

1. Facts on Austrian Agriculture

Austria's geographical position in the European Alps is a challenge for agriculture: climate, soil and agricultural structures do not allow an agricultural production in a large scale.

From the total surface of 8,3 million hectares, around 80% are in rural areas. 32% is agricultural land and 44% forest. 66% of the total population of 8,4 million live in rural areas. 87% of the farm holdings are located in mountain areas facing natural and infrastructural constraints.

Farming and Forestry protect the alpine regions from avalanches, mudflows, rockfalls or torrents, so they are a precondition for settlements in this area. About 70% of Austria could not be inhabited without this protection from forests and pastures.

Also the ownership structure of the Austrian farms does not allow mass production: in Austria a high proportion of small and medium sized farms prevails: about 167.000 agricultural holdings manage in average 44 hectares per holding.

60% of the farmers have a second job and work on their farm only part time.

The geographical, climatic and structural circumstances make a solid policy for the rural areas necessary. For this reason Austria concentrated the agricultural policy since its EU accession on the rural development and invested billions in relevant programmes.

Rural development in Austria

Rural development is the key element of Austria's agricultural policy. It fosters a modern, efficient and sustainable agricultural sector, but also supports the regional economy and the municipalities and places emphasis on social issues.

Until 2020 EUR 1.1 billion will be available annually; more than half of this amount is from the European Union.

Agri-environmental Programme ÖPUL

At present, Austrian agriculture must reconcile the **conflicting demands of a competitive production** on globalised agricultural markets on the one hand and the demands which society places in an **ecologically sustainable production** on the other hand.

In accordance with the Common Agricultural Policy of the European Union the focus of the Austrian agricultural policy is on safeguarding the environmental performance of agriculture for the long term.

The **Agri-environmental Programme ÖPUL 2015** is part of the Austrian Rural Development Programme for the 2014 to 2020 period (LE 14-20).

The measures offered under ÖPUL aim at counteracting the two essential trends in Austrian land management: **Abandonment of utilisation and intensified utilisation**. By means of

ÖPUL 2015, farmers are compensated for additional environmental services they provide by participating in the Programme.

In line with the objectives of LE 14-20 ÖPUL 2015 serves the following targets:

- Protecting, maintaining and enhancing biological diversity, also in Natura 2000 areas and in areas that are less-favoured due to natural constraints or other, specific constraints, land management with a high natural value as well as the state of the European landscapes
- Improving water management, including the use of fertilisers and pesticides
- Preventing soil erosion and improving soil management
- Reduction of greenhouse gas and ammonia emissions from agriculture and promotion of carbon storage and carbon sequestration in agriculture and forestry
- Promotion of the innovation, the cooperation and the development of the knowledge base in rural areas

Taking everything into account, ÖPUL 2015 therefore does not only serve the maintenance of area-wide agriculture and of cultivated landscapes, but also promotes the sustainable development of rural areas and responds to the growing social demand for environmental services.

ÖPUL 2015 is at about **50% financed from EU funds and at about 50% from national funds** (60% Federal Government and 40% Provinces). An amount of altogether EUR 455 million annually is intended for ÖPUL 2015; of this amount, EUR 112 million annually are dedicated to the measure Organic farming.

Organic farming

A flagship of high-quality agricultural management is organic farming, The promotion of organic farming is a key agro-political concern in Austria. Organic farming does without chemical-synthetic plant protection products and fertilisers, animal husbandry is particularly well adapted to the needs of animals, and stands for the non-use of GMO also in feeding.

Activities like, above all, the **Austrian Agri-environmental Programme “ÖPUL”**, the **compensatory allowance**, the **investment aids** for farm modernisation as well as measures for the **promotion of processing and marketing** and, last but not least, measures for **education, consultancy, public relations work, research and schools** are particularly useful for organic farming.

Austria is Europe’s number-one organic farming country; it ranks first both as regards the percentage of organic farms and with respect to the share of area under organic farming.

There are presently about **22,000 organic farmers in Austria**. 17 percent of all farmers are thus organic farmers. 20 percent of the utilised agricultural area – that is: 434,000 hectares not including Alpine pastures and mountain meadows – are managed according to the criteria of organic farming.

With 20 hectares the average size of (subsidised) organic farms is a little above the average of all Austrian holdings (18 hectares).

2. Future needs for Rural Development

- Fast Internet for all farms
- Infrastructure like roads, public transport, schools, medical help
- Environmental protection
- GMO free production
- Climate change
- Natural hazards
- Rural tourism
- Biological diversity (e.g. alpine pastures)
- Cultural heritage
- Local specialties in foodstuff
- Organic farming
- Animal welfare
- Competitiveness in agriculture

3. Austria's cooperation with the Western Balkans

Austria supported and supports the EU accession of all countries in the Western Balkan Region. Austrian experts shared their know how in numerous EU projects (e.g. Twinning projects) in all countries of the region.

The Austrian Ministry of Agriculture, Forestry and Environment installed an Attaché office, now operating from Belgrade, for the Western Balkan Region. The Attaché shall intensify the connections between administrative and economic stakeholders from Austria to their counterparts in the Balkan region. The office organizes study tours, conferences, official visits and provides regular information. The Attaché also enhances the economic relations to Austria.

The Austrian Agricultural Cluster AAC organizes the most important Austrian companies in agricultural business. The AAC works in the Balkan region since the year 2000 and offers business partnerships with local companies and organizes fairs, seminars and workshops.

The Austrian Development Agency ADA ran several projects in Croatia, Serbia, Albania and Montenegro. They concentrated on rural development issues like organic farming, rural tourism and strategic planning. The ADA also supports business partnerships between Austrian and local companies.

One of our main projects is the support of a GMO free production of soya: Danube Soja. Austria wants to avoid GMO in agriculture. On the other hand Europe is dependent on protein imports from overseas. Danube Soja aims to increase the amount of soya produced in Europe by promoting, certifying, labelling, training and research. Donau Soja opened a regional office in Novi Sad, Serbia and has a representative in Bosnia and Herzegovina.