

THE GRASS IS ALWAYS GREENER ON THE OTHER SIDE, OR ELSE AUSTRIA THROUGH THE EYES OF EUROPEAN RURAL DEVELOPERS

“A SZOMSZÉD FÚJE MINDIG ZÖLDEBB”, AVAGY AUSZTRIA EURÓPAI VIDÉKFEJLESZTŐ SZEMMEL

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Abstract

The study seeks to answer the question as to why the combined performance of agriculture and forestry can be explained by the fact that in an EU member state with an agricultural disadvantage and with an advanced economy, the size of the cultivated area is high. The reasons are complex and suggest a deliberately chosen strategy, the essence of which is that in Austria the social perception of agriculture is far more favorable than it would be expected from its GDP contribution. The reasons for this are partly rooted in the history of the past, but may also be linked to a more immediate and strategic decision making primarily on the transformation of the agricultural product structure, the efficient use of resources from the EU, the use of sophisticated tools for rural tourism and, last but not least, on the widespread shaping of the attitudes of the population.

Keywords: agriculture, rural development, rural tourism, direct sales, environmental sensitization

Absztrakt

A tanulmány arra a kérdésre keresi a választ, hogy vajon milyen okai lehetnek annak, hogy egy mezőgazdasági szempontból kedvezőtlen természeti adottságú, ugyanakkor fejlett gazdasággal rendelkező EU tagországban a művelhető terület méretéhez képest kimagasló a mezőgazdaság és erdészet együttes teljesítménye. Az okok összetettek és tudatosan választott stratégiára utalnak, aminek a lényege, hogy Ausztriában a mezőgazdaság társadalmi megítélése sokkal kedvezőbb annál, ami a GDP-hez való hozzájárulása alapján elvárható lenne. Ennek okai részben a történelmi múltban gyökereznek, ugyanakkor több olyan közelmúlthoz köthető, stratégiai döntéssel is összefüggésbe hozhatók, amelyek elsődlegesen a mezőgazdasági termékszerkezet átalakításán, az EU-ból érkező források hatékony felhasználásán, a falusi turizmus kifinomult eszközeinek alkalmazásán és nem utolsósorban a lakosság széleskörű szemléletformálásán alapultak.

Keywords: mezőgazdaság, vidékfejlesztés, falusi turizmus, közvetlen értékesítés, környezeti érzékenyítés

INTRODUCTION

In the EU's common agricultural policy, we have been in the process of continuous reform since 1992. This was the first time that the rural development measures within the CAP connected to the Mac Sharry's reform appeared, and since the turn of the millennium, rural

development has become CAP's pillar. The Buckwell Report (1998) has already indicated the intention to gradually shift CAP funds. Instead of production support, shifted the focus to environmental and rural development goals. It is true that the transformation takes place at a slower pace than that set out in the report, but a number of agri-market measures have been taken since the turn of the millennium, which are effecting in this direction (decoupling, single payment scheme (SPS), cross-compliance, modulation) and mainstreaming served this purpose in rural development. (Buday-Sántha, 2011, Jámbor and Mizik, 2014) Over time, the financing of CAP has also changed, from 2007 there are two new funding, the European Agricultural Guarantee Fund (EAGF) that is financing the agricultural policy, while the European Agricultural Fund for Rural Development (EAFRD) is financing the rural development. Although the emphasis in the EAGF's resource use was shifted from indirect (price-based) subsidies to direct (income-based) subsidies, but still this is basically a 75% share of CAP resources. Only 25% is for rural development (EAFRD), which primarily supports the production of rural commodities in the EU. Although the importance of rural development within the CAP has been substantially increased since 1992, however, the fact that over the same period the CAP's share of the budget fell from 58% to 44%, refers to the limitation of rural development resources. In such circumstances, successful rural development activities require great creativity and unique solutions. From this point of view, we investigate the case of Austria.

