EFFICIENCY OF BUDGET EXPENDITURES TO SUPPORT INVESTMENT IN THE AGRICULTURE: EUROPEAN AND NATIONAL PROGRAMMES*

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Low rate of investment influences the cost/revenue ratio and the efficiency of agricultural production and an overall competitiveness of agricultural production consequently. Based on the development of gross and net investment and a labour productivity in the Czech Republic in comparison with the EU, this paper analyses the need to support investment in agriculture. It further compares subsidies from public resources to support a modernization of agricultural holdings and the efficiency of measures of individual resources. From comparison it follows that highly effective is support from SGAFF – the support multiplier reaches 5.5.

investment; agricultural policy; subsidies; EU programmes

INTRODUCTION

European Commission has set three main tasks in the Rural Development Programme 2007–2013: increasing the competitiveness of the agrarian sector; improving the environment and the countryside and increasing the quality of life in rural areas and encouraging diversification of the economic activities. Fulfilling the above mentioned objectives will require a mobilization of both European and national resources. Strengthening of competitiveness of the Czech agriculture requires increasing of the labour productivity in the first place which will call for further investment.

MATERIAL AND METHODS

The paper monitors aid from public resources aimed at supporting a modernization of agricultural holdings with insufficient both building and technologic investment in plant and animal production.

The Support and Guarantee Agriculture and Forestry Fund (SGAFF) was established by the decision of the Government of the Czech Republic in 1993 as one of the highly effective tools of the Czech agricultural policy. This fund gives a guarantee of credits, subsidizes parts of credit interests and leasing payments and supports recovery of costs to agricultural insurance of commercial entities in agriculture, forestry, water resources management and industry dealing with manufacturing agricultural production. The efficiency of public resources paid within the SGAFF is analysed in the work of B e č v á ř o v á (2006). This paper states that this form of support has become an important part of the agricultural subsidy system. Different natural conditions were not the main criterion for the decision of loan allocation. It was the economic results and the profitability of farms assessed as a decisive criterion as well as in the system of the decision-making regarding the effective restructuring in the agriculture and increasing its competitiveness. J a n d a (2006) analyzes the cost to the Czech state budget of the Supporting and Guarantee Agricultural and Forestry Fund. The author shows that the SGAFF portfolio has sufficient value to cover the expected costs of the credit guarantees and subsidies offered by the fund. Č e c h u r a (2008) presents that the activity of the SGAFF is the important support to the investment of farmers and that the SGAFF contributes to more effective utilization of assets and therefore increases the competitiveness of the Czech agriculture. Čechura's paper concludes that the lower interest rate paid by the farmer is, the lower is the optimum consumption and therefore the farmers will to use the greater part of capital in the production. The initial capital is therefore used more effectively.

The SAPARD (Special Accession Programme for Agriculture & Rural Development) programme was designed for ten candidate countries. According to the suggestion of the European Commission, it provided assistance in these states to deal with different tasks of implementing the acquis communataire related to the Common Agricultural Policy (CAP), structure changes in agricultural sectors and in rural areas. In the Czech Republic, it started in April 2002 and finished in November 2005 (2006a). B a j t o et al. (2006) are engaged in implementation of SAPARD programme, its financial provisions, criteria, measures and problems in practice. Its effectiveness in candidate countries is measured as utilization rate. B a u k ó

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and Gurzó (2001) deal with difficulties of agricultural sector during SAPARD programming in Hungary, Franič et al. (2007) summarize the implementation of SAPARD programme in Croatia. As burning issues they indicate administrative and organizational procedures, financial criteria and insufficient national resources for co-financing.

The Operational Programme Rural Development and Multifunctional Agriculture (OP Agriculture) was the basic programming document approved by the European Commission that enabled utilization of resources from the EU funds designed for the support of agriculture in 2004–2006. The OP Agriculture was aimed mainly at supporting investment realized in agriculture, food manufacturing, forestry, water resources management and land adaptation. The aim of the support was to ensure better competitiveness of agriculture through increased labour productivity, increased added value and increased quality of agricultural products and consequent increased incomes in agriculture.

Buchta and Rentková (2007) deal with spatial distribution of projects under Sectoral Operation Programme Agriculture and Rural Development in Slovakia. They discuss the problem between removing regional disparities and increasing the competitiveness.

