovered Nitrogen from manURE", known under its abbreviated name "Renure".¹⁶ Examples are mineral concentrates, discharge water from evaporation installations or thin fraction of digestate. These can be produced from the farmers' own manure. This type of product is believed to have properties similar to

¹¹ <https://www.boerderij.nl/80-melkveehouders-heeft-problemen-met-mestafzet>

¹² <https://www.nieuweoogst.nl/nieuws/2022/07/23/zonder-derogatie-verder-wat-is-de-impact>

¹³ <https://www.wur.nl/en/show-13/wat-betekent-einde-derogatie-voor-de-nederlandse-landbouw-en-natuur.htm>

¹⁴ <https://www.rvo.nl/subsidies-financiering/behoud-grasland>

¹⁵ <https://www.rvo.nl/subsidies-financiering/behoud-grasland#waarom-deze-subsidie>

¹⁶ https://www.tweedekamer.nl/kamerstukken/brieven_regering/detail?id=2024D17047&did=2024D17047

traditional fertilizer, if applied in the correct manner.¹⁷ Authorization for this product from the European Commission is being negotiated by the Dutch Ministry of Agriculture, Nature, and Food Quality. A decision is expected no earlier than summer 2024 and would most likely be allowed for an additional 100 kilograms nitrogen per hectare, under specific conditions,¹⁸ on top of the already allowed 170 kilograms of nitrogen from the farmer's own manure. However, research has shown that the processing steps to convert manure to "Renure", will still be costly - an estimated €22 up to €38 per ton.¹⁹

Manure Seeps into Politics

Meanwhile, the topic has led to heavy debate in the Dutch House of Representatives. Led by the caretaker government (which governs the country until the new government has been formed), two debates have already been held on the topic.

The manure challenges thereby impact the formation of the new cabinet, as the parties who are currently exploring the possibilities of forming a coalition (PVV, NSC, VVD and BBB) differ greatly in opinion on how the manure challenge should be approached.²⁰ All parties however, tried to persuade the caretaker Minister to negotiate another derogation with the European Commission. According to the Minister, this is not an option anymore, as the Netherlands has (unsuccessfully) tried to negotiate such derogation for the past years, and no new arguments or solutions can be presented to the European Commission.²¹

In the last debate on April 25, the caretaker Minister of Agriculture, Nature, and Food Quality, Piet Adema, announced that a "Manure Plan" is in the works, that should provide additional handles to ease the manure challenges for farmers. He hopes to present it to the House of Representatives within four weeks and will collaborate with specific farmer interest organizations to shape it.

Consequences of Excess Manure Felt Most by Dairy Farmers

In 2023, the Netherlands counted 14,264 dairy farms.²² Consequences are especially felt by dairy farmers, since 42.5 percent of dairy farmers are unable to find a taker for their manure. It is not known how much manure this specifically entails, as it is to be expected that smaller farms (with less manure) might have more difficulty in setting up distribution channels than larger farms. And if dairy farmers can find takers, they must pay for the disposal of this manure, just like all other livestock sectors in the Netherlands. In terms of total manure production, the dairy sector contributes 58.8 percent of the total nitrogen in

¹⁷ <https://www.mestverwaarding.nl/kenniscentrum/1421/renure-kunstmestvervangers-resultaten-europees-safemanure-onderzoek>

¹⁸ <https://www.boerderij.nl/europese-commissie-presenteert-voorstel-renure-max-100-kg-n-ha>

¹⁹ <https://www.boerderij.nl/renure-kost-e-28-per-ton-mest>

²⁰ <https://nos.nl/artikel/2516176-formerende-partijen-zwaar-verdeeld-over-mestproblemen>