CHARACTERISTICS OF AUSTRIAN AGRICULTURE

Traditionally, Austria is not an agricultural country, from this aspect, the natural conditions are not satisfying. Well cultivated basins and hills are concentrated only on the east and north-east side of the country, covering only 34% of the total area in comparison to the EU average with 42%. Beside this, from historical reasons, Austrian agriculture does not have a huge tradition. In the internal the division of labour of the Austrian-Hungarian Monarchy, Austria specialised in manufacturing industry that was built structurally on the economy of the Habsburg patrimonial lands (Upper and Lower Austria in the narrower sense), primarily, textile-, food- and the light machine industry was characteristic. This situation changed radically after the Great War, and after the dissolution of the Monarchy. The population and the territory of the newly formed First Austrian Republic shrunk to one eighth of its former size and with it came with the loss of significant industrial raw materials, agricultural supply

areas, as well as protected markets. Under these conditions, the country had to lay its economic development on new basis. It is not accidental that at the beginning of the 20th century the rate of agricultural and the industrial workers were 40-40% in the Austrian employment structure. During the century since then, the number and proportion of agricultural employment reduced quickly, while reaching the current 4,8% that practically meets the EU's average, while the agricultural employment rate of the euro area was much lower, only 3% (EC, 2016a).

Several reasons justify the relatively high agricultural employment:

- After the Second World War, Austria stayed out of the advantages of the single internal market for a long time because of its neutralism. Until its joining of the EU (1995) the country practically had to be self-sufficient, and that resulted in the fact that the country could satisfy its need of agricultural products in 86% (FAO, 2012). This meets the EU's average however, typically the developed West-European countries perform below it (except for France 134%), while the less developed East-European perform above it (Hungary 162%) (FAO, 2012).
- On less advantageous areas (on highlands), small plant size occurred, where snowy shepherding is a typical activity. The needlework of livestock farming is much bigger than the cultivation of plants. In addition to this, the workflows done on the supply areas among these natural features can hardly be mechanized, unlike on flat areas. The high agricultural employment can only be sustained in a country that has a developed economy if the profitability of the agricultural production is high and keeping the population on the countryside is significant. These two aspects are related to the employment, but between them, we do not find causal relations, because in Austria the active population (53%) commute to their workplaces, so typically they live in the countryside, but work in cities. At the same time, the agricultural employment is significant in Austria, which can primarily be thanked to the fact that after the country's joining to the EU, the country has made some perceptible changes in the structure of agriculture adapted to the EU's and to the global markets, thereby, in significant living labour sectors (greenhouse and foil horticulture activity, organic farm, vinery in Burgenland) it made some improvements. The profitability of these sectors is high, since such submarkets are targeted, where the well-paying demand that is able and willing to recognize the additional expenses of the production is continuously expanding. Profitability is contributed by the effective use of resources

from the EU as a positive discriminatory use of the agricultural sectors considered as strategies (LFA³⁵, ÖPUL³⁶).

Another component of the profitability is the high added value content that is partly due to Austria's developed food industry, so that it can sell its agricultural products typically on high processing level, thereby the high sales price is guaranteed. On the other hand, through the embeddedness into the global commerce, it is hardly sensitive to the changes of world market prices. In Austria, a significant part of the rural income does not originate directly from agricultural production, but from the rural tourism that is related strongly to it, which the Austrians apply as an additional activity with targeting diversification, eliminating the seasonality of agricultural activity. However, it tones the picture in connection with the high agricultural employment that in Austria (especially in Burgenland) significant part of the farmers (two third) do this activity as a second job, on the other hand, a significant part of the employees in this sector are not Austrian citizens, but guest workers coming from the neighbouring countries (Hungary and Slovakia).

The performance and the structure of the Austrian agriculture

In Austria, compared to the size of the cultivable area, the common performance of the agriculture and the forestry is outstanding however, the sector contributes with only 1.6% to the significant performance of the national economy that is significant at the EU level. In 2015, the total value of the EU's agricultural output was more than 410 billion euros. 52% of the value are plant products, 39% are animals and animal products, while the rest is given by the secondary activities and the services. In case of Austria, the weight of the animal husbandry exceeds the community average (53%), while the cultivation of plants is far from it (47%) (EC, 2016a).

