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Basic Information:

The Luxembourg Rural Development Programme (RDP) has budgeted for 2007-2013 a total public expenditure of €393 million (European Agricultural Fund for Rural Development and Member State contribution). At the end of 2013, €359 million were spent out of the allocated budget (see figure 1).

Axis 1 – (Improving the competitiveness of the agricultural and forestry sector) has utilised almost 91% of its allocated budget.

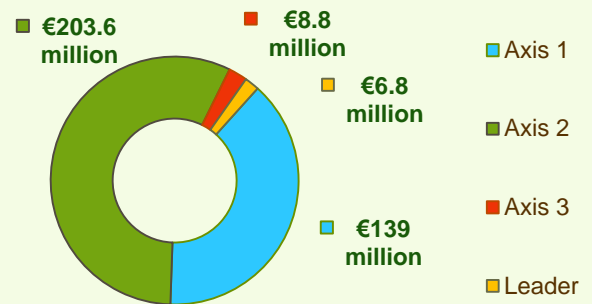
Axis 2 – (Improving the environment and the countryside) has used nearly 97% of its programmed expenditure.

Axis 3 – (Improving the quality of life in rural areas) has spent 56% of its budget.

Axis 4 – (Leader) has utilised 52% of the programmed expenditure.



Figure 1: Total Public Expenditure in Luxembourg per Axis 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)

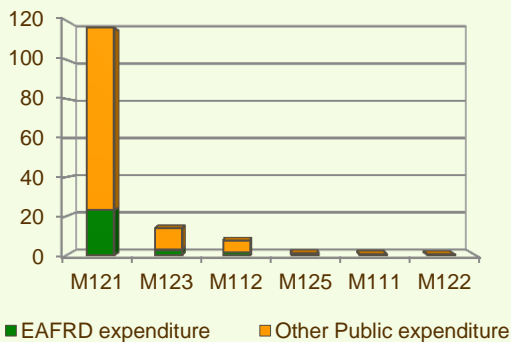


Figure 3: Axis 1 - Progress against 2007-2013 output targets in Luxembourg (2007-2012)

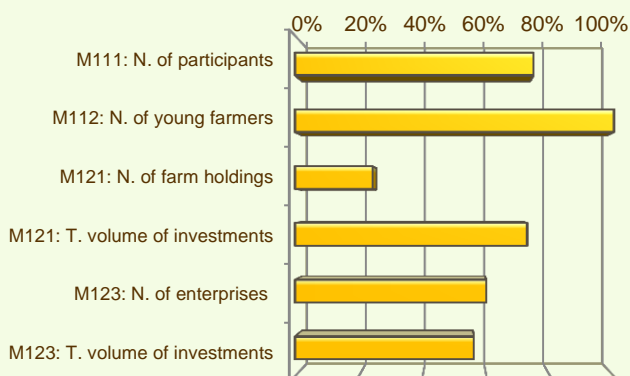


Figure 3 provides an indication of the achieved outputs up to 2012 in comparison to the output targets for 2007-2013.

Axis 1 places an emphasis on Modernisation of agricultural holdings (Measure 121), allocating to this measure 84% of the overall budgeted funds for Axis 1.

Analysis of the expenditure rates per measure up to 2011 shows that:

- ❖ Three measures have spent all of their allocated budgets, namely:
 - Setting up of young farmers (M112)
 - Infrastructure related to the development and adaptation of agriculture and forestry (M125)
 - Improvement of the economic value of forests (M122).
- ❖ The following measures have used 85-90% of their programmed expenditure:
 - Adding value to agricultural and forestry products (M123), 87% and
 - Modernisation of agricultural holdings (M121), 90%.
- ❖ Vocational training and information actions (M111), has utilised 55% of its programmed expenditure.
- ❖ Finally, for Use of advisory services (M114), minimal expenditure has been recorded up to the end of 2013.

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Axis 2 - Improving the environment and the countryside

Axis 2 focuses on Payments to farmers in areas with handicaps, other than mountain areas (M212) and Agri-environment payments (M214). The two measures represent the majority of Axis 2 expenditure (see figure 4). Together they have been allocated 54% of the total public budget programmed in the Luxembourg RDP for 2007-2013.

- ❖ Payments to farmers in areas with handicaps, other than mountain areas (M212) has used all of its allocated funds.
- ❖ Two out of the three measures offered by the Axis, have utilised 87% and 97% of their allocated budgets, namely:
 - Agri-environment payments (M214), 87% and
 - Forest environment payments (M225), 97%.

