

Rural Development Programme (RDP) of Slovakia

Program rozvoja vidieka Slovenská republika 2007-2013 – version 18/12/2009¹

(Programme for Development of Rural Regions 2007-2013)

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Other useful links:

Rural Development Programme (RDP):
<http://www.land.gov.sk/en/index.php?navID=1&id=19>

National Strategy Plan (NSP): Not available
Slovakian National Rural Network (NRN):
<http://www.nsrv.sk/>



Map of Slovakia
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General socio-economic situation in rural areas in Slovakia

According to the RDP, Slovakia has a total area of 4,903,347 ha, 60% of which is classified as highlands and high mountains whilst the remaining 40% is classified as lowlands. Agricultural land in Slovakia totals 2,436,879 hectares, almost half of the entire territory, while forests cover around 41% of the total land area. Given that Slovakia is mountainous and in certain areas has low productive soils, 1,225,764 ha of its agricultural land has been classified as Less Favoured Area.

The population of Slovakia is 5,380,053 inhabitants and has a relatively high population density at 109.9 inhabitants per km². The RDP clearly indicates that in recent years the structure of the population has been changing. The share of minors from 0 to 14 years of age are decreasing and in parallel the share of the post-productive population aged 65 and above is increasing. In rural areas, the number of inhabitants who are in productive age is lower than in urban areas, and the rural 65+ age group is growing at a much quicker rate. Migration from rural to urban areas is also a worrying trend.

In terms of GDP per capita, Slovakia scores less than half of the EU average. There is also a significant geographical variation in salary levels, with urban salaries being much higher than rural ones, and in terms of occupational salary levels, agriculture has been reported as having the lowest average salary. Unemployment in rural areas is growing and is much higher than in urban areas, with young adults and the least qualified population being the highest risk group.

The agriculture sector benefits from a variety of potential uses for agricultural land and

¹ Latest updated RDP, following the adoption of the Health Check, The European Economic Recovery Package and Modulation

particularly of natural meadows and pastures. Yet because of the dispersed land ownership structure, a significant proportion of land remains underdeveloped. Given the tradition of agricultural and forestry, there are potentials for further development if initiatives to enhance competitiveness, introduce new technologies and innovations are utilised.

Slovakia has a number of protected territories, parks and preserves and is regarded as having a distinct environment and biodiversity. Yet, more efforts are needed in order to protect the environment and use of natural resources including more sustainable management of forests. Flooding, air and water contamination as well as soil erosion are also significant problems which need to be addressed.

Within communities, it is of significant importance to diversify the rural economy and strengthen rural human resources, which could be supported by the positive trend of advancing intercommunity and intersectoral cooperation.

RDP strategic objectives

The following RDP objectives were chosen in accordance with the EU Strategic Guidelines (EUSG) and the National priorities for sustainable rural development. The RDP aims to:

- Increase the competitiveness of the agriculture, food and forestry sectors and improve the environment by introducing suitable farming and forestry systems, as well as improving the quality of life in rural areas with the emphasis on sustainable development;
- Promote the development of economic activities which are suitable for rural areas;
- Protect the environment and the cultural heritage;
- Improve the quality of life of the rural population;
- Diversify the rural economy in order to create employment opportunities, promote training activities, enhance village renewal and development, and contribute to the reduction of regional disparities of rural areas in Slovakia.

Taking into account the additional financing provided by the CAP Health Check and The European Economic Recovery Package and Modulation, greater strategic priority will target 'new challenges', as outlined in the revised 2009 RDP, which will provide additional support for initiatives that address climate change (which received 44% of the new RDP funds) biodiversity (38%) and development of broadband infrastructure (18%).

Expected impact / outcomes of the policies

According to ex-ante evaluation, the RDP's main expected outcomes are:

- A slight increase of the net value added of supported holdings;
- Labour productivity is expected to be substantially higher in supported agricultural, forestry and food-processing companies;
- The decline in biodiversity will be impeded and possibly will be reversed in some areas;
- Water and air pollution caused by farming activity as well as the risk of soil erosion will decrease;

² A full list of the RDP measures can be found in Annex I.

³ Please note that for measures 111, 125, 141 and 142 no private spending has been allocated.