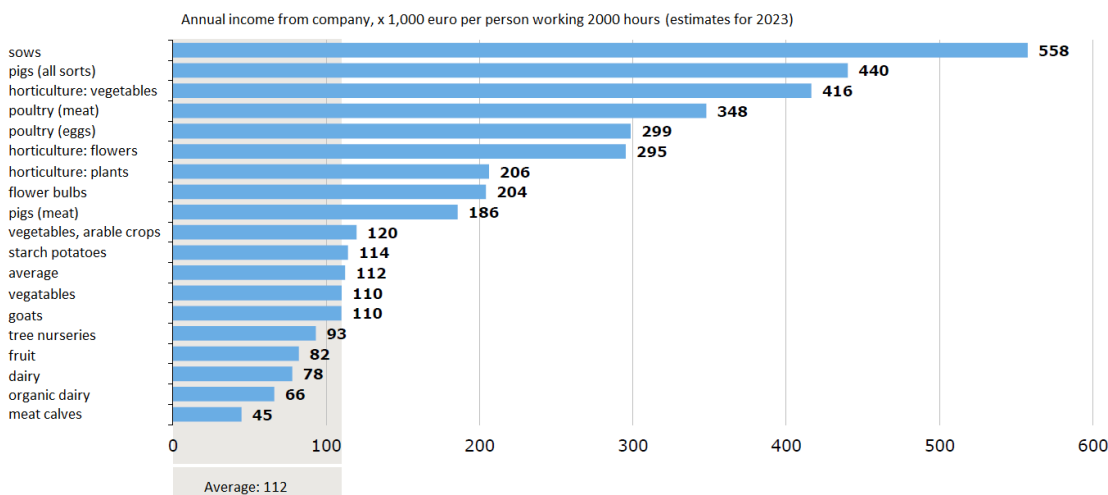
²¹ <https://www.boerderij.nl/adema-aan-de-slag-met-mestplan-zonder-onderhandeling-over-derogatie>

²² <https://www.cbs.nl/nl-nl/maatwerk/2024/15/bedrijven-met-melkvee-geiten-en-schapen-2000-202>

manure (276.8 million kg on 470.6 million kg total in 2023); and 50.8 percent of the total phosphate in manure (74.1 million kg out of 145.8 million kg total in 2023). This means a considerable amount of manure is currently forming a problem.

Consequently, some farmers report that they are bringing a higher number of dairy cows to the slaughterhouse,²³ which alters farmers' production capacity (which they might have newly invested in) and thus profitability. The average revenue of a Dutch dairy farm was estimated at €624,000 (\$674,918) in 2023,²⁴ the annual income for a dairy farmer being on average €77,800 (\$84,148),²⁵ with an average rentability however of 100 percent (in 2023).²⁶ With this income, dairy farmers are one of the lowest earning farmers of the Netherlands, see Figure 2.

Figure 2. Annual income Dutch farmers, per person working 2000 hours (estimates for 2023)



Source: Translated from <https://research.wur.nl/en/activities/perspresentatie-inkomensraming-land-en-tuinbouw-2023>

Farmer Protest Organizations Not Involved in Drafting Manure Plan with Solutions

In general, some in the agricultural sector voice that the current manure problem could lead to a "cold reorganization".²⁷ This might feed feelings of unrest in the whole sector. To prevent this, the Minister of Agriculture, Nature, and Food Quality is working on a manure plan. He will provide a comprehensive scheme, including financial compensation where possible. The plan is being drafted with farmer organizations LTO, young farmer

²³ Although most recent figures are not available yet to demonstrate this, see Statistics Netherlands, <https://opendata.cbs.nl/#/CBS/nl/dataset/7123slac/table>

²⁴ <https://agrimatie.nl/themaResultaat.aspx?subpubID=2232§orID=2245&themaID=2272&indicatorID=2079>

²⁵ As expressed in "oaje", which is a unit used for each annual 2000 working hours in the respective agricultural sector, see

<https://agrimatie.nl/ThemaResultaat.aspx?subpubID=2232&themaID=2272&indicatorID=2046>

²⁶ <https://agrimatie.nl/ThemaResultaat.aspx?subpubID=2232&themaID=2272&indicatorID=2088>

²⁷ I.e., farmers having no other option but to stop their businesses, instigated by the manure problem (as opposed to instigated by a buy-out scheme), see <https://www.lto.nl/landbouwpactijven-komen-met-crisisplan-mestaanpak/>

organization NAJK, as well as the Dutch Dairy Farmers Organization NZO and Dutch Organic Dairy Farmers Organization Natuurweide.

