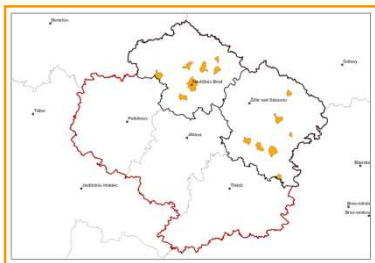
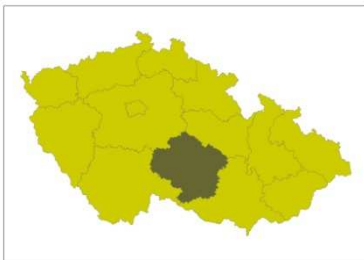


# „Diversification in the Vysocina region“

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## Main research question

What are the obstacles to the effective implementation of new Measures 311, 312 and 313 (diversification in rural areas)?

## Hypothesis

- 1) the delivery process does not reflect needs of beneficiaries for help in the application process
- 2) farmers do not have capacities to design business plan
- 3) not all farmers have trust to agencies specialized in designing business plans
- 4) Farmers do not have enough courage to think about business opportunities
- 5) Farmers do not have enough information

## Methodology and approach

Qualitative approach  
Analysis of secondary available material  
Semi-structured questionnaire

Respondents:

- Farmers (family farms and companies)
- MoA - Ministry of Agriculture (central and regional)
- Paying Agency
- Advisor
- LAG Manager

## Findings

Adviser support in application process:

- 1/2 of farmers used advisors and were satisfied, the rest prefer to do it themselves,
- No farmers (questioned) asked to design business plans by advisors.

Farmer confidence in diversification:

- Feeling of uncertainty (e.g. change of policies, no successors).
- Need first to invest before claim for support.

Information provision:

- No clear warning of changes in rules – farmers often run into difficulties
- No consistent information between different offices (when asking for clarification).

Managing Authority (MoA) does not recognise the different needs of different regions.

Some projects without support are cheaper than with it.

Farmers' capacity to submit of application:

- Implementation is not tailored to „traditional“-thinking farmers (lack of broader business understanding of farming), who have lower capacity (especially human capital) to apply.
- The low social capital in region does not help farmers in building capacity to apply.

## Characteristics

Area:	6 795 km <sup>2</sup> (9.6% of CR)
Number of municipalities:	704 (11.3% of CR)
Number of inhabitants :	515 411 (4.9 % of CR)
Density of population:	75.8 pers./km <sup>2</sup> (132.7 pers./km <sup>2</sup> CR)
Urban share of population:	58.4% (70.4% for CR)
Unemployment rate:	6.27% (5.96% for CR)
GDP per capita:	295 785CZK (353 701 CZK in CR)
Employed total:	247.8 (5% of CR)
•In primary sector	9.4% (3.3% for CR)
•In secondary sector	44.3% (40.5% for CR)
•In tertiary sector	46.2% (56.1% for CR)

## Measures

III.1.1 Diversification into non-agricultural activities:

Main projects: biogas station

III.1.2 Support for business creation and development

Main projects: reconstruction and equipment of workplace

III.1.3 b) Encouragement of tourism activities

Main projects: reconstruction and establishment of accommodation facilities.

## Conclusions

- 1: The delivery process does not reflect the needs of beneficiaries for help in the application process (especially in terms of the social and human capital in the region).
- 2: Farmers do not feel the need to design a business plan where not required by the application process.
- 3: Half of the questioned farmers have trust in private advisory agencies specializing in designing business plans.
- 4: Traditionally minded farmers do not have enough courage to think about business opportunities; they need special help and advice to start activities other than farming.
- 5: Farmers do not lack the basic information about measures, but they complain that there is no common understanding of the particularities of the measures among administrative staff, and no clear warnings on the changes in rules.

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## Suggestions

Consider the human capital of farmers during the design and implementation of the policy.

Invest in advisory services (private as well as public) for farmers and their family members to support their „business“ thinking.

Put higher preferences (addition points in approval process) for the project proposals which have a positive effect on social capital in the region.

Invest in better and consistent common understanding of administrative rules among the administration staff at regional and national levels.



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References:  
www.oz.cz  
www.czo.cz

