



Project for Sustainable Agriculture and Rural Development in Mountain Regions

(SARD – M)

**National assessment of Policies, Institutions and
Processes for SARD in the Czech Carpathian Mountain**

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List of acronyms

CAP	Common Agricultural Policy
CARP	Concept of Agrarian Policy of the Czech Republic
CPAH	Census for Population, Apartments and Houses
CR	Czech Republic
EAFRD	European Agricultural Fund for Rural Development
EAGF	European Agricultural Guarantee Fund
EAGGF	European Agricultural Guidance and Guarantee Fund
EAP	Environmental Action Plan EU
EEC	Eastern European Countries
EFF	European Fisheries Fund
EU	European Union
FI	Forest Inventory
FMI	The Forest Management Institute
GEF	Global Environmental Facility
GVA	Gross Value Added
HRDP	Horizontal Plan for Rural Development
IDC	Information and Data Centre
IFOAM	International Federation of Organic Agriculture Movements
KEZ	“Kontrola Ekologického Zemědělství”, The Control of Organic Farming
LFA	Less Favoured Area
LPIS	Land Parcel Identification System
MoA	Ministry of Agriculture
MoE	Ministry of Environment
NATO	North Atlantic Treaty Organization
NBS	National Biodiversity Strategy
NDP	National Development Plan
NGO	Non-Governmental Organisation
NSC	Natural Species Composition
OECD	Organisation for Economic Cooperation and Development
OF	Organic Farming
OP	Operational Programme
PLA	Protected Landscape Area
RDP	Rural Development Programme
RPFD	Regional Plans for Forest Development
RRP	Rural Renewal Programme
SAIF	State Agricultural Intervention Fund
SARD-M	Sustainable Agriculture and Rural Development in Mountain Regions
SD	Sustainable Development
SEA	Strategic Environmental Assessment
SEP	State Environmental Policy
SPA	Small Protected Areas
UNDP	United Nations Development Programme
VAT	Value Added Tax
WWF	World Wildlife Fund

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Executive summary

The rapid assessment of policies, institutions and processes for sustainable agriculture and rural development in mountain regions (SARD-M) in the Czech Republic (CR), conducted in the framework of the FAO SARD-M Project, summarizes general information on agriculture and rural development, its historical evolution with a focus on specificities of the Czech Carpathians; addresses SARD-M policies as well as SARD associated institutions and processes. The assessment is looking to assess the strengths and weaknesses of policies, institutions and processes for SARD-M.

It also describes economic and social aspects of rural mountain areas to give sufficient background for the assessment of the SARD – M related policies, institutions and processes.

There is no policy specifically designed for the Carpathian Region in the Czech Republic, therefore this assessment focuses on the national policies, which also influence processes in the Czech Carpathian Region. As neither SARD policy nor specific mountain policy has been formulated so far, the report concentrates on those policies and strategic documents, which can have impact on the processes in the agricultural and forestry sectors and rural development.

These policies were established on the basis of Common Agriculture Policy of the European Union, so they present a huge step forward in the Czech Agricultural Policy. However, some specificities of the Czech Republic can complicate their implementation.

The situation in CR differs from other EU countries in particular in the size of the agricultural holdings and processing companies. Much bigger size of land parcels is naturally connected with it. The whole system of the Czech agriculture including legislation, economic system, governance, etc. is still being adjusted to these huge corporations more than to small family companies. This situation has a negative influence on the supply side of the market as it hampers supply diversification and complicates development of unique local products. Large size of the land parcels has negative influence on biodiversity, causes erosion and changes the character of the landscape.

The major weak point of the agricultural policy in CR is absence of any SARD or SARD-M policy. The implementation of the EU policy framework seems to increase the bureaucracy, pedant methods of the public service and degradation of the farmers from the position of food producers to maintenance workers. On the other side, the financial support is enormous and it helps to stabilize the critical financial situation of people employed in the agricultural sector.

The institutions in CR are generally well functioning and able to implement agricultural and other policies, although several key issues should be mentioned. The long standing tension between the Ministry of Agriculture and the Ministry of Environment seems to be serious topic, as it can be seen almost at all levels. Connected with bad communication it creates barrier in good cooperation in the area of SARD-M.

Policy processes have been positively influenced by application of the rules used in EU, still full transparency is missing especially in final processes of formulating policies and preparation of strategic documents. On the other side the involvement of NGOs, public and other stakeholders has improved a lot.

In the final chapter, which summarizes the main findings of the assessment, some recommendations for the improvement of policies, institutions and processes for SARD-M in CR are provided.

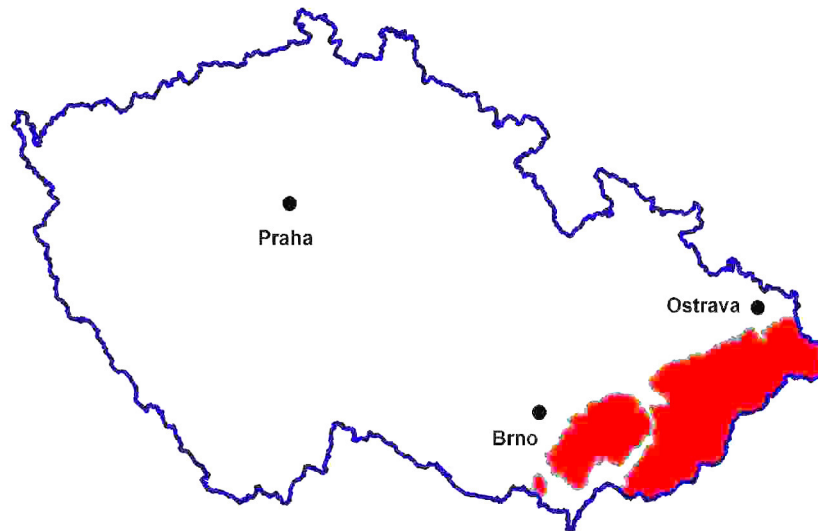
1. Introduction

1.1 Background information on the Czech Republic

Although the analysis should concentrate on the Czech Carpathian Region, this report often makes use of information related to the entire country, trying to stress the differences and specificities captured in the Czech Carpathian Region. None of the existing delineations of the Czech Carpathian Region corresponds to any of the existing administrative units at whatever level, which makes it impossible to complete an exact set of data for the Carpathian Region in the Czech Republic. For the purpose of this assessment, most of the data collected at the district level was used (see Chapter 2.1: Political history and system of governance, page 20).

The delineation of the Czech Carpathian Region for defining the scope of application of the Carpathian Convention was made by the Ministry of the Environment of the Czech Republic based on geomorphology, where the Moravian valleys were excluded. (Czudek, 1997).

Map 1: Location of the Czech Carpathian Region in the Czech Republic



Source: MoE

According to this delineation, the Carpathians cover 9.05% (7,139 km²) of the Czech territory. Another delineation based on biogeography (Culek, 1996) declares that the Carpathians may cover 13.1% (10,339 km²) of the territory of the Republic. According to other Carpathian delineations, this percentage may vary.

The delineations used in this assessment are based on the temporary decision of the Ministry of Environment, but the definitive scope of the Carpathians must be defined by the Parties.

Map 2: The Czech Carpathian Region, the regions (kraje) and the districts (okresy)



Source: MoE

Geographical description of the Czech Carpathian Region

The Czech Carpathian Region includes four mountain regions – the Palava Mountains, the White Carpathians, Chriby Mountains and the Beskydy Mountains. The Moravian valleys were excluded from the delineation used by the Ministry of Environment.

Palava lies in the northwest promontory of the Pannonian lowlands. It is the warmest and almost the most arid area in CR. Arid rock grass, fringe communities, thermophilous bushes and thermophilous oak woods all together called karst forest steppe are the typical ecosystems of this mountain range. They originate partly due to the influence of grazing. The Devin forest plateaus are dominated by sparse loess oak woods together with a species-rich herbaceous layer, while Pannonian oak-hornbeam dominates the north-facing slopes and valleys. The vine growing is the most important agricultural activity here. The elevation of Palava is from 153 to 550 m above sea level.

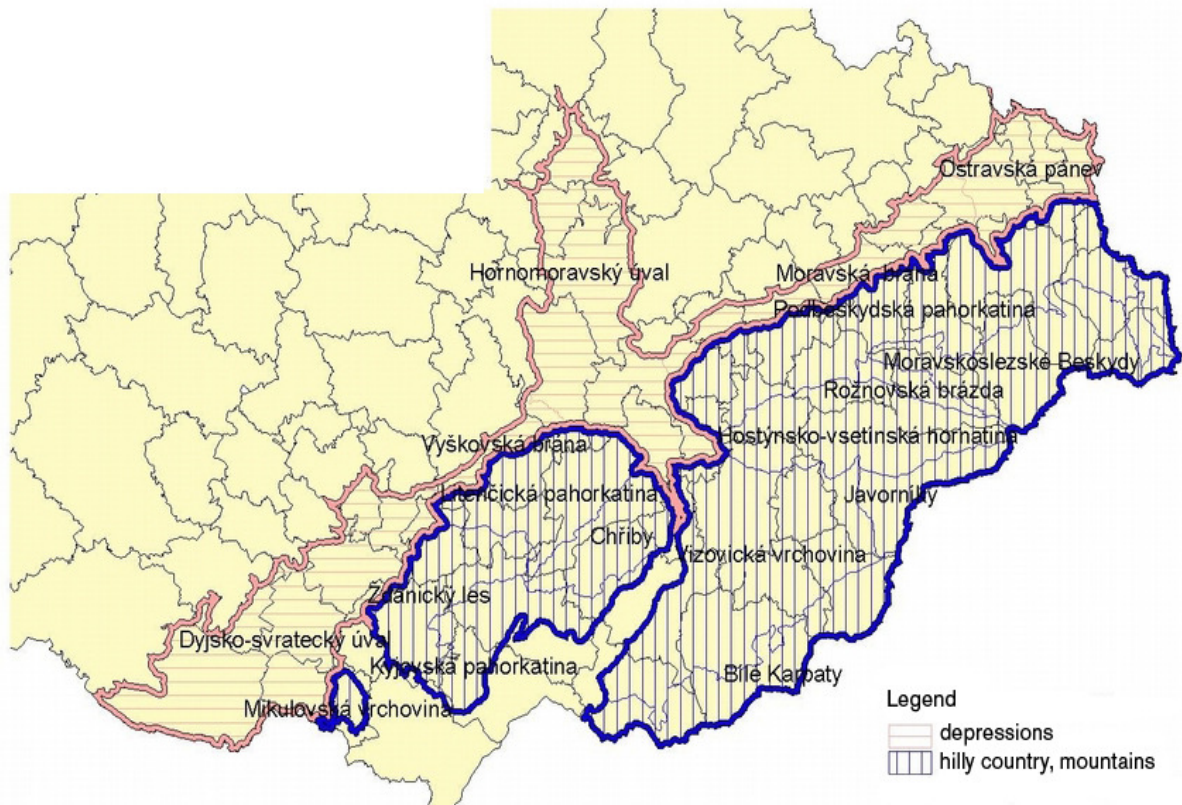
The White Carpathians range represents a country of rolling hills intersected with stream valleys, and lies between elevations of 175 to 970 m above sea level. It represents an extraordinary area for reason of its vast areas of species-rich calcareous meadows with an exceptionally rich flora and entomofauna, and its old-growth beech forests. In contrast to the neighbouring areas, whose landscape is mostly dominated by ploughed fields and spruce stands, the White Carpathians reveal an age-old symbiosis between the humans and nature. Its legacy is manifested in the rich folk culture, but it is also imprinted in the landscape with its colourful patchwork of meadows and forests.

The Chriby Mountains represent the most western part of the Carpathians. From the other part of the region, they are separated by the Morava River valley. Reaching the highest elevation of 586 m above sea level, they are almost completely covered by forest, often still close to the original

species composition (deciduous forests with beeches, oaks, lime tree, maples etc.). They are not as rich in botanical and animal species as the other mountain ranges, but still represent the unique ecosystems.

The Beskydy Mountains also possess unique natural treasures, especially indigenous primeval forests with rare Carpathian fauna and flora, rich diversity of meadow coenosis, unique surface and also underground pseudokarstic phenomena and exceptional aesthetic qualities and diversity of rare landscape type shaped by man in coexistence with nature. The Beskydy Mountains are also the highest of the Czech Carpathian Mountains with elevation from 350 to 1328 m above sea level.

Map 3: Detailed map of the Czech Carpathian Region



Source: MoE

1.2 Short overview of agricultural and forestry sector in the Czech Carpathian Region

Development of agriculture in the Czech Carpathian Region

The Czech Carpathian Region in East Moravia on the border with Slovakia was one of the last settled regions within the current area of the Czech Republic. Agriculture moved in quite late – with Wallachian colonisation, which cut or burned down forests in the 16th and 17th century. Poor soil shaped the agricultural sector with a focus on pasture farming with cattle and sheep, while only small strips of land were ploughed for some cereals and potatoes.

Lack of information and education as well as low input and low mechanisation of farming practices in the remote (marginal) area of the Carpathians were the reasons why, even in the first half of 20th century, the agricultural villages were poorer and less developed, in comparison with the rest of the

country. The extensity of land cultivation resulted in a specific symbiosis of agriculture and wildlife. However, during the collectivisation of the 1950s and the next four decades, the Czech Carpathian Region experienced intensification of agriculture, in keeping with the rest of CR, however it came later and with less intensity compared to the central mountain areas. Particularly, concentration of milk and beef cattle production increased and moved from pastures to sheds and meadows which became subject to the intensified application of fertilisers and use of mechanisation to boost the harvest of grass and hay.

Before 1989, more than 90% of agricultural land was cultivated in the form of co-operatives and state farms supported by state subsidies. They exploited intensive farming methods even in the mountain areas.

After 1989, the centralised economy collapsed and the process of restitution of the agricultural land started. During the next years, most of the agricultural land was privatised and at present, the majority of the agricultural land is owned by private entities. The system of financial support for agriculture has changed as well. The use of artificial fertilisers and other chemicals rapidly decreased and in mountain areas, in particular, production became more extensive. However, the least productive areas with limited accessibility and environmental restrictions were neglected. The definition of the problem has changed meanwhile from preventing agricultural intensification to maintaining extensive farming and environmentally acceptable management.

The decrease in, or cessation of, human interventions (withdrawal of grazing, abandonment of meadows, etc.) in the Carpathian grasslands has resulted in the overgrowth of dominant species, degradation of mountain grassland habitats, and diminished diversity of landscapes/ecosystems, habitats and species. While collectivised agriculture was the principal cause of the abandonment of upland grasslands, the land remains abandoned even now, as it is no longer profitable for the average farmer to continue to utilise these upland grasslands given the low market incentives and the current time/labour and transport costs, as well as the one-off costs associated with fencing and procuring additional animals.

