

# ESTONIA

## Basic Information:

The Estonian Rural Development Programme (RDP) has budgeted for 2007-2013 a total public expenditure of €935 million (European Agricultural Fund for Rural Development and Member State contribution). At the end of 2013, €769 million were spent out of the allocated budget (see Figure 1).

**Axis 1** (Improving the competitiveness of the agricultural and forestry sector) has utilised 84% of its allocated budget.

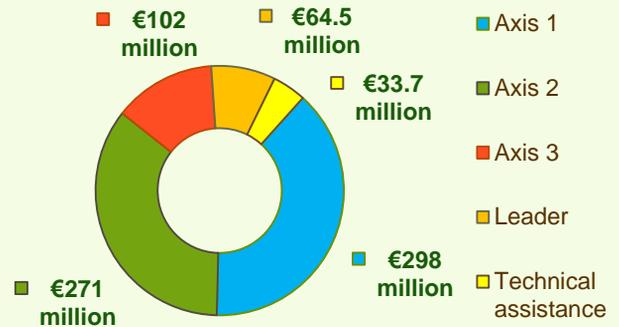
**Axis 2** (Improving the environment and the countryside) has utilised nearly 83% of its programmed expenditure.

**Axis 3** (Improving the quality of life in rural areas) has utilised 78% of its budget.

**Axis 4** (Leader) has utilised approximately 75% of the programmed expenditure.

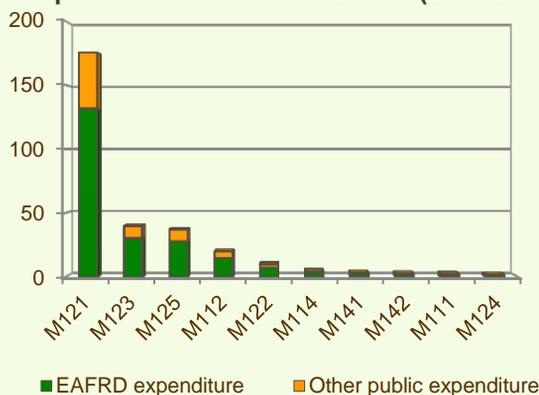


**Figure 1: Total public expenditure per axis in Estonia (2007-2013)**

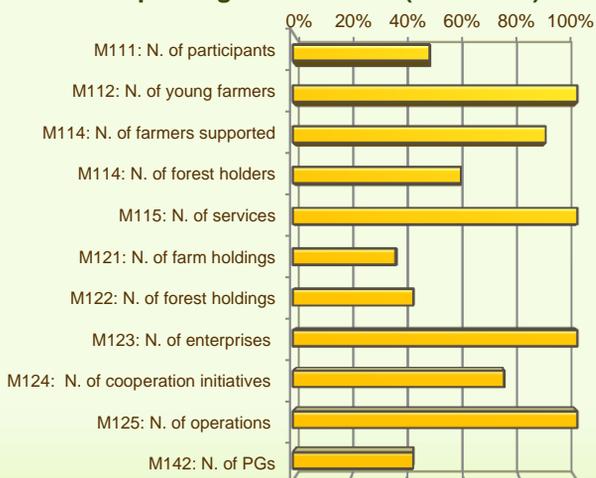


## Axis 1 - Improving the competitiveness of the agricultural and forestry sector

**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 Estonia (2007-2012)**



Axis 1 places an emphasis on the Modernisation of agricultural holdings (Measure 121), allocating to this measure nearly 55% of the overall budgeted funds for Axis 1. Analysis of the expenditure rates per measure up to 2013 shows that:

- ❖ Use of advisory services (M114) has used 98% of its allocated funds.
- ❖ Meeting standards based on EU legislation (M131) and Modernisation of agricultural holdings (M121) have utilised 92% of their planned allocation.
- ❖ Setting up of young farmers (M112) and Adding value to agricultural and forestry products (M123) have utilised 88% of their budgets.
- ❖ Semi-subsistence farming (M141) and Infrastructure related to the development and adaptation of agriculture (M125) have spent each 81% and 77% of their allocated budgets.
- ❖ Producer groups (M142) and Vocational training and information actions (M111) have utilised 61% of their planned budgets.
- ❖ Improvement of the economic value of forests (M122) and Cooperation for the development of new products, etc. (M124) have spent 47% and 29% respectively of their budgets.