Austria, in 2015, manufactured 1.7% of the agricultural output of the community. The gross production value counting on basic price was 2697 million euros. 1.4% of it was given

³⁵ Less Favoured Area

³⁶ The Environmentally-friendly, Extreme and Nature-Conservative Austrian Farming Program (Österreichisches Programm zur Förderung einer umweltgerechten, extensiven und den natürlichen Lebensraum schützenden Landwirtschaft = ÖPUL) Austria has developed to support environmentally friendly farming in agricultural areas. The original five-year program was launched in 1995 and it still works today. Against the EU Member States, whose environmental program is available only in delimited, environmentally sensitive areas, ÖPUL is a horizontal program that seeks to cover the entire territory of Austrian agriculture. (BNT 2016)

by the plant products, whereas the animal products were 2%. The activity of forestry is also significant in the country. Manufactured by the forester counting on basic price, the gross production value was 1074 million euros. Austria contributes with 4% to the EU's logging, so that it is the sixth in the rankings of the member countries, while it benefits with 8.4% from the production of processed, sawn wood, with which it is the third in the rankings. (EC, 2016b, EC, 2016c). The number of employees in forestry is quite high and they give 2.5% of the agricultural employees.

In Austria in 2015, agriculture contributed to the gross domestic product (GDP) with 1.4%, a little behind of the EU's average with 1,6%. The external trade balance of the country shows 12 billion euros additional exports however, in case of agricultural products, the balance is negative, the additional import shows 12 billion euros. The agricultural export is 7.8% of the total export, the most important product group is the non-alcoholic drinks. The agricultural import is 8.2% of the total import and it mainly includes processed products. In agricultural external trade, the most important partner is the EU, because the value of agricultural export done with EU's countries is quadruple of the turnover outside of the EU, while the EU's agricultural import is more than six times higher than of its not EU's pair. However, it is also interesting that significant differences can be proved in each country groups inside of the agricultural external trade of the EU. The share of the old member countries (EU-15), joined before 2004, is significant in case of export (78%) and import (80%) as well however, in this case, the accruing deficit is much more serious than in the case of new member countries (EC, 2016a). The exposure of the country's food import compared to self-sufficiency is relatively high with 51% (FAO, 2012).

If the examination is only focusing on food industry in terms of agricultural products, the external trade balance is positive, since, in 2015, export was 5,97 billion euros and import was 4.05 billion euros. This positivity in the market showed similar results in the previous years (in 2013, 0,66 billion euros, while in 2014, 0,67 billion euros) (WKÖ, 2017). The more than 0.5 billion euros food industry benefit came from the food export that was well-known on foreign markets. One key of the food industry's positive balance is the development system – in the beginning of the 1990s - by the Austrian Agricultural Ministry, the Austrian Economic Chambers (WKÖ), Agrarmarkt Austria (AMA) that aimed to improve the chances of market accesses of companies operating in Austrian food industry and to increase the export of Austrian agricultural and food industry products. The point of its marketing strategy is for the home countries' markets to take in the products, which are of high quality and well-known by

foreigners through the developed tourism, more easily. Another advantage for Austria is the strong collaboration experienced on the areas where European German language is spoken (Germany, Austria, Switzerland), which contributes greatly to the foreign demand of the Austrian food industry's products. (Jankuné & Tikász, 2016)

