

## RURAL HERITAGE IN THE AUSTRIAN RURAL DEVELOPMENT PROGRAMME

*Klaus Wagner<sup>1</sup>*

### *Abstract*

*This paper deals with the results of the mid-term review of the Austrian Rural Development Programme 2007-2013 as part of the European Union's Common Agricultural Policy. The measure to conserve and improve rural heritage covers the fields Nature Conservation and Environmental Protection, National Parks, Cultural (Man-Made) Landscape, Forestry, Water and the Development Potential of the Alpine Region. Although the measures were very much appreciated, they met with very differing responses and implementation efforts, depending on the region. There seem to be start-up delay problems with new measures and high coordination needs where cross-sector measures are concerned. In addition, people seem to be having problems displaying the actions' actual impact with the indicator set provided by the EU. Frequently, the outcome can only be determined in the long run and in combination with a whole string of other factors.*

**Keywords:** *Rural Development, Austria, Rural Heritage, Evaluation, Agricultural Policy*

### **1. Introduction**

Cultural heritage is one of the collective goods of agriculture beside production of food and fibre and ecosystem services. It can be a threat but also a caretaker of the heritage (Daugstad 2006). The connection between agriculture and cultural features in the landscape and villages is very close and has side effects on environmental protection (resources, biodiversity) as well as on landscape amenity and potential for tourism. Thus it may contribute to sustainable development in rural economy. With the Council Regulation (EC) No 1698/2005 the European Union opens the possibility for Member States to improve the quality of life in rural areas, comprising conservation and upgrading of rural heritage (European Commission 2005). This topic covers protection and management plans, environmental awareness actions and investments which

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<sup>1</sup> *Dipl.-Ing. Klaus Wagner, Regional Research, Institute of Agricultural Economics, Marxergasse 2, 1030 Vienna, Austria, +43187736517428, klaus.wagner@awi.bmlfuw.gv.at*

contribute to restoration and upgrading cultural features of villages and landscapes. In Austria the promotion measure 323 (M 323) “Conservation and Improvement of Rural Heritage”, under the Rural Development Programme, is aimed at protecting and developing natural and cultural landscape resources of high value and integrating these into regional economic cycles. The focus of M 323 is on targeted, one-off and small-scale planning, project and management activities as well as on awareness-raising measures and is thus intended to support the long-term environmental measures specified in Priority 2 of the Rural Development Programme. The projects receiving financial aid include, for example, the drawing up of management and landscape plans, public relations and infrastructure measures. Besides farming and forestry operations, there have been a growing number of applications for funding coming from associations, cooperatives, societies or regional authorities. Based on the information and expert interviews made available by the Ministry of Agriculture, Forestry, Environment and Water Management, the outcome of the measure was analysed in accordance with the European Commission’s guidelines.

## **2. Scope of Measure 323 in Austria during the Years 2007-2009**

Measure 323 under the Rural Development Programme 2007-2013 has been allocated approximately EUR 200 million, which equals 1.8% of the entire programme. During the period 2007-2009, 890 M 323 projects were awarded grants totalling EUR 25.6 million, EUR 1.7 million of which went to leader projects. The majority went to Nature Conservation and Cultural Landscape measures (EUR 11.8 and EUR 8 million, respectively). With regard to programme planning, the number of projects and the subsidy payment lag behind. Start-up delays were particularly seen in the areas Nature Conservation, Forestry and Environmental Protection. It is vital for these projects to catch up during the last years of the programme.

Where the field Nature Conservation is concerned, the subsidies helped to trigger overall investments – relatively evenly spread across Austria – amounting to around EUR 13 million (see Tab. 1); the amount of subsidies allocated to each project ranged between EUR 1,200 and EUR 500,000. Activities receiving support included, for example, regional support measures in Natura 2000 sites, nature conservation management plans, information campaigns and measures in the context of biodiversity programmes. A major part of the EUR 2.5 million invested in National Parks was used for the erection and development of infrastructure in the national parks Hohe Tauern, Seewinkel (Lake Neusiedl), Thayatal (Thaya Valley), Donauauen (Danube Floodplain) and Kalkalpen (Limestone Alps). Total investments for Cultural Landscape measures amounted to EUR 9.5 million; most of the projects in this area were implemented in the federal provinces Burgenland, Lower and Upper Austria, Carinthia, Salzburg and Styria. A separate field of action is dedicated to the *Bergsteigerdörfer* project (“mountaineering villages”) in the

area Development Potential of the Alpine Region where total investments amounted to EUR 340,000. Up to now, the sub-measure “Raising Public Environmental Awareness” has not yet been utilised. Measures in the field of Forestry – all in all not very heavily utilised – focused on projects in the federal province Carinthia, while payments in the Water sector have so far only been made in the federal province Lower Austria.