Development in the Morava river valley, neighbouring the Czech Carpathian Region and in the lower parts of the region, has been different, as the agriculture in these fertile areas can be financially profitable. The cooperatives underwent a process of transformation to the cooperatives of the landowners and only a small number of farmers deciding to farm independently. At present, these cooperatives continue farming at a scale similar to that practiced before 1989. The situation has changed in terms of land ownership, with landowners now having the power to influence the management of the cooperative, even though the size of farms has not changed greatly.

The most positive change is the settlement of the owners' rights: the landowners could now freely decide if they would like to join the cooperative or not. Stabilization of smaller agriculture cooperatives seems to be the most economic and reasonable way to continue farming in these areas.

The development of agriculture after the stabilization of the 1990s is characterized by a slow permanent decline of the area of arable land and an increase in the area of forests and grassland. CR submitted the official request to become a member of the European Union (EU) in 1996 and became a member in 2004. CR has adopted the EU agriculture policy, including the support measures for less favourable areas (LFA), support for ecological farming, reforestation, creation of permanent grasslands and many other areas. About one-half of all agriculture land within CR is in LFA areas, the portion of LFA within the Czech Carpathian Region is smaller, and constitutes about 30%.

Currently (beginning of 2007), CR has two years of experience approximating EU agricultural policy and using EU funds. This process has been important in gaining an enormous number of important experiences, not to mention the fact that the general income of agriculture has been doubled.

Forestry in the Czech Carpathian Region

Forest coverage in the Carpathian Region of CR, according to the Forest Management Institute, is 44.8%. The highest proportion of forest coverage is in the northern part of the region, in the Beskydy Mountains (71%). Carpathian Mountains are more often covered by beech forests and the proportion of the leaf forests is generally much higher here. There are several tens of small-protected areas (SPA) with natural or virgin forest in Beskydy and the White Carpathians. Although their area is not very big, together with the first zones of protected landscape areas (PLAs), they represent a very important source of the original genetic material of the natural Carpathian forests. One of the main problems of forestry is the very low level of natural species composition of the forests. The forests in the Czech Carpathian Region include a higher percentage of forest with inadequate natural species composition, but they also contain twice as many forests with a fully natural species composition. These forests are mostly concentrated at the higher altitudes of the mountains.

Table 1: Species composition of the forests in CR and in the Czech Carpathian Region

Level of natural species composition of the forests	Czech Republic as a whole %	Czech Carpathian Region %
Inadequate, natural species composition less than 10%	26.7	33.7
Very low, exotic species, natural species composition 11 – 30%	5.0	5.16
Low, monoculture, natural species composition 11 – 30%	25.3	15.66
Average, monoculture, natural species composition 31 – 50%	17.1	13.23
High, natural species composition 51 – 70%	10.9	10.7
Very high, natural species composition 71 – 90%	8.6	8.3
Unique, natural species composition more than 90%	5.1	11.36

Source: Forest Management Institute, 2005

Poor forest composition can lead to low resistance to pests, low water absorption capacity that can influence the flood situation, and decrease the natural biodiversity of forest ecosystems. With the exception of the first and second zones of protected areas and natural reservations, the clear cut method is usually used in forest management, which means destroying entire ecosystems, including the soil cover (due to the use of heavy vehicles), and renewal of the forest by planting out new trees that have been grown artificially. In most cases, spruce monocultures are still being planted.

General overview of agricultural sector in the Czech Republic

About 4,236 thousands of ha are used by farmers in CR constituting 54% of the state area. More than one-third of the land is covered by forests. The area of the agricultural land decreased by 15 thousand ha, but the area of the forestland increased by 16 thousand ha since 1995. While the area of the arable land is continuously decreasing, the area of permanent grassland has increased by 71

thousand ha. About one-half of the agricultural land lies in LFA, where the creation of the permanent grassland is supported.

Most of the agricultural land is owned by individuals and corporations. In 2004, only 559.7 thousands ha were owned by the state and rented through the Land Fund (Pozemkový Fond). High fragmentation of the ownership and enormous amount of rented land (90%) are typical for the Czech agriculture. Farms with more than 50 ha area occupy 92.2% of the managed agriculture land. In 2004, about 141 thousand people were employed in agriculture; this number has decreased from 10.3% in 1989 to 2.9% of all employed people and the decline is continuing.

Since 1989, the share of the agriculture within the gross domestic product has been decreasing step-by-step from 7% in 1989 to 1.88% in 2001. Agriculture production dropped by more than 30% in the period 1989 – 2001, with livestock production decreasing more than plant production. In addition, the consumption of industrial fertilizers decreased since 1989 to 1999 from 230 kg/ha to 65.6 kg/ha. Since 2001, the consumption of industrial fertilizers has slowly increased. (*HRDP, 2004; MoA*)

Organic farming (OF) began its formation in CR from the mid 1980's. The first three farms in the Jeseníky Mountains and the White Carpathians began changing over to OF in 1989. Since 1990, the first financial support was paid out, later it was rescinded in 1990 without a substitute and then renewed in 1998. Since 1998, there has been an increase in both the number of enterprises and the acreage of agricultural land farmed organically.

In 1993, a unified system of control was introduced and organic products and food were labelled with the uniform graphical logo BIO. In 1995, the control and certification system was accredited by IFOAM (International Federation of Organic Agriculture Movements) and a contract was signed on supervision in accordance with Council Regulation (EEC) 2092/91 with an authorised control organisation. This enabled the Czech organic products to be exported abroad and increased the international prestige of the Czech organic farming. Subsequently, in 1999 the Ministry of Agriculture entrusted all the controlling functions on organic farming to the public benefit corporation KEZ, which, until 2005, has been the only controlling organisation in CR. An appreciable shift came in 2000 through the acceptance of the Act on Organic Farming No. 242/2000 coll., which fully harmonised the Czech organic farming standards with those of the EU. This was also the year in which CR entered the "List of Third Countries", enabling it to export to the EU countries.

Currently, the areas of legislation, control and state support are ensured to a sufficient level, on the other hand there are areas (for instance, the domestic market of organic food, processing organic products, research, consultation and education of farmers), which are not sufficiently developed and need systematic support.

In the course of 2005, there was, for the first time in history of the Czech organic farming, a drop in the acreage of land farmed organically. This drop was 8,317 ha and the number of farms dropped by seven. As of 31 December 2005 there were 829 organic farms farming a total of 254,982 ha, which was 5.98% of the total agricultural land. The causes of this fall in the development of OF is not formally backed up by investigation. It can only be assumed that the 47 farms that have left the OF system did so due to the strict and administratively demanding controls and complications when upholding the OF standards. Another eight organic farms had their registration rescinded by the Ministry of Agriculture. However, on the contrary, another 48 new enterprises registered in the OF system. (*Organic Farming in the Czech Republic, 2006 Year Book*)

Land use, agriculture and forestry in the Czech Carpathians

Table 2: Land use in the Czech Carpathian Region

	<i>Agricultural land</i>	In it			<i>Non-agricultural land</i>	In it				Total
		<i>Arable land</i>	<i>Gardens, orchards</i>	<i>Permanent grassland</i>		<i>Forest land</i>	<i>Water body areas</i>	<i>Built up areas</i>	<i>Other areas</i>	
In ha	520,450	367,609	35,425	103,558	444,572	322,546	21,144	19,436	40,580	965,022
%	53.93	38.09	3.67	10.73	46.07	33.42	2.19	2.01	4.21	100.00

Source: Czech Office for Surveying, Mapping and Cadastre – district level data

Approximately 54% of the Czech Carpathian Region is used as agricultural land, mostly as arable land. Only 10.7% represents meadows and grasslands. 33.4% of the region is covered by forest. However, these numbers can differ because the delineation of the Czech Carpathian Region does not correspond to any administrative unit.

According to the Forest Management Institute, forest coverage in the Czech Carpathian Region is 44.8%. The highest proportion of forest coverage is in the northern part of the region, in the Beskydy Mountains (71%). The forest coverage in the White Carpathians is 45%. (National assessment of the national policy, legislative and institutional frameworks related to the Carpathian convention; 2006)

The percentage of the land use in the whole Czech Carpathian Region does not differ very much from the average of CR, but the situation looks different in the central mountain areas.

Table 3: Size of agricultural holdings in CR and Czech Carpathian Region

	Total	Holdings with agricultural land (ha)					
		smaller than 4.99 ha	5 – 9.99 ha	10 – 49.99 ha	50 – 99.99 ha	100 – 499.99 ha	500 ha and over
Czech Republic	54,639	33,259	5,898	9,462	1,864	2,259	1,897
%	100	61	11	17	3	4	3
Czech Carpathian Region	13,438	10,625	1,164	1,038	192	205	214
%	100	79.07	8.66	7.72	1.43	1.53	1.59

Source: Czech Statistical Office, 2004

Table 3 shows that the number of small farms (less than 5 ha) is significantly higher in the Czech Carpathian Region than in the whole country. In the central part of the mountains, this number increases and the average size of farms is even smaller.

Within the whole country, the holdings bigger than 50 ha occupy 92.2% of agricultural land, the numbers for the Czech Carpathian Region do not differ significantly. For instance, within the White Carpathians only a small number of large commercial farms, bigger than 500 ha, cultivate half of the agricultural land in the protected landscape areas (PLA). Generally, about 90% of farmers farm on leased land rather than land they own.

On the other side, the higher number of small farmers helps to preserve the high diversity of landscape and even biodiversity, as they are the subjects who keep alive the way of farming, most close to the traditional farming patterns. These people usually farm on their own land, sometimes still use their own seeds and often at least some members of the family also have an additional occupation besides farming.

Farming in the central (highest) areas of the Carpathian Mountains is now mostly oriented towards pasturing and grazing, production of hay and less towards producing potatoes, crops and vegetables. In the lower areas (river valleys), the farming is specialized in intensive production of vegetables, corn, cereals, industrial crops and in some areas – in vine production.

There are more than 165 organic farmers in the Czech Carpathian Region, covering about 35,244 ha of arable land and meadows, which is about 6.8% of the agricultural land. The percentage of the organic farms within the area is slightly higher than in the rest of CR. The reasons could be the suitable conditions for the OF in the Carpathian Mountains (e.g. long tradition of nature protection and cooperation between nature conservationists and farmers, less damage done by the socialist period in the sector of agriculture), but also the longest tradition of the OF within the country (the first organic farms in the CR were established in the White Carpathians).

1.3 Survey of rural development in the Czech Carpathians

Overall economic and social situation in rural regions

For the classification of rural regions, the EU uses the Organisation for Economic Cooperation and Development (OECD) methodology based on the criterion of the calculated population density. According to this method, the NUTS 3 regions can be divided into three types:

- Predominantly rural regions – more than 50% of the population living in rural municipalities (for this purpose defined as municipalities with fewer than 150 inhabitants per 1 km²),
- Significantly rural regions – 15 to 50% of the population living in rural municipalities ,
- Predominantly urban regions – less than 15% of the population living in rural municipalities.

In significantly and predominantly rural regions in the Czech Republic there are 9,050,006 inhabitants, who constitutes 88.6% of the Czech population and they cover 78,370 km², which is 99.4% of the territory of CR.

The statistical standard, commonly used in CR for determining rural municipalities, is 2,000 residents. Municipalities with fewer than 2,000 residents are considered rural. On the other hand, there are typical rural municipalities, which have more residents and thus, according to this criterion, do not fall into the rural municipality category, but are still not classified as towns (mostly in southern Moravia and the Ostrava Region, both parts of the Czech Carpathian Region).

Therefore, there are 5,612 municipalities in CR that fall into the rural category, which constitutes 89.82% of all municipalities. Rural municipalities govern an area that constitutes 73.6% of the area of the Czech Republic. However, only one quarter of the population (26.3%), which is 2,690 thousand residents, live there as of 1 January 2005.

Rural areas in CR are classified as suburban, intermediate or remote ones. At present, an unambiguously adopted definition of the above types does not exist. This is connected, in particular, with the fact that, in order to make the above classification, Czechs must apply a lower territorial unit than the regions or districts, or even the administration districts of municipalities with enlarged operation (206 units) or municipalities with delegated municipal offices (394 units). The individual municipalities (6,248 units) are, in contrast, too diverse, so that the most convenient level of detail is the small sub-regional unit (about 1,000 – 1,300 units) representing, in principle, municipalities with the basic infrastructure (school, post office, medical centre) and their nearest catchment areas. By means of the units defined above, it is consequently possible to define more coherent lands of three types: suburban rural areas, remote rural areas and intermediate areas. The suburban rural areas can be considered to be the rural municipalities in the framework of urban agglomerations, or

closely delimited urbanized areas (with more than 50,000 inhabitants), the remote rural areas include, in particular, the so-called peripheral lands, i.e. the lands with adverse social and economic characteristics of the population and settlement. Consequently, the intermediate areas include the remaining territory of CR.

While a natural process of spreading housing and economic activities from towns to the surrounding rural municipalities is ongoing in suburban areas and should be completed with the development of infrastructure, in the intermediate and remote areas it is necessary to use an entire set of instruments to enhance the diversification of activities as well as for the improvement of the quality of life to attract housing and enterprise.

From the comparison of the age structure of women and men, a higher difference is seen only for categories of the oldest age group (65 years and more), where in rural regions there are 16.5% of women in comparison with 11% of men from the total number women/men in rural regions. In the medium age group, there are 68.9% of women and 72.9% of men; in the youngest group, 14.5% of women and 16% of men.

Rural municipalities have a lower share of productive age population. The lowest share of population in productive age (66.5%) is in the smallest towns (up to 100 inhabitants) and its increase depends on the size category of the rural municipality. The depopulation of the countryside has stopped since the nineties; however, this is due to the massive construction boom of single-family houses in the vicinity of large towns and the creation of dense satellite towns in these areas.

In other areas, however, the depopulation of the countryside has not stopped. Amongst the main reasons are the absence of services, poor accessibility of healthcare and schools, poor public transportation and the lack of basic technical infrastructure. This is also the case of the smallest municipalities (up to 200 to 500 inhabitants). The countryside is also threatened by the migration of young people to cities.