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

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## Axis 2 - Improving the environment and the countryside

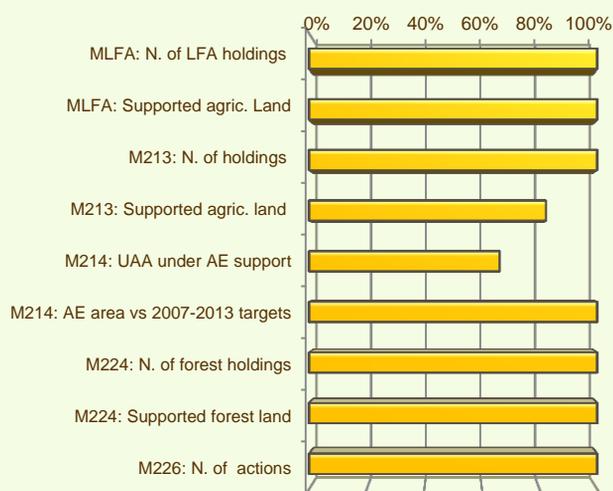
Axis 2 focuses on Agri-environment payments (M214). The measure represents the majority of the Axis 2 expenditure (see Figure 4) and has been allocated nearly 23% of the total public budget programmed in the Estonian RDP for 2007-2013.

- ❖ Payments to farmers in areas with handicaps, other than mountain areas (M212) has utilised 99% of its programmed budget.
- ❖ Animal welfare payments (M215) has spent 94% of its planned allocation.
- ❖ Agri-environment payments (M214) has used 84% of its budget.

**Figure 4: Axis 2 total public expenditure per measure (2007-2013)**



**Figure 5: Axis 2 progress against 2007-2013 output targets in Estonia (2007-2012)**



- ❖ Natura 2000 payments (M224) and Non-productive investments – agriculture (M216) have utilised 58% and 64% of their programmed expenditure.
- ❖ Natura 2000 payments and payments linked to Directive 2000/60/EC (M213) has spent approximately 49% of its funds.
- ❖ First afforestation of agricultural land (M221) has utilised 7% of its planned allocation.

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

### Measure 215 project example: Better animal welfare - better farm performance / Estonia

Estonian dairy farmer Vello Brett perfectly understood the benefits of keeping his animals on pasture from spring to autumn, strengthening their health and wellbeing. EAFRD payments for animal welfare purposes has enabled him to herd-proof the fences on his holding, and securing the grazing fields and paddocks for his dairy herd. Compared to being in a stable all year, the herd is healthier, easier to manage and more profitable.

Project supported the purchase of fencing material (permanent and electric type) and the construction of the fences.

Daily labour input was considerably reduced compared to all-year-round housing (reduced amount of silage and cleaning the stables), milk production has increased, fertility has risen and consequently, farm management costs lowered.

**The total cost** of the project was €10,125, out of which €8,100 was EAFRD contribution, and €2,025 was national contribution.

**Link:** [http://enrd.ec.europa.eu/policy-in-action/rdp\\_view/en/view\\_projects\\_en.cfm?action=detail&backfuse=jsview&postcard\\_id=7300](http://enrd.ec.europa.eu/policy-in-action/rdp_view/en/view_projects_en.cfm?action=detail&backfuse=jsview&postcard_id=7300)

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

Axis 3 of the Estonian RDP solely focuses on Support for business creation and development (M312) and Village renewal and development (M322) which together represent 100% of the Axis programmed budget and total public expenditure (see Figure 6).