**Table 1: Measure 323 sectors and their implementation 2007-2009**

Field of Action	Projects Number	Funding amount million €	Total costs million €	Degree of implementation %
323a Nature Conservation	252	12.8	13.2	8
323b National Parks	5	1.7	2.5	16
323c Cultural Landscape	216	8.0	11.4	36
323d Forestry	412	3.2	5.1	10
323e Raising Public Environmental Awareness	0	0.0	0.0	0
323f Development Potential in the Alpine Region	1	0.3	0.3	18
323g Water	4	0.6	0.8	300

Source: Ministry of Agriculture, Forestry, Environment and Water Management 2010

### 3. Impact of Measure 323

M 323 has an impact on the population, the economy and the environment in rural areas and mainly concerns public assets (landscape, water). Some of the effects are quantifiable, but due to the specific nature of the projects it is frequently only possible to describe the effects qualitatively and with regard to their potential. As a result, it is often not permissible to aggregate the quantitative information or to make direct comparisons with it.

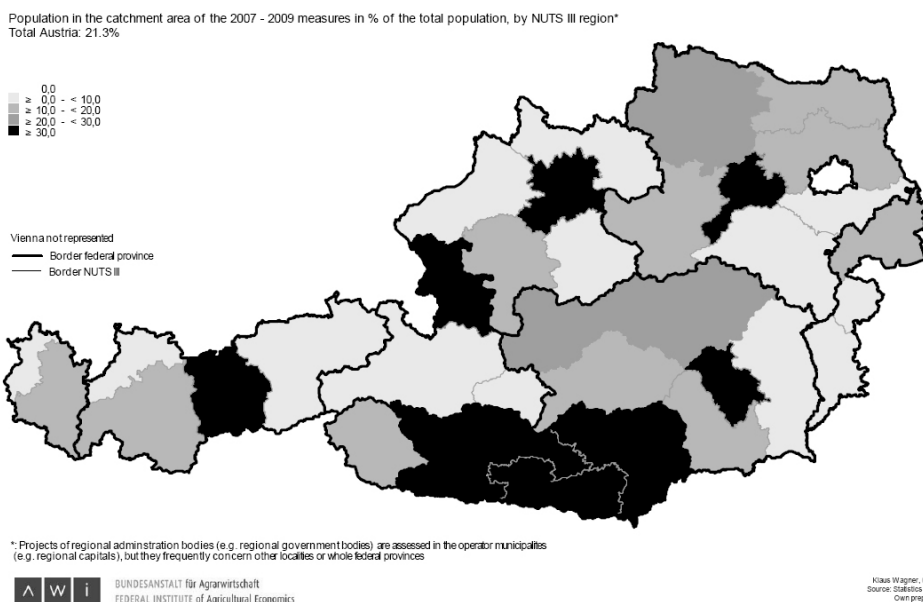
To estimate what effects the creation of brochures, the organisation of information events or the participation in exhibitions and trade fairs have on environmental awareness and the population’s education level it is merely possible to resort to the number of participants or, for example, the circulation figures of brochures that may serve as auxiliary quantities. Accordingly, the subsidised projects induced around 15,000 participations in events, 200 nationwide and 170 regional media reports and advertisements.

A further indicator used to measure the impact of the promoted projects can also be the number of people who could potentially profit from them. For example, a landscape plan or a nature conservation project is capable of making a community more attractive. The population could use the more attractive areas in a direct sense, e.g. for recreational purposes, or benefit indirectly by the increasing value of properties. Figure 1 illustrates the regional priorities based on the percentage of the population in municipalities in

NUTS III regions which are involved in the implementation of M 323 projects. From a regional-economy point of view, conducting projects in municipalities hit by rural depopulation is of particular value, because such projects stimulate regional activities and are able to make regions more attractive. More than half of the activities (excluding sectors Forestry and Water) are being implemented in municipalities hit by rural flight. Similarly, more than half of the projects (excluding sectors Forestry and Water) are implemented in municipalities with Natura 2000 sites, thus contributing either directly or indirectly to their conservation.