According to the census for population, apartments and houses (CPAH), there were over 1.3 million economically active inhabitants in rural municipalities (according to the Czech Statistical Office, approximately 600,000 self-employed persons worked in rural regions in 2004). In comparison with cities, there is a lower level of economic activity in the countryside – less than one half of the inhabitants are active (49.35%), while in cities this is 52.06%. Unemployment in the country is higher and is more prevalent amongst women. There are also great differences amongst individual rural areas. The highest unemployment rate is in Moravian-Silesian Region (women - 17.8%, men - 11.9%), Ustecky Region (women 15.1%, men 13.9%) and Karlovarsky Region (women 10%, men 8.6%).

GVA (Gross Value Added) created in the rural regions made up 76.8% from the total GVA in the Czech Republic. The tertiary sector had the highest GVA (56%) with the highest rate of employment (53.2%), the secondary sector rate is 40.4% (employment 42%) and primary sector rate is 3.6% (employment 4.9%). In the rural regions, 87.2% of the working population were employed.

The major problem of the countryside is not any longer the preservation of agriculture, but the stabilisation of the rural population. The share of the workforce in the agricultural sector (11% in rural areas and 3.8% overall) is not a sufficiently stabilising factor of the rural population. There is a need for change in the economic structure of the countryside and the creation of an attractive environment for living as well as favourable business environment, including the conditions for small entrepreneurs, i.e. to support a creation of new jobs by the diversification of economic activities, as well as to use general policy measures for improvement of the quality of life in the rural areas.

The economic activity structure in rural areas is much poorer than the nationwide average. Only 18.8% of farmers engage in other profitable activities outside agriculture. This is particularly marked for market services, including advisory services for enterprises. These activities are concentrated in towns, and Prague significantly raises the nationwide average. In CR, rural tourism has not yet been fully developed and the potential of agricultural farms in the area of agrotourism is not utilised. The tourism infrastructure and promotion in these areas are at a low level and do not conform to European Union standards and support services (accommodation, dining, information).

The countryside in CR has a large potential of natural and cultural heritage, which could be used for economic and social development of the rural areas. Very often, this potential is underestimated and unused.

Villages are not well prepared for new construction. The countryside has a high natural heritage potential. In many places, this potential is undervalued and not utilised. Some villages have public spaces without much public greenery, while others contain architecturally inorganic buildings or constructions which have lost their purpose. In terms of the equipping of rural municipalities with civil and technical infrastructure, most (approximately 62%) have basic civic facilities. Improvements are continually being made in the equipping of rural municipalities with technical infrastructure, but the level is far from sufficient. In 2004, more than 80% (63.7% in a size category of up to 199 inhabitants) of municipalities had a public water main distribution system. The percentage of municipalities with a sewage network connected to a water treatment plant increased to 26.1% (to 7.7% in the smallest municipalities). The condition of local roads is highly unfavourable. Poor transport accessibility and infrastructure together with insufficient equipment inhibits from further development of housing and enterprise activities in remote municipalities.

CR is well covered by high-speed internet (90% of the territory in 2005). Nevertheless only 3.8% of the total number of inhabitants in rural areas uses the connection to it. (RDP, 2006)

Specificities of the Czech Carpathian Region

In comparison with the whole CR, the structure of the settlement in the Czech Carpathian Region greatly differs. For the entire eastern part of the country, bigger villages with a high number of inhabitants are typical. The villages of 500 to 5,000 people present almost 60% of all the municipalities here. Municipalities of this size mean more stability in the rural development, as it is simpler to provide the public services and job opportunities in bigger municipalities.

For the central part of the Carpathian Mountains (the White Carpathians and Beskydy) a different type of the settlement is typical. Small villages with individual houses, spread within a wide area, surrounded by small meadows, fields, orchards and forests, can be found in the central part of the White Carpathians, called Moravske Kopanice. Another type of small village with individually located houses is also typical for Valašsko – the northern part of the Czech Carpathian Region.

Although from the statistical point of view, these types of landscapes and settlements do not appear to be very important, they present a significant contribution to the landscape, as well as to biological and cultural diversity. Similarly, just these types of small villages are the least stable municipalities with a large number of local people leaving for other places (in some villages the number of inhabitants decreased by 70% since the 1960s).

Table 4: Size of municipalities, comparison of CR and the Czech Carpathian Region

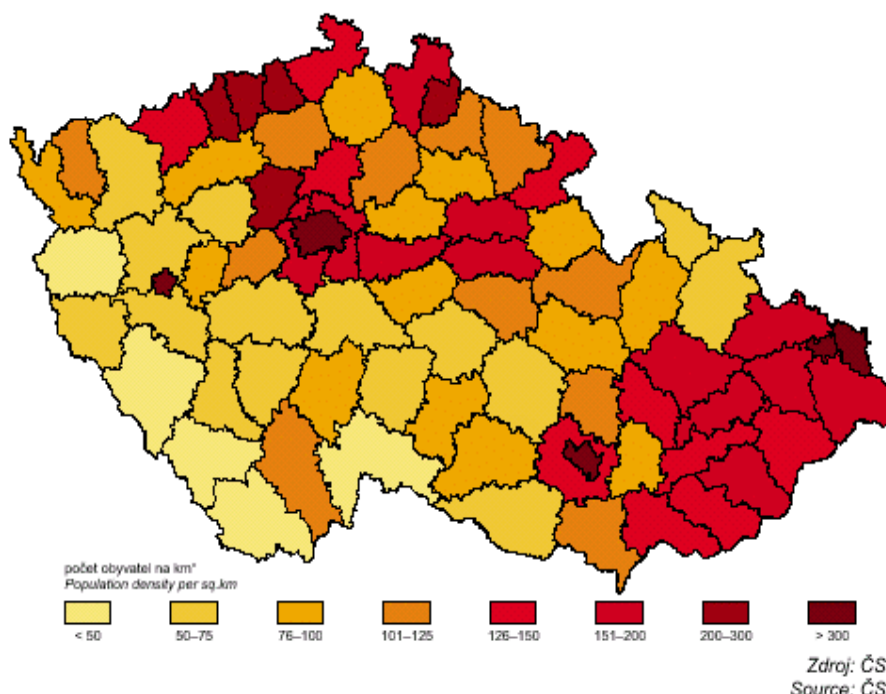
	Number of municipalities, total	By population						
		Under 200	200 - 499	500 - 999	1,000 - 4,999	5,000 - 19,999	20,000 - 49,999	50,000 and over
Czech Carpathian Region	885	62	248	267	249	40	15	4
%	100%	7.01%	28.02%	30.17%	28.14%	4.52%	1.69%	0.45%
Whole CR	6,248	1,614	2,016	1,302	1,047	206	41	22
%	100%	25.83%	32.27%	20.84%	16.76%	3.30%	0.66%	0.35%

	Population, total	In municipalities with population						
		Under 200	200 - 499	500 - 999	1,000 - 4,999	5,000 - 19,999	20,000 - 49,999	50,000 and over
Czech Carpathian Region	1,863,490	8,990	86,075	191,967	506,045	335,348	448,972	286,093
%	100%	0.48%	4.62%	10.30%	27.16%	18.00%	24.09%	15.35%
Whole CR	10,251,079	197,865	655,165	910,087	2,068,485	1,893,621	1,197,676	3,328,180
%	100%	1.93%	6.39%	8.88%	20.18%	18.47%	11.68%	32.47%

Source: Czech Statistical Office, 31 December 2005

Map 4: Population density per district in CR

Obr. A1.1.1 Hustota zalidnění v okresech k 31. 12. 2003
Population density per district as of Dec. 31, 2003

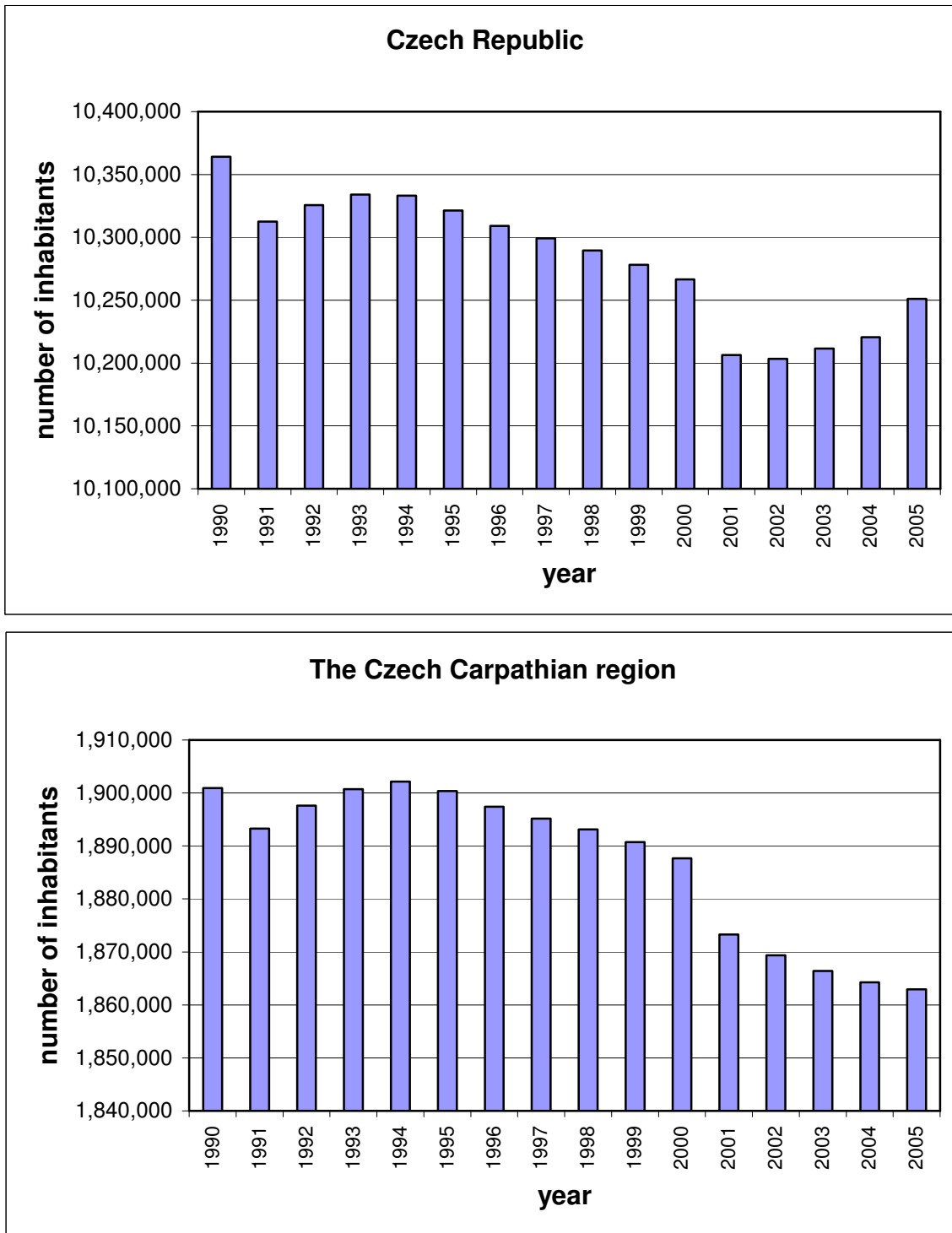


Source: Czech Statistical Office, 2003

The Czech Carpathian Region belongs to the part of CR with a high population density, which can also be seen as a sign of certain stability. The general depopulation rates of the Czech Carpathian Region do not differ from the average of the country. While the total number of inhabitants in the Carpathian Region is continually decreasing, this trend is critical in the most

valuable parts of the Carpathian Mountains: in the small marginal villages of the White Carpathians and Beskydy.

Figure 1: The population size in CR and in the Czech Carpathian Region (1990 – 2005)



Source: Czech Statistical Office, 2005

The unemployment rate in the Czech Carpathian Region at the end of 2006 was 8.85% compared to 7.7% for the entire country. Differences in the unemployment rates within the country are rather striking. In the bigger towns, the unemployment rate is lower than 7%, but in the marginal countryside it often exceeds 10%. In some villages, it can temporarily reach 20%, which is critical

for the local economy. It is also higher within different age and gender groups: e.g. women and older people as well.

Generally, most of the trends described in the chapter “Overall economic and social situation in rural regions” of this report can be seen in the Czech Carpathian Region, with **the following characteristics typical for the mountain area:**

- The landscape value and the diversity are higher;
- The connection between traditional forms of agriculture and the value of the landscape are more evident and stronger;
- The tendency of migration from small villages and rural areas is stronger, especially in the central parts of the mountains;
- The age structure of the inhabitants is less favourable and the unemployment rate is higher;
- The social equipment (like shops, schools, doctors, etc.) and civil infrastructure are in poorer condition;
- Within the Czech Carpathian Region, there are huge differences in the social structure and age structure, stability of the settlement and rates of unemployment.

1.4 Entry point of policy assessment and justification of its choice

The key issues for the formulation of the entry point appeared during interviews with the stakeholders and experts. After the completion of the interviews, all informants were requested to summarize the priority issues for SARD from their point of view. During identification of the key issues, the study also took into account the results of some previous projects and activities, especially the ANPED project “Public Participation in the Implementation of the Carpathian Convention” (2006), which had collected a wide range of stakeholders’ opinions; and the National Assessment of the National Policy, Legislative and Institutional Frameworks Related to the Carpathian Convention prepared in the framework of the Umbrella Project financed by the Italian Ministry of Environment, Land and Sea (IMELS) and implemented by the Regional Environmental Centre (REC) in partnership with the European Academy (EURAC). The analysis of the specificities of the Czech Carpathian region was then taken into account as a basis for the formulation of the entry point.

In light of the literature review and discussions/interviews with key informants, the following key issues were identified as being important for SARD-M:

Agriculture

- In the area of agriculture, the biologic/nature-friendly, sustainable methods of management are necessary, including organic agriculture, support of local products and bio-products, preservation and restoration of traditional methods of management (or, where this is impossible, replacing them by modern environmentally friendly methods with desired results), conservation of traditional breeds and plant varieties.
- Protection of the gene pool - biodiversity, conservation of native breeds and plant varieties together with the complex protection of species and ecosystems, reintroducing native breeds and plant varieties to the landscape.

Forestry

- In the forestry sector, application of environmentally friendly management systems and solving the issue of allocation of subsidies are necessary.

Rural development

- Respect for and support of the unique Carpathian phenomena, knowledge and awareness of the local culture, preservation of traditional knowledge, skills and architecture.
- Providing support to the local people, promoting them and helping them to keep or build a respected social status, based on the sense of belonging to the Carpathians as inhabitants of the region as well as their financial self-sufficiency.

Biodiversity and landscape protection

- Preservation of the unique character and high biodiversity of the landscape.
- Protection and renovation of the water regime in the landscape as one of the basic conditions for keeping the countryside alive.