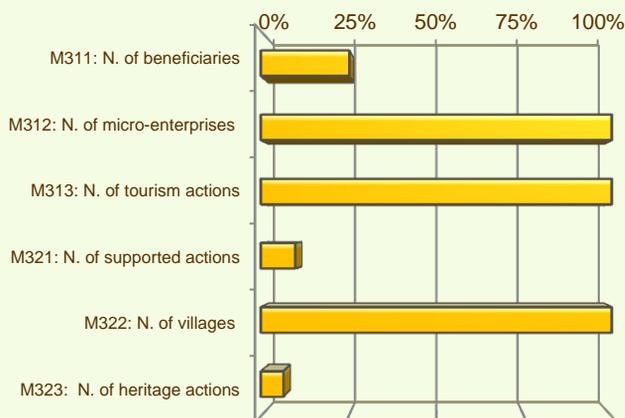
When comparing the expenditure rates per measure up to 2013 it is observed that:

- ❖ Village renewal and development (M322) has utilised nearly 96% of its programmed budget.
- ❖ Support for business creation and development (M312) has utilised 66% of its planned expenditure.
- ❖ Figure 7 provides an indication of the achieved outputs up to 2012 in comparison to the output targets for 2007-2013.

**Figure 6: Axis 3 total public expenditure per measure in million EURO (2007-2013)**



**Figure 7: Axis 3 progress against 2007-2013 output targets in Estonia (2007-2012)**

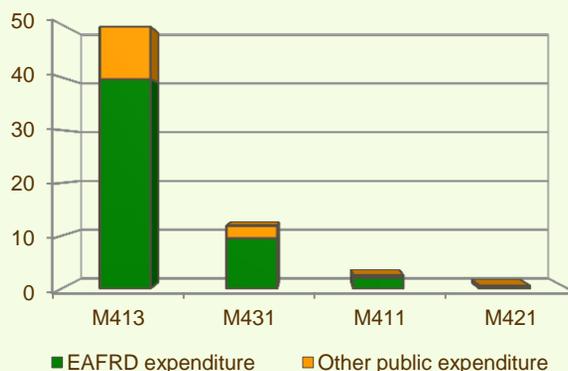


## Axis 4 - Leader

The Leader Axis in the Estonian RDP has allocated budget of €86 million out of which €64.5 million have been spent by 2013. Within the Axis, emphasis has been given to the Quality of life and diversification measure (M413) which has been allocated the largest share of funds.

- ❖ When comparing expenditure per measure up to 2013 (Figure 8) it is observed that Quality of life and diversification (M413) and Running the LAG, skills acquisition, animation (M431) have utilised respectively 94% and 70% of their planned allocations.

**Figure 8: Axis 4 total public expenditure per measure in million EURO (2007-2013)**



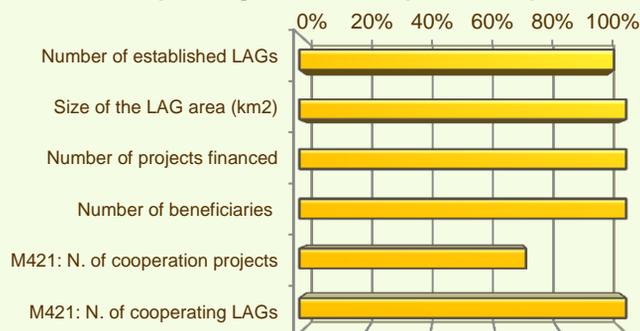
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## Axis 4 - Leader

- ❖ Implementing cooperation projects (M421) has used nearly 21% of its funds.
- ❖ Competitiveness (M411) has spent 19% of its budget.

Figure 9 provides an indication of the achieved outputs up to 2012 in comparison to the output targets for 2007-2013.

**Figure 9: Axis 4 progress against 2007-2013 output targets Estonia (2007-2012)**



### Summary

- ✓ Within seven years of implementation, the Estonian RDP has utilised 82% 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 Estonian RDP. Up to 2013, it has utilised nearly 84% of its available budget and represents 23% of the total public expenditure of the programme.
- ✓ Modernisation of agricultural holdings (M121) has the second largest budget in the Estonian RDP and the utilised expenditure is 92% of its allocated funds. M121 represents 23% of the total public expenditure of the programme.
- ✓ The third largest measure budget is for Support for business creation and development (M312), which has used 66% of its programmed total public expenditure and represents nearly 7% 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.