

MAINLAND - PORTUGAL

Basic Information:

The Mainland Rural Development Programme (RDP) has budgeted for 2007-2013 a total public expenditure of €4.3 billion (European Agricultural Fund for Rural Development and Member State contribution). At the end of 2013, €3.3 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 90% of its programmed expenditure.

Axis 3 (Improving the quality of life in rural areas) has utilised nearly 60% of its budget.

Axis 4 (Leader) has utilised 56% of its programmed expenditure.



Figure 1: Total public expenditure per axis in Portugal Mainland (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)

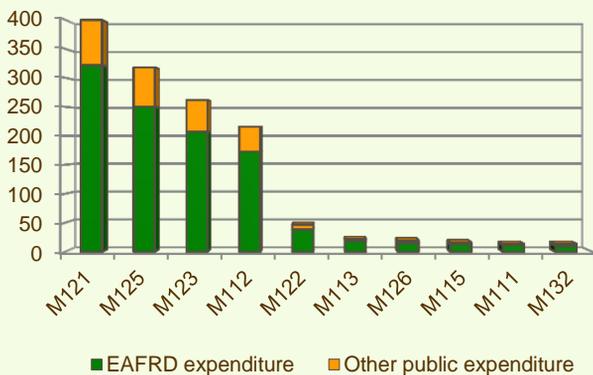


Figure 3: Axis 1 total public expenditure (2007-2013) against 2007-2013 targets, main measures



Axis 1 places an emphasis on Infrastructure related to the development and adaptation of agriculture and forestry (M125) allocating to this measure almost 27% 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 allocation.
- ❖ Participation of farmers in food quality schemes (M132) and Modernisation of farm holdings (M121) have spent 87% and 84% of their budget.
- ❖ Six measures have utilised 57-65% of their allocated budgets, namely:
 - Adding value to agricultural and forestry products (M123), 57%.
 - Early retirement (M113), 57%
 - Setting up of management, relief and advisory services (M115), 58%
 - Infrastructure related to the development and adaptation of agriculture and forestry (M125), 62%
 - Restoring agricultural production potential (M126), 63% and
 - Improvement of the economic value of forests (M122), 65%
- ❖ Five other measures (M111, M114, M124, M131, M133) have utilised 12%-51% of their budgets.

Figure 3 indicates the progress of the total public expenditure of the most important measures of Axis 1 against the 2007-2013 budgets, in comparison to the National level.

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Measure 132 project example: NATURASIN - a Traditional Milk Product from Donkeys / Portugal-Mainland

An innovative project in Portugal used EAFRD support to add value to the milk of a local donkey breed in danger of extinction, as these animals have little economic value. The objectives were to encourage production and processing of the local donkey milk into a 100% natural milk powder, encourage a more sustainable breeding programme for the donkeys so as to increase the revenue of local farmers, and promote traditional farming systems.

Under the project permanent meadows for grazing the donkeys were established, and appropriate buildings and yards were built. A milking parlour was constructed and milk-to-powder processing equipment purchased. It helped adding value to the donkey’s milk which can be used for human consumption or the production of pharmaceuticals, and brought this traditional product to the market again, increasing the exports.

The total cost of the project was €205,824, out of which the EAFRD contribution was €49,773.

Link: http://enrd.ec.europa.eu/policy-in-action/rdp_view/en/view_projects_en.cfm?action=detail&backfuse=jsview&postcard_id=63

Axis 2 - Improving the environment and the countryside

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 almost 29% of the total public budget programmed in the Mainland RDP for 2007-2013.

- ❖ Payments to farmers in areas with handicaps other than mountain areas (M212) and Non-productive investments – agriculture (M216) have used all of their allocated funds.
- ❖ Natural handicap payments to farmers in mountain areas (M211) has used 99% of its planned allocation.
- ❖ Two measures have utilised 85% and 95% of their allocated budgets, namely:
 - Agri-environment payments (M214), 85%
 - First afforestation of agricultural land (M221), 95%.
- ❖ Non-productive investments – forestry (M227) has spent 76% of its budget.
- ❖ Two measures have utilised 47% and 56% of their programmed budgets, namely:
 - Restoring forestry potential and introducing prevention actions (M226), 47%.
 - First afforestation of non-agricultural land (M223), 56%.
- ❖ Forest-environment payments (M225) has spent 16% of its budget.

Figure 5 indicates the progress of the total public expenditure of the most important measures of Axis 2 against the 2007-2013 budgets, in comparison to the National level.

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

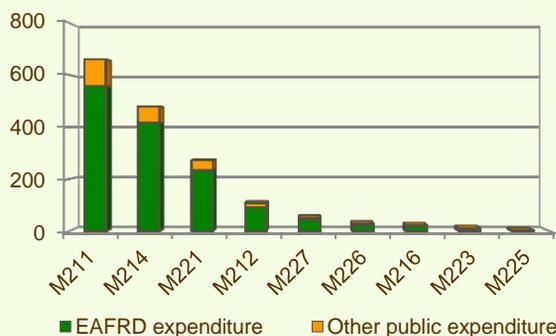
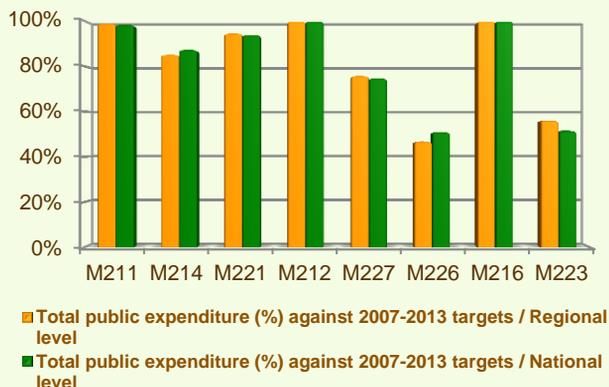


Figure 5: Axis 2 total public expenditure (2007-2013) against 2007-2013 targets, main measures



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

Axis 3 of Continent RDP focuses on Basic services for the economy and rural population (M321) which represents 87% of the Axis budget and most of the Axis total public expenditure realised so far (see figure 6).