Regarding the fact that there is no SARD-M policy in CR, policies and policy frameworks relevant to the identified issues will be examined in the assessment.

2. SARD-M policies within the Czech Republic's framework

2.1 Political history and system of governance

Following the First World War, the closely related Czechs and Slovaks of the former Austro-Hungarian Empire merged to form Czechoslovakia on 28 October 1918. During the interwar years, the new country faced a 20-year period of democratic rule, with a well-developed economy. However, World War II interrupted this development; the country was separated into an independent Slovakia and the Protectorate of Bohemia and Moravia, controlled by Germany. After World War II, a truncated Czechoslovakia fell within the Soviet sphere of influence. In 1948, the Communist Party won the election, took control over the entire country and opened a 40-year long period of centralised control of the economy. During that time all private property was nationalized, property rights were seriously damaged, as well as the traditional relationships between people and landscape in rural areas. With the collapse of the authority of the Soviet Empire in 1989, Czechoslovakia regained its freedom. The country started the process of rebuilding its democratic structures, restoring private properties and privatising state controlled properties. The Czech Republic and Slovakia have existed separately since 1 January 1993. Integration with the European Community and European security structures became an objective of both states. Mutual relations were kept above standard due to the intermixture of citizens after almost 90 years of coexistence in one state.

CR became a member of the North Atlantic Treaty Organization (NATO) on 12 March 1999. CR is now a formal member of NATO and the United Nations (UN), and its military or peacekeeping forces have participated in missions to Iraq, Croatia, Kosovo, Afghanistan and many other countries. An affiliation agreement between CR and the European Community was concluded on 4 October 1993 and took effect on 1 February 1995. The process of convergence with the European Community culminated with CR becoming a member of the European Union, along with nine other states, on 1 May 2004.

Currently, CR is a fully democratic country with a stable political culture and growing economic power. The positive results of economic transformation and democratic administration are apparent: increasing living standards of its population are noticeable and are approaching the standards' levels of the European Union.

Public administration, or the management of public services, is decentralized. Currently, there are only a few issues managed directly and purely by the highest administrative level - the state - which are not partly or fully transferred to the regional or local level (like the security of the state, international policy etc.).

Modern Europe implements decentralization processes. Subsidiarity is the key principle for further development, as it sets basic criteria for dividing competences between the state and its administration units. This principle ensures that all issues are to be solved at the lowest possible level and in consideration of effectiveness. The principle of subsidiarity is not applied only in the cases where other principles, such as the control or separation of powers, need to be respected.

The territory of CR is administratively divided into 13 regions and the capital city of Prague. The Czech Carpathian Region overlaps with four regions, occupying different parts of them. The basic territorial units are municipalities and corporate towns. Earlier, 77 districts were abolished and their power was conferred upon regions and chosen municipalities. However, for some purposes, such as collecting statistical data, the districts are still used.

There are 6,249 municipalities in CR (as of 2004). Each municipality is administrated by a mayor, and the head of corporate towns is a lord mayor. Regions are administrated by a marshal; only in the capital city of Prague is this position reserved for Prague's lord mayor.

2.2. Policies

There is no SARD policy formulated in the Czech Republic, as well as no specific mountain focused policy. The National Biodiversity Strategy is the only strategic document, which tried to formulate specific aspects for mountain policy. However, the Strategy is not yet followed by an action plan or other concrete steps and the only way for it to implement its measures was in another strategic document, related to a distribution of EU funds (Rural Development Programme - RDP). This process was partly successful, as the coherency was one of the priorities during preparation of RDP.

Almost all of the agricultural processes in the Czech Carpathian Region are influenced by existing strategies, during the years 2004 – 2007 the leading influence was the OP (Operational Programme) Agriculture and HRDP (Horizontal Plan for Rural Development). The only measure oriented towards mountain agriculture was support for LFA – maintenance of the grassland. The main inputs of these policies to agriculture and landscapes in the Czech Carpathian Region were generally higher income in the agricultural sector, application of agro-environmental programmes which helped to stabilize agriculture in the mountain areas, gaining practical experience with implementation of EU policy in the existing conditions of the Czech Republic. However, not all measures, which are considered successful in the situations of the other European countries, seem to be successful in CR.

There is a large difference in the size of the farms and parcels of land, and the result is that measures which can successfully support the preservation of biodiversity in the countryside consisting of smaller meadows, fields and farms, fail in the countryside consisting of larger meadows and fields. One size does not fit all. The entire scale of the Czech agriculture is still based on big farms and big agricultural processing companies. It is very complicated for the smaller units to find their place under the sun.

Another difficult point is the inadequate feedback provided for all the implemented strategies – there is practically no evidence of their impacts on landscapes, biodiversity or mountain areas.

The implementation of the OP Agriculture and HRDP brought many concrete impacts on agriculture, forestry and rural development in the Czech Carpathian Region. They are described further in detail in the section on Policies – Strengths and Weaknesses.

It is necessary to admit that although the current agricultural and forestry policy is oriented on the environment, it is more the result of accepting the current EU policy than the result of a real political will to pay attention to sustainable agriculture or the specific needs of mountain areas. On the other side, the necessary part of the preparation of these strategic documents was a wide set of discussions on different levels, which helped to increase awareness of this topic.

The controversial point of the SARD-M assessment in CR is the evaluation of the macroeconomic policies, as there is no attention paid to their influence on rural areas and mountain areas. Discussions are held currently on the consequences of the planned tax reform, which is under preparation. The currently valid Act on the Budget Allocation of Taxes discriminates against small villages and limits their budgets. However, at the present moment nobody can predict the result of these discussions or if and when the tax reform will be adopted by Parliament. The reform would also change the support farmers currently receive in the form of “green oil”. Currently “green oil” is

a poorly hidden subsidy, based on a remission of VAT from the oil used during the agricultural work. The support is not related to the environment and has an influence on transport in agriculture. Part of the tax reform would change this support into support for the use of renewable sources of energy in transport in agriculture.

Sustainable development

- **Sustainable Development Strategy**, (approved by Government decree No 1242/2004 of 8 December 2004)

Its primary role is to provide timely warning of any existing or potential problems that might endanger the Czech Republic's transition to sustainable development and to initiate measures designed to prevent such threats or at least mitigate their impact and deal with any consequences.

The Strategy defines strategic goals within three main pillars – economic (strengthening the competitiveness of the economy), environmental (protecting nature, the environment, natural resources and the landscape, environmental limits) and social (strengthening social cohesion and stability); and in the areas of research and development, education; European and international context and good governance.

The adoption of the Strategy itself does not result in any increase in the financial demands placed on the State Budget. The Strategy's goal is to establish a broad consensual framework for drafting of other conceptual documents (sectoral policies or programmes of action) and it should serve as a basis for strategic decision-making in individual sectors and for co-operation between sectors and with interest groupings, and thus it should be noted that the impacts referred to above will not be triggered until the implementation of individual sectoral strategies, policies or other programming instruments.

The Strategy is not followed (and is not meant to be followed) by any action plan or any other detailed documents, describing concrete steps and measures. The intention is to apply it through other sectoral policies which may aim at implementation at different levels in different sectors. It may depend on a level of commitment to and understanding of the principles of sustainable development. It also strengthens the need for multidisciplinary discussions within preparation of the sectoral strategies. The Strategy will be regularly updated; a new version is under preparation during 2007.

The responsible body had been the Council of the Sustainable Development, under the jurisdiction of the Government, until the last year when the Council was removed to the competency of the Ministry of Environment. It has decreased its role as a multidisciplinary body. The evaluation report on the SAD was published in 2006. It describes the development within all three pillars of the strategy, but slightly represses the significance of the mutual interactions between the pillars. The evaluation does not show any direct impact on SARD.

Agriculture

- **Concept of Agrarian Policy for 2004 – 2013 (CARP)** (adopted by Governmental Decree No 584/2004 on 9 June 2004)

CARP formulates the strategic goals of agricultural policy in CR, such as preventing the abandonment of agricultural land; increasing the competitive advantage of agricultural and food products based on higher quality, security, diversity and added value; preserving the cultural agricultural landscape; reducing the pressure caused by agriculture on biodiversity; making a

deeper connection between agriculture and rural development; and enhancing agricultural production using renewable sources of energy. The dominant vision of CARP is a multifunctional agriculture and countryside with strong environmental aspects. CARP was assessed using Strategic Environmental Assessment (SEA).

CARP is a key strategy used for formulation of detailed documents, which created a basis of distribution of the financial support from the EU sources in agriculture, such as **Operational Programme “Rural Development and Multifunctional Agriculture”** and **Horizontal Plan for Rural Development 2004 – 2006**. The application of these two documents increased the general income in agriculture and has brought a wide range of experiences at all levels that were used during formulation of a new strategic document, a **Rural Development Programme. The Programme** will serve in implementing next steps of the integration process with the EU agriculture policy.

The influence of the implemented measures on SARD is essential – and has many positive and some negative aspects. They are summarised in the next part of this chapter.

▪ **Operational Programme (OP) “Rural Development and Multifunctional Agriculture”**

The “Rural Development and Multifunctional Agriculture” Operational Programme (Agriculture OP) represented a detailed elaboration of the fifth priority axis of the National Development Plan (NDP) of CR for the period 2004-2006.

In accordance with the fifth priority axis of the NDP, the Agriculture OP applies to the regions of CR falling under Objective 1 (the territory of CR except for the capital city of Prague). The content of the Agriculture OP has been defined in relation to the other operational programmes and there are no overlaps with them.

The purpose of the Agriculture OP is to support primary competitiveness of agricultural sector as a whole, a higher level of the processing of agricultural products, good forest and water management as well as fisheries and to provide for a sustainable development of rural areas.

The objective of the Agriculture OP is, in accordance with the global and specific objectives of the National Development Plan, to support sustainable economic growth as well as growth in the quality of life of the population, based in particular on:

- Increasing competitiveness of the sector
- Providing for employment and human resources development
- Reducing disparities in social conditions
- Preserving the cultural landscape
- Protection and improvement of environment.

▪ **Horizontal Plan for Rural Development (HRDP) for 2004 - 2006**

HRDP was adopted by the Government as a main tool to implement EU policy, defined by the EC Directive No 1257/1999 and to draw support from the **European Agricultural Guidance and Guarantee Fund (EAGGF)**. It covers financial tools such as payments for Less Favoured Areas (LFAs), agro-environmental programmes, afforestation and early pension leaves. The main goals are to protect and enhance the environmental functions of rural areas, to increase the territory of forest on agricultural land; and to keep agriculture in LFAs in line with the goals of environmental protection.

▪ **The Rural Development Programme (RDP) of the Czech Republic for the period from 2007 to 2013**

RDP proceeds from the National Strategic Plan of Rural Development. It was prepared in accordance with Council Regulation (EC) No. 1698/2005 and operating guidelines of the above-stated standard.

Rural Development Programme measures will assist in achieving goals of the Lisbon Strategy in all its areas:

- Society based on knowledge
- Home market and business environment
- Labour market
- Sustainable development.

The Programme, which will be approved by the Czech Government, will encompass the territory of CR and it will set the rural development policy in CR for the period of 2007 - 2013.

AXIS I: Improving the competitiveness of the agricultural and forestry sector

The development axis is divided into two priorities, and has a 22.39% share of total EAFRD financial allocation.

Priority 1.1 Modernisation, innovation and quality

The priority “modernisation, innovation and quality” encompasses groups of measures for support to agricultural enterprises and their activities, improvement of the quality and added value of agricultural and food products, forest management and improvement of the adaptation and development of rural areas.

The maximum amount of financial resources – 92.18% of resources intended for Axis I – is focussed on this priority.

Priority 1.2 Knowledge transfer

The priority “knowledge transfer” includes groups of measures for support of vocational training and use of advisory services of entrepreneurs in agriculture, food industry, forestry and additional measures for the support of young farmers and early retirement from farming.

In the priority framework, 7.82% of financial resources are allocated to this priority.

AXIS II: Improving the environment and landscape

The development axis contains three priorities and its share of total EAFRD fund allocation totals 55.2%.

Priority 2.1 Biodiversity, conservation and development of agricultural and forestry systems with a high added value and traditional agricultural landscapes

The priority supports increasing biodiversity in landscape and is focused on the conservation of natural resources. For this priority, 80.0% of Axis II resources are allocated.

Priority 2.2 Water and soil protection

This priority supports the protection of natural water regime quality in the landscape using suitable agricultural systems. In the framework of Axis II, 14.76% of resources are dedicated for it.

Priority 2.3 Mitigation of climate change

The priority supports cultivation of renewable energy sources, reducing the emission of greenhouse gases and maintaining forest functions. The share of the priority in the total volume of Axis II equals 5.14%.

AXIS III: Quality of life in rural areas and diversification of rural economy

The development axis is divided into three priorities and its relative share of EAFRD fund allocation equals 16.93%.

Priority 3.1 Creation of employment opportunities and support of use of renewable energy sources

The planned share of financial resources in the framework of Axis III is 50% for this priority in total, while the main emphasis will be placed on diversification of agricultural activities, support for establishment of enterprises and support of tourism. In the framework of diversification of agricultural activities, support of energy self-sufficiency of the countryside and reaching of the Czech Republic commitments to achieve 8% of energy from renewable resources will be the main goal. The priority is oriented towards securing compensation for expected decline in job opportunities in agriculture and food sector, and therefore fulfilment of the Lisbon Strategy goals.

Priority 3.2 Conditions for growth and quality of life in the countryside

The priority is oriented towards improvement of the conditions for growth and quality of life in rural areas (infrastructure, water purity in municipalities, cultural and social infrastructure). The largest share of financial resources in the framework of Axis III is allocated for Priority 3.2 in sum – 48%.

Priority 3.3 Education

The priority is aimed at education and information for business entities to which Axis III is applied. The priority shares in total allocation of Axis III with 2% of financial means.

AXIS IV: Leader

The aim of axis IV - Leader is mainly to improve the quality of life in rural areas, to strengthen the economic potential and utilisation of rural natural and cultural heritage, plus enhancement of management and administrative skills within rural municipalities.

The Leader principles provide a good approach since they lead to positive effects, following from connecting various stakeholders active in rural space. Local action groups using the Leader principles are not antithetical to local government, but appropriately complement it in efforts for the restoration and development of municipalities and contribute to the development of agriculture and care for nature and landscape.

The long experience of municipalities, municipal associations and local action groups with programme development and with project preparation and implementation (POV, SAPARD, LEADER CR, OP Rural Development and Multifunctional Agriculture) is also significant. A positive comment from programmes which have used the Leader programmes to date is that local action groups are fully aware of the necessity to create reserves of high-quality projects, in the interest of the use and due evaluation of local specifications as preparation for the new EU programme period 2007 – 2013 and the real use of the European Agricultural Fund for Rural Development as an instrument of the EU Common Agricultural Policy.