Bízíková et al. (2004) evaluate the absorption capacity (and its influencing factors) of regions of Slovakia and Czech Republic at NUTS II (Nomenclature of Units for Territorial Statistics*)* a NUTS III level for pre-accession programmes SAPARD, ISPA (Instrument for Structural Policies for Pre-accession) and PHARE (Poland and Hungary: Assistance for Restructuring their Economies).

Measure 1.1.1. "Modernisation of agricultural holdings" of the Rural Development Programme for 2007–2013 (RDP) is focused on supporting the modernisation of agricultural holdings. The aim of this measure is to improve economic performance of agricultural holdings through better use of production factors (2007a).

SAPARD Programme has fulfilled its historic mission. It helped in a major way to bridge the period of preparations of the Czech Republic as a candidate country for the drawing of finance from the European Union funds and facilitated its accession and integration into the structures of the European Communities. The Czech Republic embraced this pre-accession instrument to a maximum possible extent.

This paper uses the data of the EUROSTAT, the Farm Accountancy Data Network (FADN) survey and the survey of agricultural holdings performed by the University of South Bohemia since 1995. Indicators of gross and net investment, efficiency of tangible fixed assets, labour productivity and other related indicators were used to assess the development of investment to agriculture. To compare programmes supporting the investment to agriculture we used the data of annual (final) programme reports and internal data provided by the Support and Guarantee Agriculture and Forestry Fund.

The aim of this article is assessment how the individual supporting programmes contribute to improving the competitiveness of Czech agriculture. First the insufficient formation of fixed capital will be shown. The aim will be fulfilled with comparison of efficiency of European and national resources aimed at investment to agriculture.

RESULTS AND DISCUSSION

A need to increase gross fixed capital in agriculture

Czech agriculture has one of the lowest values of gross fixed capital. Its value amounted to 126 EUR/ha, representing 51% of the EU average, 33% in comparison with Germany, 46% in comparison with France, 25% in comparison with Austria and 7% in comparison with the Netherlands. Although 1995–2006 brought rather high rate of investment in Czech economy, agriculture in comparison with other sectors of national economy registered substandard development of investment.

It is useful to compare the formation of gross fixed capital and the development of technical equipment of labour (gross fixed capital/annual work unit). This indicator also classifies the Czech Republic as a stagnant state (Table 1). Low gross fixed capital formation causes an increase of an average age of fixed assets and connected with their lower efficiency and consequent lower labour productivity.

We have monitored a continual increase of an average age of fixed assets since 2000. Compared to 2000, an average age of fixed assets (share of accumulated depreciations to purchase price of fixed assets) increased by 5.6 percentage points in 2007 and reached to 49.7%. Considering the fast development of modernisation, an average age is connected to high moral ageing and low efficiency of fixed assets.

There is also a very low coefficient of the asset recovery, especially in case of machines and equipment. It amounted only to 5.1% in 2007. Such coefficient of fixed asset recovery means that overall recovery would last 19.7

Table 1. Gross fixed capital formation in agriculture in 2006 (EUR/AWU)

Up to 5 000	Ireland (–1 849), Cyprus (–1 234), Greece (562), Spain (943), Italy (1 413), Portugal (1 784), Slovakia (2 076), Poland (2 269), Hungary (2 903), Malta (3 081), Slovenia (3 195), **Czech Republic (3 571)**
5 000–10 000	**EU-25 (5 304)**, Lithuania (6 385), Estonia (6 671), Latvia (7 215)
10 000–15 000	Austria (10 550), France (10 576), Germany (13 380), United Kingdom (14 691)
Over 15 000	Finland (15 461), Belgium (16 109), The Netherlands (22 163), Sweden (25 952), Luxembourg (34 720), Denmark (53 409)

Source: FADN

years. Other new member states suffer with problem of obsolete technologies – average age of tractors at Slovenian farms is 18 years (J e j c i č et al., 2004).

Almost a half of agricultural holdings (43%) performed no fixed asset recovery in 2007. There were 75% with recovery coefficient lower than 10%. More radical recovery with the coefficient higher than 30% was performed in 4.5% of holdings.

Regarding the net investment to agriculture, the Czech Republic had a negative balance until 2004. A slight improvement has appeared since 2005. However, the net investment of 11 and 17 EUR per ha in 2005 and 2006 is unsatisfactory. Comparing the net investment per AWU (Annual work unit), the Czech Republic (474 EUR per AWU in 2006) ranks the 14th position within the EU 25.

