Rural Development Program 2007 – 2013

Austria

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1 CAP steps

• 1960’s: Treaty of Rome: productivity, food security, stable supply

• 1992: reforms to reduce support prices, shift to direct payments, more market orientation

• Agenda 2000: second pillar, rural development introduced (30 Million €)

• 2003: further reform to strengthen rural development, market orientation, direct payments, cross compliance, food quality, animal welfare (77 million € for rural development until 2013)

• After 2013: Conflict area food quality, quantity again – energy – environmental issues – social issues of agricultural activities
• Long tradition to cope with difficult natural and structural conditions, situation 2000 – 2006:

**Agricultural Policy in general**

10.6 Billion €

**Rural development:**

6.9 Billion €:

- 61% Environment
- 29% Less Favoured Areas
- 4% Investments
- 3% Adaptation
- 2% Forestry
- 2% Installation of young farmers
- 1% Vocational Training
2.1 Programming Process

3 step planning:

• Start in 2005, broad participation, working groups, different stakeholders

• Spring 2006: first draft, public discussion also in internet

• Dec 2006: Submission to EU Commission

• Jan. 2007 in force, finally approved by EU Sept. 2007
2.2 Measures (program status Sept. 2007)

3 Axes:

- 1: Competitiveness (agriculture, € 3,3 billion)
- 2: Environment, landscape (€ 5,8 billion)
- 3: Rural regions (agriculture and other sectors, € 0,8 billion)
- 4: Leader (€ 0,7 billion)
2.2 Measures

**Axis 1:**

- Improvement of domestic products: 17%
- Processing in agriculture and forestry: 1%
- Food quality programs: 3%
- Vocational training, human potential: 3%
- Setting up of young farmers: 3%
- Infrastructure in agriculture and forestry: 5%
- Modernisation of farm enterprises: 64%
- Forestry measures: 4%
2.2 Measures

Axis 2:

- Forestry measures: 3%
- Animal welfare: 0%
- Less Favoured Areas Direct Payments: 34%
- Natura 2000: 0%
- Environmental Program: 63%
2.2 Measures

Axis 3:

- Competences: 9%
- Diversification (SME, Tourism...): 49%
- Vocational training: 37%
- Life Quality (services, village renewal, heritage): 5%
2004:

**Rural Development in all:**
- 2,212,- Mill. €
- 190,000 holdings
- 7.4 Million ha

= 11,600,- € per holding
= 298,- € per ha
2004

Environmental Program in all:
134,000 holdings (75%)
2.3 Million ha (89%)

640 Million €
= 4,800 € per holding
= 280 € per ha
2004

**Less Favoured Areas in all:**

- 113,000 holdings (66%)
- 1.6 Million ha (62%)

280 Million €

- = 2,500 € per holding
- = 175 € per ha

(differing very much by the classification in the mountain farmers register,

- group 0: 979,- €, group 4: 5,172,- €)
3 Evaluations

Budget (1):

• **EU + Federal State + Provinces**
  (market support, cereals, suckler cows, 240 mill. €, structural measures, environmental measures, 1,300 mill. €)

• **EU + Federal State**
  (storing of cereals, milk, meat, 2 mill. €)

• **EU + Provinces**
  (special measures of the environmental program)

• **EU**
  (processing + marketing of milk, wine, sugar, starch, 54 mill €, restructuring of vineyards, 8 mill. €)
Budget (2):

• **Federal State + Provinces**
  (energy of biomass 14 mill. €, infrastructure, innovation, investments, machinery rings, …)

• **Provinces**
  (special water management measures, land consolidation measures, special alpine farming, 6 mill. €)

• **Communities** (special smaller amounts e.g. tourism related payments)