

LITHUANIA

Basic Information:

The Lithuanian Rural Development Programme (RDP) has budgeted for 2007-2013 a total public expenditure of €2.3 billion (European Agricultural Fund for Rural Development and Member State contribution). At the end of 2013, €1.7 billion were spent out of the allocated budget (see figure 1).

Axis 1 – (Improving the competitiveness of the agricultural and forestry sector) has utilised nearly 81% of its allocated budget.

Axis 2 – (Improving the environment and the countryside) has used 77% of its programmed expenditure.

Axis 3 – (Improving the quality of life in rural areas), has spent 54% of its budget.

Axis 4 – (Leader) has utilised 50% of its programmed expenditure.



Figure 1: Total Public Expenditure per Axis in Lithuania from 2007 to 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)

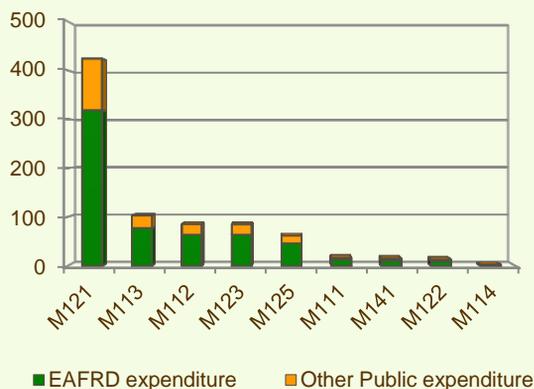
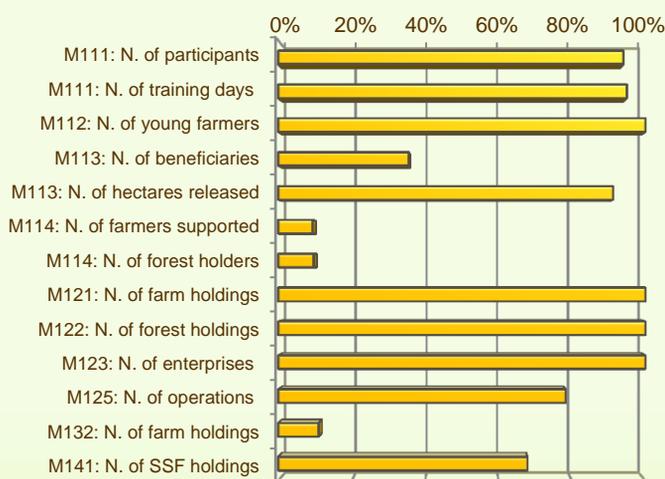


Figure 3: Axis 1 - Progress against 2007-2013 output targets in Lithuania (2007-2012)



Axis 1 places an emphasis on Modernisation of agricultural holdings (Measure 121), allocating to this measure 46% of the overall budgeted funds for Axis 1.

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

- ❖ Two measures have spent 91% and 98% of their allocated budgets, namely:
 - Modernisation of agricultural holdings (M121), 91% and
 - Setting up of young farmers (M112), 98%.
- ❖ The following measures have utilised 70-89% of their programmed expenditure, namely:
 - Semi-subsistence farming (M141), 70%
 - Vocational training and information actions (M111), 71%
 - Early retirement (M113), 84% and
 - Improvement of the economic value of forests (M122), 89%.
- ❖ Adding value to agricultural and forestry products (M123) and Infrastructure related to the development and adaptation of agriculture and forestry (M125) have used around 57% of their budgets' allocations.
- ❖ Use of advisory services (M114) and Participation of farmers in food quality schemes (M132) have utilised respectively 36% and 9% 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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Measure 121 project example: Short Rotation Willow Plantation and Expansion / Lithuania

The enterprise that planned the project envisaged using willow biomass as a cheap and high quality alternative to imported biomass and aimed at modernisation of agricultural holdings for planting short rotation willow sprout as non-traditional agriculture growing energy crops.

