



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 and last modified on 22 August 2018 (3rd programme amendment), outlining Schleswig-Holstein's priorities for using the € 912 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 € 184 million of national co-funding plus € 309 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, 32 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 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 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 4% (2016).

Of the agricultural area (995 640 ha in 2013), 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 50 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 1 450 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 13 250 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)
- € 100 million allocated to Measure 10 (Agri-environment-climate)
- € 97 million allocated to Measure 11 (Organic farming)

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

Target		Measure	Indicative public support	%
P1: Fostering knowledge transfer and innovation in agriculture, forestry and rural areas			0,00	
1A Innovation, cooperation, knowledge			0,00	
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)	4,17	M01 Knowledge	0,00	
		M02 Advisory services	0,00	
		M16 Cooperation	0,00	
1B Research & innovation			0,00	
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)	48,00	M16 Cooperation	0,00	
1C Lifelong learning and vocational training			0,00	
T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C)	14.000,00	M01 Knowledge	0,00	
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			28.523.585,00	3,13%
2A Farm performance		Total: 2A	28.523.585,00	3,13%
T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	0,35	M01 Knowledge	3.750.000,00	0,41%
Total investment € (public + private)	25.000.000,00	M02 Advisory services	5.000.000,00	0,55%
Number of holdings supported for investment in agricultural holdings (4.1)	50,00	M04 Physical Investment	9.773.585,00	1,07%
Number of beneficiaries advised (2.1)	3.000,00	M16 Cooperation	10.000.000,00	1,10%
P3: Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture			347.738.259,00	38,12%
3A Competitiveness of producers		Total: 3A	11.320.755,00	1,24%
4.2: Number of operations supported for investments (e.g. in agricultural holdings, in processing and marketing of agricultural products) (4.2)	75,00	M04 Physical Investment	11.320.755,00	1,24%
Total investment € (public + private)	45.000.000,00			
Number of operations supported for investment (e.g. in agricultural holdings, in processing and marketing of ag. products) (4.1 and 4.2)	75,00			
3B Risk management		Total: 3B	336.417.504,00	36,88%
5.1: Sectors of the general coastal protection plan	32,00	M05 Restoring agricultural potential	336.417.504,00	36,88%

P4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry		281.498.412,00	30,86%	
4A Biodiversity, HNV and landscapes		Total: P4	281.498.412,00	30,86%
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	8,08	M02 Advisory services	14.150.943,00	1,55%
4B Water management		M04 Physical Investment	22.240.000,00	2,44%
T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	5,22	M07 Basic services	31.222.136,00	3,42%
7.6: Number of population benefitting from non-productive investments in natural water development (WFD)	2.300.000,00	M10 Agri-environment-climate	88.060.000,00	9,65%
7.6: Number of operations for investments in natural water development (WFD)	456,00	M11 Organic Farming	96.867.000,00	10,62%
4C Soil management		M12 NAT 2000 & WFD	16.000.000,00	1,75%
T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	3,62	M13 Areas with natural constraints	6.933.333,00	0,76%
P4 All Focus Areas		M16 Cooperation	6.025.000,00	0,66%
Total investment € (public + private)	22.240.000,00			
Area (ha) under agri-environment-climate (10.1)	44.550,00			
Area (ha) - conversion to organic farming (11.1)	11.000,00			
Area (ha) - maintenance of organic farming (11.2)	35.000,00			
Area (ha) - NATURA 2000 AG land (12.1)	18.000,00			
Nr of beneficiaries advised (2.1)	2.000,00			
P5: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors		25.899.922,00	2,84%	
5E Carbon conservation / sequestration		Total: 5E	25.899.922,00	2,84%
T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	1,20	M08 Forest	14.406.588,00	1,58%
8.4: Forest area (ha) restored to original state after forest fires and natural disasters	1.200,00	M10 Agri-environment-climate	11.493.334,00	1,26%
Area (ha) to be afforested (establishment - 8.1)	1.450,00			
Area (ha) under agri-environment-climate for carbon sequestration	13.250,00			
P6: Promoting social inclusion, poverty reduction and economic development in rural areas		217.927.170,00	23,89%	
6B Local development		Total: 6B	154.834.717,00	16,97%
T21: percentage of rural population covered by local development strategies (focus area 6B)	81,11	M07 Basic services	76.084.717,00	8,34%

T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	4,79	M19 LEADER and CLLD	78.750.000,00	8,63%
T23: Jobs created in supported projects (Leader) (focus area 6B)	80,00			
Population benefiting from improved services/infrastructures (7.1; 7.2; 7.4; 7.5.;7.6; 7.7)	94.000,00			
Population covered by LAG	1.800.000,00			
Number of LAGs selected	22,00			
6C ICT		Total: 6C	63.092.453,00	6,92%
T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	5,41	M07 Basic services	63.092.453,00	6,92%
M20 TA			10.633.375,47	1,17%
			10.633.375,47	1,17%
Total public expenditure			912.220.723,47	100,00%