Negative balance of net investment shows that there was a narrowed reproduction in previous period. Such narrowed reproduction occurs also in case of increased price of new investment with regard to its utility value due to the inflation. Narrowed reproduction would be more significant, keeping the same price relation. However, the improvement of net investment in last years of the investigation is not able to significantly improve the state of fixed assets.

A volume and a structure of investment influence mainly the labour productivity (Total produce per Annual work unit). Regarding this indicator, the Czech Republic (31 900 EUR per AWU) ranks the 13th position within the EU-25 that is lower than the EU-25 average (39 200 EUR per AWU).

Low labour productivity means excessive labour cost/revenue ratio. The decrease in case of the labour productivity is intensified both by revenues and prices. Their influence is possible to illustrate by giving an example of the dairy sector (S t ř e l e č e k et al., 2007). The structure of fixed assets and slow rate of their modernization influences low fixed assets efficiency. Low fixed assets efficiency is followed by excessive costs related to investment operation per unit of production. The highest efficiency is achieved in Spain (1.55), United Kingdom (1.39) and Belgium (1.28). The Czech Republic with value of 0.55 lags behind EU25 average (0.84).

Financing of investment by agricultural holdings

The development of Czech agriculture reveals a low and even negative profit/assets ratio (below 3%) in the last decade. There was an average profit/assets ratio in a sample of agricultural holdings of 2.1% in 2006 and 6.2% in 2007. The level of satisfactory profit/assets ratio of 4% was crossed in 2007 for the first time. Agricultural holdings with the profit/assets ratio to 6% (113 farms in the sample in 2007, representing more than 56%) invested less than 4.5 million CZK per year to tangible fixed assets in average. The maximum investment of farms with the profit/assets ratio ranging 6 to 12% amounted to 8.1 million CZK.

The value of the net investment in agricultural holding increases in relation to the profit/assets ratio, nevertheless the maximum value of 8.1 million CZK represents low asset recovery rate. Investment to machinery and buildings, that are the main factor of the increase of labour productivity, is not significant in the majority of farms. The above mentioned relations reveal the fact that the majority of farms are unable to deal with the modernization of technologic units and it is necessary to support them effectively.

It is necessary to increase the inflow of highly effective investment that will enable to increase labour productivity and efficiency of fixed assets and consequently decrease production costs. Moreover, it will contribute to saving of workers in agriculture which will help to deal with the lack of worker in agriculture. The EU programmes to support investment and the SGAFF programmes of national support are important tools to deal with this problem.

The EU programmes supporting the development of investment

Financing the fixed assets in agriculture is concerned in the EU programmes. Before the EU accession, it was mainly the **SAPARD (Special Accession Programme for Agriculture & Rural Development)** followed by the Operational Programme Rural Development and Multi-functional Agriculture (2004–2006) after the Czech Republic accessed the EU and Rural Development Programme for 2007–2013 since 2007.

The SAPARD supported the investment in agricultural assets in the measure 1.1. Its long-term objective was to support competitiveness of agricultural products in national and foreign markets, to contribute to use of products of the Member states of the European Union and 10 candidate countries (including the Czech Republic) and to influence the position of agricultural primary production in the society positively (2006b).

The investment was aimed at the welfare (modernization and reconstruction of agricultural holdings in order to comply with the EU standards on livestock, pigs, especially sows, and cattle breeding). Investment involved animal-housing technologies, including floors and ventilation (without milking and feeding technologies); reconstruction of storages of fruit and vegetable for agricultural production contributing to better quality of stored fruit and vegetable, storage technologies favourable in regard to the environment and better hygiene of the storage process (without a storage of tropical fruits, potatoes and grapes, and building new storages); building and reconstruction of facilities used to store by-products of animal production, especially the slurry.

384 projects have been approved within all rounds of registration of applications in this measure. The total financial requirements amounted to 804 million CZK. By 30 November 2005, 349 projects had been finished and paid with the amount of 764 million CZK (i.e. 97% of all obligations). Regarding the sub-measures, 56% of obligations were related to welfare in livestock breeding, 21% to the reconstruction of storage capacities for fruit and vegetable and 23% to reconstruction of storages for by-

Table 2. Economic efficiency of the SAPARD programme

SAPARD 2000–2004	Measure 1.1. (EUR)
Total acceptable costs of recipients*	52 935 492
Subsidies – CZE**	6 098 817
Subsidies – EU**	19 563 680
Total costs/subsidies CZE	8.68
Total costs/subsidies EU	2.71
Total costs/total subsidies	2.06

Source: Ministry of Agriculture of the Czech Republic
* approved, ** applications were registered in 2004–2006, 97% resources had been paid by November 30, 2005, the remaining part was paid in 2006 within the HRDP.

products of animal production. The economic efficiency of these measures is shown in Table 2.