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

- ❖ Basic services for the economy and rural population (M321) has utilised 66% of its allocated budget.
- ❖ The Conservation and upgrading of the rural heritage (M323) measure has utilised nearly 14% of its programmed expenditure.

Figure 7 indicates the progress of the total public expenditure of the most important measures of Axis 3 against the 2007-2013 budgets, in comparison to the National level.

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

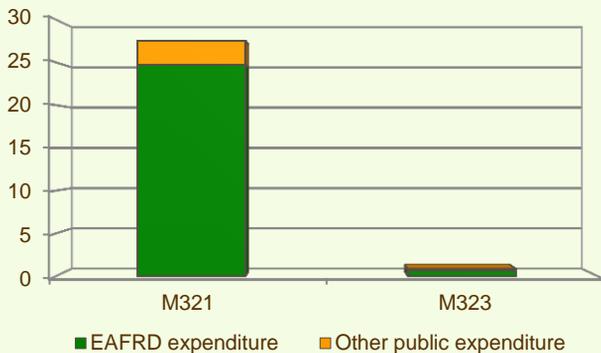
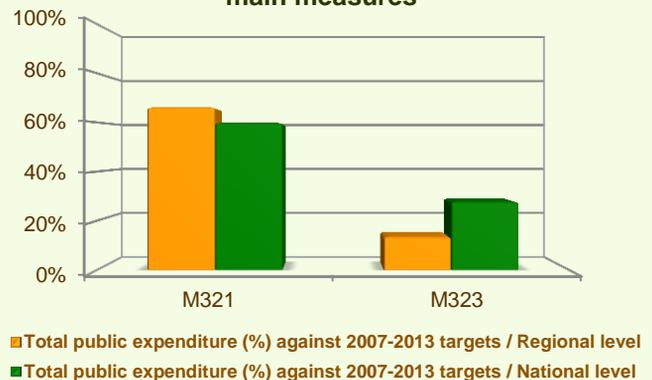


Figure 7: Axis 3 total public expenditure (2007-2013) against 2007-2013 targets, main measures



Axis 4 - Leader

The Leader Axis in the Continent RDP has allocated budget of almost €430 million. Within the Axis, emphasis has been given to the Quality of life/diversification (M413) which has been allocated 78% of the total public programmed funds of the Axis and has used nearly 55% of its funds.

Measures Running the LAG, skills acquisition, animation (M431) and Implementing cooperation projects (M421) have utilised 61% and 70% respectively, of their budget allocations.

Figure 9 indicates the progress of the total public expenditure of the most important measures of Axis 4 against the 2007-2013 targets, in comparison to the National level.

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

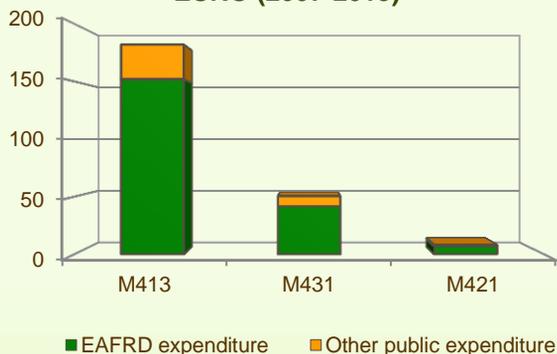
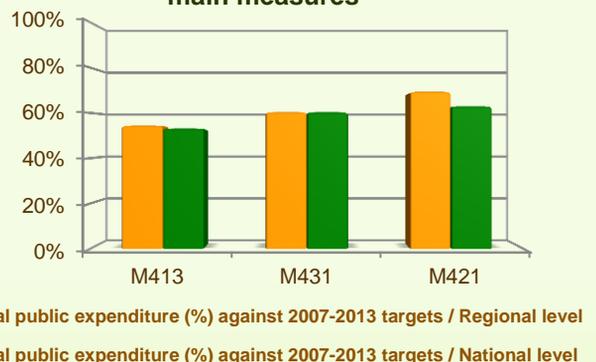


Figure 9: Axis 4 total public expenditure (2007-2013) against 2007-2013 targets, main measures



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Summary

- ✓ Within seven years of implementation, the Mainland RDP has utilised about 77% (see figure 10) 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 Mainland RDP. Up to 2013, it has utilised 99% of its available budget and represents 20% of the total public expenditure of the programme.
- ✓ Agri-environment payments (M214) has the second largest budget in the Mainland RDP and the utilised expenditure is 85% 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 62% 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
(at regional and national level)**



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 data are available only at National level; therefore at regional level a comparison of financial implementation progress is provided between the regional RDPs.*

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