Despite the short experience with the Leader approach in CR, it is possible to state that results achieved to date have displayed their singularity and extraordinary contribution to the development of rural micro-regions. In the conditions of CR, where there is still a way of thinking prevalent in many public institutions oriented to the past central management with its targeted limitation of local and individual initiatives, this new method is a significant innovative element. It provides sufficient space for active engagement of all rural stakeholders into micro-region development at the local level, including delegation of responsibility for the results of these activities to a local level. Already during the first two years of the Leader approach's application in CR, one can see a strong interest in the implementation of this method in the countryside, which continues to grow.

The development axis encompasses 1 priority, with a share of 5.00% of the EAFRD financial allocation.

- **Organic Agriculture Action Plan of the Czech Republic** up to 2010 (Government Decree No.236/2004)

It contains an analysis of the current state of organic farming in CR, including SWOT analysis and statistics; it describes the main legislation, as well as control and certification issues.

It defines the main goals and priorities in six areas:

- Relationship to the environment and animal welfare
- Strengthening the confidence of consumers and propagation
- Processing and management
- Ability to support business and economic vitality
- Research, education, counselling
- Political tools and solutions.

Forestry

- **The National Forestry Programme** (adopted by Governmental Decree on 13 January 2003)

The strategic goals of this programme follow the forest strategy adopted by the EU on 14 December 1998. The main principles of this programme are:

- Sustainable forest management
- Limiting administrative interventions to the unavoidable minimum
- Motivation to support public interest
- Increasing the responsibility of owners.

The strategy adopted the following criteria from the EU policy:

- Preservation and reasonable increase of forest resources and their contribution to the global carbon cycle
- Preservation of the health and viability of forest ecosystems
- Preservation and support for the productive functions of forests (production of wood and other products)
- Preservation, conservation and enlargement of the biological diversity of forest ecosystems
- Preservation and increase of the protective functions of forest management
- Preservation of other socio-economic functions and conditions.

The National Forestry Programme is missing a detailed action plan including financial costs. The needed support for the forestry is provided by the state subsidies, which should be based on the Programme. Much higher support to forestry will be provided from the EU sources through the Rural Development Program. The NFS was used as background material during its preparation. Currently, a new version of the Programme is under preparation.

Protection of environment and nature

- **State Environmental Policy (SEP) 2004 - 2010** (approved by Governmental Decree No 235/2004 on 17 March 2004)

The basic purpose of the SEP CR continues to be the provision of a framework and guidelines for decision-making and activities at an international, national, regional and local level, leading to:

- Achieving a further improvement in the quality of the environment as a whole and in the state of its individual components and parts
- Implementing the principles of sustainable development and continuing the integration of environmental aspects into sectoral policies
- Improving the economic effectiveness and social acceptability of environmental programmes, projects and activities.

The priority areas of the updated SEP CR are compatible with the 6th EAP (Environmental Action Plan EU). Attention is primarily given to resolving ongoing and newly emerging environmental impacts in the following areas:

- Nature protection , landscape and biological diversity
- Sustainable use of natural resources, protection of waters and protection against floods, optimisation of material flows and waste management
- Reducing the damage to the environment resulting from human activities, improving environmental standards for the quality of human life
- Protection of the climate system of the earth and prevention of long-range transportation of air pollution.

One of the goals is to promote environmentally sound farming methods in an attempt to increase the proportion of the area of the agricultural land fund on which environmentally sound agriculture is carried out to at least 6% by 2005 and to at least 10% by 2010, particularly in specially protected territories and protected areas. On 31 December 2005, there were 829 organic farms farming a total of 254,982 ha, which was 5.98% of the total agricultural land.

The SEP CR is also a document for strengthening and improving partner cooperation with other sectors – corresponding to the principles of sustainable development. Consequently, the part concerned with sectoral policies attempts to predict areas of further cooperation that would contribute to a better understanding and the more effective integration of environmental aspects into the activities of partner ministries. This cooperation would also support the implementation of those targets of other sectors that are in accordance with the principles of sustainable development. It could also assist in separating the trends of economic development from the continuation of the negative impacts of their activities on the environment.

It offers a range of instruments for achieving the set targets. It is assumed that, for each of these targets, a combination of regulatory, economic, institutional, organisational, informational, voluntary and other instruments will be selected in cooperation with all stakeholders to enable the required results to be achieved with the minimum demand of financial, human, technical and

other resources. A set of indicators is proposed for monitoring the effectiveness and efficiency of implementing the updated SEP CR, corresponding to the indicators monitored in the framework of the European Union and OECD.

- **National Biodiversity Strategy (NBS) of the Czech Republic** (adopted by the Government under No. 620/2005 of 25 May 2005)

The strategy is prepared according to the structure of, and in accordance with, the EC Strategy. It is prepared as a commitment adopted under the ratification of the Convention on Biological Diversity. The division of individual chapters into strategic themes (ecosystem approach, in-situ conservation, ex-situ conservation, sustainable use, etc.) and the integration of biodiversity concerns into sectoral policies (agriculture, forest ecosystems, water and wetland ecosystems, etc.) are maintained. The **National Biodiversity Strategy** has adopted all the measures of the above-mentioned **State Environmental Policy**.

The National Biodiversity Strategy of CR is the only one strategy, which focuses on mountain ecosystems in a separate chapter and defines the status, the main problematic issues and the following objectives:

1. Reduce unfavourable phenomena such as the main threats to mountain biodiversity; conserve and, where possible, restore the original mountain biodiversity; support the sustainable use of natural resources or maintain genetic diversity in mountain areas in particular through the preservation and maintenance of traditional knowledge and practices;
2. Monitor the development of biodiversity in mountain ecosystems with emphasis on global climate change, on health conditions, on the population dynamics of native plants and animals, on increasing the size of selected wildlife populations, and on invasive species. Pay increased attention to research and management for all endemic and biogeographically important populations;
3. Preferentially use geographically indigenous species as source populations for further use in afforestation and reclaiming, particularly suitable biological ones, with the aim of ameliorating the soil chemism;
4. Manage in a sustainable manner the non-forest – semi-cultural and cultural – ecosystems (by mowing, grazing) depending on the management needs of the individual populations and municipalities;
5. Eliminate the excessive introduction of xenobiotic substances causing unnatural acidification and eutrophication from global, regional and local pollution sources. Prevent the excessive introduction of chemical substances in forestry and agricultural amelioration (fertilization and liming);
6. Prevent the afforestation of naturally forest-free areas of the arctic-alpine tundra (e.g. cirques, spring areas, sites with occurrence of important periglacial formations), encourage a gradual increase in the proportion of indigenous species in the individual habitats;
7. Concentrate management on changes in the species composition and spatial structure of forests aimed at the natural state of affairs, with preference to semi-natural measures of forest management: avoid removing hollow and all dead trees, give preference to small-scale and undergrowth management. In forest ecosystem management, use sound technologies with the aim of minimizing unfavourable impacts on natural habitats;
8. Direct and control tourism, sports activities (tourist paths, newly established sports resorts, mountain climbing, auxiliary infrastructure) and transport to less sensitive (vulnerable) and less important areas from the viewpoint of nature conservation in accordance with the Principles of Sustainable Tourism in Vulnerable Ecosystems. In areas inhabited by animal species sensitive to stress factors, establish quiet zones with limitations on the entry of tourists and on other effects;

9. Reduce damage to the mountain landscape character / scenery with the construction of vertical structures (e.g. towers of mobile operators, transmitters, wind farms, flood-light towers), including the effects of light pollution;
10. Consistently direct all developments in mountain areas by drawing up land-use and territorial documentation which corresponds to the principles of sustainable development and the carrying capacity of the environment; and
11. Encourage cross-border cooperation in biodiversity conservation of border mountain systems (Agenda 21).

The chapter on sustainable agriculture defines the following measures

1. Maintain farming on existing grasslands, particularly in habitats belonging to the Natura 2000 network;
2. Promote and support environmentally sound farming (see SEP, CARP) characterised by high heterogeneity (technological approaches, quantity, type and application of fertilisers and plant protection preparations, sowing procedures, etc.). Encourage technologies that increase productivity, but also reduce degradation as well as restore and enhance biodiversity. These could include, *inter alia*, organic and integrated farming, integrated pest management, biological control and suitable harvesting methods;
3. Encourage the restoration and creation of ecologically important landscape features (hedges, hedgerows, line and non-forest greenery, grasslands, especially floodplain meadows, etc.);
4. Encourage the maintenance of traditional crop varieties and farm animal breeds; and
5. Encourage farming by minor entities, enhance the capacity of local owners of land and rural municipalities for the sustainable use of biodiversity on agriculturally managed land, and promote public awareness.

Chapter on grassland ecosystems

1. Maintain vegetation with high plant diversity as it is important for the future stability and resilience of vegetation under the conditions of global climate change;
2. Preserve existing species-rich vegetation to ensure the attractiveness of the landscape for tourism, recreation and leisure;
3. Stop the spread of expansive bushes to selected sites on white slopes;
4. Restore the hydrological function of selected floodplains and drained depressions and reduce excessive supply of soil nutrients from former intensive fertilization in relation to restoration of wetlands and hygrophilic vegetation;
5. Comply with the regulation management prescribed in the plans for modified terrestrial and semi-terrestrial lands in projects within the River System Restoration Programme, which consists of mowing established meadows and occasional regeneration of wetland vegetation (e.g. by mowing in the winter or using harrows). Permanent management is necessary to protect restored areas against the spread of expansive and/or invasive plants, as they are particularly vulnerable in the first few years;
6. Implement effective management interventions and permanent monitoring of the existing residual habitats for salt-marsh vegetation; in the next phase decontaminate this at ploughed sites around subhalophilic fishponds and watercourses;
7. Concentrate scientific research primarily at Natura 2000 sites to permit the identification of the patterns governing the coexistence of flora and fauna in well-preserved ecosystems. Use targeted management of the vegetation to evaluate the effectiveness of management procedures at selected sites. Continually study the effects of traditional management procedures, methods and techniques as proposed optimal measures;
8. In general, respect and maintain at a maximal level the farming procedures and activities that have led to stabilization and subsequently the existence of the relevant components in

the vegetation cover over the centuries. Emphasize and monitor compliance with the principles of sustainable harvesting of grass vegetation (i.e. select a frequency of mowing or pasturing or a combination of these to prevent excessive damage to and impoverishment of the vegetation). Preserve or recover/restore abiotic conditions (especially the water regime for hygrophilic vegetation) to conserve and ensure the permanent existence of diverse and balanced ecosystems;

9. In the framework of education of habitat managers, raise awareness of the necessity of preserving grassland ecosystems and of the advantages of their existence for the development of the area to increase the feeling of responsibility in public for the appearance and functioning of landscape structures.

The chapter on forestry defines the following measures

1. Maintain or increase the current forested area as a minimum basis for ensuring the needs of forest biodiversity conservation, while maintaining all other forest functions;
2. Enact alternative methods of drawing up the forest management plans on the basis of operational inventories, as an instrument for encouraging the transition to environmentally sound management methods;
3. In the renewal of forest stands, ensure the proportion of tree species belonging to the natural species composition (NSC) in economic forests; promote the use of NSC species over and above the minimum framework. At the same time, provide for a certain proportion of ageing and dead trees in forest stands as refuges for municipalities of organisms bound to such trees;
4. Adopt measures to increase the proportion of the natural renewal of forest stands that are suitable from the viewpoint of species and genetic aspects;
5. Apply the principles of the ecosystem approach in the use of the components of forest biodiversity;
6. Use the results of research carried out to date and the outcomes of the monitoring of the effects of pollution levels on forests and forest land to specify the current problems related to the restoration of forest ecosystems in areas that have been exposed to higher pollution levels, particularly in the past;
7. Use the outcomes of research that have already been started to finalise the methodology for describing the state and monitoring of the biodiversity of forest ecosystems and consider the possibility of incorporating the national forest inventories in the nationwide biodiversity monitoring system, in relation to, *inter alia*, Regulation (EC) No. 2152/2003 of the European Parliament and of the Council of 17 November 2003 concerning the monitoring of forests and environmental interactions in the Community (Forest Focus). Further develop the network of forest SPAs left to spontaneous development; resolve the issue of a reference network of monitored natural forests left to spontaneous development including the methodology of their monitoring; and finalise the preparation of a database of natural forests; and
8. Draw up and introduce into practice a strategy for informing the public about issues related to the conservation of species diversity of forests and establish a platform for dealing with the issues of biodiversity conservation at the level of all involved sectors and the main stakeholders from NGOs and forest owners.

The Strategy does not encompass any additional financial requirements to public budgets. It will primarily lead to consistent implementation of the applicable legislation and already approved policies. It will also lead to the preparation of new legislation, outlined in the Strategy, in the framework of which the actual quantification of impacts will be carried out in accordance with the legislative rules.

Any financial impact of the individual Strategy's objectives will be taken into consideration during the preparation of the individual Action Plans, which will again have to undergo an approval process according to the Rules of Procedure of the Government.

The Strategy does not encompass direct implementation of instruments in the area of income taxes.

Others

- **Rural Renewal Programme (RRP)** (approved by government decree No.730 of 11 November 1998)

This is a financial tool for enhancing the countryside and life in small villages. Seven priorities are supported within this programme: renovation and maintenance of countryside buildings and civic amenities (all kind of buildings, owned by the community); complex revitalisation of public areas (squares, areas in the centres of the villages etc.); renovation and creation of the green areas in the villages; reconstruction of the local roads, cycle paths, sidewalks, public illumination; education and counselling in the field of the rural development and rural renewal; integrated projects of rural micro regions.

RRP was for many years one of the few available resources for small villages to support their budget and realize small investments, which could improve life in the countryside. The Programme is managed by the Ministry of the Regional Development. The important role of the Ministry is to cooperate with the MoA, as the **Rural Development Programme** now shares the goals and priorities of the RRP and can bring much higher financial support for the communal activities in small villages.

Relevant acts

Act No 252/1997 Coll. on Agriculture as amended, 13 October 1997 – has as its objectives: to create conditions for providing Czech agriculture with the ability to secure food for the country's inhabitants, food security and necessary raw materials; to create conditions for the support of the non-productive functions of agriculture that contribute to the protection of sectors of the environment such as soil, water and air, and to the maintenance of the settled and cultural landscape; to create conditions for implementing the common European policy on agriculture and rural development; to create conditions for the development of various economic activities and for improving the quality of life in the countryside.