Operational Programme Rural development and Multi-functional agriculture (OP Agriculture) in its sub-measure 1.1.1 "Investment to agricultural holdings and young setting-up farmers" supported financing of investment. The measure was aimed mainly at removing the negative influence of agricultural production on the environment, especially with regards to the protection of water resources pollution due to agricultural production, implementation of modern and environment friendly technologies in agriculture that would enable an ecological storage and use of by-products of livestock breeding (2006a).

Investment in the animal production was aimed at improving the hygiene standards and to support the competitiveness in agricultural production in national and foreign markets on a long-term basis. It regarded especially to reconstruction, transformation and building new animal-housing facilities and agricultural buildings improving animal welfare.

Some of the investment went to dealing with plant production problems, especially to replacement of unsatisfactory agricultural technology and to reconstruction of storage capacities for fruit and vegetable. Young setting-up farmers were supported within this measure as well.

The support within this measure was aimed at rationalization and reconstruction of current facilities for breeding cattle, pigs, laying hens and sheep; improvement of facilities for slurry and livestock manure; to reconstruction of facilities and technologies for storage of fruit and vegetable; agricultural production machinery (Table 3) and investment to storage capacities for crops and oilseed. The economic efficiency of these measures is shown in Table 4.

Rural Development Programme of the Czech Republic for 2007–2013's measure I.1.1 "Modernisation of agricultural holdings" (RDP) is targeted to such investment that improves overall performance of agricultural holdings in order to increase their competitiveness. This support is related to activities connected with production, processing or placing on the market products introduced in Annex no. 1 of contract on Establishment of the EC. Scheduled resources for the above mentioned measure are presented in Table 5 (2008).

The objective of this measure is to improve economic performance of farms through better utilization of production factors and increase competitiveness. The support may be provided to the following issues:

1. Investment in agricultural buildings (reconstruction and construction of new buildings) for animal production – the support applies to breeding of cattle, pigs, sheep, goat, horses and poultry.
2. Investment in animal production technologies – the support applies to breeding of cattle, pigs, sheep, goat, horses and poultry.
3. Investment in agricultural buildings (reconstruction and construction of new buildings) for plant production.

Table 3. Evaluation of investment project e) Machines used in agricultural production in the OP Agriculture

Registration of applications*	Registered	Approved	Requested subsidies in approved applications (CZK)
31. 5.–25. 6. 2004	589	186	272 299 761
31. 1.–25. 2. 2005	455	441	475 914 622
Total	1 044	627	748 214 383

Source: State Agricultural Intervention Fund
* Registration of applications to support agricultural machinery was closed on February 25, 2005, subsidies were paid after a realization of a project

Table 4. Economic efficiency of the OP Agriculture

OP Agriculture 2004–2006	Measure 1.1.1. (EUR)
Total acceptable costs of recipients*	256 215 782
Subsidies – CZE	47 285 816
Subsidies – EU	80 822 075
Total costs/subsidies CZE	5.42
Total costs/subsidies EU	3.17
Total costs/total subsidies	2.00

Source: State Agricultural Intervention Fund
* Estimation

Table 5. Economic efficiency of the Rural Development Programme

RDP measure I.1.1.	2007–2013 (EUR)
Total acceptable costs of recipients*	595 089 928
Subsidies – CZE**	74 386 241
Subsidies – EU **	223 158 723
Total costs/subsidies CZE	8.00
Total costs/subsidies EU	2.67
Total costs/total subsidies	2.00

Source: Ministry of Agriculture of the Czech Republic
* Estimation, ** Planned expenditures for 2007–2013

4. Investment in plant production technologies, including the purchase and renewal of irrigation.
5. Building and technology investment to processing and use of intentionally grown biomass as well as residual and waste biomass for energy and material purposes, including necessary handling areas.
6. Investment in technology for landscape management and maintaining.
7. Investment connected with the development and application of new agricultural products, processes and technologies in plant or animal production (eligible expenditure is reimbursed to a farmer who applies the outcomes of research and development in cooperation with other actors taking part in that research and development).