However, the more recently formed *Agractie* and *Farmers Defence Force*, which actively participate in farm protests, have not been asked to contribute to the drafting this manure plan. If the farmers behind these organizations feel they have not been heard by the government, it could lead to future protests. Currently, the *Farmers Defence Force* already has a protest announced in Brussels for June 4, 2024²⁸ – right before the European Parliament elections take place.²⁹

Last year however, Minister Adema tried to negotiate with all agricultural organizations to form an Agricultural Agreement. After months of negotiations, this attempt failed. It was the farmer protest organization Agractie was the first to pull out of the agreement in March 2023,³⁰ and farmer organization LTO followed suit in June 2023,³¹ with which the negotiations stopped all together. Meanwhile, the Ministry of Agriculture, Nature, and Food Quality has opened schemes that should alleviate at least some of the pressure from the manure situation – however, these will not provide the highly needed relief in the short term. Examples include an extensivisation scheme to reduce costs,³² and a new buy-out scheme for which a potential 4 billion (\$4.3 billion) would be made available.³³

Consequences for Elections of European Parliament

From a broader perspective the EU Nitrate Directive could have an impact on the June 2024 European Parliament elections. In the Netherlands, the EU Nitrate Directive is having an impact on the disposal of manure by farmers, increasing their production costs. In Denmark and Ireland, farmers will soon be faced with the loss of their derogation, too.³⁴ The loss of derogation in Denmark will result in the need for an extra 30,000 hectare of land and will affect 40 percent of the dairy farmers.³⁵ Of course, there are other agricultural issues at work as well which are linked to the broader EU Green Deal, which eventually might lead to more votes for right leaning, pro-farmer parties in all EU countries.

²⁸ <https://farmersdefenceforce.nl/verslag-9-april-2024-brussel-4-juni-2024-brussel-we-komen-er-aan/>

²⁹ From June 6-9, 2024.

³⁰ <https://nos.nl/artikel/2468579-agractie-stapt-voor-nu-uit-onderhandelingen-over-landbouwakkoord>

³¹ <https://www.rtvoost.nl/nieuws/2239583/definitief-stekker-uit-landbouwakkoord-na-opstappen-lto>

³² <https://www.boerderij.nl/kans-voor-extensieve-melkveebedrijven-bij-natuur>

³³ <https://www.nrc.nl/nieuws/2024/04/25/mestzakken-als-noodoplossing-tegen-de-mestcrisis-a4197232>

³⁴ <https://vilt.be/nl/nieuws/vlaanderen-kan-afschaffing-derogatie-opvangen-nederland-niet>

³⁵ <https://mestverwaarding.nl/kenniscentrum/4185/denemarken-ziet-af-van-nieuw-derogatieverzoek>

However, parties that might appeal to farmers, are in the end still member of a European fraction. In the Netherlands for example, both new farmer party BBB and traditional farmer party CDA are member of the same fraction (European People's Party). Thus, even though the size of parties might shift, the size of the fractions might not drastically change – just the representation of parties within the fractions might shift. Overall, POLITICO [reports](#) that on the basis of polling, that a shift to right-parliamentary parties is forecasted.