Act No 242/2000 Coll. on Organic Agriculture – defines the conditions for organic agriculture, the certification and labelling of products, and the execution of control and supervision of the duties connected with organic farming. It is based on European Council Directive No 2092/91.

Act No. 334/1992 Coll. on the Protection of Agriculture Land Resources – deals with agricultural land, the main goal of the law being to protect land resources and to define the conditions under which it is possible to use agricultural land for other purposes.

Act No 289/1995 Coll. on Forests, as amended, of 3 November 1995 - defines the preconditions for the preservation of the forests, for the care and regeneration of forests as a national asset that forms an irrecoverable component of the environment, and for support to sustainable forest management.

Act No 449/2001 Coll. on Hunting - defines the conditions for activities connected with hunting, such as the breeding and preservation of game, the importing and introduction of game, the

definitions and rules for hunting grounds, the regulation of the numbers and health conditions of game, etc.

Act No 114/1992 Col. on Nature and Landscape Protection as amended - contributes to the preservation and restoration of natural balance in the landscape, to the protection of the diversity of all forms of life, natural values and beauty, to the economic management of natural resources, and to the establishment of the Natura 2000 system in the Czech Republic, in accordance with the legislation of the European Community.

Act No 254/2001 Coll. – the Water Act as amended - protects surface and underground water, to define conditions for the economic use of water resources and for the preservation and improvement of the quality of surface and underground water, to create conditions for decreasing the negative impacts of floods and droughts, and to provide for the security of waterworks according to EU law. Another objective of the Act is to support the protection of water ecosystems and the terrestrial ecosystems directly dependent on them.

2.3 Major government ministries/institutions responsible for SARD-M policies

During the transformation period after 1989 in CR, all main sector policies were formulated and adopted by the Government. Before joining the EU in 2004 and during the first years after that period, attention was focused on preparation, adoption and implementation of all necessary strategic documents, needed for access to EU financial resources.

The adoption of the most important international treaties was another important input to national policy. Participation in the commitments within the UN led to the formulation and adoption of the **Sustainable Development Strategy** in 2004. The responsible body was the Council of the Sustainable Development, under jurisdiction of the Government, but last year the Council was removed to the competency of the Ministry of Environment and its composition has been changed. It decreased its role as a multidisciplinary body, although it still covers the wide spectrum of all sectors in CR. The Chair of the Council is the Prime Minister; the Minister of Environment is the Executive Vice-Chair. The Council currently works on the regular actualisation of the Strategy, which will be available for public discussion in May 2007.

In the implementations of the National Biodiversity strategy the main role of MoE is executed through a communication with other sectoral ministries and institutions to ensure incorporation of its goals into other sectoral strategies where possible, as currently there are no activities to follow this strategy by preparation of an action plan and the implementation of concrete measures. The other institutions at the national level (ministries) mentioned in this chapter can influence the rural development in CR, although it is not their main goal.

Institutions at the national level

The Ministry of Agriculture (MoA)

MoA is the central government body for agriculture and water management, for the protection of natural water sources, the protection of areas of water accumulation and the protection of water quality, and for the food industry. The Ministry of Agriculture is also the central body for forest management, hunting and fishing, excluding the territories of National Parks. The Ministry coordinates and leads preparatory works on agriculture and forestry policies.

MoA controls several state agencies in charge of the specific areas of agriculture- the State Agricultural and Food Inspectorate, the Central Agricultural Control and Research Institute, the State Veterinary Office, and the Czech Inspectorate for Animal Breeds. The Ministry has 66

regional offices – called agricultural agencies – to ensure better communication with the public and farmers. Land property agencies that administer the land cadastres have been a part of the MoE structure since 2003. MoA manages the Land Parcel Identification System (LPIS). LPIS is a geographical information system, primarily created for documenting usage of farmland. This serves to provide comparable data for subsidy requests, related to farmland, regardless of whether the subsidies come from the EU or the state budget. The system includes detailed data on LFA and all the factors needed to realise agro-environmental measures. It also serves as a basis for documenting ecologically managed land, as a tool for monitoring the results of HRDP and other programmes. Preparation of LPIS was well discussed and realised in cooperation with PLAs.

The State Agricultural Intervention Fund (SAIF)

SAIF is an accredited payment agency - an administrator of financial subsidies both from the European Union and from the national financial funds. Within the scope of the Common Agricultural Policy (CAP), the financial subsidy is granted from the European Agricultural Guarantee Fund (EAGF) and for the current programming period 2007 – 2013 also from the European Agricultural Fund for Rural Development (EAFRD) and the European Fisheries Fund (EFF).

The Forest Management Institute (FMI)

The Forest Management Institute (FMI) is a government organization established by the Ministry of Agriculture. The Institute comprises several units – e.g. in Olomouc, Frydek-Mistek and Brno – all of them are located close to the Carpathians. They collect a wide range of data on forests.

The main activities of the FMI are:

- The compilation the forest inventory for CR (FI) – an independent survey of forestlands and their development. It collects information, especially focusing on growing stock and the forest's functionality as an important renewable natural resource and a crucial part of the environment. The most modern terrain equipment is used for data collection.
- The compilation and administration of the Regional Plans for Forest Development (RPF) data, including the execution of a uniform forest typological system in CR. The RPFs are the defining principles for forest management according to natural forest areas in CR. They arise from the concept of sustainable forest management and are intended to minimise conflict between the interests of society and those of individual forest owners. These principles serve as information resources for the execution of forest management plans, forest management outlines, as well as support for government administration decision-making.
- The work of the Information and Data Centre (IDC) for the forest and game management sector of CR. The IDC carries out the administration of the central database and archives on forests and game management in CR, which includes monitoring data and other related information. The most important function is the regular administration and entry of forest and forest management data collected in CR and ensuring the accessibility of this data to the forest administration bodies in the government and to interested members of the public.
- The provision of information services for forest certification in CR. Forest certification is carried out by an independent organisation that issues a certificate confirming that forest management fulfils the predefined criteria of sustainable forest management. The National Certification Centre is a department of the FMI and provides an information service and support for the implementation of forest certification in CR.

In addition to the above-mentioned activities, every year the FMI contributes to the “Forest and Forest Management Report of the Czech Republic”, and the elaboration of other analyses, methodologies, layouts and prognoses. The FMI is also involved in domestic and international

research projects as well as working in the area of consultation and in methodological and educational activities.

The Ministry of Environment (MoE)

MoE was set up on December 19, 1989, under Act of the Czech National Council No 173/1989, effective as of January 1, 1990, as a central state administration authority and the supreme supervisory body in environmental affairs. MoE is the central state administration authority for:

- The protection of the natural accumulation of water
- The protection of water resources and the protection of ground and surface water quality
- Air protection
- The conservation of nature and the landscape
- The protection of agricultural land resources
- The performance of the state geological survey
- The protection of the geological environment, including the protection of mineral resources and ground water
- Geological works and environmental supervision of mining
- Waste management
- Impact assessments of activities and their environmental consequences, including those extended beyond state borders
- Hunting, fishing and forestry in national parks
- State environmental policy.

To safeguard the inspection activities of the Czech Government, the Ministry of Environment coordinates the procedure of all ministries and other central state administration authorities in environmental matters. MoE oversees the **Landscape Management Programme** whose goal is to support measures aiming to preserve and renew the basic functions of landscape (preservation of soil, biology, microclimate, stability of the water regime etc.). It is often used as a financial source for the management of protected areas. This fund is controlled by the MoE and grants are managed by the Agency for Conservation and Landscape Protection.

The State Fund for the Environment is the implementation agency, an administrator of financial subsidies both from the European Union and from the national financial funds. It presents one of the important sources for financing projects on biological and landscape diversity, air and water protection and other areas of environment.

The Ministry of Regional Development (MRD)

MRD was established on 1 November 1996, by the Law No. 272/1996. This Law specifies the scope of powers of the Ministry as the central body of the State Administration of CR in the following areas:

- Regional policy, including regional support for private enterprises
- Housing policy
- Development of housing resources
- Leasing of residential and non-residential facilities
- Zoning
- Building regulations
- Investment policies
- Tourism.

The Ministry of Regional Development also manages financial resources provided by the Government in the areas of housing and regional policy of the State, co-ordinates the activities of

other Ministries and central bodies of State Administration when implementing the housing and regional policy of the State, including the co-ordination of the financing of these activities in cases when the Ministry itself does not directly manage these financial resources. The Ministry for Regional Development also provides information and methodology for counties, cities and municipalities and their associations and supervises the activities associated with the process of integrating regions into European regional structures.

Ministry of Finance

The Ministry acts as the central body of the State Administration of CR in following areas: The state budget, state finance, financial market, taxes and duties, financial management, international financial relationships, management of state property, etc. It has membership in the international financial institutions and organizations (OECD, EU) and other international financial corporations. It coordinates the acceptance of the international aid.

Ministry of Labour and Social Affairs

The Ministry of Labour and Social Affairs is the central state administration authority for labour-law relations, labour protection, employment and re-qualification, collective bargaining, wages, social and health insurance, social care, care for labour conditions of women and juveniles, legal protection of motherhood, care for family and children, care for citizens requiring special help and other questions of labour and social policies.

Institutions at the regional level

Regional Offices – Departments of the Environment and Agriculture

These are responsible for decision-making processes at the level of a region, delegated by the ministries, and the preparation of the strategic documents at the regional level.

Agriculture Agencies

Agriculture agencies are a part of the organizational structure of the Ministry of Agriculture. They exist in each district and are responsible for the establishment of direct contact with farmers, providing information about agricultural policy, subsidies, rules and conditions of them, collecting application forms and registering farmers within LPIS.

Protected Landscape Areas (PLAs) Administrations

The administrations of each protected landscape areas are the state administration body as well as the expert nature conservation organisation for the given territory. They carry out essential nature inventories, documentation and nature conservation assessments. In addition, they co-operate with research and science centres, provide wardens with information and conduct information, cultural and educational activities. They are also responsible for the landscape management in PLA, in the natural reserves outside PLAs and Natura 2000 sites. In providing management services, they closely cooperate with landowners and farmers.

Institutions at the local level

Municipalities

The municipalities play an essential role in the day-to-day life of the rural areas. They are responsible for providing a community-level spatial plan, which is the main tool used to influence the development of the community, to create zones for new constructions, the development of small entrepreneurs and business activities. They also control the management of waste and cooperate on the management of wastewater treatment and drinking water supply. In the area of the social infrastructure, they are responsible for schools and influence other social infrastructure in the

community. There are cases where, for example, the local office runs small shops providing basic groceries.

Non-Governmental Organizations (NGOs)

To provide a full overview of the role of the NGOs is beyond the capacity of this report, as NGOs are active in a wide range of areas. There are about 40 NGOs in the region, oriented on environment, organic farming, landscape and nature protection. They played an important role in starting and propagation of organic farming, and a pioneering role in running projects aimed at promoting local products brands and many others.

The key ones are PRO-BIO – the Association of the Organic Farmers, oriented on promotion of organic farming, organic products and their processing. Several local Chapters of the Czech Union of Nature Protectors are active in development of the market with local products, preservation of traditional fruit varieties and landscape maintenance.

The project “The conservation of the biological diversity of the Carpathian Mountains grasslands in the Czech Republic through the targeted application of new EU funding mechanisms”, funded by UNDP/GEF, has a unique position and high importance for the SARD-M assessment. The Ministry of Environment is the executing agency and the Foundation for Organic Agriculture is the implementing agency. The objective of this project is to strengthen the conservation management of globally significant biodiversity in species-rich mountain grassland habitats (grasslands and pastures) in two protected landscape areas that are included in the Czech candidate list of Special Protected Areas under the EU Habitat Directive. The project is designed to test and validate the assumption that existing and future EU financial support mechanisms, properly oriented, will sufficiently offset the additional costs that landowners incur when managing the more inaccessible, biodiversity-rich mountain grassland habitats, so that they will be willing to participate in the designed grassland conservation management plans. GEF funding will be targeted to developing the initial capacity to identify the most valuable mountain grassland areas and to gain and share expertise in securing EU funding for grassland management projects; monitoring the outcomes of management; and disseminating the knowledge among others involved in mountain grassland management, particularly parties to the Carpathian Convention. The project will provide tangible results that will enable the EU financial support mechanisms to be fine-tuned at the national level to strengthen their applicability for mountain grassland conservation and as such to contribute to the sustainability of the Czech protected area system.

The two PLAs included in this project, the White Carpathians and Beskydy, cover some 13,360 ha of mountain grassland and are included in the Czech National List of Special Protected Areas under the EU Habitats Directive.

3. Assessing the impacts, strengths and weaknesses of policies, institutions and processes

The impact of above-mentioned policies of CR has both, positive and negative features. Because CR is right now in the phases of ending the HRDP and OP Agriculture and starting RDP, it is necessary to be aware of the changes and differences between the programmes. Still it is difficult to evaluate the real impact of the finished programmes on agriculture and landscape, as the monitoring and feedback is one of the weakest points of existing policies.

The most visible impact on agriculture in CR has an increase of financial support, which was doubled thanks to the EU subsidies. Although it helps to provide economic stabilisation of the Czech agriculture, it does not have direct impact on necessary steps towards sustainability – economical, ecological and social.

The most promising impacts in the area of biodiversity, nature conservation, but also in sustainable agriculture and mountain agriculture could be the National Biodiversity Strategy – if there is enough political will and financial sources to follow it by more detailed action plans and concrete measures.

The impacts of the above-mentioned strategies are evaluated through the following assessment of their strong and weak points.

3.1 Policies – strengths and weaknesses

Strengths

- Joining the EU and adoption of the EU agricultural policy; realisation of OP Agriculture and HRDP caused positive changes in agriculture with positive influence on the landscape;
- The existence of RDP also provides a great deal of help to agriculture and landscape, new measures are implemented and new programmes are defined; all of which represents a major step towards achieving an agriculture which can respect and preserve valuable features of the landscape;
- The National Biodiversity Strategy presents the first document of this type in CR, increasing coherence among different strategies significantly. It is also the first strategic document, which focuses directly on mountain ecosystems and their specificities;
- The existing forest strategy defines ecologically convenient and well-targeted goals; a wide range of stakeholders' opinion is included;
- The Organic Agriculture Action Plan of the Czech Republic adopted by the Government helped to set up concrete goals in the area of OF, which were adopted into other strategic documents such as the State Environmental Policy and then realised;
- Existence of GIS - LPIS (Land Parcel Identification System) as a tool to identify in practise a wide set of information about the landscape, were well prepared and discussed with other stakeholders.