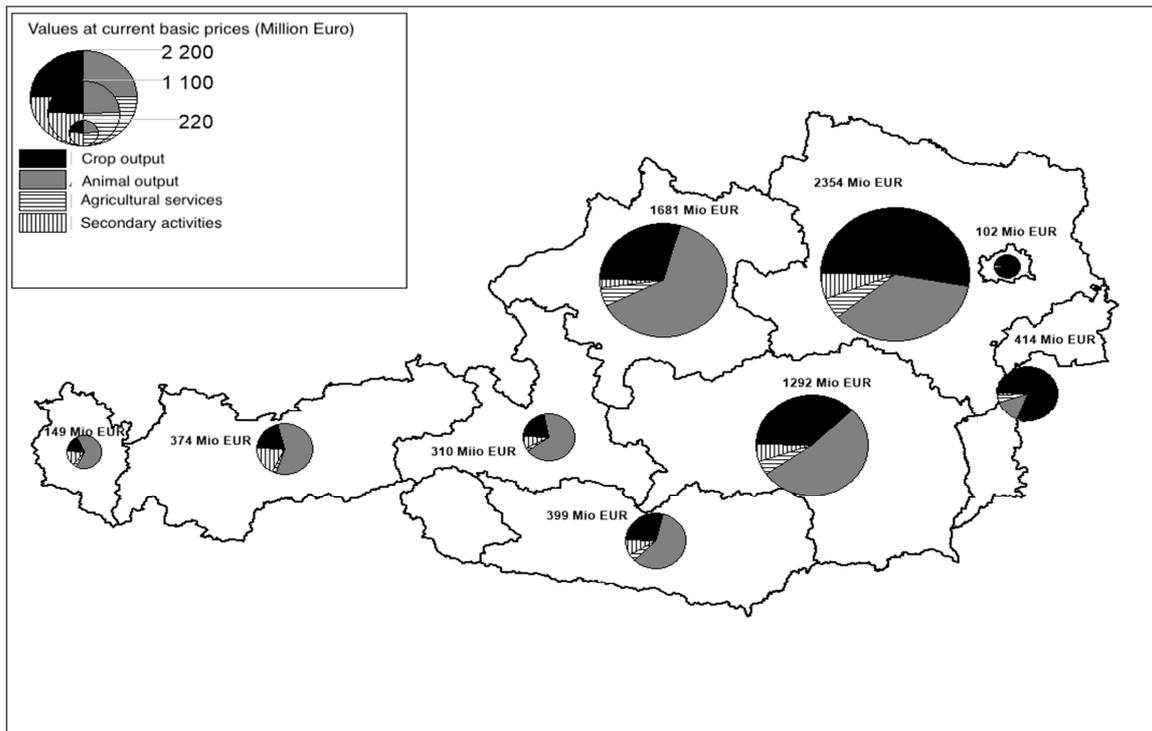
Production and holding structure

In Austria, the growth of area under agricultural cultivation is 2.8 million hectares, that gives nearly 34% of the country's total area. 47% of this area, nearly 1.3 million hectares are used as plough land, 0,16 hectares per capita (FAO, 2012). The production of cereals and industrial plants in Austria is marginal, altogether it is 1 million hectares, occupying 34% of the agricultural field. However, since the millennium, the sown area of the industrial plants increased with more than 30%. The proportion of forest land is high, half of the land, nearly 4 million hectares are taken. Permanent grasslands take a significant role of land-use that gives 17% and 1,4 million hectares of the land. (Jankuné and Tikász, 2016, EC, 2016a).

In Austria, the biggest sector is cattle-keeping, in which milk-producing animals and meat-producing animals are significant. In 2015, both of the two together shared more than 60% from the output of animal products and shared 32% from the gross output of the whole sector (EC, 2016a). The country's agricultural output increased by 26% between 2000 and 2014, within that, the production increased to the greatest extent in the following areas: eggs (+85%), poultry (+72%), and fruits (+71%). Against it, the gross value of sheep and goat production decreased by 16%, while the value of cereals decreased by 5% during the examined period (Jankuné and Tikász, 2016).

It derives from Austria's specific situation that its agriculture can be divided into well-defined landscapes and, to this extent, defined agricultural utilization trends. While the eastern and central parts of the country are characterized by arable crops and wineries, alpine livestock farming is determining in the middle and western parts of the country and in the mountainous areas. Sectoral production ratios well illustrate the country's natural geographic features, as most of the crop production is limited to Austria's two provinces (Burgenland and Lower Austria), while traditional alpine farming can be found in most of the high-lying areas.

Figure 1 Total output of Austrian agricultural sectors by Federal Provinces, 2015



Source: made by Tamás Hardi based on: http://www.agraroeconomik.at/index.php?id=gruenerbericht/Tab_2016_10107_Produktionswert_n_BL

In the whole union, it is a general phenomenon that weight of it in income generation of productive sectors is decreasing. It is especially true for the agriculture. While in 1950, there were 1 million agricultural workers in Austria, since then 2/3 of people living from agriculture abandoned their own profession. In 2013, 2,7 million hectares agricultural land was cultivated by 337 thousand people, 4,8% of the working population (EC, 2016a). The migration and the exchange of profession were especially large-scale in the industrialized Lower and Upper Austria and in Burgenland. The measure of exchange of profession is increasing by the uniquely high proportion of economics with secondary activity (66%) whose peak is in Burgenland (81%). (Probáld et al., 2014).

