



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

The Rural Development Programme (RDP) for Thuringia was formally adopted by the European Commission on 26 May 2015 and last amended on 15 October 2018, outlining Thuringia's priorities for using the € 921 million of public money that is available for the 7-year period 2014-2020 (€ 680 million from the EU budget, including € 54 million transferred from the German envelope for CAP direct payments, and € 198 million of national co-funding, plus € 43 million of additional national funding top-ups).

The RDP for Thuringia focuses mainly on 3 priority areas. Under the first of these – restoring, preserving and enhancing ecosystems related to agriculture and forestry - 18% of agricultural land and 5% of forest or other wooded area will be under biodiversity contracts. 14% of farmland and 8.5% of forestry land will be under contracts to improve water management. To improve soil management and reduce erosion, 17% of agricultural land and 8.5% of forest land will be placed under funded contracts. Secondly, with regard to social inclusion and local development in rural areas, 63% of the rural population is targeted for improved services and infrastructure and 280 jobs will be created. Under the third priority area of competitiveness of the agri-food sector and sustainable forestry, 12% of agricultural holdings will receive RDP support for investments in modernisation or restructuring.

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 Thuringia 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.

Thuringia covers an area of 16 173 km², of which 59 % is rural and 41 % is classified as intermediate area. Of the total area, agricultural land covers 56 % and forest land 34 %.

There are about 3 400 farm holdings managing close to 780 000 ha of agricultural plus another 21 600 ha of non-agricultural land, much of which is forest.

Environmental challenges in Thuringia mainly relate to the decline of biodiversity.

With a population of 2.17 million inhabitants (2016), Thuringia has been confronted with a constant decline for the last 15 years; demographic studies predict a further drop which will bring the population 1.8 million inhabitants in 2030. The region faces more and more the negative effects of depopulation and an ageing society.

It is worth mentioning that the unemployment rate has decreased considerably in the last 10 years and is now 4.4% (2016).

Broadband coverage in rural areas is still lagging behind; 16 Mbit/s are available in 45% of Thuringia's households; however, only 12% of households have 50 Mbit/s. Thus, access to high-speed internet will be a major challenge.

2. HOW THURINGIA'S RDP WILL ADDRESS THESE CHALLENGES

In addressing these challenges, Thuringia's 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, on social inclusion and local development in rural areas, and 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

Under this cross-cutting priority there will be support for farm advisory services and training for farmers, foresters and other beneficiaries in rural areas. Support is also planned for cooperation projects in the framework of the European Innovation Partnership.

Competitiveness of agri sector and sustainable forestry

More than 12% of farms will receive funding for investments - focused on animal welfare, organic farming, resource efficiency and requirements to fulfil environmental and climate-related standards. The funding will also cover land consolidation and agricultural access roads.

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

Under this priority 3.3 % of agricultural holdings and producer groups are intended to receive support for participating in quality schemes, local markets and short supply chains. Investments will be primarily linked to organic food processing and marketing.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

18% of farmland and nearly 5% of forest or other wooded area will be placed under funded contracts to enhance biodiversity. A good 14% of farmland and 8.5% of forestry land under contracts will improve water management; support for holdings to improve soil management and cut erosion will cover a similar area.

Resource efficiency and climate

The programme only allocates 0.13% of its funds to this priority. Nevertheless, support allocated to other priorities will also help to increase resource and water efficiency.

Social inclusion and local development in rural areas

The programme will fund Local Development Strategies drawn up by 15 Local Action Groups (LAGs) under the Leader approach. 63% of the rural population will benefit from improved services. There will also be support for village renewal and infrastructure. 280 jobs are expected to be created (150 via Leader, 130 under diversification projects) and 15% of the rural population will benefit from new or improved broadband infrastructure.