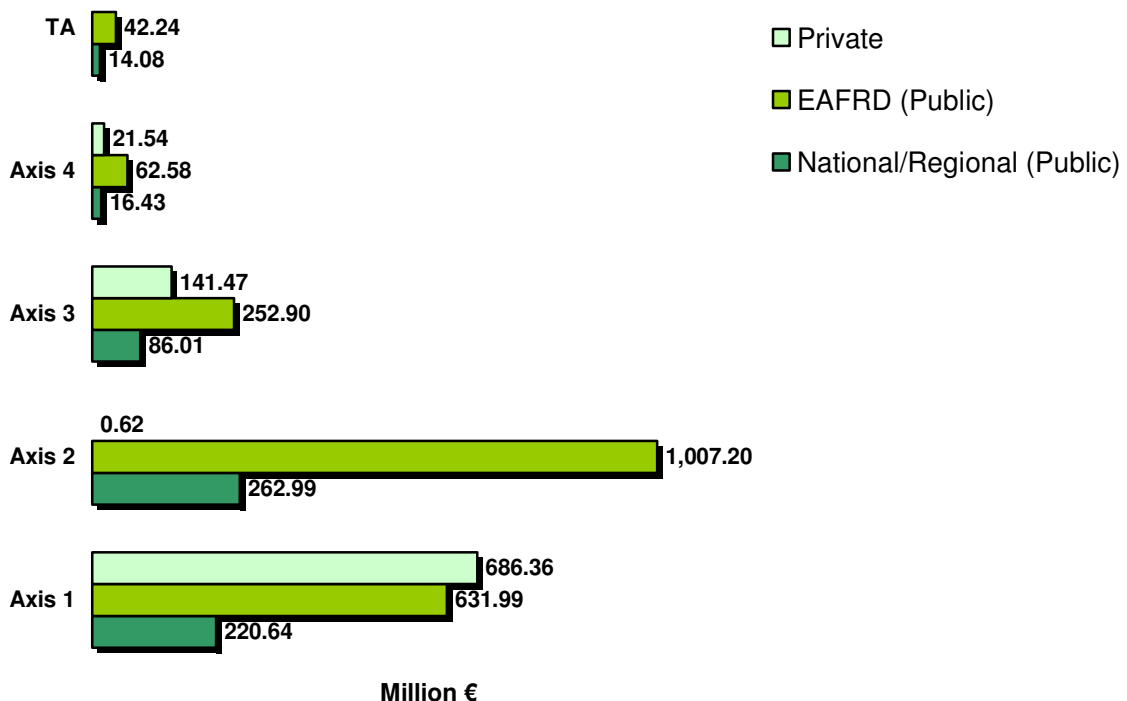
⁴ For measures 211, 212, 213, 214, 215, 224, 225 and 226 no private spending has been allocated.

⁵ For measure 321, 322, 331 and 341 no private spending has been allocated.

⁶ For measure 421 and 431 no private spending has been allocated.

- The amount of energy generated from renewable sources will increase;
- The decline rate of the rural population will be reduced;
- The ability of rural inhabitants to plan and implement local development projects will be enhanced, thus assisting to establish active citizenship in rural communities;
- A marked increase through improving rural life quality, including economic diversification and a decrease in rural poverty and social exclusion.

RDP budget breakdown by axis: Total expenditure (including national + EAFRD + private funding) of €3,447,048,778



The RDP budget allocations are broadly divided into four main areas of expenditure, known as axes (namely: Improving the competitiveness of the agricultural and forestry sector; Improving the environment and the countryside; Quality of life in rural areas and diversification of the rural economy; and Leader). Approximately 44.65% of the updated RDP budget in Slovakia is allocated to axis 1 (€1538.99 million); approximately 36.87% is allocated to axis 2 (€1270.81 million), 13.94% to axis 3 (€480.38 million) and 2.92% to axis 4 (€100.55 million), with 1.63% available to fund Technical Assistance (€56.32 million).

Within axis 1, National public funding represents approximately 14.34% share of the axis funding; EAFRD 41.07%; and private funds 44.60%.

Within axis 2, National public funding represents approximately 20.69% share of the axis funding; EAFRD 79.26%; and private funds 0.0005%.

Within axis 3, National public funding represents approximately 17.90% share of the axis

funding; EAFRD 52.65% and private funds 29.45%.

Within axis 4, National public funding represents approximately 16.34% share of the axis funding; EAFRD 62.24%; and private funds 21.42%.

Within technical assistance, National public funding represents approximately 25% share of the technical assistance funding and EAFRD 75%.

