

Brussels, 20 December 2007

Rural Development plan for the Region of Åland (Finland)

Region profile:

- Size: 6 739 km²; 22 % of this is land and 78 % water
- 26 800 inhabitants; 100% live in rural areas (OECD)
- Unemployment rate is 2.3 %
- In 2006, approximately 580 agricultural holdings managed around 14 000 hectares of arable land (9 % of the land area)
- 100% of the area is less favoured
- Employment in agriculture and forestry: 4.5 % of the labour market, primary production accounted for 2.9 % of GDP in 2005
- Compared with the Mainland Finland, natural conditions relatively favourable, fragmented farm structure, high transport costs due to insular location
- Emphasis on the environmental and landscape values of rural areas
- Small scale production and processing
- The largest agricultural products are: milk, sugar beets and onions

Chosen strategy corresponding to the profile:

The overall objectives are:

- To ensure that Åland's rural and archipelagic areas retain their attraction as places to live and run businesses
- To preserve the traditional characteristics of the Åland landscape
- To ensure that Åland's farmers and foresters achieve a high degree of competitiveness, based on efficiency, high productivity, quality and sustainable use of natural resources.

Budget overall and share of EU funding

Axis	Public Expenditure		
	Total Public Expenditure	Share of EAFRD in Public expenditure in %	EAFRD Contribution
Axis 1	8 391 195	40	3 356 478
Axis 2	43 965 857	26,72	11 747 677
Axis 3	1 688 238	50	844 119
LEADER	1 643 853	55	904 119
T A	1 254 366	50	627 183
Total	56 943 509	30,7	17 479 576

* Leader financing in this table is already allocated to axis 3.

Overall aim of RD programme in the region:

- To ensure that Åland's rural and archipelagic areas retain their attraction as places to live and run businesses
- To preserve the traditional characteristics of the Åland landscape
- To ensure that Åland's farmers and foresters achieve a high degree of competitiveness, based on efficiency, high productivity, quality and sustainable use of natural resources.

Axis 1 budget allocation and main priorities:

Total public funding of € 8.4 million, of which the contribution of the EAFRD will be € 3.4 million

Main priorities:

- Modernisation of agricultural holdings
- Setting up of young farmers
- Adding value to agricultural and forestry products

Axis 2 budget allocation and main priorities:

Total public funding of € 44.0 million, of which the contribution of the EAFRD will be €11,7 million

Main priorities:

- Agri-environmental payments
- Payments to farmers in areas with handicaps, other than mountain areas

Axis 3 budget allocation and main priorities:

Total public funding of € 1.7 million, of which the contribution of the EAFRD will be € 0.8 million

Main priorities:

- Diversification into non-agricultural activities
- Creation and development of micro-enterprises

Leader budget allocation:

Total public funding of € 1.6 million, of which the contribution of the EAFRD will be € 0.9 million

Majority of the Axis 3 measures will be implemented through Leader.