

CZECH REPUBLIC

Basic Information:

The Czech Republic Rural Development Programme (RDP) has budgeted for 2007-2013 a total public expenditure of nearly €3.7 billion (European Agricultural Fund for Rural Development and Member State contribution). At the end of 2013, €2.9 billion were spent out of the allocated budget (see figure 1).

Axis 1 – “Improving the competitiveness of the agricultural and forestry sector” has utilised around 72% of its allocated budget.

Axis 2 – “Improving the environment and the countryside” has used nearly 87% of its programmed expenditure.

Axis 3 – “Improving the quality of life in rural areas” has spent 71% of its budget.

Axis 4 – “Leader” has utilised 70% of the programmed expenditure.



Figure 1: Total Public Expenditure from 2007 to 2013 in the Czech Republic & expenditure per Axis



Axis 1 - Improving the competitiveness of the agricultural and forestry sector

Figure 2: Axis 1 - Total Public expenditure per measure in million EURO (2007-2013)

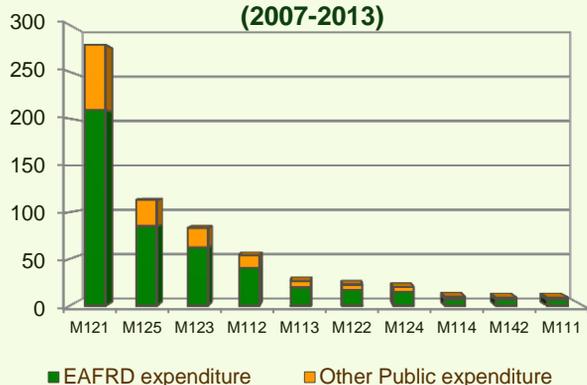
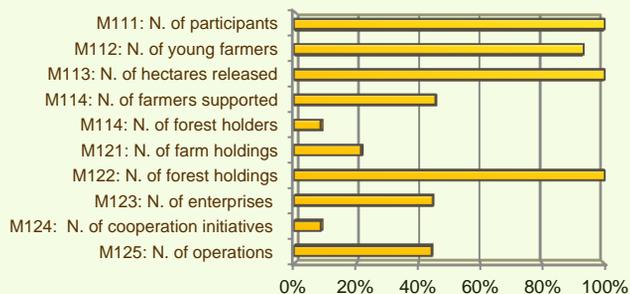


Figure 3: Axis 1 - Progress against 2007-2013 output targets in the Czech R. (2007-2012)



Axis 1 places an emphasis on Modernisation of agricultural holdings (M121) and Infrastructure related to the development and adaptation of agriculture (M125), allocating to these two measures nearly 63% of the overall budgeted funds for Axis 1.

Analysis of the expenditure rates per measure up to 2013 shows that:

- ❖ Producer groups (M142) and Setting up of young farmers (M112) have utilised respectively 99% and 94% of their budgets.
- ❖ Three measures have utilised between 77% and 85% of their programmed expenditure:
 - Early retirement (M113), 77%;
 - Improvement of the economic value of forests (M122), 82% and
 - Modernisation of agricultural holdings (M121) 85%.
- ❖ Adding value to agricultural and forestry products (M123), Vocational training and information actions (M111) and Use of advisory services (M114) have spent 66-70% of their allocated budgets.
- ❖ Infrastructure related to the development and adaptation of agriculture (M125) and Cooperation for development of new products, etc. (M124) have utilised 52% and 44% of their funds.

Figure 3 provides an indication of the achieved outputs up to 2012 in comparison to the output targets for 2007-2013.

CZECH REPUBLIC

Axis 2 - Improving the environment and the countryside

Axis 2 focuses on Agri-environment payments (M214), Natural handicap payments to farmers in mountain areas (M211) and Payments to farmers in areas with handicaps, other than mountain areas (M212). The three measures represent the majority of Axis 2 expenditure (see figure 4). Together they have been allocated nearly 51% of the total public budget programmed in the Czech Republic RDP for 2007-2013.

- ❖ First afforestation of agricultural land (M221), Agri-environment payments (M214), Natura 2000 payments and payments linked to Directive 2000/60/EC (M213), Natural handicap payments to farmers in mountain areas (M211) and Payments to farmers in areas with handicaps, other than mountain areas (M212) and have utilised between 85% and 90% of their programmed budgets.
- ❖ Four measures have spent 40-50% of their allocated funds:

- Forest-environment payments (M225), 49%
- Non-productive investments - forestry (M227), 49%
- Natura 2000 payments (M224), 47% and
- Restoring forestry potential (M226), 44%.

