

Rural Development Programme (RDP) of Rhineland-Palatinate, Germany

**Entwicklungs-Programm
"Agrarwirtschaft, Umweltmaßnahmen,
Landentwicklung" (PAUL)¹**
(Development Programme "Agriculture,
Environment, Rural Development" (PAUL))

Relevant Contact Details

Managing Authority Website:

<http://www.eler-paul.rlp.de>

Other useful links:

Rural Development Programme (RDP):

http://enrd.ec.europa.eu/rural-development-policy/country-information/germany/en/germany_home_en.cfm

National Strategy Plan (NSP):

http://www.bmelv.de/cln_163/SharedDocs/Standardartikel/Landwirtschaft/Laendliche-Raeume/KonzepteStrategien/natStrategieplan.html?nn=310134

German National Rural Network (NRN):

<http://www.netzwerk-laendlicher-raum.de/>



Map of Rhineland Palatinate
(© European Commission)

General socio-economic situation in rural areas in Rhineland-Palatinate region

Rhineland-Palatinate covers an area of 19,853 km². More than 75% of entire Rhineland-Palatinate (R-Pf) area is rural, with about half of its population (4,060,394) living in these areas. Almost 84% of the land area of R-Pf is used for agricultural and forestry purposes. The unemployment rate in January 2010 was 6.4%. In 2007 the GDP per capita was €25,791, while the national GDP per capita was €29,465. Tourism plays an important role, particularly in rural areas, and compared to 1995, the number of guests represents a growth of 20%. With 27,347 holdings (2005), of which 10,100 having agriculture and/or viniculture as their main source of income, agriculture and/or viniculture in R-Pf accounts for an annual production volume of about €2 billion. Wine is the most important agricultural production sector and accounts for about 33% of the total production value. In terms of total turnover the food industry in R-Pf is the fourth most productive sector after the chemical industry, vehicle construction and the metal processing sector.

Rural areas of Rhineland-Palatinate are characterized by the presence of sites with good natural conditions (climate, soil) that enable the cultivation of specialty crops (fruits,

¹ Latest updated RDP, following the adoption of the Health Check and European Economic Recovery Package and additional funds from Modulation (i.e. adjustments between Pillar 1 (Agriculture) & 2 (Rural Development) of the Common Agricultural Policy (CAP).

vegetables, wine, tobacco) and sugar beet with a relatively good profitability. However, though there is a tendency to increase farm sizes, the traditionally fragmented agricultural structure of these areas increases production costs. Due to the labour intensive management of particular cultural landscapes (e.g. steep slope viticulture) traditional management forms are at risk of being abandoned. In addition, the succession of these farms is often unclear. Rural areas of the Bundesland often do not provide sufficient or adequate jobs for the residents, who therefore commute into the cities.

Following the CAP Health Check, in recognition of the greater emphasis now being given to the “new challenges” faced by agriculture and rural areas, the revised RDP further highlights biodiversity conservation, the need to adapt and mitigate against the impact of climate change, to invest in renewable energies, to improve connectivity in rural areas through improved access to broadband infrastructure, and the restructuring of the dairy sector. Changes were made in the allocation of funds between c measures, in the definition of elements of the conditions of support. . Indicators have been adjusted accordingly.

RDP strategic objectives

The overall objectives of the R-Pf RDP are chosen in accordance with the EU Strategic Guidelines and the German Strategic Plan for Rural Development (SPRD). Based on the basic idea of integrated and sustainable rural development, priorities and selection of RDP measures follow the general R-Pf political and strategic objectives including experiences and evaluations from the previous funding period. The overall objectives of a) stimulating economic growth, employment and sustainability, b) increasing the restructuring and competitiveness of agriculture, forestry and the food economy, and c) supporting the diversification and innovation in rural areas will be strategically pursued by support for improved product quality, based on better managerial systems. The environmental situation is targeted through support for preserving farming and forestry and thus maintaining the countryside. Finally, the creation of employment and providing support for entrepreneurship will be granted particularly with local development strategies (e.g. Leader).

The amendments proposed in account of the additional financing provided by the CAP Health Check, the European Economic Recovery Package and Modulation do not have an impact to the objectives set in the National Strategy Plan (NSP) and the regional programme strategy.

Expected impact / outcomes of the policies

In order to estimate the true outcome in time to come, effects of specific measures have to be aggregated. Trends from the expected outcome of each field of activity – without regarding the measures’ specific budgets – show that several measures have an overarching impact on economic growth, biodiversity, water quality, and the (cultural) landscape. However, when weighing the evaluation of various impacts against relevant budgets, the impression of effects are to some degree positively modified, meaning that: the R-Pf RDP becomes more important, especially in terms of economic growth and making rural living conditions better. In this way, the RDP is considered adequately taking into account the different aspects of rural development when distributing the public funding.