Land concentration was growing in parallel with the exchange of agricultural population. In 2013, on the cultivated 2,7 million hectares areas 140 430 agricultural (including forestry and fishing) companies were farming. In Austria, 93% of the registered companies are in private ownership however, the structure of holdings is rather fragmented. (Tab. 1) 30% of the farms are smallholdings under 5 hectares. This proportion is only half of the EU's average but within that, the fragmentation is typical for the East-European countries and the structure of holdings are more concentrated in West-European countries. Aggregating the dates, it turns out that 48% of the Austrian farms are smallholdings under 10 hectares but on only 5% of the

used lands are farming. The proportion of the 10-20 hectares holdings are 22%. The 20-100 hectares middle- and large peasant holdings give the 30% of the farms and only 2% of the farms are working on bigger than 100 hectares lands. However, these large holdings are farming on almost the half of the agricultural areas, located on the west side of the country – Styria, Tirol, Salzburg, on more than half of these locations' lands are farming. (Probáld et al., 2014, EC, 2016a). In the last 10 years not only in the number of companies but also in the growth of cultivated lands, there was a 20% reduction. The number of plants reduced in almost every size category, the farms under 10 hectares to the greatest extent, primarily for the 50-100 hectares plants. The number of latter increased by 1000 over 10 years (EC, 2016a). As a result, the average holding size increased to 19.4 hectares that exceeds the EU's average however, the West-European average value is twice more.

Table 1 Structure of agricultural holdings in Austria by utilised agricultural area, 2013

Holdings		Total	%
Utilised agricultural area	< 5 ha	43 070	30.7
	5-10 ha	24 430	17.4
	10-20 ha	30 290	21.6
	20-30 ha	16 680	11.9
	30-50 ha	14 660	10.4
	50-100 ha	8 730	6.2
	> 100 ha	2 570	1.8
Total		140 430	100.0

Source: EC 2016a, 13.

The livestock population was 2.4 million in 2013 in Austria. Although the concentration in animal husbandry is recognizable, however, 17 livestock units per plant is only half of the EU's average. The land supply of the livestock farms is balanced, because 69% of the livestock is concentrated on holding farms, which are 10 – 50 hectares (Jankuné and Tikász, 2016).

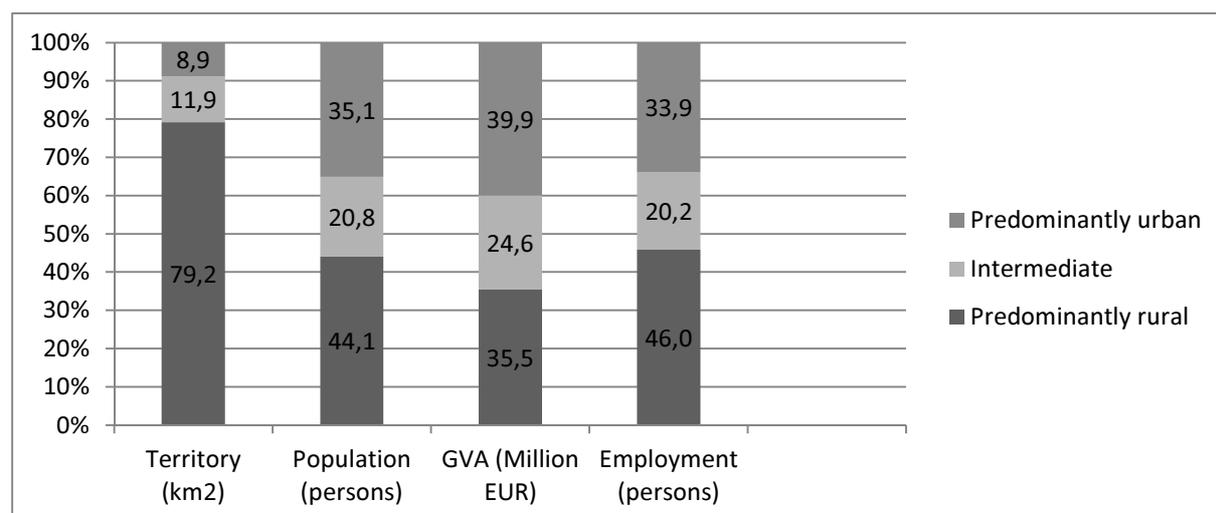
For supporting the agriculture and the rural development in 2014 1,28 billion euros were spent in Austria from the sources of the Common Agricultural Policy (CARPE/CAP). The structure of CAP sources used by the Austrians in 2014 shows a unique picture that is significantly different from the typical division of the EU's 28 Member countries. In the examined year, 54% of the available sources were expended for direct payments by Austria that is 30% lower than the EU's and 20% lower than the average of new member countries after 2004. The 1,7% proportion of market measures is only 34% of the EU's average, while payments expended for rural development is four times the EU's average and double of the