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

- € 235 million allocated to Measure 10 (Agri-environment-climate)
- € 220 million allocated to Measure 7 (Basic services and village renewal in rural areas)
- € 143 million allocated to Measure 4 (Investments in physical assets)
- € 124 million allocated to Measure 13 (Payments to areas facing natural or other specific constraints)

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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)	2,11	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)	90,00	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)	7.326,00	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		172.125.135,00	18,67%
2A Farm performance	Total: 2A	172.125.135,00	18,67%
T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	12,21	M01 Knowledge	1.800.000,00
Total investment € (public + private)	456.643.481,00	M02 Advisory services	2.382.000,00
Nr of holdings supported for investment in agricultural holdings (4.1)	447,00	M04 Physical Investment	163.023.136,00
Nr of beneficiaries advised (2.1)	1.455,00	M16 Cooperation	4.919.999,00
P3: Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture		16.711.146,00	1,81%
3A Competitiveness of producers	Total: 3A	16.711.146,00	1,81%
T6: percentage of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations (focus area 3A)	3,28	M01 Knowledge	440.000,00
Total investment € (public + private)	45.500.000,00	M02 Advisory services	526.400,00
Nr of operations supported for investment (e.g. in agricultural holdings, in processing and marketing of ag. products) (4.1 and 4.2)	58,00	M04 Physical Investment	13.011.413,00
Nr of agricultural holdings participating in cooperation/local promotion among supply chain actors (16.4)	120,00	M16 Cooperation	2.733.333,00

Nr of beneficiaries advised (2.1)	270,00			
P4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry			462.404.750,67	50,16%
4A Biodiversity, HNV and landscapes		Total: P4	462.404.750,67	50,16%
T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)	4,85	M01 Knowledge	1.320.000,00	0,14%
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	18,31	M02 Advisory services	855.200,00	0,09%
4B Water management		M07 Basic services	25.866.666,00	2,81%
T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	13,67	M08 Forest	14.580.000,00	1,58%
T11: percentage of forestry land under management contracts to improve water management (focus area 4B)	8,52	M10 Agri-environment-climate	233.757.219,00	25,36%
4C Soil management		M11 Organic Farming	53.566.666,67	5,81%
T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	17,21	M13 Areas with natural constraints	124.572.333,00	13,51%
T13: percentage of forestry land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	8,52	M15 Forest-environment	5.153.333,00	0,56%
P4 All Focus Areas		M16 Cooperation	2.733.333,00	0,30%
Areas under forest environment contracts (15.1)	25.800,00			
Area (ha) under agri-environment-climate (10.1)	226.206,00			
Area (ha) - conversion to organic farming (11.1)	14.400,00			
Area (ha) - maintenance of organic farming (11.2)	25.000,00			
Nr of beneficiaries advised (2.1)	559,00			
P5: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors			1.176.114,00	0,13%
5E Carbon conservation / sequestration		Total: 5E	1.176.114,00	0,13%
T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	0,02	M10 Agri-environment-climate	1.176.114,00	0,13%
Area (ha) under agri-environment-climate for carbon sequestration	300,00			
P6: Promoting social inclusion, poverty reduction and economic development in rural areas			252.667.509,00	27,41%
6A Diversification, SMEs and job creation		Total: 6A	7.889.733,00	0,86%
T20: Jobs created in supported projects (focus area 6A)	130,00	M01 Knowledge	440.000,00	0,05%

Total investment € (public + private)	26.000.000,00	M02 Advisory services	236.400,00	0,03%
Nr of beneficiaries (holdings) receiving start up aid/support for investment in non-agric activities in rural areas (6.2 and 6.4)	100,00	M06 Farm and business development	6.666.667,00	0,72%
Nr of beneficiaries advised (2.1)	146,00	M16 Cooperation	546.666,00	0,06%
6B Local development		Total: 6B	224.777.776,00	24,39%
T21: percentage of rural population covered by local development strategies (focus area 6B)	63,05	M07 Basic services	174.666.665,00	18,95%
T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	63,44	M19 LEADER and CLLD	50.111.111,00	5,44%
T23: Jobs created in supported projects (Leader) (focus area 6B)	150,00			
Population benefiting from improved services/infrastructures (7.1; 7.2; 7.4; 7.5.;7.6; 7.7)	1.409.132,00			
Population covered by LAG	1.400.500,00			
Number of LAGs selected	15,00			
6C ICT		Total: 6C	20.000.000,00	2,17%
T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	14,86	M07 Basic services	20.000.000,00	2,17%
M20 TA			16.685.985,33	1,81%
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Total public expenditure			921.770.640,00	100,00%