² A full list of the RDP measures can be found in Annex I.

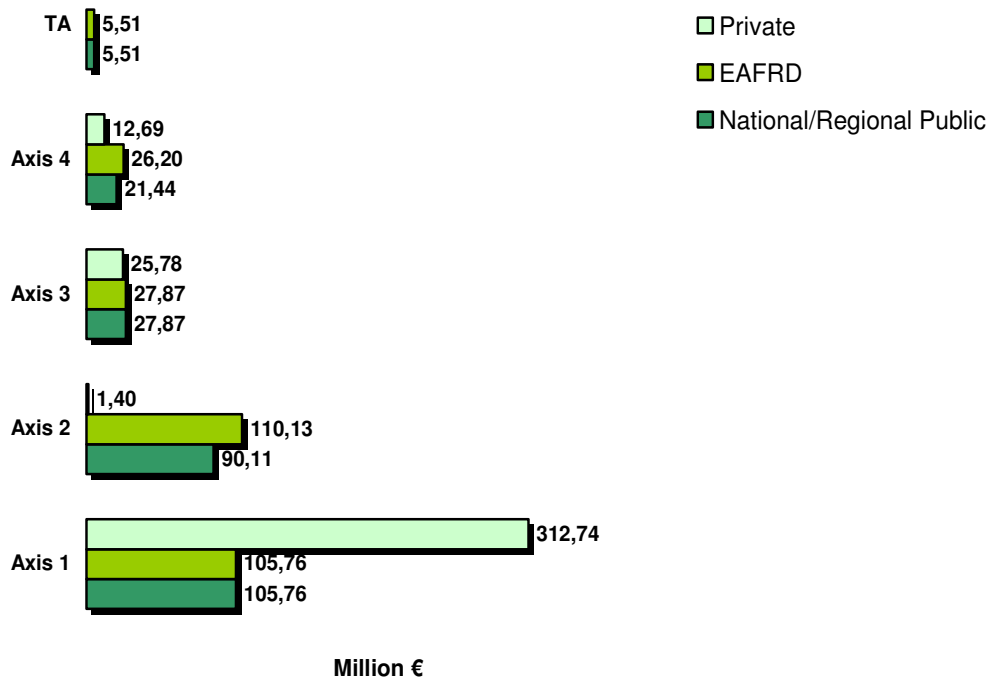
³ For measure 126 no private spending has been allocated.

⁴ For measures 212, 214 and 216 no private spending has been allocated.

⁵ For measures 323 and 341 no private spending has been allocated.

Detailed information on indicators for individual measures is provided in the RDP programme.

RDP budget breakdown by axis: Total expenditure (including national/regional + EAFRD + private funding) of €878,765,724



The RDP budget allocations are broadly divided into four main areas of expenditure, known as axes (namely: Improving the competitiveness of the agricultural and forestry sector; Improving the environment and the countryside; Quality of life in rural areas and diversification of the rural economy; Leader). Approximately 60% of the overall RDP budget incl. private funding in Rhineland-Palatinate is allocated to axis 1 (€524.25 million); approximately 23% is allocated to axis 2 (€201.65 million), 9% to axis 3 (€81.52 million) and 7% to axis 4 (€ 60.32 million), with more than 1% available to fund Technical Assistance (€11.02 million).

Within axis 1, National/Regional public funding represents approximately 20% share of the axis funding; EAFRD 20%; and private funds 60%.

Within axis 2, National/Regional public funding represents approximately 45% share of the axis funding; EAFRD 55%; and private funds 1%.

Within axis 3, National/Regional public funding represents approximately 34% share of the axis funding; EAFRD 34% and private funds 32%.

Within axis 4, National/Regional public funding represents approximately 36% share of the axis funding; EAFRD 43%; and private funds 21%.

Within technical assistance, National/Regional public funding represents approximately 50% share of the technical assistance funding and EAFRD 50%.