East-European's average (cca. 44%) (EC, 2016a). Almost the same rates will be met if we examine the use of CAP funds for the 2007-2013 budget period. (EC, 2013) At the same time, analysing the internal structure of rural development resources, Austria compared to the EU's average concentrated on the extreme use of these resources to agricultural axis 2 payments (76%). Similar use patterns within the EU are only available for Finland, Ireland and the UK. This, in practice, means that Austria, in fact, used most of the rural development resources (89%) as sectoral aid, as it provided farmers with only a few percent of the rural population and spent only 9% on real rural development payments. (EC, 2013, Jámbor and Mizik, 2014) However, the picture is lightened by reviewing the results of LEADER which is the EU's classical rural development program in Austria. The area covered by the Local Action Groups (LAGs) was 75%, with significantly higher ratios within the EU only in Latvia, Ireland and Sweden could show up (EC, 2013). During the period under review, the LEADER program was implemented in Austria by 8 federal provinces through 86 LAGs through EUR 473 million. These data appear to be contradictory to our findings in the examination of the structure of the use of rural development resources, which is basically explained by the fact that Austria used a unique method of financing the LEADER program. On the one hand, the EAFRD resources received from the EU have doubled from national budget through national co-financing. On the other hand, during the implementation of the program, it was stipulated that only 65% of the operational costs of the LAGs were eligible for EAFRD resources, the above part, for self-financing, for pre-financing and for own projects for settlements in LAGs. (Hutvágnerné, 2012) Thus, Austria achieved its many spectacular rural development successes with the help of significant domestic resources. From these above mentioned data it is recognizable that Austria attaches a significant importance to the rural areas and finds it important to preserve these areas' traditions and values from the aspect of politics, economics and society.

THE RURAL AUSTRIA

Most of Austria's area,³⁷ 79% is basically rural, that is 20% more than the EU's average. 44% of the population live there, that is double of the community's average. Although the 68% of the population live in cities, only 35% live in the region of the city that lags behind from the European average.

³⁷ The classification was based on the new methodology introduced by EUROSTAT in 2010, according to which the administrative territorial unit, where less than 20% of the population live in a settlement with a population of more than 5000, and where one km² are above 300 people per km² (EUROSTAT, 2010).

Figure 2 Importance of rural areas in Austria, 2014

Source: EC (2016)

The countryside's contribution to the economy's performance is very significant, basically, 46% of the employment work in the countryside, and they produce 36% of the gross additional value (EC, 2016a). Basically, Austria is a rural place and it is shown by the population density data with 100 people/km².

In Austria, the social judgement of agriculture is more favourable than it could be expected by the 1.5% contribution to the GDP. The situation in relation with the social status of the employment in agriculture is also the same (Bene and Bene, 2014). Austrians honour the social benefits of the given activity much more than the economic benefit. This vision can be originated from historical reasons, because in Austria, since the emergence of capitalist relations of agriculture, there were no significant changes in the development of agriculture, so today, families dealing with agricultural production have been continuing their jobs for generations. On the other hand, the estimation after the agricultural activity can be seen in food products' prize. They follow conscious consumer habits, have high level of food culture, purchase high quality products and are willing to pay more for them. It is also due to the extremely high level of lifestyle in Austria: 5th in the EU, whereas 11th in the ratings worldwide. It is not a surprise that according to the database of the Eurostat in 2013, the prize of the standard consumer basket was 38% higher in Austria than the EU's average. Thirdly, since significant part of the country is covered by high mountains, there is no profitable economic activity on these places, so the maintenance of snowy shepherding is the only warranty not to lose its population (Probáld et al., 2014). It was always a key question independently from the government of Austrian politics, which they tried to validate not only in aid policy, but among the population to make them aware of the need of social

