

Mountain Farming in Austria

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Austria is a predominantly mountainous country in the middle of Europe, where in general high nature value farming, clean environment and rich cultural and natural heritage prevail. Austrian agriculture is small structured, mainly family based and is linked to forestry.

The landscape in Austria is characterized by the high proportion of in terms of agriculture less-favoured areas (LFA), most of which is classified as mountain area. The Austrian mountain is part of two of Europe's mountain massifs, the Alps and the Bohemian massif. The mountain area comprises 70 percent of Austrian territory and 50 percent of the Utilised Agricultural Area (UAA). The area of permanent settlement in the mountain area is very limited. Alpine pastures are very important in the mountain areas. Mountain farms are also of great importance for forest protection.

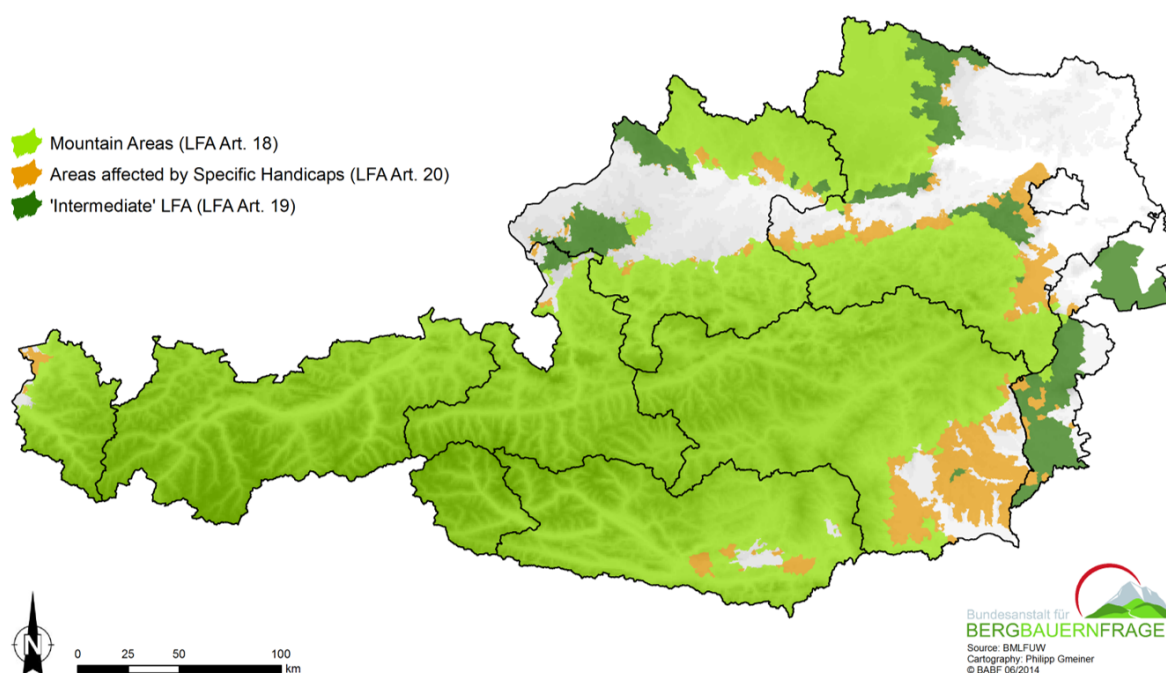
Table 1: Less Favoured Areas (LFA) in Austria

Categories of LFA	TSA in %	UAA in %
Mountain areas	69.7	50.4
Other than mountain areas	5.9	7.0
Areas with specific constraints	5.4	6.7
Delimited area in %	81.1	64.1

Source: BMLFUW 2016 (M. Wirth)

Notes: TSA = Total surface area; UAA = Utilised agricultural area; LFA as defined by the European Union

Less Favoured Areas (LFA) in Austria



In Austria 51 percent of all farms included in IACS data system¹ are defined as mountain farms (61,641 mountain farms). They farm 1.126 million ha UAA of which 20 percent are alpine pastures. In the mountain areas 70 percent of dairy cows, 69 percent of cattle and 75 percent of sheep are kept.

Mountain farming has a key role in safeguarding the sensitive eco-system through the preservation of multifunctional landscapes and the general living environment. The situation of multifunctional mountain farming in terms of local food production, environmental impacts, and threat of land abandonment, natural hazards, rural

1. IACS = Integrated Administration and Control System

development and agricultural policies has been discussed as a subject of major national concern for a long time. Multifunctional mountain farming is also an important basis for tourism in the Austrian Alps. Organic farming is a high priority in Austria, 17 percent of all farms and 20 percent of UAA are managed as organic farming. In Austria 72 percent of all organic farms are mountain farms.

Besides the delimitation of mountain areas, Austria has a long experience in assessing the degree of handicap faced by mountain farms. Taking into consideration that farming handicaps in the mountain area are different, the Austrian system uses a classification of site-specific farming handicaps experienced through the particular situation of each individual mountain farm. Since the early 1970s, a differentiated classification system of 4 groups has been the basis for defining support levels for mountain farms. The change to a more differentiated payment structure was planned during the 1990s and a revised classification system has been applied since 2001.

This “mountain farmer registry point system” (BHK – points system) addresses the positive externalities of mountain farming more clearly. The elements used in the calculation were grouped into three categories: “farm situation (internal situation)”, “farm situation (external situation)” and “soil and climate”. There of, the internal situation, indicating the proportion of the agricultural area with production handicaps (slopes), received the highest weight. Points for each of the indicators were aggregated. In addition, the system allowed for annual changes by taking into account the actual land use of mountain farms. Category 4 (BHK 4) is the category with the most severe natural constraints of farming. For the new support period (Rural Development Program 2015 -2020) the classification system will be revised again.

Table 2: Mountain Farms by categories of natural constraints of farming

Categories of MF	Number of mountain farms	UAA ha	Share of alpine pastures in %
Category 1	19,668	378,386	12.6
Category 2	24,990	481,656	17.6
Category 3	11,432	188,257	30.7
Category 4	5,551	78,228	41.5
All mountain farms	61,641	1.126,527	19.8

Source: BMLFUW 2015

Notes: MF = mountain farms; Category 4 = most severe natural constraints of farming; UAA = Utilised agricultural area; the LFA support for alpine pastures is connected to the amount of livestock units grazing on the pastures

Due to natural constraints that mountain farms are facing, substantial income differences between mountain farms and non-mountain farms exist. Therefore support for mountain farming is necessary to narrow this income gap. Within the Rural Development Program the two most important support measures for mountain farms are Less Favoured Areas payments (compensatory allowances = CA) and agri-environmental payments. LFA payments become more important as the production handicaps increase. In 2014, mountain farms of category 4 (farms with extreme natural constraints) received 45 per cent of their agricultural income of 14,850 Euro/farm from LFA payments and another 38% per cent from agri-environmental payments. But also for the average of all mountain farms these two payments make up 47 per cent of the agricultural income.

For ensuring continued agricultural land use and maintaining multifunctional farming in the mountain areas of Austria an appropriate mountain farm income is necessary. LFA payments and agri-environmental payments have a strong positive impact on mountain farm income. For the future of mountain farming, which includes a large share of diversified farms, not only commodity prices, the production of high quality mountain products, agricultural policy and support measures but also an integrated rural development policy for mountain areas is important.



Sources:

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