The total additional amount of €30,219,492 EAFRD contribution (€28,362,772 resulting from Health Check and European Economic Recovery Package including unused funds according to Article 136 of Council Regulation (EC) No 73/2009 and €1,856,720 resulting from Commission Decision C(2008)8370 and a correction of the distribution of the existing modulation money to the German Länder) will be attributed to the different already existing measures

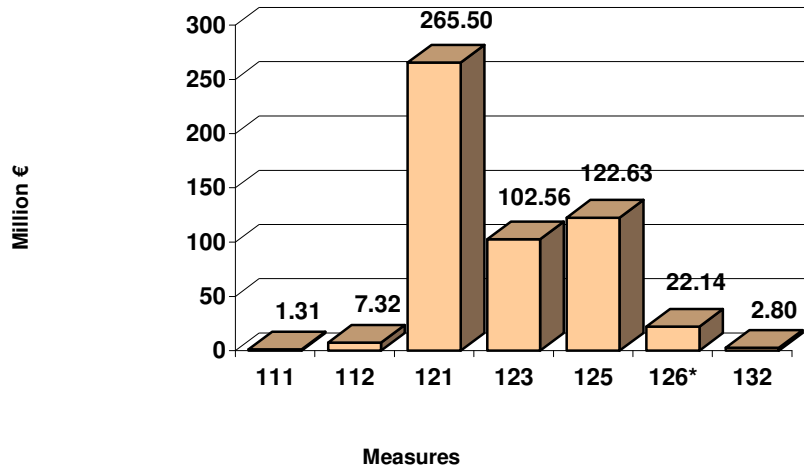
Axis Information²

Axis 1 objectives: Improving the competitiveness of the agricultural and forestry sector

Viable primary or secondary businesses are necessary in rural areas. This is essential in view of the adjustments resulting from the current agrarian development, the globalization of markets and the resulting hard competition. Axis 1 is financially important (7% of the EAFRD in Rhineland-Palatinate, and national top ups) also including expected national financial resources. Special emphasis shall call upon the improvement of flood protection, which is additionally supported by national funds, while modernisation of infrastructure is as well a main contribution to an improved competitiveness: measure 121 is to support s between 875 and 1,400 modernising projects of agricultural holdings Measure 123 is to support 100-140 enterprises, and measure 125 supports 400 projects of land consolidation, 500 projects of improved infrastructure, and 1,500 projects of improved forest roads.

For further information on measures please refer to the revised RDP programme.

Axis 1 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €524,254,618³

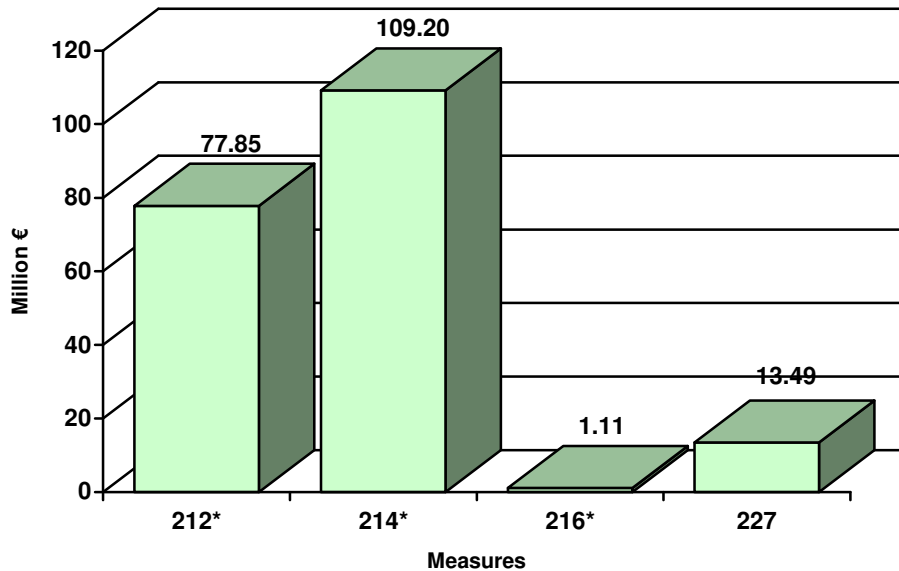


Following the RDP amendments in 2009, the total budget amount for axis 1 was increased to €524,254,618, which includes an additional € 15.15 million (EAFRD budget).

Axis 2 objectives: Improving the environment and the countryside

Axis 2 has a strategy of “conservation through land use” in order to make production and conservation coexist. This is also expected to have positive effects on the overall objective of integrated development making rural areas more attractive. Due to the importance of agriculture, forestry and with special regard to viticulture, R-Pf is depending on high quality in production and environment. The financing of measure 214 with more than 50% of the axis 2 budget reflects this ambition. The measure is divided into 15 sub-measures with the following examples of targets: new organic methods in 34,000 ha, environmental procedures for 20,000 ha, new bio-technical procedures in 42,000 ha of vineyards and extensive cultivation in 1,400 ha orchards. Moreover, measure’s 212 support for 300,000 ha in less favoured areas (LFAs) should secure a comprehensive and sustainable land management to fit local conditions and preserving the cultural landscape.