Dutch turnout for European Parliament elections is generally low. The past twenty years, between 36.8-41.8 percent of Dutch voters casted their vote. This is well below the European Average of 42.61-50.6 percent.³⁶ Perhaps a slight change in turnout can be expected in 2024, due to the events of the past four years, such as farmers protests and the COVID-19 pandemic, and Russia's invasion of Ukraine. In a poll conducted by Eurobarometer in April 2024, 72 percent of the Dutch said they were interested in the European Parliament elections, and 86 percent said they would be "likely" to vote (the EU average being 71 percent).¹⁶ In a similar survey from December 2023, 46 percent of the Dutch people likely to vote said they wanted to do so to "change things".³⁷

It therefore remains to be seen how the current problem will impact elections results, and how those results will thereafter influence EU policy. However, until the Netherlands finds workable solutions for both its nitrogen problem, manure problem, and problems that are predicted surrounding the improvement of Dutch water quality following from EU policy, unrest in the Dutch agricultural sector will most likely remain a factor for some time to come.

Manure in the Netherlands in Figures

As a country with intense livestock production, the Netherlands produces a lot of manure. The country counted 3.85 million cows, 10.83 million pigs, 93 million chickens, and 646,500 goats in 2023,³⁸ spread evenly over the country (see Figure 3). The country also harbored 588,351 turkeys, 581,072 ducks, 71,704 other types of poultry (such as geese or guineafowl) and 265,091 rabbits within the agricultural sector. It is also home to 97,301 horses and ponies, exclusively kept for recreative purposes.³⁹ These were responsible for a manure production of 75 billion kilograms in 2023.⁴⁰ Of that, 84 percent derives from cows, 11 percent from pigs, and 5 percent from poultry and other animals.⁴¹

³⁶ <https://results.elections.europa.eu/nl/opkomst/>

³⁷ <https://www.dutchnews.nl/2023/12/dutch-are-most-interested-in-next-years-eu-elections/>

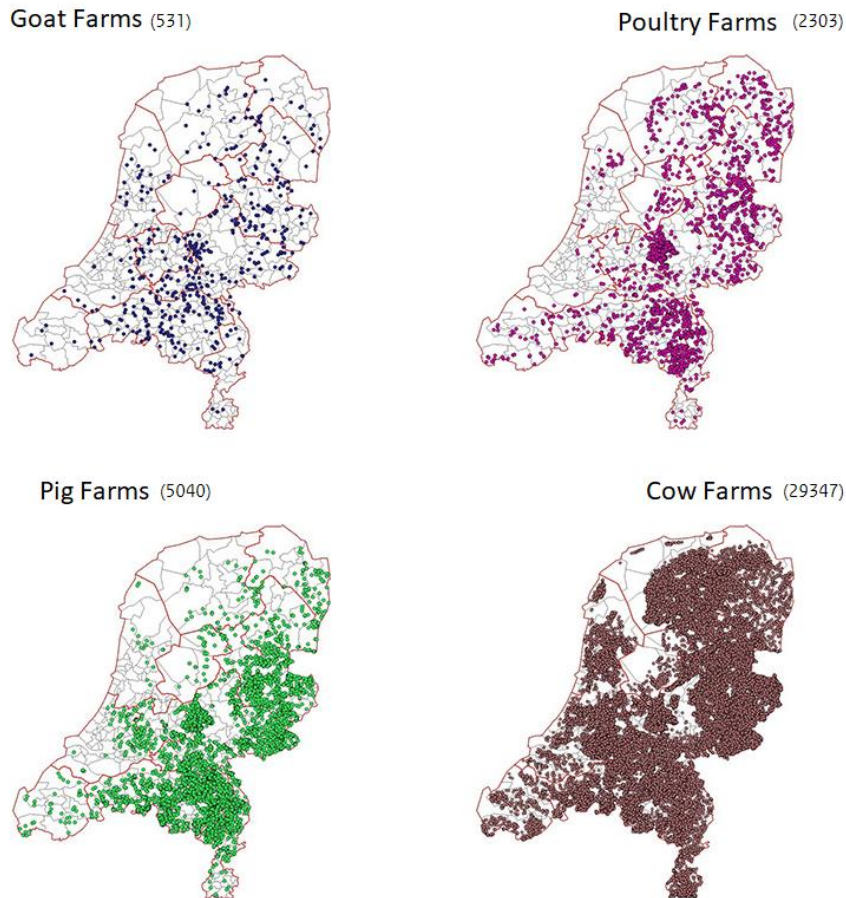
³⁸ <https://opendata.cbs.nl/statline/#/CBS/nl/dataset/80781ned/table?dl=74437>