The objective was to increase the farmer's income created by the value added from investing in energy crops and enhance its competitiveness by promoting renewable energy and high quality production. The main activity of this project was to plant around 18 ha of a short rotation (5 years) willow sprout to be used for the production of willow biomass.

One of the wider benefits of the project is related to climate change mitigation.

The total budget of the project was €16,914.

Link: http://enrd.ec.europa.eu/policy-in-action/rdp_view/en/view_projects_en.cfm?action=detail&backfuse=jsview&postcard_id=4425

Axis 2 - Improving the environment and the countryside

Axis 2 focuses on Agri-environment payments (M214) and Payments to farmers in areas with handicaps, other than mountain areas (M212). The two measures represent the majority of Axis 2 expenditure (see figure 4). Together they have been allocated more than 28% of the total public budget programmed in the Lithuanian RDP for 2007-2013.

- ❖ The measures Payments to farmers in areas with handicaps, other than mountain areas (M212) and Restoring forestry potential and introducing prevention actions (M226) have utilised around 84% of their programmed budgets.
- ❖ Five measures have utilised 65-77% of their allocated budgets:
 - First afforestation of non-agricultural land (M223), 65%
 - Non-productive investments – forestry (M227), 66%
 - Natura 2000 payments (M224), 68%
 - Natura 2000 payments and payments linked to Directive 2000/60/EC (M213), 71% and
 - Agri-environment payments (M214), 77%.
- ❖ First afforestation of agricultural land (M221) has used 53% of its planned allocation.
- ❖ Non-productive investments – agriculture (M216) and Forest-environment payments (M225) have used 25% and 19% respectively of their programmed expenditures.
- ❖ Figure 5 provides an indication of the achieved outputs up to 2012 in comparison to the output targets for 2007-2013

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

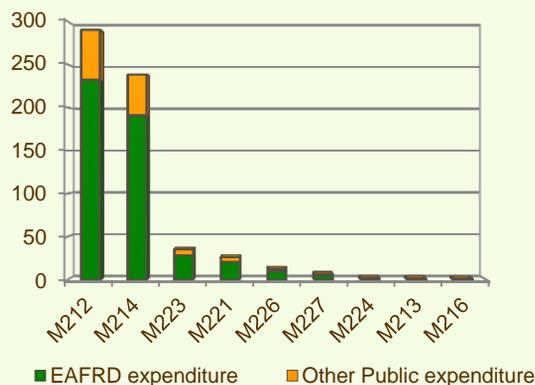
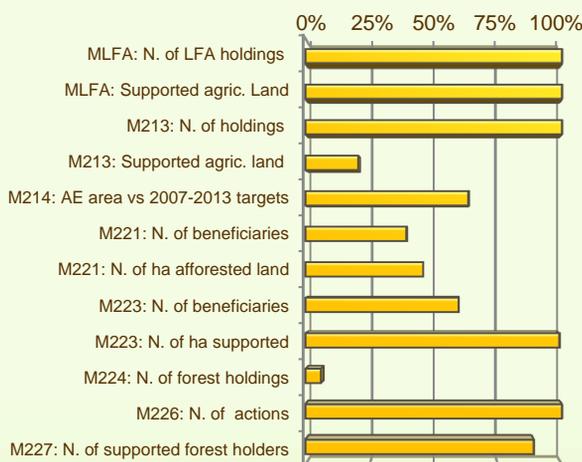


Figure 5: Axis 2 - Progress against 2007-2013 output targets in Lithuania (2007-2012)



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

Axis 3 of the Lithuanian RDP focuses on Support for business creation and development (M312) which accounts for 44% of the Axis budget.

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

- ❖ All four measures of the Axis have spent between 53% and 56% of their programmed expenditure:
 - Support for business creation and development (M312), 53%
 - Diversification into non-agricultural activities (M311), 53%
 - Encouragement of tourism activities (M313), 54% and
 - Village renewal and development (M322), 56%.

