

CASE STUDY AT-1 ORGANIC FARMING IN MOUNTAIN REGION MURAU

BRIEF PROFILE OF THE CASE STUDY

- This case study focuses on organic mountain farming in the region Murau combined with a specific type of milk production, i.e. hay-milk production, which is a characteristic and long-established management system in the district.
- Organic hay milk is distributed throughout Austria by the retail chain Hofer which is also the proprietor of the brand “Z.z.U.” (back to the origin).
- About 33 % of all organic mountain farms in the district are represented by “Z.z.U.”.
- Organic hay-milk is considered the highest premium milk product in Austria at present.
- Analysis focuses on the provision of environmentally and socially beneficial outcomes (ESBOs): (i) biodiversity and (ii) the preservation of the characteristic regional landscape and cultural heritage.



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KEY FACTORS IMPACTING THE PROVISION OF ENVIRONMENTAL AND SOCIAL BENEFITS

While the current policies under CAP pillar 1 puts pressure on the provision of ESBOs (e.g. leading towards farm size enlargement and intensification), the second pillar supports extensive agricultural practices and therewith positive externalities such as the provision of selected key ESBOs (e.g. through agri-environmental measures and Less Favoured Area Compensatory Allowance scheme). On a regional level, regulations for organic mountain hay-milk production for “Z.z.U.” go beyond the requirements of EU organic production (e.g. silage-free and soy-free fodder, 75% of fodder from in farm production, specific rules on pasture management, certified animal welfare). The resulting extensive mountain farming practices and the production of organic hay-milk for which producers receive a substantial price premium, increase the economic viability of extensive modes of production. They also contribute to the conservation of the prevailing features of cultural landscapes and have a positive impact on the level of biodiversity.



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EMERGING FINDINGS AND CONCLUSIONS

- Extensive land management systems (both in agriculture and forestry) are inseparably linked to the provision of key ESBOs in the mountain district Murau.
- An important prerequisite for the continuation of mountain farming (e.g. on a medium-term) is a sufficient agricultural income.
- While RDP measures in Austria are of great importance to mountain farming, a combination with private schemes renders extensive forms of agriculture in mountain areas economically more viable, reducing the threat of farm abandonment due to market developments.
- Consumer choices for organic hay-milk products (at the other end of the food-chain) directly impact the provision of relevant ESBOs.
- Therefore, the case study exemplifies how economic, social and environmental objectives can be met simultaneously.

Link to access the full report: [WP6 to add website link –NO CONFIDENTIALITY ISSUES](#)

