

Conditions of sustainable development in the Czech Republic in compliance with the recommendation of the European Commission

Podmínky udržitelného rozvoje v České republice v souladu s doporučením Evropské komise

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Abstract: The Program Period of the European Union for the years 2007–2013 is focused on supports of the rural development standardization and creation of the space for its sustainable development. Agriculture in the structure of production and non-production functions is an important factor of social-economic development of countryside and contributes to the increase of its growth potential. Diversification of activities in the countryside has a significant influence on the stability of settlement, the development of employment in the countryside, and sustenance of the entrepreneurial structures in rural regions.

Key words: Sustainable development of the countryside, multifunction agriculture, diversification of activities, EU operational program

Abstrakt: Programové období Evropské unie na léta 2007–2013 se orientuje na podpory usměrňování rozvoje venkova a vytváření prostoru pro jeho udržitelný rozvoj. Zemědělství ve struktuře produkčních a mimoprodukčních funkcí je důležitým faktorem sociálně ekonomického rozvoje venkova a přispívá ke zvyšování jeho růstového potenciálu. Diverzifikace činnosti na venkově má významný vliv na stabilitu osídlení, rozvoj zaměstnanosti na venkově a udržení podnikatelských struktur ve venkovských regionech.

Klíčová slova: udržitelný rozvoj venkova, multifunkční zemědělství, diverzifikace činností, operační program EU

Currently, the preparations of program documentation for the period 2007–2013 culminate. In contradiction to the foregoing situation, the experience from processing and implementation of programs and continuing projects for the years 2004–2006 are used. The structure of priorities projected in the prepared programs is in accordance with the conclusions of the conferences in Lisbon and Göteborg, which significantly influenced externalization of the strategy of structural, respectively of cohesion policy. Determination of aims for the program period 2007–2013 shows an obvious shift in the selection of areas which the EU will support in future. This regards the aims of struc-

tural supports, i.e. the aim of convergence, regional competitiveness and employment, and European territorial cooperation. Especially the problems of unemployment will be the topic of many priorities and measures as well as the necessity of bigger supports of innovation processes connected with the growth of regional competitiveness and employment.

AIMS AND METHODOLOGY

In principle, it is necessary to orient on the basic strategic document which determined the long-term

frame for sustainable development in the CR, i.e. for the “Strategy of Sustainable Development of the CR”. It summarizes the fundamental problems limiting the existence and the maintenance of the quality of life of the society and its basic civilization values and it determinates the measures to prevent threatening situations, to reduce their impacts and to remove their possible consequences. Together with the Strategy of Economic Growth of the CR and the Strategy of Regional Development, it creates starting points for the formulation of basic requirements for sustainable development in the whole spectrum of social, economic and ecological measures and activities which should be supported from public resources, both from the Czech and the Union ones.

It means to concentrate on the analysis in regions which will objectively help to evaluate the conditions of sustainable territorial development.

Key priorities stem from:

- needs of innovations, from production and non-production activities based on knowledge economy and modern technologies
- needs of protection of environment connected with risk prevention
- accessibility in regions and security of services for rural inhabitants.

Activities in rural areas stem also from aims of the EU economic policy. Therefore, it is necessary to increase generally competitiveness of agricultural sector in its production and non-production activities and further to support its restructuring for the sake of:

- sustenance of quality and safe food resources;
- sustenance of a necessary extent of production of the renewable energy resources;
- security of environment for sustainable development of human resources; it means the support of development of so-called public resources.

In connection with the prepared Program of Rural Development, it is dealt with the improvement of environment of the countryside by support of economical management of land, and with the landscape cultivation connected with the conservation of nature. At the same time by means of the adopted measure, presumptions for the improvement of the quality of life in rural areas are created, namely also by the means of diversification of economic activities of agricultural and non-agricultural character.

The social structure of countryside and social capital of agricultural enterprises together with the immovables (spare work capacity, unused buildings, administrative base, and experience from subsidiary enterprises) create a significant potential for the diversification of activities.

Support of new enterprises and the development of the existing non-agricultural enterprises of the smallest size are important for including the new businesses in the area of production, processing and services without limitation of sectors especially in the area of crafts, services for farm and inhabitants, and tourism.

In the suitable and interesting areas from the tourism viewpoint, it is necessary to support the activities focused on diversification of rural economy by the development of tourism, especially in connection with the natural and cultural inheritance of these areas.

Till this time, rural tourism has not been fully developed and the potential of agricultural farms in the area of agri-tourism has not been used. Tourist infrastructure and propagation do not correspond with the standards in this area and the level of supporting services (accommodation, boarding, information) is low.

Support of the development of diversification does not have only an economic reason for improvement of the economic situation in the countryside, but also in accordance with the needs of solution of the social situation, The measure is also expected to invoke an influence of these structural changes on the stability of the settlement and the development of employment in the countryside.

