

Implementation Measures of the LFA in the Czech Republic

- Positive Experiences and Problems Identified.

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Positive Experiences

- Stop bankruptcy of farms (↓ abandoned land)
- CR succeed in drawing support from EAFRD fund
- Maintaining of countryside (↑grassland)
- Environment for rural population (deurbanization last years)

Problems identified

- Missing data
- Territorial units
- Eligibility area
- Setting of payments rate
- Unclear future of the measure

Problem - lack of data

Altitude and steepness for mountain areas

-altitude of community centre - average according to cadastre maps - Digital model of terrain

European criteria for other than mountain

– soil maps necessary – national systems often don't fit to the threshold of criteria – example stones, poor drained soil, data for fine tuning – irrigation, drainage, vineyards, orchards, production structure of farms – animals, plants

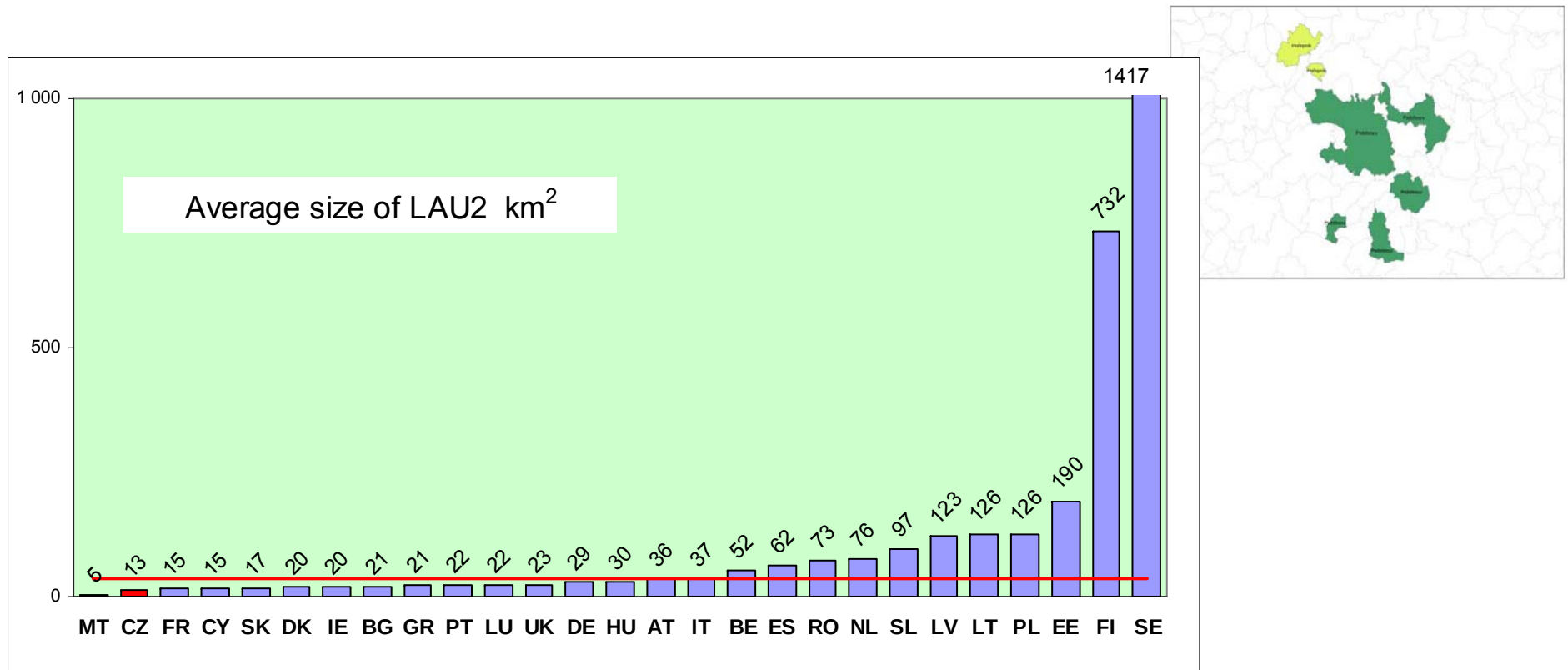
Problem – territorial units

Too small LAU 2 in the CR, often area of one community is scattered

-Delimitation of LFA

-Problems to obtain support from EU funds for rural development (co financing)