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)

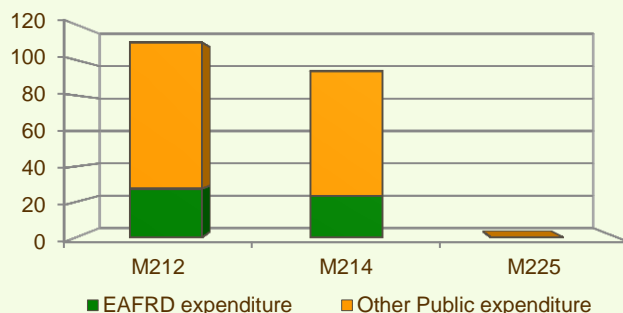
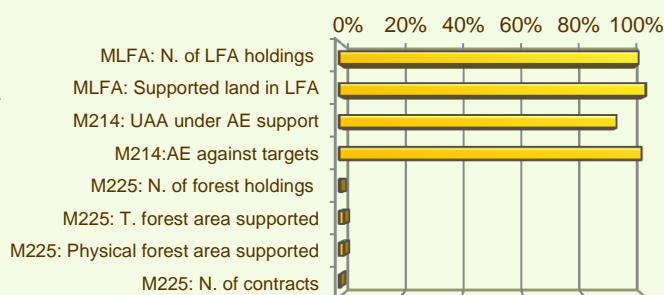


Figure 5: Axis 2 - Progress against 2007-2013 output targets in Luxembourg (2007-2012)



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)

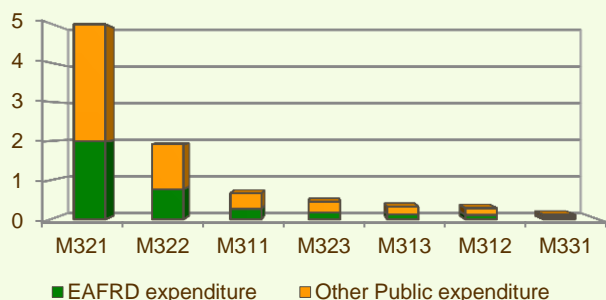
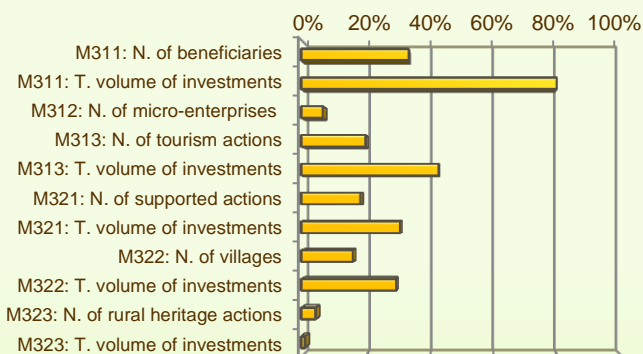


Figure 7: Axis 3 - Progress against 2007-2013 output targets in Luxembourg (2007-2012)



Axis 3 of the Luxembourg RDP focuses on Basic services for the economy and rural population (M321) and Village renewal and development (M322) which together represent nearly 81% of the Axis budget and most of the total public expenditure (see figure 6).

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

- ❖ Training and information (M331) has spent 99% of its budget.
- ❖ Four measures have spent 60-70% of their programmed budgets:
 - Diversification into non-agricultural activities (M311), 61%;
 - Basic services for the economy and rural population (M321), 61%;
 - Support for business creation and development (M312), 64%
 - Encouragement of tourism activities (M313), 68%.
- ❖ Village renewal and development (M322) and Conservation and upgrading of the rural heritage (M323) have spent respectively 45% and 52% of their allocated funds.

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Axis 4 - Leader

The Leader Axis in the Luxembourg RDP has allocated budget of €13 million out of which €6.8 million have been spent by 2013. Within the Axis, emphasis has been given to Running the LAG, skills acquisition, animation (M431) and Quality of life/diversification (M413), which have 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) had the largest amount of total public expenditure and has utilised 70% of its budget.
- ❖ Environment/land management (M412) has spent 81% of its planned budget.
- ❖ Quality of life/diversification (M413) has used 46% of its planned allocation.
- ❖ Implementing cooperation projects (M421) has spent 26% of its funds.
- ❖ For Competitiveness (M411), no expenditure has been recorded 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 - Realised Total Public expenditure per measure in million EURO (2007-2013)