National programmes supporting the development of investment

The Support and Guarantee Agriculture and Forestry Fund Inc. (SGAFF) is the most important tool supporting the national resource investment in agriculture. Regarding its legal status, the SGAFF is a public limited company with the 100% of shares owned by the Czech Republic (the Ministry of Agriculture) and the right of the only shareholder is executed by the Minister of Agriculture.

The SGAFF in the cooperation with appropriate departments of the Ministry of Agriculture proves that it is possible to provide national support programmes with low costs and bringing immediate effects for a significant number of farmers. The main activity of the SGAFF is related to subsidizing parts of credit interests of business entities in agriculture, forestry, water management and industries processing agricultural production and financial support of insurance. The following programmes were valid until 2007: INVESTMENT – FARMER, PROCESOR, MARKETING BOARD, HYGIENE, SOIL and YOUTH programme.

The SGAFF have continued to administer the support since 2005 within well-established programmes with regard to needs of individual sectors, financial possibilities of the SGAFF and restrictions in accordance to the EU directives. The above mentioned support consisted in subsidizing of parts of credit interest and guaranteeing credit contract in some cases. The support was administered in the following programmes: Compensation of debited interest, Investment – farmer, Investment – soil, Investment – processor, Investment – hygiene and Investment – marketing board. Furthermore, financial support of insurance was paid as a financial allowance of previously paid insurance of animals and plants.

Table 6. Economic efficiency of the SGAFF programmes in 1994–2007

Mediated credit	112.9 milliards CZK
Subsidy – CZE (from SGAFF)	20.5 milliards CZK
Subsidy – EU	0
Total investment / subsidy CZE	5.50

Source: SGAFF

Recently, it is possible to register an important renewal of farmer's interest in the SGAFF activities. In average, 2 680 applications were approved in 1994–1997, 1 664 in 1997–2005 and 2 297 in 2005–2007. Furthermore, the SGAFF has registered additional 332 applications with a supposed subsidy of 100 494 CZK. Planned support in 2008 will amount to 850 million CZK. As guarantee administration of the SGAFF programmes was stopped, guarantees have significantly decreased to 69% in a year-to-year comparison. Increased number of applications in last two years is a reflection of a certain stabilization of owner and commercial relations, high efficiency especially of foreign technologies, lack of workers in agriculture and the effort to increase competitiveness of the economy. Regarding the above mentioned issues, the SGAFF assists in dealing with burning questions of the competitiveness of the Czech agriculture.

The SGAFF has become an important source for financing the innovation of agricultural production (Table 6). A reasonable distribution of financing of technologies among the SGAFF, the Sector operational programme and the Rural Development programme for 2007–2013 appeared. In 2006 and 2007, the SGAFF helped to buy 810 tractors, 202 harvesters, 159 loaders, 134 seeding combinations and other mobile and non-mobile machines per year in average. Regarding this situation, the financing of investment by the SGAFF is targeted to basic agricultural technology equipment especially for farmers with the lack of cumulated resources to buy new technology.

33 669 ha of agricultural land have been bought since 2004 within the SOIL programme, 59% of this amount in 2006 and 2007. In 2007, the subsidy of 163.5 million CZK was provided in order to the purchase of agricultural land. Purchased land stabilises agricultural operations, helps to rational planning and using of modern technology and decreases the economical risk. Unfortunately, this programme will end in 2009, according to the agreement with the EU. Its enlargement for the following years is more than advisable.

Comparison of programmes

Assessing individual programmes in relation to the volume of supported investment in agriculture reveals that the SGAFF was 3.7 times more productive than other programmes mentioned in this paper (13 times more productive in comparison with the OP Agriculture and 63times more productive than the SAPARD). Similarly, an average investment supported per year was 1.3 greater for the SGAFF compared to other programmes (18.3times more in comparison with the SAPARD and 2.8times more than the OP Agriculture and the RD programme). With such general support of investment in agriculture, the SGAFF has generated more resources than the OP Agriculture. In 1994–2007, the support multiplier of the SGAFF amounted to 5.5, i.e. each crown in the subsidy generated five times greater volume of credit for the purchase of agricul-