Result - - - suitable, **not small size of LAU2 = advantage**

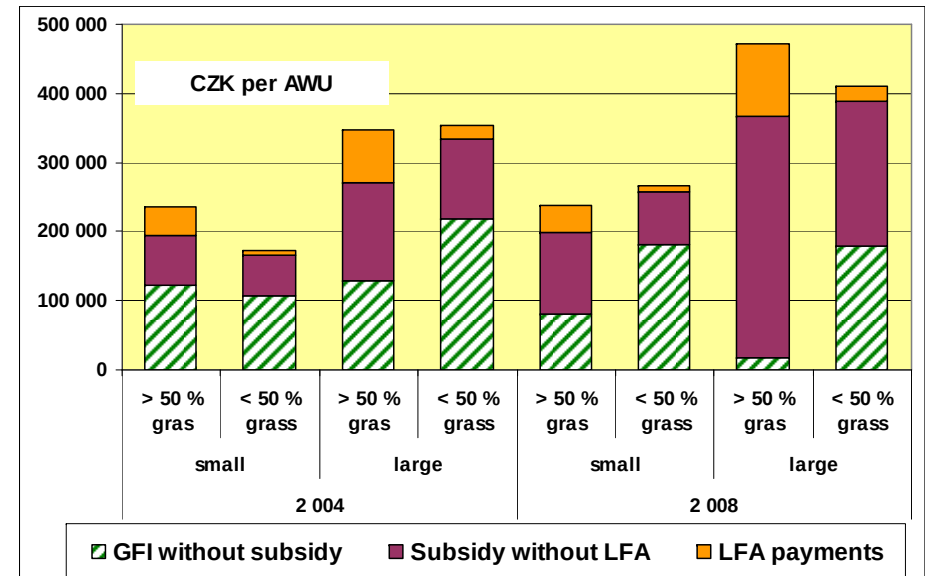
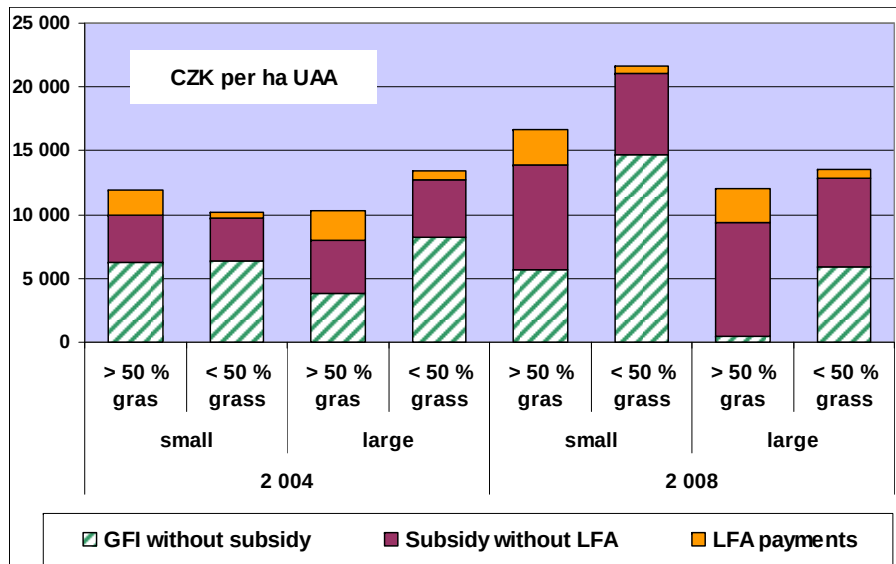


Eligibility area, threshold for large farms

Decision of MS – national objective of support

- all UAA
- some of area excluded (intensive crops, vineyards)
- grassland - in the CR (only)
- no threshold of eligibility area for large farms in the CR

Incentive component of support - but necessary **carefully balance**



Problem – payments rate

Different approach of EU countries – difference in costs, SGM, returns, yield

Long time series of economic data, **data** about production in different regions

In CR - economic results LFA farms compared with results of farms out of LFA – difference in modified GFI

Farm accountancy data network – FADN CZ

Sample survey – about 1300 farms, 18,5 % of UAA

Payments rate setting in CR

Total outputs			Balance current subsidies - taxes
Output crops + crop products	Output livestock + livestock products	Other output	
Intermediate consumption		Gross Farm Income	
specific costs	farming overheads		
FADN results		Depreci acion	balance subs. + taxes on investment
		Farm net value Added	
		External faktors	
		Wages	Rent
		Interest	Family Farm income

Conclusion- - - improve statistic good statistic = good solution

Štolbová M., Hlavsa T., Lekešová M.: Methods of calculating the handicaps of less favoured natural conditions, Agric. Econ. – Czech, 56, 2010 (5): 215–223

<http://www.agriculturejournals.cz/web/AGRICECON.htm>

Problem of unclear future of the measure

Implementation of European criteria (?)

LFA – pillar I or pillar II of CAP ?

How extend will be given to maneuvers of MS ?

Inequality of payments was also criticized (?)

Conclusion

Seek advise and follow experience of your neighbors and countries similar to your

Improve soil mapping, LPIS and other registers

Improve national statistics

Create FADN representative for different natural condition

Try ex ante analysis of possible impact of LFA support proposals