Axis 2 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €201,647,313⁴



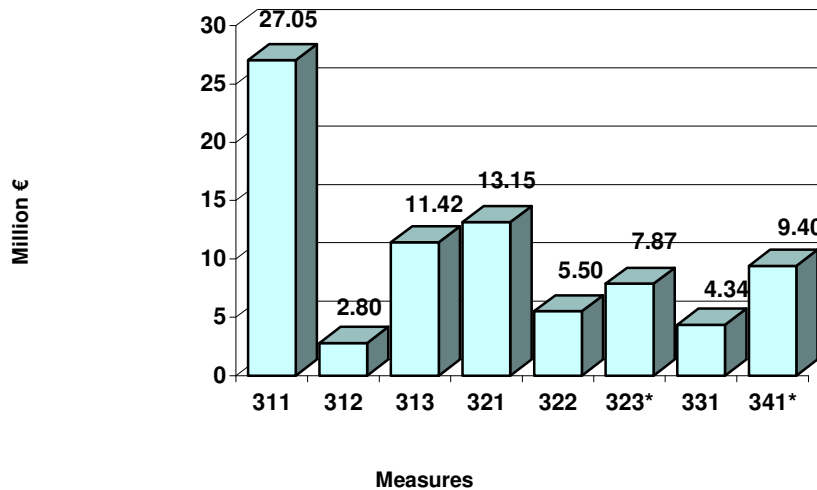
Following the RDP amendments in 2009, the total budget amount for axis 2 was increased to €, which includes an additional € 8.5 million (EAFRD budget). In the course of the Health Check, the co-financing rate for axis 2 increased per 5% points from 50% to 55%.

Axis 3 objectives: Quality of life in rural areas and diversification of the rural economy

With the measures of axis 3, incentives are given not only to rural business, but to all stake holders in rural areas in order to face the challenges of e.g. globalisation and handle threats of demographic change. The R-Pf RDP should be a framework for developing local and regional models and strategic concepts for the diversification and innovation in rural areas. This is reflected in measure 311 with an expected total investment volume of €27 million targeting 410 projects, ultimately strengthening the entire regional economy. Innovative SMEs are also considered a prerequisite for the diversification of non-agricultural activities. Within tourism 80 new projects will be supported by measure 313.

Special attention is also put on village renewal and preservation of the rural heritage, based on the concept that the potentials of rural areas are defined by and based on motivated, well educated people and family-friendly and affordable living environment close to nature, and supported by socially committed people and active communities.

Axis 3 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €81,523,756⁵



Following the RDP amendments in 200, the total budget amount for axis 3 was increased to €81,523,756, which includes an additional € 4.4 million from EAFRD.

Axis 4 objectives: Leader

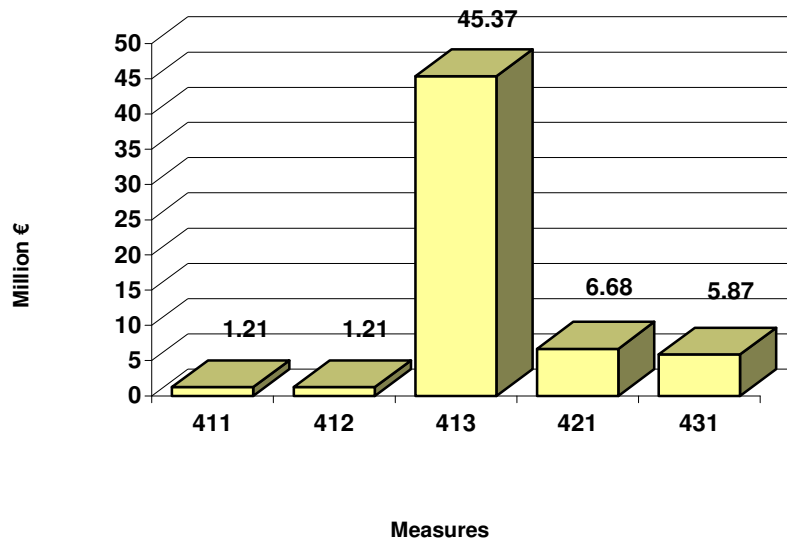
The R-Pf RDP promotes the implementation of the integrated rural and self-responsible development strategies of Leader, because this approach occupies an increasingly important position in the conservation and development of attractive and vital rural areas. Indicators of Leader are:

- local public-private partnerships in 12 LAGs to develop 450-550 projects for the benefit of 1 million people in the relevant areas;
- development of regional potentials through bottom-up processes and involvement of local operators;
- territorial and transnational cooperation projects.