Weaknesses

- The policymakers and politicians pay no attention to the influences of the macroeconomic policies on the rural development, although some negative impacts are evident, such as the taxes allocated to the municipalities, which harm smaller villages;
- The RDP still has many weak points. First, it is not sufficiently coherent. Parts dealing with competitive strengths and environmentally friendly farming are in contradiction with each other; some detailed measures oriented on environment and organic farming in RDP are missing or were removed (like out-planting green elements in the landscape, limitation of

fertilising the edges of fields, quality of bio-products, support for local branches and local products and other details, which could increase biodiversity); the RDP does not create enough space for regional diversity. The RDP should be more coherent with Landscape Protection Programme, financed by MoE;

- The RDP is at some moments too schematic, its exact application can lead to the withdrawal of the entire subsidy, such as in the case where a farmer realises some environmentally friendly activities (e.g., leaving a small part of the meadow unmown to protect a small local wetland contained within it);
- Generally the measures proposed in the RDP are based on the experience from the EU countries, but they do not correspond with one Czech specificity – the size of farms in CR is bigger than in the EU and, thus, the measures, which work to support biodiversity in the landscape with smaller parcels of land are counterproductive in CR, where the pieces of land are much larger. It is in the contradiction with the needs of the protection of the biodiversity – to create (keep) a mosaic of localities with a bit different regime, mown in a different time and creating more diversity;
- There is a financial imbalance between the RDP and the needs of biodiversity conservation. Although the main goal of the financial support through the RDP is to support farming and not considering the specific needs of the biodiversity, the management of PLA and SPA must be solved through agriculture subsidies, as there are insufficient finances in the nature protection. But the RDP does not provide the necessary tools for this management;
- The preparation of RDP was finished late, and the application does not leave space for a transmitting period (when some benevolence or softer attitude would be used in the cases of administrative mistakes or mistakes done by farmers);
- The 5-year plan, including definition of the exact time of the fieldwork, is necessary for receiving the financial support under the RDP. This fact complicates any possibility to buy, sell or rent agriculture land, creating a barrier to placing land on the market. It creates a major complication for new farmers, who want to start farming, as well as for the farmers who want to extend their activities. The exact time planning, needed for applying for financial support, also causes difficulties when it is necessary to respect some miscellaneous influences like weather, humidity etc; it can push the farmers to realise some works when the time is not very favourable for it;
- The National Biodiversity Strategy's weak point is that it is not exactable which means that no sanctions can be applied, when other ministries or institutions do not respect it. It also pays no attention to genetically modified organisms;
- Several strategic documents (i.e. the National Biodiversity Strategy, National Forestry Policy, the Organic Agriculture Action Plan, and Sustainable Development Strategy) are well prepared, but they do not foresee any financial support, consequently their implementation is hindered. Adoption of NBS should be followed by action plans, but no financial support and political will for this is available. The National Forestry strategy also has no financial resources for implementation and the realization of concrete measures is missing. Some goals of the Organic Agriculture Action Plan have been implanted into other strategic documents, which helps their realisation, but for many others financial resources are missing.;
- Not all strategic documents are coherent enough, like the National Forestry Strategy and the Rural Development Plan, where any coherency concerning support of small business related to forestry is lacking;
- Some measures of the RDP already foresee that they will be supported from the returned subsidies – this creates a commitment to the controlling agency (SAIF) to find mistakes in the farmers' work and can open doubts about the objectivity of their work.

3.2. Institutions – strengths and weaknesses

The institutional background in CR is well developed and stabilized after several restructurings during last 16 years. The competencies related to SARD-M are divided between several ministries. The communication between them is provided thanks to different activities, but none of them are directly oriented to SARD-M. The result is that they touch lot of interrelated topics, but clear and direct focus on SARD-M is missing.

In the implementation of these strategies, the Ministry of Agriculture (MoA) plays the main role, together with the institutions which are under its jurisdiction (SAIF, agriculture agencies). The Ministry of Environment (MoE) should be anticipated as its main partner especially in the area of the landscape management; and in many cases, it is so. However, one of the most significant features of the institutional background in CR is a long-term tension between the MoA and MoE, which has existed since 1990, when the MoE was created. Partly, it is caused by the division of the competencies, when very closely connected competencies in some areas were divided between two institutions (like water management and water protection). Partly, it is caused by different attitudes and sometimes even antagonistic priorities of the ministries (like high agriculture and wood production contrary to landscape and nature conservation).

Strengths

- All the responsible institutions in CR have now enough experience with implementation of HRDP and OP Agriculture.
- SAIF (State Agricultural Intervention Fund) is recognized to be the best prepared implementation agency in CR.
- The Agricultural Agencies enjoy a long tradition of direct contact with farmers and local knowledge, and are trusted by farmers.
- The good position of the Association of Ecological Farmers Pro-Bio, several controlling institutions for ecological farming help to create better conditions for ecological farmers.
- There is a well accessible system of information points for environmental farming (PLAs, agriculture agencies).
- The relationship between MoA and MoE is improving, despite some still existing tensions.

Weaknesses

- Lack of communication, poorly functioning information flow and poor cooperation seems to be the weakest point in the area of the institutional background for SARD related policies. There is traditionally weak communication and a high degree of tension between the Ministry of Agriculture and Ministry of Environment, which is recognized as a long-term problem of any policy connected to landscape. The discrepancies begin with the distribution of competencies and continue with opposite opinions and attitudes. The communication between PLA administrations and agriculture agencies seems to reflect this relationship on the regional level, although it differs by districts; while in one district it is quite good, in others there are serious gaps in mutual understanding. The communication between the implementing agency SAIF and the institutions of nature protection (PLA administrations) is missing too, especially in the area of control.
- The information flow between MoA and agriculture agencies is not well timed, which leads to untimely information dissemination to the farmers.
- Poor communication and controversies between Chambers of Agriculture and other unions of farmers cause problems as there might be different interests expressed by different unions of farmers during different negotiations on a given policy, which makes all their requests weaker.
- The institutional capacities in the forestry sector are decreasing. In comparison with the farmers' unions, the foresters have a much smaller ability to lobby and lesser political influence.

- The workload of different offices of public administration widely differs, some people / offices are overloaded, and others have free capacities.
- The inspectional activities of SAIF have several weak points – all the rules are defined by legislation, then all the possible restrictions are already defined and there is no space for respecting individual cases and specific needs of the farmers; the sanction systems are very unfriendly to the farmers and can seriously harm small farms. The inspections work done by SAIF causes several types of problems to the farmers as well as to biodiversity. SAIF checks only the area of the maintained land, not the quality of done work (or whether the work was done at all). The typical attitude during inspection is to be suspicious about possible fraud and the inspection is often concentrated on small details. The small farmers represent a minority group, but nevertheless play a very important role in creating and maintaining the landscape diversity, are quite vulnerable. The loss of subsidies through some administrative errors can liquidate them, particularly in cases where they have to pay the entire subsidy back to the State, without any previous warning or a possibility to remedy any errors that have been made.. SAIF does not cooperate during these controls neither with the institutions of nature protection or agriculture agencies, which know the farmers´ situation best.

3.3. SARD-M policy formulation and implementation processes

Rapid assessment of the SARD-M policy in the Czech Republic is based on series of interviews with different stakeholders. This study used a questionnaire (see Annex 5) based on the Framework for a Rapid Assessment of Policies, Institutions and Processes for SARD in Mountain Regions - Practical Guide . Some questions were added focusing on weak and strong points of policies. However, during the interviews many other issues were raised. The interviewer also asked for a summarizing of the main issues related to SARD in the Czech Carpathian Region.

Political processes

All legislative, strategic and policy defining documents declare that they respect the principles of sustainable development, but many involved people are not interested in it. Often this declaration appears to be rather formal. The commitment to sustainable development differs according to the type of institution, age, education or position of the particular stakeholders. Traditionally, the highest numbers of people who honestly support these principles are in the Ministry of Environment and among organic farmers. However, generally, the situation in CR is changing; the number of people at different levels and in different institutions who understand and promote the principals of SD is slowly increasing. A very traditional attitude could be found in some institutions on the regional level, mostly in agriculture agencies. Within the forest policy, the attitude differs widely; there is a conflict between the interest in SD, on the one hand, and the commercial interests of private companies and private owners of the forest on the other. The political atmosphere has changed as well, partly thanks to joining the EU, as respecting these principles is a necessary condition of any adopted policy and partly due to the increasing of public awareness.

Several important strategies respecting the principles of SD were adopted by the Government, as they did not require any financial support or excluded concrete measurable results (e.g. National Biodiversity Strategy, Organic Agriculture Action Plan, and National Forest Policy). There is a willingness to adopt a modern strategy at the governmental level, but the willingness to support it financially is frequently missing. Usually a wide range of intersectoral negotiations precedes adoption of a strategy by the Government, so adoption itself does not require any special political support.

Some of the strategies require changes in the legislation or new legislation to be developed. This usually does not raise a big problem. In the area of forestry policy, it is necessary to change the

legislation as worded in the National Forest Policy; however, there is no real political will to realize these changes.

Participatory processes

Each strategy is prepared by several working groups with participation of different stakeholders (including farmers unions, NGOs, representatives of different ministries, etc.), resulting in a broad compromise between different opinions. In most of the cases, the public has a chance to comment on the strategy and participate in SEA processes. However, in some cases, after the phases of preparation the preliminary version of the strategy, the document is then taken and changed by ministry officers without further consultations. Therefore, although the preparatory process is open and democratic, it may have a non-transparent ending. Often the stakeholders' comments are ignored.

MoA opened permanent information points for collecting comments (The Chamber of Agriculture, unions of farmers, important NGOs), but this system allows the Ministry to exclude some NGOs, with which they do not want to communicate. The involvement of NGOs is usually appreciated and well accepted; NGOs are recognized to be a useful partner.

The National Committee for the Convention on Biological Diversity consists of the representatives of all relevant sectors and meets twice a year. The goal of the Committee is to implement the CBD across all the sectors. The representatives of other sectors are usually not very enthusiastic about sustainable development and biodiversity protection, but the meetings promote the exchange of information and improve communication.

Most of the policies try to balance and link the top-down and bottom-up approaches, technical and local stakeholders' expertise, although the approach differs during preparation of particular strategies. Some of the strategic documents are still based more on the expert's level of knowledge. However, during preparation of the RDP experts with specific profiles were not involved. Big unions of farmers (Chamber of Agriculture, agriculture unions, etc.) play an important role during the preparation of the RDP. The result of their lobbying is often in contradiction with the needs of nature and biodiversity protection as well as with the development of the organic farming.

Institutional arrangements/knowledge management procedures

The implementation of policies is realised in different ways. Some of them (The National Biodiversity Strategy, Sustainable Development Strategy) should be implemented by being incorporated into the sectoral strategies or through the adoption of the new legislation. The implementation of the RDP is a complex process, realized by monitoring committees (with participation of different stakeholders) and SAIF.

The mechanisms to ensure convergence, complementarity, coherence and co-ordination of policies are being developed. The working groups have to respect all of the existing strategies when preparing the new ones.

Institutional capacities are generally well prepared for the RDP thanks to implementation of HRDP. SAIF is probably the best-prepared implementing institution in CR.

The sharing of information shows a positive tendency; a lot of cross-sectoral bodies facilitate the information exchange process, as do e-consultations via the Internet, where official discussions on www.chm.cz are held (currently on the National Forestry Programme). There is a well-developed system of information points for environmental farming (PLAs, agriculture agencies) in CR, but it

is functioning due to initiatives and activities of NGOs. The means of providing farmers with all needed information are still not sufficient. A system of agricultural counsellors could be better. Institutional capacities in forestry are decreasing and currently are not sufficient at the level of the ministry; the level of expertise of the institutions and people involved differs widely.

Not all of the institutional capacities are well prepared to implement the National Biodiversity Strategy. In the ministries having no direct relationship to landscape and nature, willingness and qualifications are often missing. Capacities to develop a system of indicators, to provide monitoring and feedback are also missing.

Special conflict resolution methods, building consensus, etc., are not used in civil services in CR. Potential conflicts are resolved in discussions within the activities of the working groups. In later phases of policy preparation, there is little interest in resolving conflicts.

The monitoring of results and providing feedback are the weakest sides of all policies. The knowledge and experience of these methods are missing in CR. It is a frequently discussed topic. Many activities are under preparation, but still there are almost no practical results. The monitoring system of the RDP is slow, there is no possibility and resources to repair damages caused by inappropriate decisions of a given bureaucracy at any level. Within some other strategies, no monitoring was realised (i.e. a lack of indicators, deficient institutional capacities). The UNDP - GEF project "The conservation of the biological diversity of the Carpathian Mountain grasslands in the Czech Republic through the targeted application of new EU funding mechanisms" is bringing the first practical results in the evaluation of outputs of the EU policy. Although the initiative for this project is coming through NGOs and international community, the project is welcomed by the state administration and the results are likely to be used.

Financial mobilization

The financial resources for the implementation of the RDP are adequate, as they are based on long-term negotiation with the EU and the whole programme is prepared based on already agreed support from the EU. However, what appears as a problem in the area of finance is a late distribution of the subsidies, in some cases they came after a two-year delay. The only possible solution for the farmers then is to take a loan to survive until the subsidy arrives, which can start a magic circle of loans and debts and can be fatal for farmers.

Some strategies do not require separate financial resources, in some cases because their implementation should be realized through coherency with other strategic documents or within already provided state subsidies (National Forestry Policy).

In other cases, it was necessary to submit a given strategy successfully to the Government. The result is a lack of resources for the National Biodiversity Strategy, where there are no resources for monitoring, indicators, adaptation of to the climate change and, most of all, for preparation of action plans and concrete measures.

Policy processes

Strengths

- During the preparatory processes of the strategic documents a wide range of stakeholders are involved, discussions are held and their results appear as parts of the strategies. A well-organized system of working groups, consultation meetings and public discussions is used;
- The attitude towards better coherence between different types of documents has changed, the intersectoral bodies meet regularly and their role is very important;

- The involvement of NGOs and the state administration's attitude to them has especially improved; NGOs are recognized now to be equal partners;
- Preparation of the RDP, which will be applied in 2007 – 2013, increased the communication between the stakeholders and their involvement in the process;
- Information about the necessity of supporting and protecting rural areas is spreading and becoming more widely available; step by step it becomes part of wider general knowledge;
- Financial resources for the implementation of the agricultural policy are sufficient.