responsibility for the agricultural population. This awareness-raising, which focuses on domestic organic products,³⁸ covers not only the classical educational activity in Austria, but also outside the school an emphasis is put on the dissemination of information related to sustainability. As a result of this, the conscious consumer behaviour's feature is that those products are preferred which can be produced with the least ecological footprint. This means partly that through shopping a person looks for fresh, seasonal products and consumes limited finished and semi-finished products. Besides, a conscious consumer prefers bio and home products. The main cause of this is that consumers trust in these products' quality and on the other hand, they know that in case of a home product³⁹ (local or at least regional) the environmental pressure from transport is the smallest. In Austria, consumers' conscious consumer behaviour is supported by institutionalized food purchasing frameworks. Hypermarkets are not typical, but instead of them, discount stores and supermarkets are dominating on the market, and after joining, they saw an opportunity in satisfying new consumer needs, so they began selling ecological products creating a stable market for domestic organic farmers⁴⁰.

In Austria, mainly foreign owned food retail chains are operating. Despite of this, the presence of Austrian food in supply is very significant. It is even typical that in case of own branded products the Austrian origin is marked separately on the package. The concentration is relevant in the retail sector, the three biggest ones (Rewe, Spar, Lidl) have the most significant sales with more than 70%. Rewe, the German owned business group operates Billa, Penny, ADEG, AGM, and Magnet chain. Spar is a Dutch owned retail chain. The German discount chain, Lidl is expanding strongly in Austria. Moreover, other important characters on the retail market are also MPreis and Wedl & Hofmann (Jankuné and Tikász, 2016).

In the 20th century, the biggest change in the Austrian rural population's lives began when Austria joined the European Union. The reason for this was that Austrian farmers were not aware of the suddenly and drastically reducing prizes in 1995, and they answered this with leaving the agriculture. Although, Austria's peasantry has reduced since 1950 and after joining there was more 5% reduction. However, it has to be mentioned that people staying in

38 According to the IVEKOS database, 552 261 hectares were cultivated by 20 779 organic plants in Austria, in 2015. These areas are 21% of the agricultural utilized areas and it is a very high proportion worldwide. In addition, there is still a very significant increase in the sector compared to the EU, as in 2010 only on 16% of the cultivated area was organic farming. (Grüner Bericht 2016)

39 According to RollAMA's research, consumer demand for organic products has reached 8% in 2015 and 10% in bread and pasta (19%), fresh vegetables (16%) in potatoes (16%) and eggs (18%). (Grüner Bericht 2016)

40 It is important to note that there are various trademarks in the Austrian retail trade that are mostly linked to popular natural foods. For example, the slogan of the Billa (Rewe group), "Ja! Such products have also contributed to Austria's leading role in the organic market in Europe" (Jankuné and Tikász 2016)

this sector could adapt well to the changing market conditions. They strengthened their activity in such sectors, like well-paid sectors, and sectors with needlework, like horticulture, fruit-growing, organic farming (Burgenland), grape-and wine growing that produce foil and greenhouse products. As a result, the profitability of Austrian farms has improved because of the effect of the connection. The explanation of the growing income is dual: on the one hand, the reduction of people living from agriculture contributes to the annual income growth. On the other hand, the support of the Austrian agricultural policy has increased due to the common agricultural policy and to the temporary degressive payments (Törzsök, 1998).

Rural specialities: direct sales, rural tourism

In Austria, selling products directly has a significant role, 31000 full-time jobs depend on this opportunity. 27% of the farmers (36 000 plants) sell their products on their own, so the agricultural income is 34% (2010: 22%). In case of vineyards in Burgenland, the proportion is extremely high, where 57% of the income occurs during selling it. According to product groups, direct sales can be rated by: meat and meat products (27%), milk and milk products (19%), wine (14%), fruit and fruit products (6%), eggs (5%). From the sales channel, selling on the farm (53%), remote sale with the use of parcel service (10%), producer market (8%), food shop sales (6%) and the place of hospitality (5%) has to be mentioned, and obviously the last one shows high potential for the future (Grüner Bericht, 2016).