Figure 4: Axis 2 - Total Public expenditure per measure in million EURO (2007-2013)

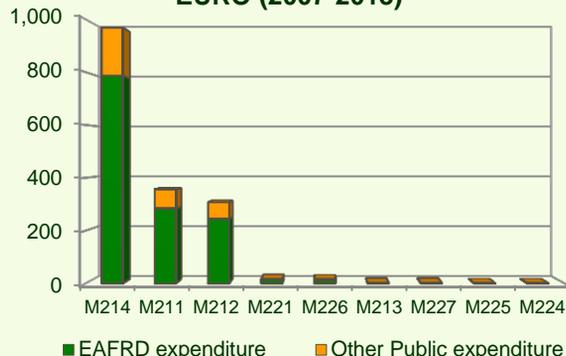


Figure 5: Axis 2 - Progress against 2007-2013 output targets in the Czech R. (2007-2012)



Figure 5 provides an indication of the achieved outputs up to 2012 in comparison to the output targets for 2007-2013.

Axis 3 - Quality of life in rural areas and diversification of the rural economy

Figure 6: Axis 3 - Total Public expenditure per measure in million EURO (2007-2013)



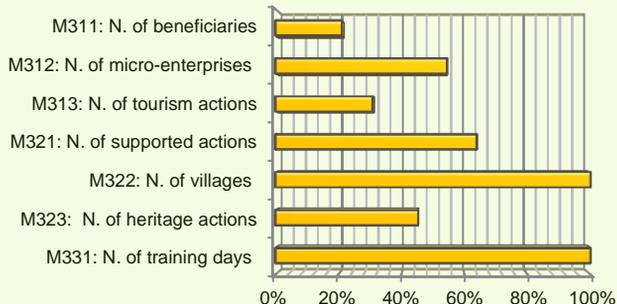
Axis 3 of the Czech Republic RDP focuses on Village renewal and development (M322) and Diversification into non-agricultural activities (M311). The measures represent 54% of the Axis programmed budget and 62% of the total public expenditure under Axis 3 (see figure 6). When comparing the expenditure rates per measure up to 2013, it is observed that:

- ❖ Training and information (M331) has used almost all of its allocated funds.
- ❖ Two measures have spent 80-85% of their programmed budgets:
 - Diversification into non-agricultural activities (M311), 80% and
 - Village renewal and development (M322), 81%.

CZECH REPUBLIC

Axis 3 - Quality of life in rural areas and diversification of the rural economy

Figure 7: Axis 3 - Progress against 2007-2013 output targets in the Czech R. (2007-2012)



- ❖ Conservation and upgrading of the rural heritage (M323) and Basic services for the economy and rural population (M321) have used 68% and 71% respectively of their allocated budgets.
- ❖ Encouragement of tourism activities (M313) and Support for business creation and development (M312) have spent 52% and 54% of their planned allocation.

Figure 7 provides an indication of the achieved outputs up to 2012 in comparison to the output targets for 2007-2013.

Measure 311 project example: Biogas Production on a Large Mixed Farm / Czech Republic

Czech Republic's RDP offered support to a farming company producing both animal and vegetal products for developing biogas production to broaden its income base. The project was designed to construct a biogas station that process animal and plant waste and generate heating for farm buildings and some local facilities and electricity that feeds into the national network. A detailed business plan was developed making use of an advisory service. The biogas unit was constructed and made operational.

Its implementation created one full-time job, secured other jobs on the farm and made possible the utilisation of non-productive parts of the farm using renewable energy to reduce waste and lower carbon emissions. The project helped cash flow improvement throughout the year and development of commercial links with local, national and international companies.

The total cost of the project was €2,203,921, out of which €1,322,353 was private contribution.

Link: http://enrd.ec.europa.eu/policy-in-action/rdp_view/en/view_projects_en.cfm?action=detail&backfuse=jsview&postcard_id=1101

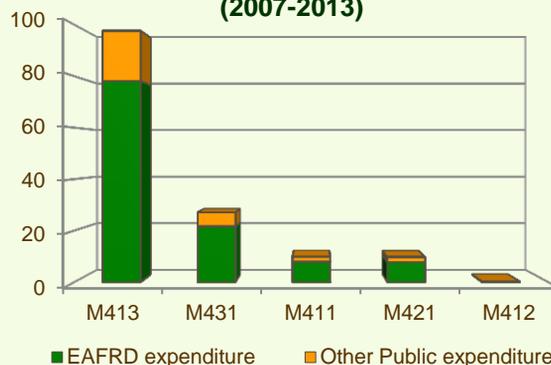
Axis 4 - Leader

The Leader Axis in the Czech Republic RDP has allocated budget of €206 million, out of which €144 million have been spent by 2013. Within the Axis, emphasis has been given to the Quality of life and diversification measure (M413) which has the largest allocation of funds .