Weaknesses

- In spite of the increasing involvement of a wide range of stakeholders and NGOs and their active work in working groups, the final preparatory work on the RDP was not very transparent, and some of the proposed measures were excluded by the ministry officers without explanation, etc. The final version of RDP implementation differs from the result prepared by all the working groups; some changes were done by MoA or Steering Committee at the latest moment and without consultation with the stakeholders;
- Generally, all the policies are missing effective monitoring system, which would provide necessary feedback. Existing monitoring systems are of a low quality and do not provide realistic information about the impacts on the landscape as well as the economic situation of the farmers;
- Several concrete weak points can be defined in the area of Czech legislation – one of the largest weaknesses lies in the fact that the Czech legislation is focussed on big farms and companies rather than on the small farmers (starting from the rules for subsidies from EAFRD and rules for the final agricultural processing, such as small-scale slaughterhouses, cheese producers etc., including market access). The same hygiene rules for small farms as for the big companies cause small producers to over invest, which discriminates them in the marketplace. The administrative procedures are very bureaucratic. Each problem that is discovered leads to making the rules more strict, which again has a negative impact mostly on small farmers;
- Some more concrete problems can be found in the area of legislation, e.g. the Act on Agriculture complicates the realization of some measures (such as registration of regional seed mixtures or the certification of traditional fruit varieties);
- Repeatedly the payments to the farmers for LFA, agro-environmental programs, etc., are coming late (sometimes after two years' delay), and the farmers have to take a loan to survive until they get the money.

4. Summary of findings

This assessment focused on evaluating the contents, strengths and weaknesses of policies, institutions and processes for SARD-M in CR. Summarisation of the information found shows, that although there is no clearly formulated SARD-M policy in CR, existing policies contain many elements, which could create good basis for the formulation of such a policy. On the other side, the existing policies are not coherent enough to create good conditions for SARD-M and still many areas of activities would need well-considered and long-term support.

Within the identification of the entry point of the report (Chapter 1.4.) four main topics were defined where the attention of a SARD – M policy should be focused.

In the area of agriculture, there is sufficient support for organic farming in CR provided by existing policies, but the support for processing is missing. In addition, no effort is taken to promote local products as well as preservation and restoration of traditional methods of management – these activities are promoted only by NGOs.

Existing forestry policies do not provide enough tools to apply the methods requested for sustainable forest management. Existing policies still leads to the planting of too high a number of monocultures in inappropriate localities.

Impacts of the measures taken to support rural development, local culture and countryside life help to preserve and develop some of the unique Carpathian phenomena, but they are weak in supporting development and stabilisation of local economy, small local businesses and companies, connected to local farming and forestry.

Nature, landscape and biodiversity conservation is well provided in CR, but more cohesion with agriculture processes is needed.

4.1. SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis

Strengths	Weaknesses
<p>Policies</p> <ul style="list-style-type: none"> • After 40 years of socialist farming which seriously damaged the landscape in the Czech Carpathian region, political changes and agricultural policy during last 20 years, have increased biodiversity, helped reintroduce missing species, and instituted better rules and conditions for nature conservation, preservation and the reintroducing of traditional breeds and plant varieties • High potential for development of the sustainable tourism • High percentage of farmers have used EU support (more than 95%) • Increasing number of organic farmers, more certification agencies for OF, increasing demand for bio-products 	<ul style="list-style-type: none"> • No attention is paid to the influences of the macroeconomic policies on rural development • Existing strategies - current agriculture strategy – the RDP, but also other documents, are still insufficiently coherent; better linkage with the needs of the biodiversity conservation is lacking • The conditions in CR differ from EU countries – larger agriculture holdings, larger final processing companies and all the system in CR is adjusted to it – this makes some of the measures of RDP work controversially • Missing local markets of agricultural products, products of organic farming, existence of only a few local brands and almost no support for their development

	<ul style="list-style-type: none"> • Underdeveloped sustainable tourism
<p><i>Institutions</i></p> <ul style="list-style-type: none"> • The awareness of the value of the landscape, but also of the input of the traditional ways of farming to the high level of landscape and bio-diversity is increasing among the policymakers as well as among the wider public • Existing experience with implementation of OP Agriculture and HRDP, well developed implementation agency • Existing structure of contact points for farmers, good knowledge of the local conditions on the regional level 	<ul style="list-style-type: none"> • Poor communication or tension between some institutions (most of all between MoA and MoE, but also at the regional level) complicates cooperation
<p><i>Processes</i></p> <ul style="list-style-type: none"> • Well-developed consultation process during preparation of strategic documents, experience with involving different types of stakeholders including NGOs • Strong role of NGOs focused on organic farming, rural development and support of local market • White Carpathians has several times served as a model area for implementation of some EU programmes such as SAPARD, conversion of arable land to grassland by a regional seed mixture, which has brought a higher concentration of experienced people, improved knowledge of the EU rules, and better knowledge of the specificities of nature in the region 	<ul style="list-style-type: none"> • The administrative requirements are increasing and can be too difficult especially for small farmers and for small final agricultural processing • The system does not create conditions for support of young farmers, it is very hard for a young family to start a new farm and earn a living by farming • Missing or almost absent monitoring system, providing sufficient feedback for agricultural policy
Opportunities	Threats
<p><i>Policies</i></p> <ul style="list-style-type: none"> • Increasing number of young people, who want to move out of the town and live in the countryside, making farming at least part of their income. These people are usually also well aware of their influence on the environment and are willing to decrease their negative impact on it. Only part of them stay in the countryside for their entire life, but still they present an opportunity for the agricultural community 	<ul style="list-style-type: none"> • The traditional knowledge and relationship to the landscape will die when the present generation of farmers is gone • The local population is aging, and the trend to leave the rural areas continues • Future steps of the EU CAP – on the European level this system does not seem to be sustainable
<p><i>Institutions</i></p> <ul style="list-style-type: none"> • The capacities of state administrations and NGOs have increased; they can offer more counselling and help in the area of organic farming, better flow of information, shared experiences from practise in CR and abroad 	<ul style="list-style-type: none"> • Increasing bureaucracy • The tendency to liquidate agriculture agencies would lead to more complicated information flow to the farmers and loss of knowledge of local conditions
<p><i>Processes</i></p>	<ul style="list-style-type: none"> • The development in marginal areas of

	Bohemia – huge companies, settled in centres (Prague) buy or rent thousands of hectares of grassland, take subsidies for LFA, use them for a different purpose and transform local people to the role of farmhand earning a minimal income and having no relationship to the land
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4.2 Lessons learned, recommendations and proposals for follow-up activities

Lessons learned

- The agricultural policy in CR took a huge step forward thanks to joining the EU and adopting EU agriculture and environmental policy. This step brought positive influences beginning with significant financial support for agriculture and its environmental aspects, and ending by increasing the ability of farmers to become stabilised economically. Also the condition of the landscape has been improving in most of the areas (increasing biodiversity, reintroduction of missing species, less usage of fertilizers, and increase in grassland areas), firstly due to changes in the economy (notably lack of the support for some environmentally non-friendly methods which were supported during socialism), later due to adopting and implementing strategies supporting also the environmental aspects of farming (agro-environmental programmes, LFA);
- The social and economic characteristics in the countryside in the Czech Carpathian Region look generally positive and better than in the rest of the country, but it should be noted that these are based on too large territorial units which are not able to capture local specificities. So data on the unemployment, age structure, data on migration and so forth express positive trends, but fail to express that in some villages the situation can be critical – with high unemployment, an aging population, and 70% of local inhabitants abandoning the community during past 30 years;
- There is no specific attitude in CR towards agriculture and rural development in mountain areas, no strategic document except NBS focuses on them, and no institution of any kind or NGO is oriented on this topic. In addition, no institution in the CR is involved in and cooperates on the international level with FAO on SARD topics;
- The involvement of different stakeholders in the preparation processes of strategic documents in agriculture and forestry and intersectoral communication has improved, but still could be better. The position of NGOs has changed and they are usually accepted as equal partners, cooperate on preparation of the strategic documents, and have human capacities, well-educated experts and a deep knowledge of the topics. The role of NGOs is very often to act as pioneers, bringing new ideas, methods and attitudes, which are later adopted by a wider range of stakeholders and public institutions.

Recommendations

Policies

- Attention should be paid to the influence of macro-economic policies on rural development, agriculture and landscape, especially in sensitive areas like mountain areas, protected areas, Natura 200 localities. CR is in the process of preparation of the tax reform. This is a unique chance to take the specificities of rural areas and mountains areas into account;
- It is necessary to create conditions to formulate proper SARD-M policy for the Czech Republic, coherent with the existing sectoral policies, to create a basis for the sustainable development of rural mountain areas, stabilisation of the agriculture and development of the

market with local products in the mountain areas. It would be also useful to get involved and take active role in the activities of FAO, oriented on SARD-M;

- The specifics of the Czech Carpathian Region should be incorporated into operational programmes and other documents, providing funding from the EU sources. In the implementation of the RDP, there should be more space for respecting the local specificities, for increasing the diversity of activities as it also means the increasing of biodiversity. For instance, softening the necessity of a 5-year commitment to planning agricultural activities, formulate and add missing measures to support biodiversity, implementing some type of a transition period with softer rules, and changing the system of controls and penalties. A better balance between the needs of nature protection and the needs of farmers and farming is necessary;
- More attention has to be paid to development of a sustainable forestry policy. Within the RDP new measures, supporting bigger and faster changes in the species composition of the forests and other environmentally friendly methods should be adopted;
- Strong support is needed for the development of the local market and local products, regional brands and diversification of the production. Although the market with the products of organic farming is developing well and the demand currently exceeds the supply, better development of the market is still needed, especially creating the conditions for development of the market with bio-meat, vegetables, dairy products as well as the possibility of selling goods directly on the farms. The conditions for small final agricultural processing (slaughterhouses, cheese producers) should be changed to be friendlier to small producers.

Institutions

- A system of well-educated counsellors available for all the farmers and helping them to prepare the 5-year management plans of their farm, considering both / the environmental and the economical aspects, should be developed;
- General audit of public administration would be helpful for a better use of human capacities;
- Communication between the ministries is also an area which should be improved, most of all between MoE and MoA, but also other intersectoral communication is important. This must be based on a real will to communicate important topics and to cooperate.

Processes

- More attention should be paid to the improvement/development of monitoring and evaluation system of all the existing strategies and use the feedback in their actualisation or preparation of the new ones;
- A long-term goal should be the permanent increasing of the awareness of sustainable development, giving this still bit theoretical declaration more concrete outlines, and filling out the rhetorical phrases with real steps, activities and results;

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Annex 2: List of stakeholders interviewed

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4. **Jan Kubík**, Ministry of Agriculture, Department of Economy and Conception in Forestry; e-mail: Jan.Kubik@mze.cz; tel.: + 420 221 812 187
5. **Renata Horáková**, Administration of the PLA White Carpathians, responsibility: agriculture; e-mail: renata.horakova@nature.cz; tel.: + 420 577 119 626-8
6. **Ivana Jongepierová**, Administration of the PLA The White Carpathians, responsibility: botany, management, Landscape Preservation Programme; ivana.jongepierova@nature.cz; tel.: + 420 518 324 792
7. **Jan Dvorský**, FOA endowment fund for environmental agriculture, manager of the project UNDP – GEF “Preservation of the biodiversity of the grasslands in the Carpathian mountains in CR”; e-mail: jan.dvorsky@foa.cz; tel.: +420 602 360 864
8. **Zdenek Miklas**, FOA endowment fund for environmental agriculture, regional manager of the project UNDP – GEF “Preservation of the biodiversity of the grasslands in the Carpathian Mountains in CR” in the Beskydy mountains; farmer; e-mail: zdenek.miklas@foa.cz;
9. **Zbyněk Piro**, FOA endowment fund for environmental agriculture, regional manager of the project UNDP – GEF “Preservation of the biodiversity of the grasslands in the Carpathian mountains in CR” in the The White Carpathians mountains; e-mail: piro@bilekarpaty.cz; tel.: + 420 518 324 792
10. **Světlá Kulhánková**, FOA - Endowment Fund for Environmental Agriculture; agriculture advisor; e-mail: skulhankova@foa.cz;
11. **Vítek Mareš**, The Union of the Breeders of Sheep and Goats, the Chair; e-mail: pko.schok@atlas.cz; tel.: + 420 541 243 481
12. **Ludmila Kuncová**, Ministry of Agriculture, Agriculture Agency Uherské Hradiště, The Director; e-mail: ludmila.kuncova@mze.cz; tel.: + 420 572 551 297
13. **Jiří Urban**, Pro-Bio, Association of Ecological Farmers, Chair; e-mail: jiri.urban@pro-bio.cz
14. **Vilém Švec**, Ministry of the Environment, Union for the Rural development; e-mail: vilem.svec@seznam.cz
15. **Jana Juřenčáková**, Member of the Senate, former mayor of Rokytnice (village in the Carpathian Region)
16. **Jiří Láznicka**, Ministry of Agriculture, department of the management of HRDP; e-mail: jiri.laznicka@mze.cz; tel.: + 420 221 812 394
17. **Mirek Kovařík**, the mayor of Modrá (village in the Carpathian Region), Union for the Rural Development; e-mail: modra@uh.cz

Annex 3: Questionnaires utilized for policy assessment

1. Does the policy express a commitment of top leadership and local authorities to sustainable development (does it respect the Sustainable Development strategy – approved by the Government at 2004)?
2. Was any special political support needed to push new or amended legislation through the Parliament or to push the policy through the Government?
3. Was it necessary to pass new or change old legislation to implement the policy? If yes, did this activity mean any problems or did this process have general support?
4. If it is still necessary to change the legislation, can you tell how?
5. Were mechanisms for engagement of all stakeholders used in the development or/and implementation of the policy? What kind (consultation forms, communication systems to educate and involve all stakeholders, steering mechanisms, others?)
6. How is organized the preparation and implementation of the policy (steering groups, monitoring committees, etc)?
7. Were top-down and bottom-up approaches, technical and local stakeholders' expertise well balanced and linked during preparation processes of the policy?
8. Which mechanisms and institutional arrangements to ensure convergence, complementarity, coherence and co-ordination of policies were used? (Consultations, coordination groups, etc.)
9. Are the institutional capacities on all levels sufficient to collect and understand information needed to formulate, implement and evaluate the policy?
10. Are management capacities and systems to share information, resolve conflicts, build consensus, balance technical and local knowledge, etc., used during preparation, implementation and evaluation of the policy?
11. How does monitoring and evaluating system of the policy work? Does it provide sufficient feedback?
12. Are there sufficient financial sources for the implementation of the policy? If not, which sources are missing?
13. Is future financing of the policy ensured?
14. Does the policy have some weaknesses? What would you like to improve?
15. What are strengths of the policy?