³⁹ <https://www.cbs.nl/nl-nl/cijfers/detail/81302ned>

⁴⁰ <https://opendata.cbs.nl/statline/#/CBS/nl/dataset/83982NED/table?dl=EC0A>

⁴¹ <https://www.cio.nl/indicatoren/nl010429-mestproductie-door-de-veestapel-1986-2023>

Figure 3. Dutch Agricultural Census 2017: Spread of farms throughout the Netherlands (shown if at least 250 pieces of poultry, 50 goats, 25 pigs or 5 cows present)

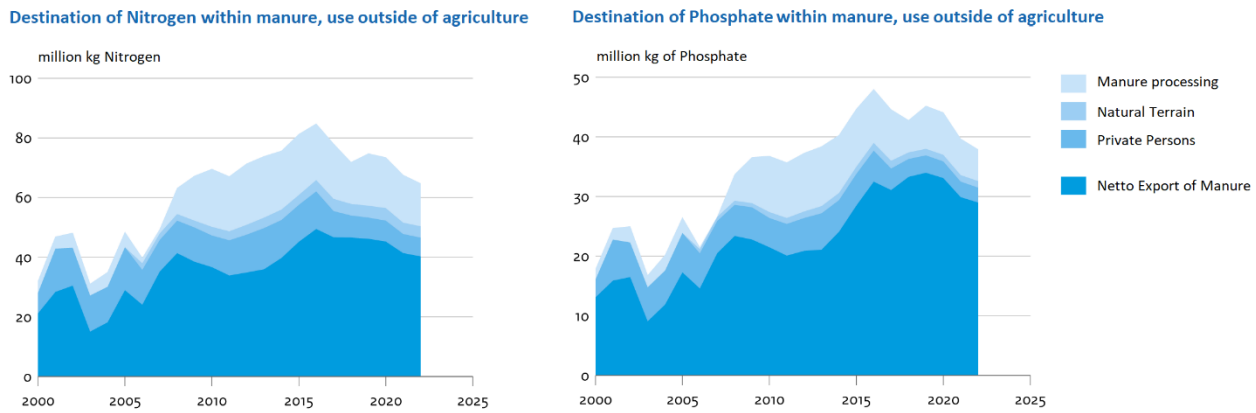


Source: <https://www.rivm.nl/ggd-richtlijn-mmk-veehouderij/maatregelen-overzichten-ruimtelijke-indeling/verdeling-veehouderijbedrijven>

For most other statistics, the manure production is expressed in the amount of nitrogen and phosphate excreted within the manure. For these compounds, the 2023 production of manure accounted for 471 million kilograms of nitrogen, and 146 million kilograms of phosphate.⁴² As much as possible of this manure is used on land, but still a nationwide surplus exists, resulting in the need to export manure. Yearly, these manure exports are as high as 40-50 million kilograms of nitrogen (40 million kg in 2023) and around 30 million kg of phosphate (29 million kg in 2023). Another part of manure is processed (e.g., through burning), used in natural areas or privately used, see figure 4.

⁴² <https://www.cbs.nl/nl-nl/cijfers/detail/83982NED>

Figure 4. Destination of Nitrogen and Phosphate within Manure (in million kilograms)



Source:

<https://www.clo.nl/indicatoren/nl040323-mestafzet-buiten-de-landbouw-2000-2022>

Attachments:

No Attachments.