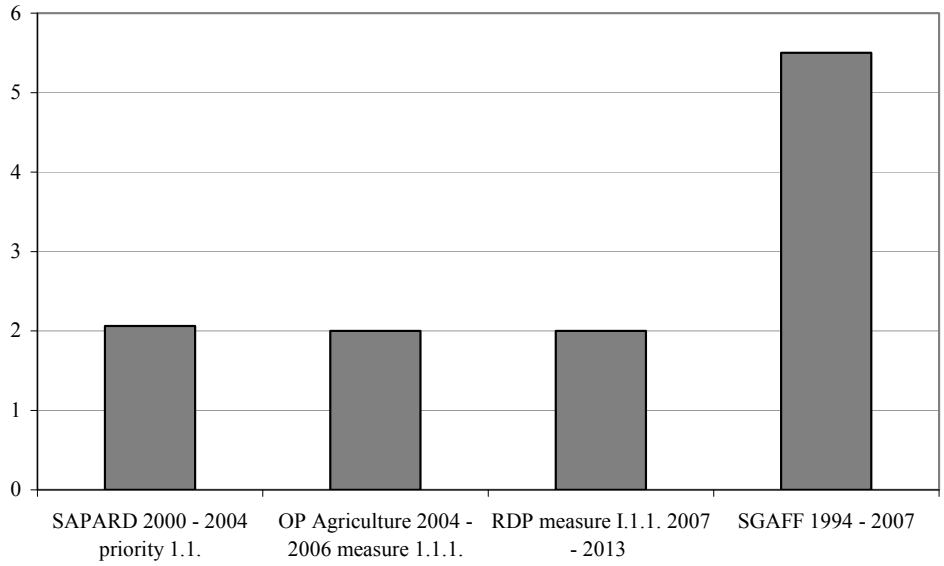

Fig. 1. The support multipliers
Source: SGAFF, Ministry of Agriculture of the Czech Republic, State Agricultural Intervention Fund

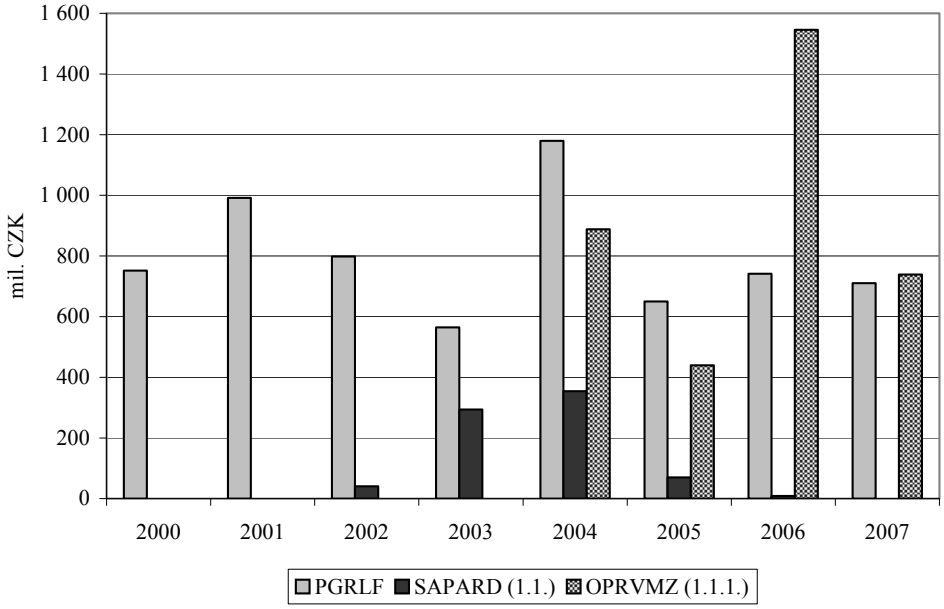

Fig. 2. Volume of investment subsidies in agriculture
Source: SGAFF, Ministry of Agriculture of the Czech Republic, State Agricultural Intervention Fund

tural assets compared to two times greater costs in the remaining programmes (see Fig. 1).

The share of subsidies in individual programmes reveals that the SGAFF shared in the financing of investment by more than a half of all resources with the exception of 2006. This share reached to 32% in 2006 and more than 50% in the remaining years (see Fig. 2). The SGAFF is one of the most important tools for dealing with investment policy in the Czech agriculture and it is more than necessary to keep this position.

On the other hand it is useful to assess the transformation of investment subsidies into production. As well we choose the Total produce (in EUR)/Investment subsidies (in EUR) ratio. It is used Total produce in 2007 and sum of Investment subsidies in 2004–2006 from the FADN database. From Table 7 it is clear that countries in third group can transform low volume of investment subsidies into produce. The countries with low ratio did not achieve this level of transformation in this short period.