The bottom-up process relies on the conviction that local people know best how to develop their region, and through Leader, many ideas from business, tourism, nature conservation and agriculture can be combined and implemented. Basically, it requires a holistic view of rural areas with a multiple focus on agriculture, tourism and trade. Integrating on-site professionals into the Leader approach offers the chance of a "learning region" with the help of funding incentives revealing development potential.

For axis 4 the additional EAFRD contribution has been allocated mainly from measure 322.

Axis indicative 4 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €60,324,241



Following the RDP amendments in 2009, the total budget amount for axis 4 was increased to €60,324,241, which includes an additional € 2.2 million (EAFRD budget), thereof €1.5 million EAFRD shifted from measure 322 into axis 4.

Monitoring and evaluation strategy

Monitoring and evaluation are carried out in accordance with the Common Monitoring and Evaluation Framework (CMEF) guidelines and a monitoring committee has been set up. t.

Communication and publicity

The implementation of the RDP of Rhineland-Palatinate includes information and publicity measures. The goal is to provide the public information about the contribution of the European Union in promoting the development of rural areas and the objectives and results of the EAFRD initiatives and to increase knowledge among special target groups as well as among potential beneficiaries about the contents of the RDP and the conditions of eligibility.

The managing Authority is responsible for the information measures of the overall RDP, whilst the beneficiaries of individual RDP measures are obliged to ensure appropriate information concerning the Community's contribution.

The following information and publicity measures are used for enhancing the visibility of the EAFRD:

- a website with detailed information about the EAFRD and the RDP;
- brochures, leaflets and other publications;

- regular publication of RDP funding opportunities
- trade fairs, exhibitions, workshops and regional conferences.

After the RDP closing, it is compulsory to inform the general public, relevant authorities and professionals about outcome and conclusions.

Annex I – Measures

Measures selected by the RDP	Measures selected by the updated RDP
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Axis 1 - Improving the competitiveness of the agricultural and forestry sector	<i>Promoting knowledge and improving human potential</i>	111	Vocational training and information actions
		112	Setting up of young farmers
		113	Early retirement
		114	Use of advisory services
		115	Setting up of management, relief and advisory services
	<i>Restructuring and developing physical potential and promoting innovation</i>	121	Modernisation of agricultural holdings
		122	Improvement of the economic value of forests
		123	Adding value to agricultural and forestry products
		124	Cooperation for development of new products, processes and technologies in the agriculture and food sector and in the forestry sector
		125	Infrastructure related to the development and adaptation of agriculture and forestry
		126	Restoring agricultural production potential
	<i>Quality of agricultural production and products</i>	131	Meeting standards based on EU legislation
		132	Participation of farmers in food quality schemes
		133	Information and promotion activities
	<i>Transitional measures</i>	141	Semi-subsistence farming
142		Producer groups	
143		Providing farm advisory and extension services	
Axis 2 - Improving the environment and the countryside	<i>Sustainable use of agricultural land</i>	211	Natural handicap payments to farmers in mountain areas
		212	Payments to farmers in areas with handicaps, other than mountain areas
		213	Natura 2000 payments and payments linked to Directive 2000/60/EC
		214	Agri-environment payments
		215	Animal welfare payments
		216	Non-productive investments
	<i>Sustainable use of forestry land</i>	221	First afforestation of agricultural land
		222	First establishment of agroforestry systems on agricultural land
		223	First afforestation of non-agricultural land
		224	Natura 2000 payments
		225	Forest-environment payments
		226	Restoring forestry potential and introducing prevention actions
		227	Non-productive investments
Axis 3 - Quality of life in rural areas and diversification of the rural economy	<i>Diversify the rural economy</i>	311	Diversification into non-agricultural activities
		312	Support for business creation and development
		313	Encouragement of tourism activities
	<i>Improve the quality of life in rural areas</i>	321	Basic services for the economy and rural population
		322	Village renewal and development
		323	Conservation and upgrading of the rural heritage
		331	Training and information
341	Skills-acquisition and animation measure with a view to preparing and implementing a local development strategy		
Axis 4 - Leader	<i>Implementing local development strategies</i>	411	Competitiveness
		412	Environment/land management
		413	Quality of life/diversification
	421	Implementing cooperation projects	
	431	Running the local action group, skills acquisition, animation	