Diversification in the countryside should develop such activities which cannot be secured by large enterprises, especially where the economic potential is weak, which brings together also the generally weak conditions for the establishment of new activities (Boháčková, Hrabánková 2006).

This direction in development of the countryside means, beside other, also alternative possibilities of employment for the unemployed from agriculture. A prerequisite is the use of the increased demand for services, increased environmental care, introduction of production of the local and regional products, products from traditional crafts, eco-tourism, agri-tourism, and generally for rural tourism.

However, for the realization of these activities, there is still the lack of:

- sufficient advisory, consultation and certification basis;
- marketing knowledge and behaviour of people in the country;
- possibility of retraining, resp. gaining of new profession education;
- lack of suitable areas and buildings for the realization of the selected activities.

In securing sustainable development, a certain tension can be deduced between the processes in the

economic area to secure socially necessary economic levels of inhabitants on one side and the sustenance of the required health of people, the nature and harmless environment on the other side. Both these priorities of sustainable development do not get along without the pointed coordination of the selected measures, monitoring of their course and monitoring of the impacts by the means of the selected financial and natural indicators. For this purpose, it will be necessary to consider the territorial specifics and to solve the selected territory with the use of process analysis as the collection of social, economic and ecological processes which take place there. It will be essential to distinguish sensitively an area with the intensive production from those which have a prevailing environmental character and thereby also a size suitable for e.g. renewable energy resources, a specific transport network, tourism and so on. Conformable with the Act No. 129/2000 Coll on regions, in principle it is dealt with the complex development of territories and with the creation of conditions for the development of social care; meeting needs of inhabitants, including their education; protection and development of healthy living conditions, cultural development of other needs in rural areas.

Securing of these conditions of sustainable development needs a matter-of-fact, financial and time concordance of all measures and processes which will take place within their implementation.

From the mutual relations among the condition for the quality of life and the state of the branch operating in the countryside, it can be deduced where the biggest development potential can be expected.

It is not easy to define generally a development potential, namely for the reason that thanks to the variability of the particular regions, the development potential is not completely identical and is not created by the same conditions, factors and characteristics. What in case of one region we can consider as a development potential, does not necessarily mean a possibility of development in other regions. In case of regional development potential, we can, in this sense, speak about general factors of development which can be supported in the area point of view by structural measures and interventions, and about individual factors of development which represent regional specifics. Then the role of structural supports is above all to concentrate on the factors which generally aim at the development of regions with regard to local specifics. As a pivotal motive in "searching" for regional development potential, there can be considered getting not only the economic effect, but also social; both effects are mutually closely connected. Than as a starting point, there can be taken

the real description of the situation in the concrete region including:

- description of the existing economic situation in the region by the help of values of the gained economic parameters (indicators), structure of the entrepreneurial sphere – numbers of enterprises, entrepreneurial externalization, economic prosperity, innovation activities, influence on environment.
- prediction of the main directions of the dynamics of regional development – i.e. identification of the activities which seem to be prosperous in the region – or vice versa, a prediction of the main negative trends. Then, in this sense, it is possible to continue with a thorough SWOT analysis.
- comparison of the regional situation with comparable regions and finding of the possible causes of a different development.

RESULTS AND DISCUSSION

Basically, a central intervention can have three kinds of impacts – positive, when economic and social development of region is successfully "started"; indifferent, when the situation is not improved much by the application of financial means expounded on the support of regional development and the money are "drown" without demanding effect; and finally a structural support applied in the wrong direction can lead to the inhibition of entrepreneurial activity of entrepreneurial subjects which are the base of economic development.

It is unquestionable that the main role in the development of regions has to be played by the regions themselves. Strictly speaking, they have to use the potential which they have or which is offered to them. They have to use not only structural supports but also and above all the conditions which they have not used till this time or which they have used only partially; and they have also to look for new conditions of development.

From the above mentioned, it results that in the selection of interventions the really fundamental decision is whether the direction of intervention is indeed the right direction, and whether the change, which we suppose to reach, is adequate to the expounded effort and finances.

The strategy of sustainable development of the countryside conformable with the EC recommendations has to consider, beside other, the existing relations between municipalities in the countryside and town centers, especially the specific features of the given area, trends of regional labour markets, possibilities of use of the telecommunication and

information technologies, groundwork for tourism, which becomes a significant resource of income in many regions, if it is not dealt only with accommodation, but there is also an infrastructure disposable for entertainment and recreation. It regards first of all the use of the potential of rich cultural traditions of Czech countryside and the enlargement of non-production functions of agriculture serving to the development of tourism. For this reason, in the relation to the EU policy of cohesion, local problems of rural municipalities in the whole territory, which is ranked under the Objective 1 in the Czech Republic, i.e. except Prague, are solved on the axis III in the Rural Development Program. The renewal and development of municipalities, establishment of small enterprises up to 10 employees without limitation of sectors, including the second grade of food processing, are situated there. The development of production of regional products of agricultural and non-agricultural character will be supported.

