



Factsheet on 2014-2020 Rural Development Programme for Schleswig-Holstein/Germany

The Rural Development Programme (RDP) for Schleswig-Holstein was formally adopted by the European Commission on 26 May 2015, outlining Schleswig-Holstein's priorities for using the € 869 million of public money that is available for the 7-year period 2014-2020 (€ 419 million from the EU budget, including € 71 million transferred from the German envelope for CAP direct payments, and € 203 million of national co-funding plus € 247 million of additional national funding top-ups).

The RDP for Schleswig-Holstein focuses mainly on 3 priority areas. Under the first of these – restoring, preserving and enhancing ecosystems related to agriculture and forestry - 8% of farmland will be under biodiversity contracts, 5% under contracts to improve water management and 4% under contracts to improve soil management and reduce erosion. Secondly, to address social inclusion and local development in rural areas, 81% of the population will be covered by LEADER local development strategies. Thirdly, to improve structures, 25 sectors of the coast protection plan will receive support for flood protection. In addition 75 projects for processing and marketing will receive support.

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 Schleswig-Holstein 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.

Schleswig-Holstein covers an area of 15 799 km², of which 97% is rural. Of the total area, agricultural land covers 63% and forest land 10%.

Of a population of 2.8 million, 78% lives in predominantly rural areas and 22% lives in urban areas. The unemployment rate is 5.1% (2012).

Of the agricultural area (995 640 ha in 2010), 67.8% is arable land and 31.5% is permanent grassland. Permanent crops cover the remaining 0.7%.

There are over 14 100 agricultural holdings in total. More than 3 200 have a size above 100 ha; the average size is 71 ha and thus significantly above the federal average of 56 ha.

Environmental challenges in Schleswig-Holstein mainly relate to the decline of biodiversity and to wind and soil erosion caused by climate change.

Schleswig-Holstein faces an increasing flood hazard, especially along its coastline of more than 1 000 km.

The region faces more and more the negative effects of an ageing society, a constant decline of the population in rural areas and a sharp decline in the labour force.

Broadband coverage in rural areas is still lagging behind. ≥ 16 Mbit/s are available in 64% of Schleswig-Holstein's households; however, this broadband coverage is concentrated on major towns and their vicinity. Thus, access to high-speed internet in rural areas will be a major challenge.

2. HOW SCHLESWIG-HOLSTEIN'S RDP WILL ADDRESS THESE CHALLENGES

In addressing these challenges, Schleswig-Holstein's RDP will fund actions under all six Rural Development priorities – with a particular emphasis on: **restoring, preserving and enhancing ecosystems related to agriculture and forestry; social inclusion and local development in rural areas; competitiveness of the agri-sector and sustainable forestry; and food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture.** The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

This cross-cutting Priority will have a focus on resource efficiency and supporting the shift towards a low-carbon and climate-resilient economy in the agricultural, food and forestry sectors. It will be addressed mainly through measures supporting training and advisory services for people and businesses in rural areas: an expected 14 000 participants will be trained. There will also be support for cooperation in the framework of the European Innovation Partnership for Agricultural productivity and Sustainability.

Competitiveness of agri sector and sustainable forestry

Besides the previously mentioned support for training, about 100 farms will receive funding for investments – focused on better animal husbandry / welfare, high-quality production, and improved working conditions.

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

Support will mainly concern investments in flood and coastal protection for agricultural and forest areas. In addition 75 projects related to processing and marketing will receive support.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Schleswig-Holstein will improve biodiversity and water and soil management through support for various environmentally friendly management practices – including organic farming, lower use of fertilisers and pesticides and protection of habitats. More than 8%

of farmland will be under funded contracts to improve biodiversity, more than 5% under contracts to improve water management and close to 4% under contracts to improve or prevent soil erosion. Support for environmental investments will complement these annual area-based payments.

Resource efficiency and climate

The emphasis in Schleswig-Holstein will be on investments in forest area development and improvement of the viability of forests. The afforestation of about 1 500 ha of land is intended.

Carbon conservation and sequestration will be achieved through the implementation of agri-environment-climate measures on an area of more than 12 500 ha.

Social inclusion and local development in rural areas

Under this priority, 81% of the rural population will be covered by LEADER local development strategies and 4.8% will benefit from improved services and infrastructure. There will also be support for other co-operation projects and for village renewal.

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

- € 336 million allocated to Measure 5 (Restoring agricultural potential damaged by natural disasters and catastrophic events and introduction of appropriate prevention measures)
- € 170 million allocated to Measure 7 (Basic services and village renewal in rural areas)
- € 87 million allocated to Measure 10 (Agri-environment-climate)
- € 78 million allocated to Measure 19 (LEADER / CLLD: community-led local development)

Annex 1: Indicative public support for the Rural Development Programme in Schleswig-Holstein (Germany)

Annex 1: Indicative public support for the Rural Development Programme in SCHLESWIG-HOLSTEIN			
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		
4.17 % of RDP expenditure	02 advisory		
	16 cooperation		
1B Strengthening links (with research, etc.)	16 cooperation		
48 cooperation projects			
1C Training	01 knowledge		
14 000 participants			
Priority 2: Farm viability, competitiveness and sustainable forest management		28 523 585	3.28
2A Economic performance, restructuring & modernisation	01 knowledge	3 750 000	0.43
	02 advisory	5 000 000	0.57
0.71 % of holdings with RDP support	04 investments	9 773 585	1.12
	16 cooperation	10 000 000	1.15
Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		347 738 259	39.94
3A Improving competitiveness of primary producers (3)	04 investments	11 320 755	1.30
75 supported projects			
3B Farm risk prevention and management (3)	05 restoring agric. potential	336 417 504	38.64
25 sectors of the general coast protection plan			
Priority 4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry (2)		234 367 412	26.92
4A Biodiversity	02 advisory	14 150 943	1.63
7.58 % of agricultural land under contracts	04 investments	25 066 667	2.88
4B Water management	07 basic services	31 222 136	3.59
5.22 % of agricultural land under contracts	10 AEC	76 225 666	8.76
2.3 Mill population benefitting from non-productive investments (WRRL)	11 organic farming	60 493 667	6.95
456 projects for non-productive investments in WRRL	12 Nat2000 and WDF	16 000 000	1.84
4C Soil erosion and management	13 ANC	7 833 333	0.90
3.62 % of agricultural land under contracts	16 cooperation	3 375 000	0.39
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		26 140 922	3.00
5E Carbon conservation and sequestration	08 forest investments	14 806 588	1.70
1.20 % of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	10 AEC	11 334 334	1.30
1.200 ha restored forest land after fire, natural disasters, etc.			
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		217 927 170	25.03

6B Fostering local development	07 basic services	75 141 321	8.63
81.11 % rural population under local development strategies	19 LEADER and CLLD	78 750 000	9.05
4.79 % rural population with improved services/infrastructure			
80 jobs created (via LEADER)			
6C Access to and quality of ICT	07 basic services	64 035 849	7.36
5.41 % rural population benefitting from new or improved services/infrastructures (ICT)			
Technical assistance		15 916 394	1.83
TOTAL PUBLIC EXPENDITURE €		870 613 742	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

(3) Programme specific indicator