When comparing expenditure per measure up to 2013 (figure 8) it is observed that :

- ❖ Running the LAG, skills acquisition, animation (M431) and Quality of life and diversification (M413) have both utilised 72% of their budgets.
- ❖ Environment/land management (M412) has used nearly 80% of its planned allocation.

Figure 8: Axis 4 - Total Public expenditure per measure in million EURO (2007-2013)



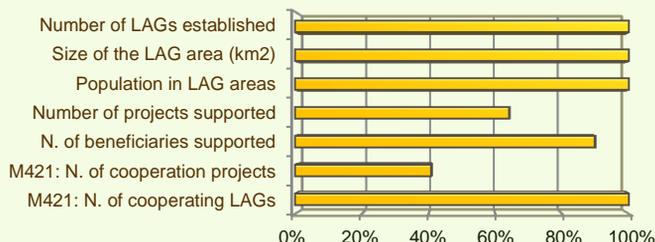
CZECH REPUBLIC

Axis 4 - Leader

- ❖ Competitiveness (M411) has utilised 67% of its planned expenditure.
- ❖ Implementing cooperation projects (M421) has used 56% of its allocated funds.

Figure 9 provides an indication of the achieved outputs up to 2011 in comparison to the output targets for 2007-2013.

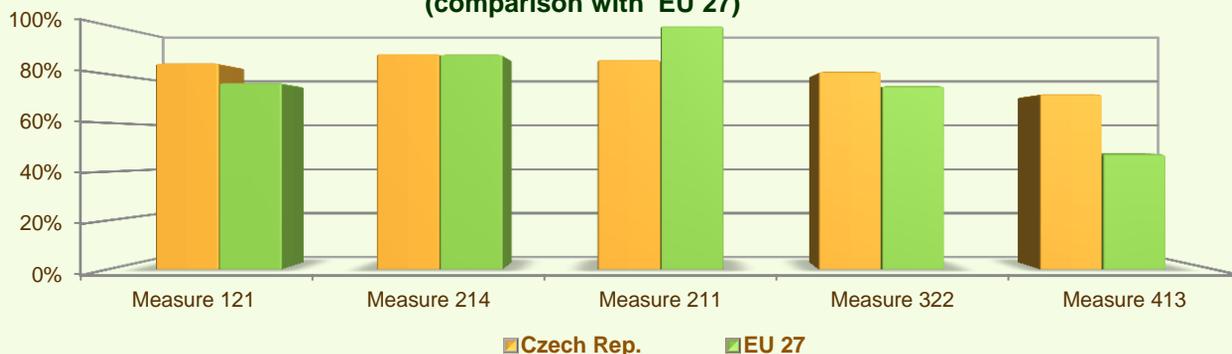
Figure 9: Axis 4 - Progress against 2007-2013 output targets in the Czech Republic (2007-2012)



Summary

- ✓ Within seven years of implementation, the Czech Republic RDP has utilised 79% of the total public expenditure planned for the current Programming Period (including post Health Check and the European Economic Recovery Package modifications).
- ✓ Agri-environment payments (M214) is the measure with the highest allocated budget in the Czech Republic RDP. Up to 2013, it has utilised nearly 89% of its available budget, and represents one third of the total public expenditure of the programme.
- ✓ Natural handicap payments to farmers in mountain areas (M211) has the second largest budget in the Czech Republic RDP and the utilised expenditure is 86% of its allocated funds. M211 represents 12% of the total public expenditure of the programme.
- ✓ The third largest measure budget is for Payments to farmers in areas with handicaps, other than mountain areas (M212), which has used 85% of its programmed total public expenditure and represents around 11% of the total public expenditure of the programme.

Figure 10: Progress of total public expenditure up to 2013, main measures (comparison with EU 27)



Source of the data:

- 1) Programmed expenditures 2007-2013: RDP budget allocation following Health Check revision (December 2013)
- 2) Expenditures 2007-2013: DG AGRI
- 3) Output indicators: monitoring tables submitted by Managing Authorities along with the 2008, 2009, 2010, 2011, 2012 and 2013 Annual Progress Reports. Data referring to programming years 2007 to 2012. Only commitments made from year 2007 onwards are considered.
- 4) Output targets 2007-2013: DG AGRI

For further detailed information on financial / physical and output indicators data please refer to the dedicated ENRD website section on Monitoring Indicators.