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Basic Information:

The Portuguese Rural Development Programmes (RDP) have in sum budgeted for 2007-2013 a total public expenditure of €4.8 billion (European Agricultural Fund for Rural Development and Member State contribution). At the end of 2013, €3.7 billion were spent out of the allocated budget (see Figure 1).

Axis 1 (Improving the competitiveness of the agricultural and forestry sector) has utilised 70% of its allocated budget.

Axis 2 (Improving the environment and the countryside) has utilised nearly 91% of its programmed expenditure.

Axis 3 (Improving the quality of life in rural areas) has utilised 49% of its budget.

Axis 4 (Leader) has utilised approximately 55% of the programmed expenditure.



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



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

Figure 2: Axis 2 total public expenditure per measure in million EURO (2007-2013)

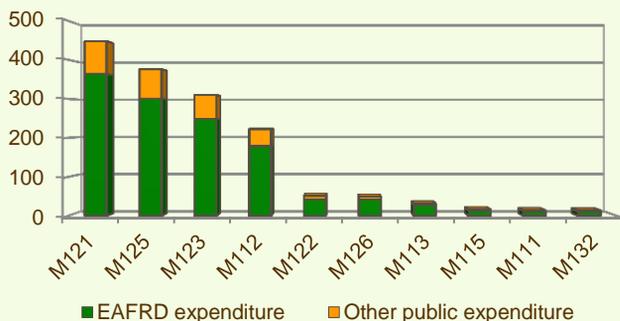
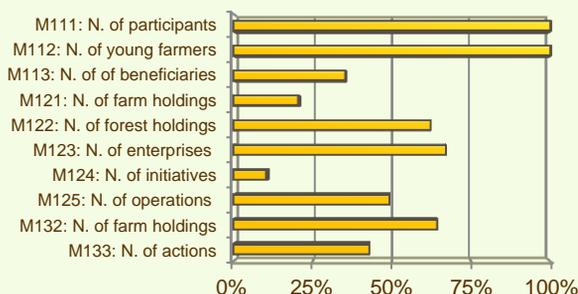


Figure 3: Axis 1 - Progress against 2007-2013 output targets in Portugal (2007-2012)



The sum of programmed total public expenditure of the Portuguese RDPs on Axis 1 places an emphasis on Infrastructure related to the development and adaptation of agriculture and forestry (M125), Modernisation of agricultural holdings (M121) and Adding value to agricultural and forestry products (M123), allocating to these measures more than 75% of the overall budgeted funds for Axis 1.

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

- ❖ Setting up of young farmers (M112) has used all of its planned budget.
- ❖ Participation of farmers in food quality schemes (M132) has spent 87% of its allocated funds.
- ❖ Modernisation of agricultural holdings (M121) has spent 83% of its planned allocation.
- ❖ Measures which have utilised 55%-66% of their programmed expenditure include:
 - Setting up of management, relief and advisory services (M115), 55%
 - Adding value to agricultural and forestry products (M123), 59%
 - Early retirement (M113), 60%
 - Restoring agricultural production potential (M126), 63%,

- Infrastructure related to the development and adaptation of agriculture and forestry (M125), 64%
- Improvement of the economic value of forests (M122), 66%

- ❖ Vocational training and information actions (M111) has used 51% of its planned budget.
- ❖ Four measures (M124, M133, M114, M131) have utilised less than 39% of their allocated budgets up to the end of 2013.

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 124 project example: FRUTECH - Agri-Food Technology and Innovation Centre / Portugal

EAFRD support was used in a pioneering project regarding co-operation between private sector and scientific institution for the development of new products, processes and technologies. The beneficiary enterprise was experienced in research and development of fruit 'preparations' for applications in areas such as ice creams, pastries and beverages.

The project's goal was to increase the contribution of new products to total sales, and to allow quicker adjustment to technological changes. It aimed also to reduce the environmental impact of product processing.

The Agri-Food Technology and Innovation Centre - FRUTECH was created and completed with a specialist laboratory for fruits and fruit-based food products, a food tasting and sensory analysis room, and also a technical library. It increased the competitiveness and innovation capacity of the enterprise.

The total cost of the project was €1,937,986.

Link: http://enrd.ec.europa.eu/policy-in-action/rdp_view/en/view_projects_en.cfm?action=detail&backfuse=jsview&postcard_id=65

Axis 2 - Improving the environment and the countryside

The sum of programmed total public expenditure of the Portuguese RDPs on Axis 2 focuses on Natural handicap payments to farmers in mountain areas (M211) and Agri-environment payments (M214). The two measures represent the majority of the Axis 2 expenditure (see figure 4). Together they have been allocated 27% of the total public budget programmed in the Portugal RDP for 2007-2013.

- ❖ Natural handicap payments to farmers in mountain areas (M211) and Payments to farmers in areas with handicaps, other than mountain areas (M212) and Non-productive investments – agriculture (M216) have used all of their budgets.
- ❖ Agri-environment payments (M214) and First afforestation of agricultural land (M221) have utilised in that order 87% and 94% of their allocated budgets.
- ❖ Non-productive investments – forestry (M227) has spent 75% of its funds.
- ❖ First afforestation of non-agricultural land (M223) and Restoring forestry potential and introducing prevention actions (M226) have utilised 51% of their programmed allocations.
- ❖ Natura 2000 payments (M224) and Forest-environment payments (M225) have spent 21% and 17% of their budgets.
- ❖ For two measures (M213 and M222), minimal or no expenditure has been recorded up to the end of 2013.