Generally, the aim of sustainable development should be a creation of such conditions for economic growth which would secure the appropriate quality of life of the present and the future generation with minimal impacts on environment. It means to secure the stability of economic space of the CR and the external negative influences resistance.

For the development of the countryside, it is essential to create conditions for the enterprise for minimal burdening of environment. With it, also the orientation to the sufficiently flexible competitive economy based on new knowledge is connected. In practice, this security of the conditions would require a reduction of the tax burden of enterprise, a simplification of administrative, an increase in the share of activities and products with higher added value and a higher evaluation of the material and energetic inputs. Also it will be necessary to emphasize the significance of knowledge economics for the practical need of enterprises because the management of enterprises should show a necessary ecological effectivity continuously in its economic activities and to determine an appropriate and tolerable frame of prosperity of enterprises which they have to secure in concordance with the requirements for the protection of environment. It regards the so called environmental management of enterprises by the means of which they can obtain a certain competitive advantage (Hrabánková 2002).

However, for the sake of sustainable development, it will regard especially the appreciation of human capital and its motivation to the education enabling higher cohesion between the research and its use in practice. For sustainable development in the CR, it will be necessary to focus on the areas with negative

impacts of present activity, especially on the areas with instable settlement, insufficient economic efficiency, a high rate of unemployment and a disturbed environment, and to realize first of all the measures, which will contribute to the improvement of life in these areas.

In this connection, it will regard above all monitoring of structural unemployment which is connected with changes in the branch structure of economy. Improvement of the ascertained situation supposes a different qualification structure of workers and it will have a significant influence on the increase of social potential in the area.

For the program period 2007–2013 in frame of restructuring rural areas, the support of the disadvantaged areas is still supposed for the purpose of the increase in the share of non-production functions of agriculture and the support of investment and innovations for its technical and technological modernization. In disadvantaged areas, many agricultural enterprises take care or should take a permanent care of large natural values. From the past analysis, it results that the development potential of the particular rural municipalities is an important equipment of the basic elements of civil and technical infrastructure, i.e. the existence of a nursery school, a primary school, health service, a post office, transport infrastructure, water supply, sewerage and public distribution network for gas-supply, where it is possible. In such a municipality, the conditions for the placement of other economic activities are fulfilled, as well as for the success of diversification just as it is supposed for the next program period.

Within forming of the endowment supports, it is necessary to respect many criteria harmonized with the criteria of the European Commission enabling a selection of territories suitable for the exercise of measures prohibiting any endangering of social integrity of the countryside and enabling the continuation of natural environment.

In principle, it is essential to create a sufficient space for sustainable development of agriculture and rural areas despite the globalization trends. In spite of all problems with which agriculture has to cope, as competitiveness in the markets, a gradual reduction of certain commodities (at present of sugar), a negative price influence of supermarkets, a reduction of quotas, an increased import from abroad and so on; agriculture remains a significant base of the social-economic development of the countryside and one of the contributors to its growth potential. The measures designed for rural development have to be seen also from the position of local conceptions of diversification development for which it will be im-

portant to be engaged in large investment actions in the frame of regional, respectively structural policy. Such a connection would bring a total increase of economic activities and employment and it would enable a multiple use of the local infrastructure and environmental management in the countryside (Hrabánková 2000).

For sustainable rural development, it is important to make the best of the offer of the operation programs for the period 2007–2013 oriented above all to innovation and investment. The task of the realization teams in the area of information and communication technologies will be to support by these technologies the initiatives of people in the countryside and to help the areas with low density of settlement. These communication and computer networks can significantly improve not only the general information level of these areas but also enable the change of information on supply and quality of products, an exchange of experience from practice, a consultancy activity with the cooperation of producers with processors and retail dealers. Very important for sustainable rural development is also opening of new income opportunities. At present, the entrepreneurs' interest is focused mainly on growing of energetic crops and on building of the necessary processing capacities. In small businesses, it will be especially the sustenance of traditional crafts, the production of regional, respective local products and specialties.

CONCLUSION

The European Commission counts on the support of 88.75 billion EUR for the next program period for the Fund of Rural Development – EAFRD, which will support innovation and diversification in the country beside conventional agriculture, will enable maintenance of the diversity of agrarian entrepreneurial

structures and will contribute to competitiveness and sustainability of rural regions.

As it results from the above mentioned, own employment of financial means is not a guarantee of the achievement of the desirable positive effect in the area of regional development. It is important that these means are used really efficiently on the regional level. In this sense, it is necessary to focus the attention on:

- Real possibilities – conditions which the region, in a sense of its development, has got – not to apply the measures in the area but always regarding regional specifics;
- Application of financial means in areas where there is a high rate of probability that they can bring a positive shift in development of the region – again an individual approach
- Relation of activity of the regional entrepreneurial subjects and providing of financial supports regarding not only the structural help to concrete entrepreneurial subjects but mainly regarding the contribution of development of the entrepreneurial subject to the development of the region;
- Environmental impacts of structural measures.

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