



## Factsheet on 2014-2020 Rural Development Programme for the German Land Bavaria

The Rural Development Programme (RDP) for Bavaria was formally adopted by the European Commission on 13 February 2015 and last amended on 4 April 2018, outlining Bavaria's priorities for using the € 3.6 billion of public money that is available for the 7-year period 2014-2020 (€ 1.5 billion from the EU budget including the transfer of 4.5 % from the 1<sup>st</sup> pillar to the 2<sup>nd</sup> pillar, and € 1.1 billion of national co-funding plus € 999 million of additional national to-ups).

The RDP for Bavaria focuses mainly on Rural Development Priority 4 – restoring, preserving and enhancing ecosystems related to agriculture and forestry. **13 % of farmland** will be placed under funded contracts for improving **biodiversity**, with land also under contracts for better **water and soil management**. With regard to other priorities, around **5 % of farms** will receive support to **invest in greater competitiveness**, and **€ 400 million of investments in energy efficiency** are expected.

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 implemented in all 28 Member States. The 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 Bavaria 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, elements common to 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.

Bavaria covers an area of 70 550 km<sup>2</sup> (20 % of the German territory), of which 49 % is agricultural area and 35 % is covered by forest. Of the total agricultural land (3.1 million ha in 2013), 65 % is arable land and 34 % permanent grassland, with a trend of conversion of grassland into arable land.

Bavaria has 12.6 million inhabitants (15 % of the German population), of which 76% live in rural areas. The agriculture and food sectors both play an important role within rural areas, but both are facing structural changes.

Bavaria's rural areas are challenged by a persistent loss of business activity, migration of the labour force, and demographic changes. A key characteristic of the agricultural sector is the especially high proportion of part-time farmers and small farms in Bavaria's 98 000 holdings.

The key environmental challenges in Bavaria remain climate change, a loss of permanent grassland, nitrate pollution of surface and groundwater bodies, the continued loss of biodiversity, erosion, and land conversion for housing and infrastructure.

## **2. HOW THE BAVARIAN RDP WILL ADDRESS THESE CHALLENGES**

In addressing these challenges, the Bavarian RDP will fund action under five out of six Rural Development Priorities – with a particular emphasis on **restoring, preserving and enhancing ecosystems related to agriculture and forestry**. The focus of each priority is explained briefly below. (Priority 3 - food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture - will be addressed only through nationally funded measures.)

### Knowledge transfer and innovation in agriculture, forestry and rural areas

This cross-cutting Priority will be addressed mainly with nationally funded measures in the fields of **training** and **farm advisory services**, but also through support for cooperation in the framework of the **European Innovation Partnership** for Agricultural Productivity and Sustainability.

### Competitiveness of agricultural sector and sustainable forestry

**Nearly 5 % of farms** will receive **funding for investments** – focused on innovative potential, young farmers, organic farming, animal welfare and resource efficiency. This funding will also cover land consolidation and agricultural access roads, and will be complemented by support for the **European Innovation Partnership**, as well as by funding for **farm diversification**.

### Restoring, preserving and enhancing ecosystems related to agriculture and forestry

**13 % of farmland** will be placed under funded contracts for improving **biodiversity**, with land also under contracts for better **water and soil management** – through practices such as organic farming and crop diversification. Support for **environmental investments in farms and forests** will complement this contractual support.

### Resource efficiency and climate

The above-mentioned support for **farm investments** will help to address this priority, as the investments will be required to improve efficiency with water and other resources. **7 % of farmland** will be under funded contracts for cutting greenhouse gas and ammonia emissions, and **4 %** under contracts for action contributing to **carbon sequestration**. Additionally, the "co-operation" measure will support enhanced sustainability through the **European Innovation Partnership** and through **cooperation for climate change adaptation and mitigation**.

### Social inclusion and local development in rural areas

The programme will fund **Local Development Strategies** drawn up by Local Action Groups under the LEADER approach: these will cover areas containing **57 % of the**

**rural population.** There will also be support for other co-operation projects and village renewal. Almost **280 new jobs** are to be created and nearly **11 % of the rural population** will benefit from **new or improved services/infrastructure** thanks to fresh investment.

The four ***biggest RDP measures*** in budgetary terms (EAFRD) are:

- € 600 million allocated to M10: Agri-environment-climate payments
- € 388 million allocated to M13: Payments to areas facing natural or other specific constraints
- € 206 million allocated to M11: Organic Farming
- € 162 million allocated to M04: investments in physical assets

Bavaria RDP v.4.1				
Target		Measure	Indicative public support	%
<b>P1: Fostering knowledge transfer and innovation in agriculture, forestry and rural areas</b>			<b>0.00</b>	
<b>1A Innovation, cooperation, knowledge</b>			<b>0.00</b>	
T1: percentage of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (focus area 1A)	0.20	M16 Cooperation	0.00	
<b>1B Research &amp; innovation</b>			<b>0.00</b>	
T2: Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) (focus area 1B)	8.00	M16 Cooperation	0.00	
<b>P2: Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and the sustainable management of forests</b>			<b>473,000,000.00</b>	<b>13.03%</b>
<b>2A Farm performance</b>			<b>Total: 2A</b>	<b>473,000,000.00</b>
T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	4.76	M04 Physical Investment	466,000,000.00	12.83%
		M16 Cooperation	7,000,000.00	0.19%
<b>P4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry</b>			<b>2,002,016,729.00</b>	<b>55.13%</b>
<b>4A Biodiversity, HNV and landscapes</b>			<b>Total: P4</b>	<b>2,002,016,729.00</b>
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	13.18	M04 Physical Investment	14,000,000.00	0.39%
<b>4B Water management</b>				
T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	2.69	M10 Agri-environment-climate	773,716,729.00	21.31%
		M11 Organic Farming	438,300,000.00	12.07%
<b>4C Soil management</b>				
T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	2.75	M13 Areas with natural constraints	776,000,000.00	21.37%
<b>P5: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors</b>			<b>388,000,282.00</b>	<b>10.69%</b>
<b>5B Energy efficiency</b>			<b>Total: 5B</b>	<b>80,000,000.00</b>
T15: Total investment for energy efficiency (€) (focus area 5B)	400,000,000.00	M04 Physical Investment	80,000,000.00	2.20%
<b>5D Reducing GHG and NH3</b>			<b>Total: 5D</b>	<b>84,111,312.00</b>
T18: percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D)	7.70	M10 Agri-environment-climate	84,111,312.00	2.32%
<b>5E Carbon conservation / sequestration</b>			<b>Total: 5E</b>	<b>223,888,970.00</b>
T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	3.96	M10 Agri-environment-climate	223,888,970.00	6.17%
<b>P6: Promoting social inclusion, poverty reduction and economic development in rural areas</b>			<b>753,000,000.00</b>	<b>20.74%</b>
<b>6A Diversification, SMEs and job creation</b>			<b>Total: 6A</b>	<b>11,500,000.00</b>
T20: Jobs created in supported projects (focus area 6A)	180.00	M06 Farm and business development	11,500,000.00	0.32%
<b>6B Local development</b>			<b>Total: 6B</b>	<b>741,500,000.00</b>
T21: percentage of rural population covered by local development strategies (focus area 6B)	56.68	M07 Basic services	584,500,000.00	16.10%
T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	10.31	M19 LEADER and CLLD	157,000,000.00	4.32%
T23: Jobs created in supported projects (Leader) (focus area 6B)	100.00			
<b>M20 TA</b>			<b>15,159,754.00</b>	<b>0.42%</b>
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<b>Total public expenditure</b>			<b>3,631,176,765.00</b>	<b>100.00%</b>