The specific fiscal effects of Measure 323 on the regional economy can only be measured in the per-thousand range. Development priorities (without the areas Forestry and Water) according to the share of investments in the gross regional product can be seen in the NUTS III regions Bludenz – Bregenzerwald, Tyrolean Oberland, Upper Carinthia, Liezen, Western Upper Styria and Weinviertel. This only applies outside of the provincial capital regions, which slightly falsify the result. Frequently regional authorities based in the provincial capitals are project applicants and the projects are consequently considered as belonging to the provincial capitals, even though their implementation and effect takes place in other municipalities or larger regions. An analysis of the total investments per capita led to a similar regional distribution, which confirms that a considerable portion of the funding indeed benefits the peripheral regions (see Figure 2).

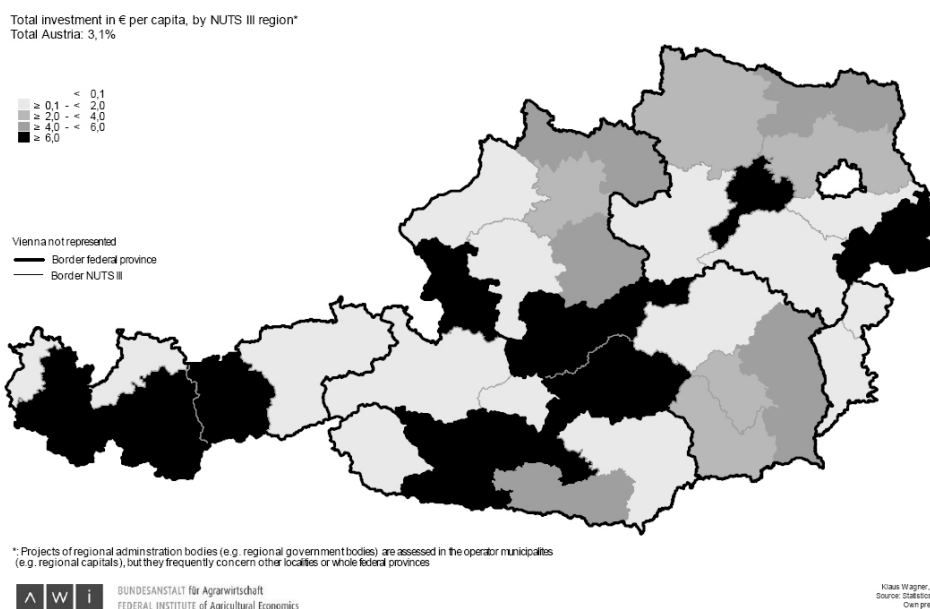
**Figure 1: Population in the catchment area of M 323 by NUTS III region**



Source: Ministry of Agriculture, Forestry, Environment and Water Management 2010

Further effects of Measure 323 concern the improvement of farming areas and the overall area as well as the number of jobs created and retained. However, differences in the interpretation of the related information in the spatial dimension (areas directly, indirectly affected) as well as in time-related effects (short-term, long-term) make it difficult to compare the information in terms of quantity. Resulting approximate reference values suggest that a funding amount of EUR 10,000 improves up to 160 hectares of farming area and 1,200 hectares of total area (e.g. there was a positive effect on ecological functionality and visual attractiveness). The same funding amount creates 0.03 new jobs, retains 4 jobs and enables 24 people to participate in specific training measures and 36 people to visit general events (Ministry of Agriculture, Forestry, Environment and Water Management 2010).

**Figure 2: Total investments of Measure 323 per capita by NUTS III region (without sectors Forestry and Water)**



Source: Ministry of Agriculture, Forestry, Environment and Water Management 2010

#### 4. Conclusions

The environment-related Measure 323 under the Austrian Rural Development Programme supports and complements other longer-term programme measures by funding individual projects. It is primarily oriented towards nature conservation objectives, which is why an evaluation of its impact on the regional economy is not its main focus and can therefore only be judged to a limited extent in terms of quantity.

Increased attractiveness in ecological and visual concerns as well as awareness building projects have a positive effect and are capable of stimulating rural regions, which can lead to positive economic effects in the long term (rising of regional attractiveness for inhabitants and tourism) . In some areas, start-up delays have been noticed, and it is vital for such projects to catch up in order to exploit the earmarked funds until the end of the programme period. The integration of agriculture, regional development, nature conservation and environmental protection presents both a technical and an organisational challenge to project handling, which needs to be overcome and simplified as much as possible.

## 5. References

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