The demand after the direct sale can be explained with informing consumers and with the growing number of conscious consumers. There is a bigger need for the new form of rural tourism (Urlaub am Bauernhof), which supplied 1690 guest beds with 150 members in 2015 that shows 2.5% growth compared to last year. The brand of “Gutes vom Bauernhof” (“Good from the farm”) is related to this new type of touristic supply, with which Austria’s best plants are awarded, thus helping the appearance of regional specialties in the producers’ shops and markets. This brand guarantees the original place of a product, the documented production process, the high quality, the use of hygienical principles, professional marketing and relating education and training (LKÖ, 2017). The brand of „Gutes vom Bauernhof” allows the safe selection of a producer for the consumer and guarantees the producer’s origin. Thereby it contributes to the development and maintenance of the short supply chain⁴¹.

⁴¹ The Short Supply Chain (REL) refers to the length of the sales channel from the producer to the consumer. It can be called a short one, if it contains as few intermediate elements as possible, so it can be classified as a direct sale and the local utilization of the produced goods (eg in the catering industry), but this group also includes the farms or the local producers' markets. The importance of REL for the development of the local economy is remarkable, since it reduces market margins by placing local producers in a competitive position, but it also has a remarkable role in the community..

An important area of the promotion of local products and agricultural products is the program of “Schule am Bauernhof” (“School on the farm”)⁴² operating in Austria since 1998. Primarily, in this framework, the participant farms are visited by the schoolchildren. This program operates similarly to the forest school and gives opportunity for staying a couple of hours or even for some days. The thematic curriculum organised around the production spectrum of the host farm completes the school, to which the knowledge is also given which is essential as a consumer.

During the program, visitors can have a look at the day-to-day life of the host farm production, get to know the products produced by the host farm, they can examine the production process and can recognize the ecological connections. They will be conscious about the value local products represents, consumers will be humble and urge the future consumers to conscious and sustainable consumption gaining their trust through their genuineness. Since this trust has a bigger role in today’s commerce, the process shows measurable growth of production and results in the growth of local products’ preferences.

In Austria, with the program of “Schule am Bauernhof”, there is a significant tradition of each form of the rural tourism that all help the promotion and introduction of local flavours and products from farmers or mainly from small farms. There is a huge emphasis on local products’ shops that provide diverse supply. In these kinds of shops, selected wines, meat-specialities, vegetables, home-made toppings, jam, vinegar, wine, chocolate and a lot else can be purchased (Burgenland Tourismus, 2017).

The diversity of local farmers’ supply is conspicuous for the experts’ eyes. In Austria, in practice, these opportunities stand for primary producers in case of selling their products: home sales, local product shelves and shops. Shopping is helped by some kind of internet systems, where small farmers’ products can be chosen and in some cases they can be purchased. Besides, local markets operate well and have a huge popularity and so has the “Get Yourself” promotion.

SUMMARY

The regular reforms of the EU's Common Agricultural Policy since 1992 require constant adaptation from the Member States' agricultural and, by 2007, rural development aspirations.

⁴² The program also works in other European countries, with the same name as Austria, in the name of "Klassenzimmer im Bauernhof" in Germany and in France under the name "Bienvenue a la ferme". As a result of this, the Hungarian adaptation has also started as the "Falusi Porta Tanoda", so today, with 20 Schools in Hungary, this form of environmental education and consumer attitudes is also found.

The effective use of resources thus obtained means the basis for the sustainability and competitiveness of the agricultural sector. Member States must necessarily use CAP resources, in accordance with their own needs, but they do not have much room for movement. The Austrian natural and economic conditions differ greatly from the conditions in Hungary, has far less advantage of agricultural production than our country, yet the performance of agriculture and forestry is outstanding compared to the size of the cultivated area. Thanking to the use of the peculiar structure of resources and the significant involvement of the state. The success is based on agri-environment payments for Axis 2 and LEADER programs, in particular their high domestic co-financing. It can be stated that Austria attaches much greater importance to its rural areas than Hungary. Although the fundamentals of the support system are the same in the EU Member States, there are significant differences in the way resources are used and in their effectiveness. The study seeks to find out the positive examples (rural tourism, organic farming, direct sales) that could be applied in rural development in Hungary, so that the neighbours' grass would not be greener but could be as green as in our country.

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