CONCLUSION

The European Commission has set out three main tasks in the Programme of Rural development for the period 2007 to 2013. One of these tasks is to improve competitiveness of the agrarian sector. The impact indicator supposes an increase of the gross domestic product by 70–80 thousand CZK per worker in agriculture in 2007–2013. The increase of labour productivity will require additional investment.

The need of additional investment in agriculture is caused mainly by the fact that the value of gross fixed capital of the Czech agriculture is one of the lowest among the EU states. It is followed by increased average age of fixed assets, lowering efficiency and connected decreased of labour productivity. Very low asset recovery coefficient, especially for machines and equipment, reached only to 5.1% in to 2007. This value means that overall recovery of current fixed assets would last 19.7 years.

Table 7. EU countries according to produce/investment subsidies ratio

Up to 50	Lithuania (5), Luxembourg (5), Slovenia (7), Latvia (7), Estonia (10), Portugal (14), Austria (20), France (38), Ireland (39), Hungary (40)
50–200	Slovakia (62), Finland (71), Greece (76), Italy (80), **Czech Republic (86)**, United Kingdom (102), Cyprus (103), Belgium (110), Spain (128)
Over 200	Germany (328), The Netherlands (385), Poland (456), Denmark (527), Sweden (822)

Source: FADN

Regarding the net investment in the agriculture, the Czech Republic had a negative balance until 2004. A slight improvement has appeared since 2005. However, the net investment of 11–17 € per ha in 2005 and 2006 is unsatisfactory. Agricultural holdings with low profit/assets ratio are not able to guarantee sufficient development of investment. The development of Czech agriculture reveals a low (below 3%) and even negative profit/assets ratio in the last decade. Agricultural holding with the profit/assets ration up to 6%, representing more than 56%, has invested less than 4.5 million CZK per year in tangible fixed assets. The above mentioned relations reveal the fact that the majority of farms are unable to deal with the modernization of technologic units and it is necessary to support them effectively within the EU programmes and national investment support.

The pre-accession SAPARD programme is assessed as a successful preparation for use of the EU structural funds. Each 100 CZK of investment supported by the SAPARD was financed by 11.5 CZK from the state budget and 37 CZK from the EU budget.

The Operational Programme Rural Development and Multifunctional Agriculture required 18.7 CZK of the state budget support and 31.5 CZK from the EU budget per each 100 CZK of investment. The OP Agriculture is one of the most successful programmes of drawing on resources of the Structural funds in the Czech Republic. This situation was certainly supported by experience of the SAPARD programme. Investment in agriculture is the largest of all OP Agriculture measures.

In 1994–2007, the multiplier of the SGAFF support amounted to 5.5, i.e. each crown in the subsidy generated five times greater share of credit for the purchase of agricultural assets. The SGAFF invested 18.1 CZK per 100 CZK of investment in long-term average and has become and important source of financing innovations in agricultural production. During its existence in the Czech Republic, the SGAFF has become the essential part of support in the sector of agriculture. It helped in the period when it was necessary to ensure the starting entities with a strong guarantee in order to provide them with bank credits as an available form of ensuring mainly extended production. Until now, it has enabled to draw on credits for Czech farmers in the amount of more than 113 milliards CZK. Flexibility, transparency of decision-making, simple use and the stability are the main features of the SGAFF.

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Nízká úroveň investic ovlivňuje nákladovost a efektivitu zemědělské výroby, a tím celkovou konkurenceschopnost zemědělské výroby. Národní a evropské programy na podporu investic do zemědělství si kladou za cíl zlepšení konkurenceschopnosti zemědělství. Příspěvek analyzuje potřebu podpor investic do zemědělství na základě vývoje hrubých a čistých investic a produktivity práce v České republice a srovnání v rámci EU. Dále jsou porovnány podpory z programů zaměřených na podporu modernizace zemědělských podniků a efektivita vynaložených prostředků z jednotlivých zdrojů. Ze srovnání vyplývá, že vysoce efektivní je podpora z PGRLF – multiplikátor dotací činí 5,5, tedy každá koruna dotace generovala pětkrát větší objem investic do zemědělského majetku.

investice; dotace; SAPARD; PGRLF; OP RVMZ; PRV

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