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)

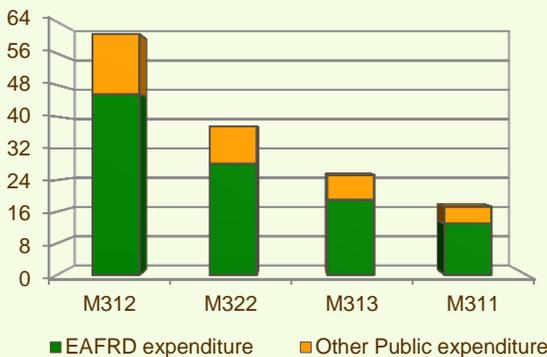
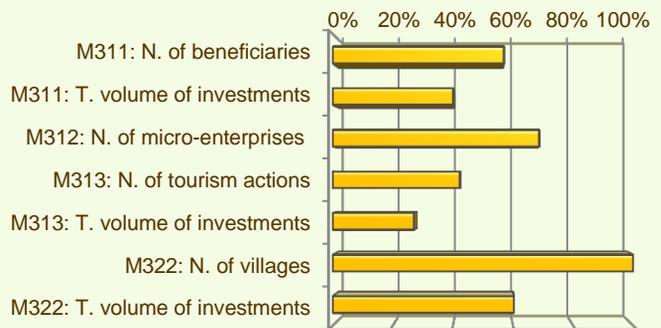


Figure 7: Axis 3 - Progress against 2007-2013 output targets in Lithuania (2007-2012)



Axis 4 - Leader

The Leader Axis in the Lithuanian RDP has allocated budget of €134 million out of which €67.6 million have been spent by 2013. Within the Axis, emphasis has been given to the Quality of life/diversification (M413) which has been allocated the largest share of funds.

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

- ❖ Running the LAG, skills acquisition, animation (M431) has utilised 53% of its programmed budget.
- ❖ Quality of life/diversification (M413) has spent 51% of its allocated funds.
- ❖ Implementing cooperation projects (M421), has used 15% of its programmed expenditure up to the end of 2013.

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

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

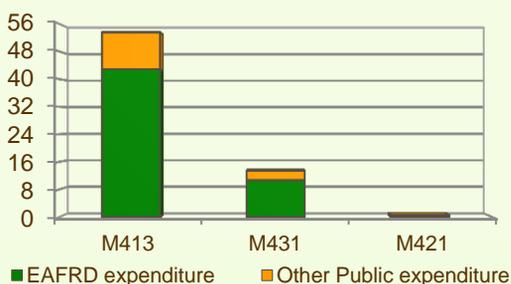
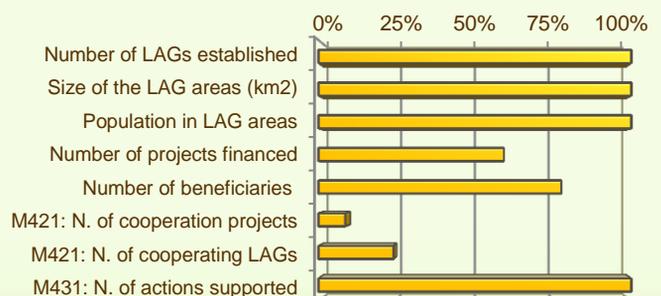


Figure 9: Axis 4 - Progress against 2007-2013 output targets in Lithuania (2007-2012)



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Summary

- ✓ Within seven years of implementation, the Lithuania RDP has utilised about 74% of the total public expenditure planned for the current Programming Period (including post Health Check and the European Economic Recovery Package modifications).
- ✓ Modernisation of agricultural holdings (M121) is the measure with the highest allocated budget in the Lithuania RDP. Up to 2013, it has utilised 91% of its available budget and represents 25% of the total public expenditure of the programme.
- ✓ Payments to farmers in areas with handicaps, other than mountain areas (M212) has the second largest budget in the Lithuania RDP and the utilised expenditure is 84% of its allocated funds. M212 represents 17% of the total public expenditure of the programme.
- ✓ The third largest budget is for Agri-environment payments (M214), which has used 77% of its programmed total public expenditure and represents 14% 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.