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

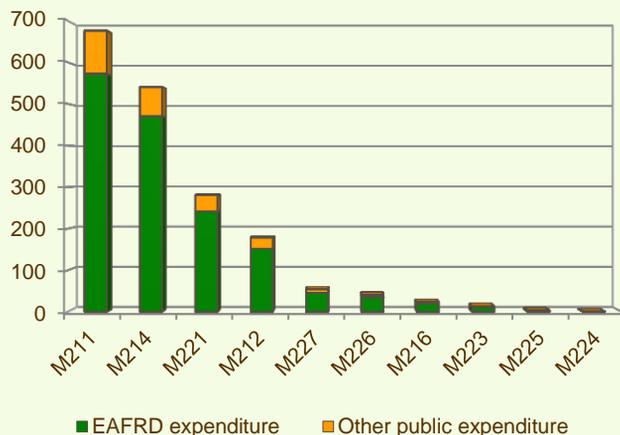


Figure 5: Axis 2 progress against 2007-2013 output targets in Portugal (2007-2012)



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

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

The sum of programmed total public expenditure of the Portuguese RDPs on Axis 3 focuses on Basic services for the economy and rural population (M321) and Conservation and upgrading of the rural heritage (M323) which are the only two measures of the Axis (see figure 6).

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

- ❖ The measure Basic services for the economy and rural population (M321) has utilised 60% of its programmed expenditure.
- ❖ The measure Conservation and upgrading of the rural heritage (M323) has spent 28% of its allocated budget.

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

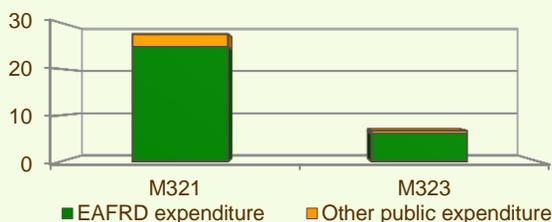
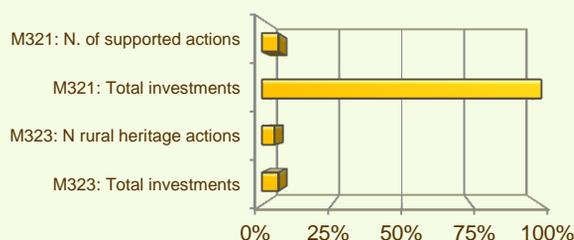


Figure 5: Axis 3 progress against 2007-2013 output targets in Portugal (2007-2012)



Axis 4 - Leader

The Leader Axis of the Portuguese RDPs has allocated budget of €461 million out of which €253 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:

- ❖ Quality of life/diversification (M413) had the largest share of the Axis total public expenditure (see figure 8), having utilised 53% of its allocated funds.
- ❖ Running the LAG, skills acquisition, animation (M431) has utilised 61% of its programmed expenditure.
- ❖ Implementing cooperation projects (M421) which accounts for 3% of the axis budgeted funds, has used 63% 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 8: Axis 4 total public expenditure per measure in million EURO (2007-2013)

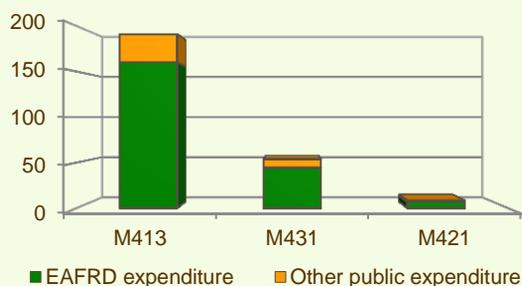
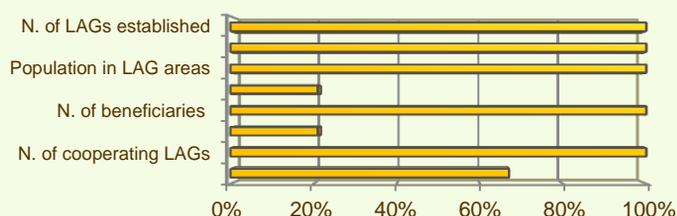


Figure 9: Axis 4 progress against 2007-2013 output targets in Portugal (2007-2012)



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Summary

- ✓ Within seven years of implementation, the Portuguese RDPs have utilised about 76% of the total public expenditure planned for the current Programming Period (including post Health Check and the European Economic Recovery Package modifications).
- ✓ Natural handicap payments to farmers in mountain areas (M211) is the measure with the highest allocated budget in the Portuguese RDP. Up to 2013, it has utilised 99% of its available budget and represents 18% of the total public expenditure of the programme.
- ✓ Agri-environment payments (M214) has the second largest budget in the Portuguese RDP and the utilised expenditure is 87% of its allocated funds. M214 represents nearly 15% of the total public expenditure of the programme.
- ✓ The third largest budget is for Infrastructure related to the development and adaptation of agriculture and forestry (M125) which has used almost 64% of its programmed total public expenditure and represents 10% 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.