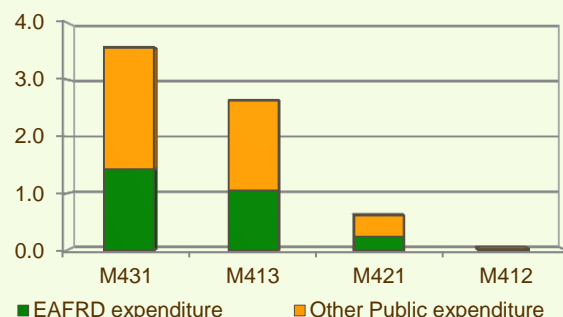
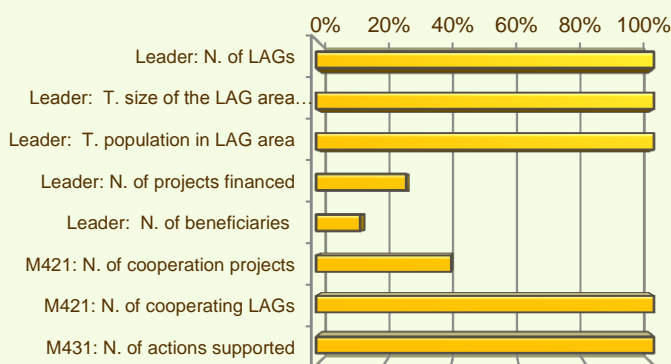


Figure 9: Axis 4 - Progress against 2007-2013 output targets in Luxembourg (2007-2012)



Measure 413 project example: ClimeCC (Eco Expert Cluster) / Luxembourg

Redange and Wiltz Local Action Group in Luxembourg expressed its interest for ecological approaches to the development, as a reasonable number of businesses with green skills were based in the territory. They therefore implemented a project that brought these companies together in a cluster of rural enterprises providing environmental services, encouraging both demand for, and supply of, ecological technologies in rural Luxembourg.

The project employed a cluster manager and supported promoting the cluster at events. Additionally, it helped companies from the area identify their environmental training needs.

The cluster's members are around 20 different businesses including construction firms, architects, engineers and agricultural enterprises specialised in renewable energies. They keep being involved as they have seen clear business advantage: gaining market share and exchange beneficial experiences for their own business.

The total cost of the project was €100,000, out of which €67,000 was EAFRD contribution.

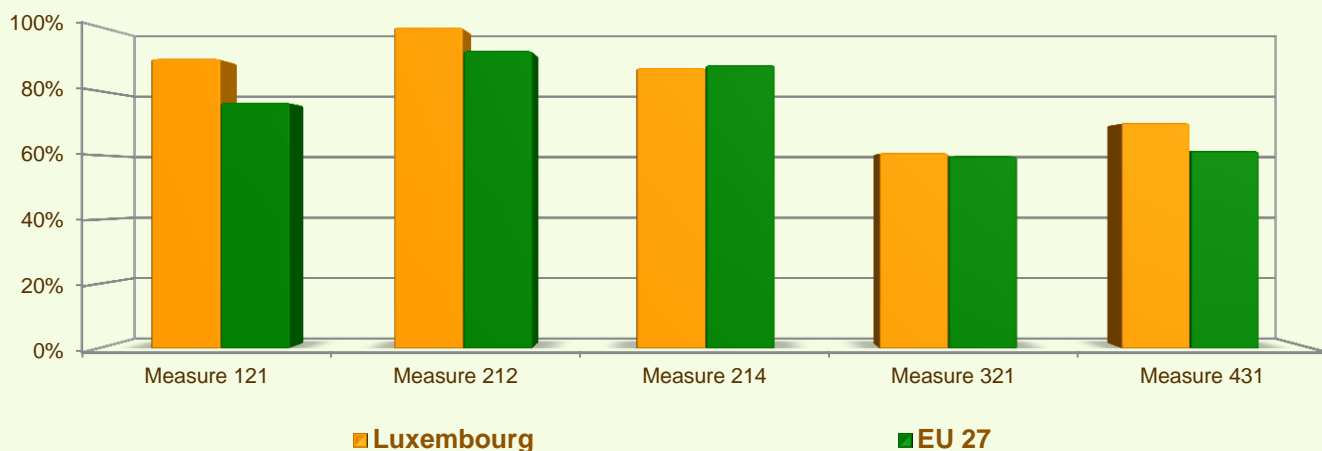
Link: http://enrd.ec.europa.eu/policy-in-action/rdp_view/en/view_projects_en.cfm?action=detail&backfuse=jsview&postcard_id=3401

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Summary

- ✓ Within seven years of implementation, the RDP of Luxembourg has utilised about 91% 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 Luxembourg RDP. Up to 2013, it has utilised 90% of its available budget and represents 32% of the total public expenditure of the programme.
- ✓ Agri-environment payments (M214) has the second largest budget in the Luxembourg RDP and the utilised expenditure is 87% of its allocated funds. M214 represents 26% of the total public expenditure of the programme.
- ✓ The third largest budget is for Payments to farmers in areas with handicaps, other than mountain areas (M212) which has used all of its programmed total public expenditure and represents around 31% 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*



<http://enrd.ec.europa.eu>

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