As a consequence of the 2009 RDP amendments, Slovakia has been assigned a total of €34,779,167 (including €27,490,000 EAFRD and a further €7,289,167 national public funds) which is targeted at initiatives addressing the 'new challenges' and developing the broadband infrastructure of rural areas as outlined above.

Axis Information²

Axis 1 objectives: Improving the competitiveness of the agricultural and forestry sector

Objective: To improve the competitiveness of the agricultural, food and forestry sectors

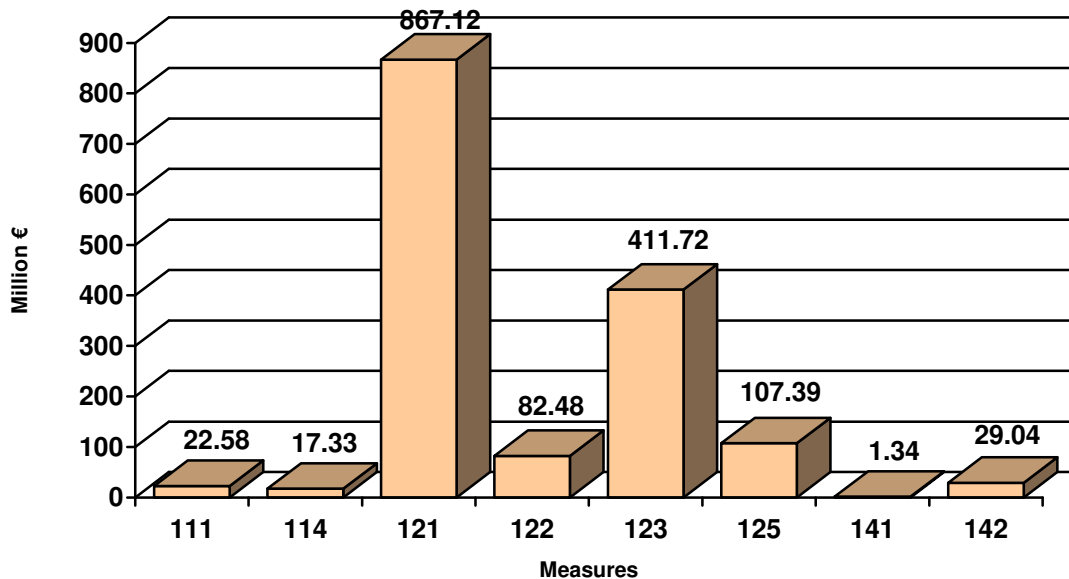
Priorities:

- Promote the modernisation, innovation and efficiency of agricultural, food and forestry sectors
- Enhance knowledge and improve the professionalism of the agricultural, food and forestry sectors

The result and output indicator targets which are being used to assess the measures within this axis include measure 121 (750 holdings introducing new products or techniques in relation to modernisation of agricultural holdings); measure 123 (225 introducing new products or techniques in relation adding value to agriculture and forestry products).

No modifications were made to axis 1 during the 2009 RDP update.

Axis 1 indicative³ budget breakdown by measure: Total allocated budget (including national public funds + EAFRD + private funds) of €1,538,991,298



Axis 2 objectives: Improving the environment and the countryside

Objective: To establish multifunctional agricultural and forestry systems compatible with the environment, countryside and landscape

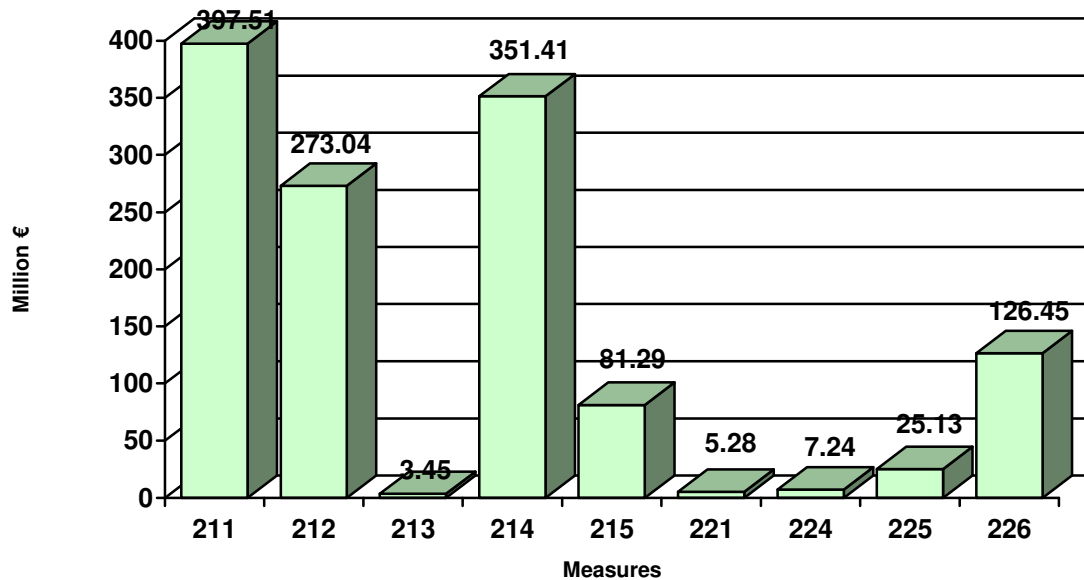
Priorities:

- Enhance biodiversity in rural areas and agriculture and forestry systems of high nature value
- Maintain and improve the quality of underground and ground waters
- Maintain and enhance the quality of agricultural and forest soil
- Mitigate the impacts of climatic changes

The result and output indicator targets which are being used to assess the measures within this axis include measure 211 combined with measure 212 (300,000 ha of land contributing to enhanced biodiversity and high nature value farming in relation to natural handicap payments to farmers in mountain and other areas); measure 214 (450,000 ha under successful land management to improve water quality in relation to agri-environment payments).

Specific modifications to results indicators have been made to take account of the 2009 amendments to the RDP. Modifications to overall RDP output-indicator targets include measure 214 (65 farm holdings supported in relation to integrated and organic production); measure 226 (120 actions supported in relation to prevention actions against forest fires and climate related natural disasters). For further information on output-indicator targets please refer to the impact indicators table in the RDP programme.

Axis 2 indicative⁴ budget breakdown by measure: Total allocated budget (including national public funds + EAFRD + private funds) of €1,270,809,588



Following the RDP latest update, the total budget amount for axis 2 is €1,270,809,588 including an additional €28,112,500 (€22,490,000 EAFRD + €5,622,500 national public funds) that is targeted at actions including those as outlined above.

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

Objective: To increase employment in rural areas and to support the development of villages

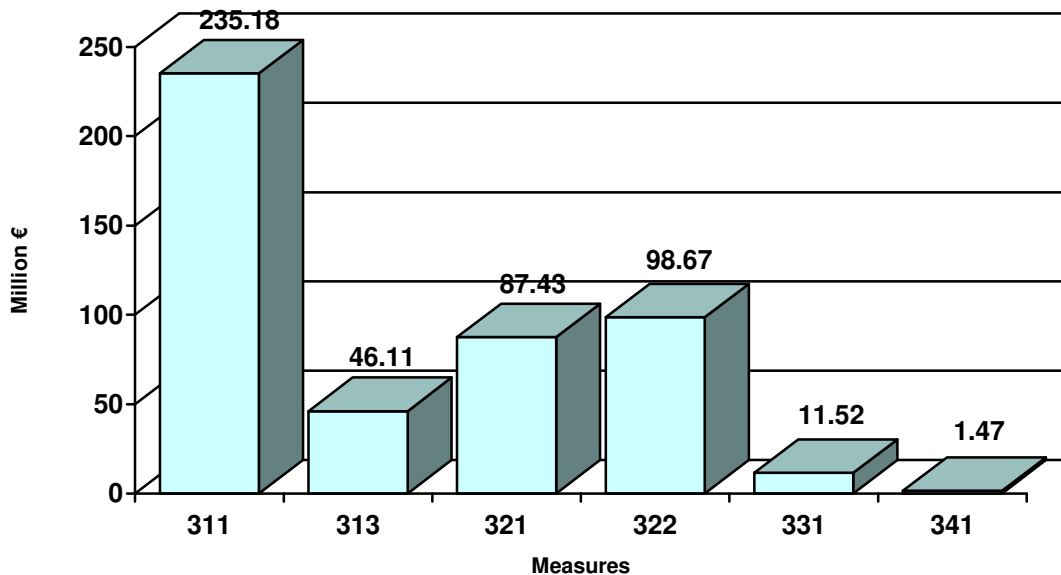
Priorities:

- Create job opportunities in rural areas
- Promote training activities
- Improve quality of life in rural areas
- Formulate local partnerships

The result and output indicator targets which are being used to assess the measures within this axis include measure 311 (466 jobs created in relation to diversification into non-agricultural activities); measure 322 (163,000 inhabitants benefiting from improved services in relation village renewal and development).

