



Factsheet on 2014-2020 Rural Development Programme for Saarland

The Rural Development Programme (RDP) for Saarland was formally adopted by the European Commission on 26 May 2015, outlining Saarland's priorities for using the 58 million of public contribution that is available for the 7-year period 2014-2020 (€ 34 million from the EU budget, including € 5 million transferred from the envelope for CAP direct payments, and € 24 € million of national co-funding)

The RDP for Saarland focuses mainly on three priority areas. To enhance the competitiveness of the agri-sector, and sustainable forestry, 9.9% of agricultural holdings are intended to receive support for investments in restructuring or modernisation. Further, to restore, preserve and enhance ecosystems related to agriculture and forestry, 27 % of agricultural land will be placed under management contracts for supporting biodiversity, improving water management and preventing soil erosion. Finally, to promote social inclusion and local development in rural areas, 96% of the rural population is intended to be covered by local development strategies and 85% should benefit from improved services/infrastructure.

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 Saarland 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.

Saarland is, apart from the German City States, the smallest German Federal Land in terms of area and population. It covers an area of 2 569 km², of which some 19% is rural. Of the total area, agricultural land covers 43 % and forest land 34 %. 9 % of the population - out of about 1 million inhabitants (2012) - live in predominantly rural areas and 25 % in intermediate areas.

A key challenge for the 1 300 agricultural holdings (which have an average size of 59 ha) is to improve their economic and environmental performance.

Of the total utilized agricultural area (nearly 78 000 ha in 2013) 52 % is permanent grassland and 48 % is arable land. Key challenges related to agricultural land are erosion and abandonment, pressures on biodiversity and pollution of surface and ground waters.

Rural areas in Saarland are affected by demographic change and loss of business activity. The unemployment rate is 6.4% (2012), corresponding approximately to the federal average. Key challenges in this context are creation of businesses and opportunities for local development and improvement of infrastructure.

2. HOW SAARLAND'S RDP WILL ADDRESS THESE CHALLENGES

In addressing these challenges, Saarland's RDP will fund action under four out of six Rural Development Priorities – with a particular emphasis on restoring, preserving and enhancing of ecosystems related to agriculture and forestry as well as on social inclusion and local development in rural areas. The focus of each priority is explained briefly below.

Competitiveness of agri sector and sustainable forestry

This priority will be addressed through investments in physical assets and forestry infrastructure. 9.8 % of agricultural holdings are intended to invest in enhancements of their overall economic and environmental performance.

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

27% of farmland is intended to be managed with agri-environment-climate contracts to improve biodiversity, water management and soil management. There will also be compensation for the additional costs incurred and income foregone due to the requirements of organic farming and the management obligations for Natura 2000 areas.

Resource efficiency and climate

2.5% of agricultural and forest land is intended to be managed with contracts to foster carbon sequestration and conservation.

Social inclusion and local development in rural areas

96% of the rural population is intended to be involved in local development strategies for actions to increase the competitiveness of the area, and 85% is intended to benefit from improved or expanded infrastructure. This priority will be addressed through LEADER projects, investments in the creation of non-agricultural activities, basic infrastructure and village renewal.

The four **biggest RDP measures** in budgetary terms (total public funding) are:

- € 9.9 million allocated to Measure 10: Agri-environment-climate
- € 9.8 million allocated to Measure 7: Basic services and village renewal
- € 9 million allocated to Measure 11: Organic farming
- € 8.6 million allocated to Measure 4: Investments in physical assets

Annex 1: Indicative public support for the Rural Development Programme of Saarland

Annex 1: Indicative public support for the Rural Development Programme in SAARLAND			
Target	Measure	€ Total public	%
Priority 2: Farm viability, competitiveness and sustainable forest management		8 600 000	14.77
2A Economic performance, restructuring & modernisation 9.85 % of holdings with RDP support	04 investments	8 600 000	14.77
Priority 4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry (2)		25 947 290	44.55
4A Biodiversity 27.09 % of agricultural land under contracts	04 investments	600 000	1.03
	07 basic services	600 000	1.03
4B Water management 27.09 % of agricultural land under contracts	10 AEC	9 966 290	17.11
	11 organic farming	9 000 000	15.45
4C Soil erosion and management 27.09 % of agricultural land under contracts	12 Nat2000 und WRR	800 000	1.37
	13 ANC	4 981 000	8.55
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		600 000	1.03
5E Carbon conservation and sequestration 2.54 % of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	08 forest investments	600 000	1.03
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		20 800 000	35.72
6A Diversification, creation of small enterprises and jobs 5 jobs created in supported projects	06 farm / business development	1 000 000	1.72
6B Fostering local development 96.18 % rural population under local development strategies	04 investments	0	0
84.82 % rural population with improved services/infrastructure 7 jobs created (via LEADER)	07 basic services	9 800 000	16.83
	19 LEADER and CLLD	8 000 000	13.74
6C Access to and quality of ICT 1.89 % rural population benefitting from new or improved services/infrastructures (ICT)	07 basic services	2 000 000	3.43
Technical assistance		2 290 262	3.93
TOTAL PUBLIC ALLOCATIONS		58 237 552	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