



Factsheet on 2014-2020 Rural Development Programme for Baden-Württemberg

The Rural Development Programme (RDP) for Baden-Württemberg was formally adopted by the European Commission on 26 May 2015, outlining Baden-Württemberg's priorities for using more than € 1.8 billion of public money that is available for the 7-year period 2014-2020 (€ 709 million from the EU budget, including € 91 million transferred from the German envelope for CAP direct payments, and € 635 million of national co-funding plus € 479 million of additional national funding top-ups).

The RDP for Baden-Württemberg focuses mainly on two priority areas. Under the first – restoring, preserving and enhancing ecosystems related to agriculture and forestry – nearly 9% of agricultural land and 0.6% of forest area will be placed under funded contracts to improve biodiversity. Additionally, almost 7% of farmland is targeted to be under contract to improve soil management and 4% to improve water management. Under the second main priority – competitiveness of the agri-sector and sustainable forestry – nearly 4% of farm holdings will receive support for investments in modernisation or restructuring of farms. Furthermore, the LEADER approach to local development will be strengthened and extended compared to the former programming period.

Support for Rural Development is the 2nd Pillar of the Common Agricultural Policy, providing Member States with an envelope of EU funding to manage nationally or regionally under multi-annual, co-funded programmes. In total, 118 programmes are foreseen in all 28 Member States. The new RD Regulation for the period 2014-2020 addresses six economic, environmental and social priorities, and programmes contain clear targets setting out what is to be achieved. Moreover, in order to coordinate actions better and maximise synergies with the other European Structural & Investment Funds (ESIF), a Partnership Agreement has been agreed with each Member State highlighting its broad strategy for EU-funded structural investment.

This document provides a brief overview of how the challenges and opportunities Baden-Württemberg is facing are addressed by the RDP. In the annex, a table indicates the priorities and focus areas each with their specific targets, and their allocated budget.

1. SITUATION AND KEY CHALLENGES

In Germany rural development is implemented through 13 separate regional RDPs, which broadly correspond to the various *Länder* (but with two joint programmes). However, common elements to several regional programmes are presented in a national framework (NF) established at federal level. In addition to this, a National Rural Network Programme provides the funding for the networking of rural development actors in Germany.

Baden-Württemberg covers an area of 35 751 km², of which agricultural land covers 51% and forest land 38%. Of the agricultural area (1.4 million ha in 2010), nearly 60% is arable land and 38% permanent grassland. 15% of the population – out of about 10.7

million inhabitants (2012) - lives in predominantly rural areas and 43% live in intermediate areas. However, the share of population living in rural areas and cities numbering below 65 000 inhabitants is around 76% of the total population, covering 95% of the territory. The unemployment rate is 3.4% (2012) and thus well below the federal average.

There are nearly 45 000 agricultural holdings in Baden-Württemberg in total. Only around 2 800 of them cultivate more than 100 ha. The average size is around 32 ha and thus far less than the national average (56 ha).

In this context, economic efficiency in the agricultural sector as well as demographic change are continuing challenges in Baden-Württemberg. Environmental challenges relate to pressure on biodiversity, as well as to soil erosion and nitrate pollution in surface and ground waters. Maintenance and improvement of the natural heritage in rural areas and improved animal welfare were identified as additional challenges, as well as social inclusion and economic development.

2. HOW THE BADEN-WÜRTTEMBERG'S RDP WILL ADDRESS THESE CHALLENGES.

In addressing these challenges, Baden-Württemberg's RDP will fund action under all Rural Development priorities – with a particular emphasis on **restoring, preserving and enhancing ecosystems related to agriculture and forestry** as well as on **competitiveness of the agri-sector and sustainable forestry**. The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

This cross-cutting priority will be addressed mainly through measures supporting training and advisory services for people and businesses in rural areas: an expected **2 400 participants will be trained**. There will also be contributions to nearly **130 cooperation projects** in the framework of the European Innovation Partnership for Agricultural Productivity and Sustainability.

Competitiveness of agri sector and sustainable forestry

Nearly **4 % of farm holdings** will receive funding **for investments focused on modernisation of farms**, in particular with regard to **animal husbandry**. Investments in processing and marketing and participation in the European Innovation Partnership for Agricultural Productivity and Sustainability can also be supported under this priority.

Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture

Support under this priority - focused mainly on improved animal welfare and in particular on **animal welfare labels** – will be paid to **more than 4 000 agricultural holdings**. Risk management in agriculture will be addressed through support for knowledge transfer and information actions, for 180 participants.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Nearly **9 % of agricultural land** and **0.6 % of forest area** will be placed under funded **contracts to improve biodiversity**. Additionally, **4 %** of farmland is intended to be placed under contracts to **improve water management**, and almost **7 %** under contracts to **improve soil management**.

Resource efficiency and climate

3 % of agricultural and forest land will be under management contracts contributing to carbon sequestration or conservation. Furthermore, 2 500 participants are intended to benefit from advisory services on energy efficiency in agricultural holdings with the aim of limiting climate change.

Social inclusion and local development in rural areas

The programme will fund Local Development Strategies (LDS) drawn up and implemented by Local Action Groups (LAGs) under the LEADER approach. LEADER will cover nearly 32 % of the rural population, creating 180 new jobs and improving living conditions.

The four ***biggest RDP measures*** in budgetary terms (total public funding, including additional national top-ups) are:

- € 533.8 million allocated to Measure 10: Agri-environment-climate
- € 533.3 million allocated to Measure 4: Investments in physical assets
- € 210 million allocated to Measure 13: payments for areas facing natural constraints
- € 164 million allocated to Measure 11. Organic farming

Annex 1: Indicative public support for the Rural Development Programme in Baden-Württemberg

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Target	Measure	€ Total public	%
Priority 1: Knowledge transfer and innovation in agriculture, forestry and rural areas (1)			
1A Fostering innovation, cooperation, knowledge base	01 knowledge		
3.49 % of RDP expenditure	02 advisory		
	16 cooperation		
1B Strengthening links (with research, etc.)	16 cooperation		
126 cooperation projects			
1C Training	01 knowledge		
2 355 participants trained			
Priority 2: Farm viability, competitiveness and sustainable forest management		489 100 971	26.81
2A Economic performance, restructuring & modernisation	01 knowledge	1 575 000	0.09
3.93 % of holdings with RDP support	02 advisory	32 400 000	1.78
	04 investments	406 025 971	22.26
	06 farm business / development	31 600 000	1.73
	16 cooperation	17 500 000	0.96
Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		33 635 000	1.84
3A Improving competitiveness of primary producers	14 animal welfare	33 460 000	1.83
4 191 holdings receiving support for animal welfare measures			
3B Farm risk prevention and management	01 knowledge	175.000	0.01
180 participants trained			
Priority 4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry (2)		1 087 336 249	59.61
4A Biodiversity	02 advisory	2 800 000	0.15
0.58 % of forest/other wooded area under contracts	04 investments	121 650 000	0.15
	07 basic services	119 200 000	6.67
8.52 % of agricultural land under contracts			
4B Water management	08 forest investments	17 850 000	0.98
4.10 % of agricultural land under contracts	10 AEC	444 481 595	24.37
	11 organic farming	164 255 000	9.01
4C Soil erosion and management	12 Nat2000 and WDF	4 200 000	0.23
6.79 % of agricultural land under contracts	13 ANC	210 099 654	11.52
	16 cooperation	2 800 000	0.15
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		99 426 469	5.45
5B Energy efficiency	02 advisory	3 300 000	0.18
2 500 recipients of advisory service			
5E Carbon conservation and sequestration	04 investments	5.600.000	0.31
3.06 % of agricultural and forest land under management	08 forest investments	350.000	0.02

contracts contributing to carbon sequestration or conservation	10 AEC	89.301.469	4.90
	16 cooperation	875.000	0.05
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		87 500 000	4.80
6A Diversification, creation of small enterprises and jobs	01 knowledge	1.380.000	0.08
8 jobs created in supported projects	06 farm business / development	1.320.000	0.07
	16 cooperation	800.000	0.04
6B Fostering Local Development	19 LEADER and CLLD	84 000 000	4.61
31.76 % rural population under local development strategies			
180 jobs created (via LEADER)			
Technical assistance		27 000 000	1.48
TOTAL PUBLIC EXPENDITURE €		1 823 998 689	100

(1) No financial allocation shown for Priority 1 as the expenditure is distributed across other focus areas

(2) Expenditure under priority 4 is programmed for the priority as a whole, not for individual focus areas