Specific modifications to results indicators have been made to take account of the 2009 amendments to the RDP. Modifications to overall RDP output-indicator targets include measure 321 (44 actions supported in relation to creation of and enabling access to broadband infrastructure); measure 321 (44 actions supported in relation laying down passive broadband infrastructure). For further information on output-indicator targets please refer to the impact indicators table in the RDP programme.

Axis 3 indicative⁵ budget breakdown by measure: Total allocated budget (including national public funds + EAFRD + private funds) of €480,379,374 -



Following the RDP latest update, the total budget amount for axis 3 is €480,379,374 including an additional €6,666,667 (€5,000,000 EAFRD + €1,666,667 national public funds) that is targeted at actions including those as outlined above.

Axis 4 objectives: Leader

Objective: Support to establish and develop local partnerships and utilise the local development potential of rural areas

Priority:

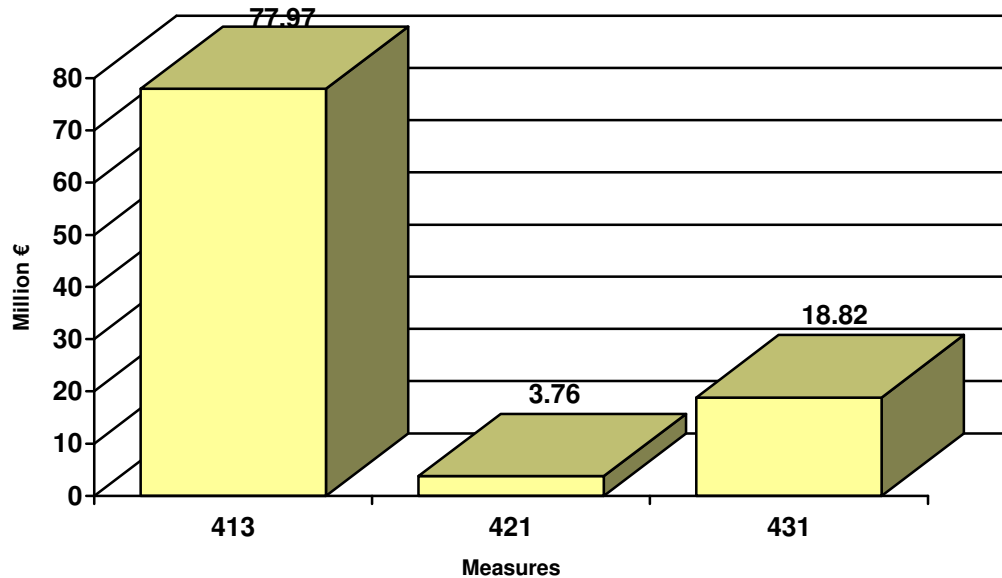
- Improve the administration, management and mobilisation of the development potential in rural areas

The result and output indicator targets which are being used to assess the measures within this axis include measure 413 (350 jobs created in relation to developing local development strategies); measure 431 (100 participants receiving training in relation to running local action groups, acquiring skills and animating the territory).

The number of LAGs operational in the RDP areas as of March 2010 was 15.

No modifications were made to axis 4 during the 2009 RDP update.

Axis 4 indicative⁶ budget breakdown by measure: Total allocated budget (including national public funds + EAFRD + private funds) of €100,550,702



Monitoring and evaluation strategy

The purpose of the monitoring system is to set up a functional framework for the collection, gathering and assessment data in relation to the outputs and the results of the Program.

The monitoring system is governed by the Monitoring Committee which is chaired by the Managing Authority (Ministry of Agriculture) and is composed of representatives from relevant state bodies, economic and social partners, NGOs and environmental organisations. The role of the Monitoring Committee includes reviewing the results of the RDP against its objectives, reviewing and approving the annual reports, and proposing adjustments to the RDP in order to improve its overall effectiveness.

The annual progress report include detailed information on the outcomes of the output and result indicators, financial implementation of the RDP, a summary of the ongoing evaluation activities, the steps taken by the Managing Authority to ensure the quality and effectiveness of RDP implementation, compliance with EU policies and identification of problems encountered and the measures adopted to deal with them.

A summary of the annual reports and the results of the Program assessed by the indicators listed in the National Strategy Plan (and the results of the ongoing evaluation activities) will be part of the summary reports, which the Slovak Republic will be submitting to the Commission by 1 October each second year from 2010 until 2014.

In addition, the RDP shall be subject to ex ante (done before the approval of RDP), mid-term and ex post evaluations. These evaluations will be carried out by independent evaluators and are aimed at improving the quality, efficiency and effectiveness of the implementation of the Program. The impact of the Program and the problems encountered will be the main subjects of

the assessment.

Communication and publicity

The main objective of the measures of the Communication plan is to inform the potential beneficiaries, general public, professional organisations, economic and social partners, NGOs (including environmental organisations) of the possibilities offered by the RDP.

Priorities

- To inform the target groups about the RDP objectives, priorities, possibilities and implementation of the individual projects;
- To communicate the priorities and measures of the RDP in order for the target groups to recognise the opportunities and understand them;
- To inform the target groups of the correct procedures to be followed in order for the potential beneficiaries to qualify for the receipt of the financial resources;
- To increase the interest of the potential and final beneficiaries in making use of the financial resources;
- To illustrate contribution of the European Union for Slovakia.

The communication plan is focused at the following target groups:

- Entities engaged in primary agricultural production;
- Natural and legal persons engaged in the processing of the products of primary agricultural production;
- Private forest holders or their associations, forest leaseholders and their associations;
- State bodies;
- Local action groups;
- State, public service, non-profit organizations;
- Rural entrepreneurs;
- Civil and interest associations;
- Professional chambers;
- General Public

Information actions will use the following support:

- Press, radio, television;
- Promotional materials;
- Information materials;
- Information activities;
- Internet;
- Audio-visual media;
- Promotional article

Annex I – measures

Measures selected by the RDP Measures selected by the updated RDP

Axis 1 - Improving the competitiveness of the agricultural and forestry sector	<i>Promoting knowledge and improving human potential</i>	111	Vocational training and information actions
		112	Setting up of young farmers
		113	Early retirement
		114	Use of advisory services
		115	Setting up of management, relief and advisory services
	<i>Restructuring and developing physical potential and promoting innovation</i>	121	Modernisation of agricultural holdings
		122	Improvement of the economic value of forests
		123	Adding value to agricultural and forestry products
		124	Cooperation for development of new products, processes and technologies in the agriculture and food sector and in the forestry sector
		125	Infrastructure related to the development and adaptation of agriculture and forestry
		126	Restoring agricultural production potential
	<i>Quality of agricultural production and products</i>	131	Meeting standards based on EU legislation
		132	Participation of farmers in food quality schemes
		133	Information and promotion activities
<i>Transitional measures</i>	141	Semi-subsistence farming	
	142	Producer groups	
	143	Providing farm advisory and extension services	
Axis 2 - Improving the environment and the countryside	<i>Sustainable use of agricultural land</i>	211	Natural handicap payments to farmers in mountain areas
		212	Payments to farmers in areas with handicaps, other than mountain areas
		213	Natura 2000 payments and payments linked to Directive 2000/60/EC
		214	Agri-environment payments
		215	Animal welfare payments
		216	Non-productive investments
	<i>Sustainable use of forestry land</i>	221	First afforestation of agricultural land
		222	First establishment of agroforestry systems on agricultural land
		223	First afforestation of non-agricultural land
		224	Natura 2000 payments
		225	Forest-environment payments
		226	Restoring forestry potential and introducing prevention actions
		227	Non-productive investments
		Axis 3 - Quality of life in rural areas and diversification of the rural economy	<i>Diversify the rural economy</i>
312	Support for business creation and development		
313	Encouragement of tourism activities		
<i>Improve the quality of life in rural areas</i>	321		Basic services for the economy and rural population
	322		Village renewal and development
	323		Conservation and upgrading of the rural heritage
	331		Training and information
	341		Skills-acquisition and animation measure with a view to preparing and implementing a local development strategy
Axis 4 - Leader	<i>Implementing local development strategies</i>	411	Competitiveness
		412	Environment/land management
		413	Quality of life/diversification
		421	Implementing cooperation projects
		431	Running the local action group, skills acquisition, animation