

Rural Development Programme (RDP) of Schleswig-Holstein, Germany

Entwicklungsprogramm für den ländlichen Raum des Landes Schleswig-Holstein (Deutschland) für den Programmplanungszeitraum 2007 – 2013. Zukunftsprogramm Ländlicher Raum¹

(Rural Development Programme of the Bundesland Schleswig-Holstein (Germany) for the programming eligibility period 2007 – 2013. Programme for the future of rural areas)

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Managing Authority Website:

http://www.schleswig-holstein.de/UmweltLandwirtschaft/DE/LandFischRaum/11_ZPLR/ein_node.html_nnn=true

Other useful links:

Rural Development Programme (RDP):

http://enrd.ec.europa.eu/country-information/programming/en/programming_home_en.cfm

National Strategy Plan (NSP):

http://www.bmelv.de/cdn_154/SharedDocs/Standardartikel/Landwirtschaft/Laendliche-Raeume/KonzepteStrategien/natStrategieplan.html

German National Rural Network (NRN):

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



Map of Schleswig-Holstein
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General socio-economic situation in rural areas in Schleswig-Holstein

Located in the North of Germany, Schleswig-Holstein covers an area of 15,799 km² and has a population of 2.8 million - of which 92% live in areas classified as rural. With 178 inhabitants/km², the population density in Schleswig-Holstein is far below the national average. In 2007 the GDP per capita was €25,489, also below the national average of €29,465. In January 2010 the unemployment level was at 8.4%. About 67% of the population is between 15-64 years of age with about 16% younger than 15 and 16% older than 65. There is a slightly higher age quotient in rural areas than in the cities.

A total of 80% of the land is used for agriculture and forestry. Some 40% of the agricultural land is

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

classified as less-favoured area, compared to the national average of 49%. With a forest share of 10%, Schleswig-Holstein is one of the least densely forested Länder. The food industry is characterised by SMEs and only the dairy industry consists of large enterprises.

The average size of the local municipalities is low at only 2,500 inhabitants. Economic development in the region is below the national average and the business sector is characterized by small and medium sized companies, with a rate of self-employment that is above the national level. Cities mostly provide jobs. The service sector generates more than 75% of the value added, which is more than the national average. Agriculture also has a greater than average economic importance. Tourism has a great importance, but is mainly concentrated at the coast lines.

Rural weaknesses in Schleswig-Holstein include a high share of the workforce with a low level of qualifications; on-going structural change in the agricultural sector resulting in abandonment of land in less-favoured areas, and; intensification of land use in other areas which is connected with negative impacts on natural resources, particularly water bodies. Other weaknesses include a decrease in employment rates in the rural economy; few alternatives to agricultural employment, and; an increasing average age of the population. On the other hand, the rural strengths include a high potential as tourism region; a tradition for unpaid voluntary charitable work and citizen involvement; plus cultural landscapes and important environmental resources. In particular, due to the high proportion of grassland and extensively-managed lowland areas, Schleswig-Holstein provides a number of important habitats for endangered species.

Following the CAP Health Check, the revised RDP furthers the need to contribute to the “new challenges” facing agriculture and rural areas – notably restructuring of the dairy sector, biodiversity, water management, climate change, renewable energies and broadband access.

RDP strategic objectives

The main basis for the strategy for the RDP in Schleswig-Holstein has been the analysis of the strengths and weaknesses described above. This has resulted in the overall strategic goal of ‘Improving quality of life in rural areas’ and seven thematic goals for the RDP: 1) increasing economic strength and employment; 2) improving the level of education; 3) maintaining and improving the quality of the environment; 4) creating a livelihood outside agriculture; 5) adequate basic provision to improve living conditions; 6) securing the national heritage, and; 7) establishing integrated regional networks. All the thematic goals are orientated towards the principle of sustainability and the equal pursuit of economic, social and ecological aspects. The programme strategy takes into account various factors including both the Lisbon and Gothenburg strategies, strategies of the European Commission, relevant national and European legislation and certain over-riding goals and objectives specific to the Länder.

Taking into account the additional financing provided by the CAP Health Check, the European Economic Recovery Package and additional Modulation, greater strategic priority will be given to improving the competitiveness of the dairy sector (with more than 28% of additional funds) as well as the provision of fast internet access (6%). Another 66% of additional funds will be used to support the improvement of biodiversity; initiatives that contribute to climate change mitigation and adaptation; water management, and; renewable energy.

² Detailed information on the individual measures can be found in Annex I.

³ For measures 125 and 126 no private spending has been allocated.

⁴ For measures 212, 213 and 214 no private spending has been allocated.

⁵ For measures 331 and 341 no private spending has been allocated.

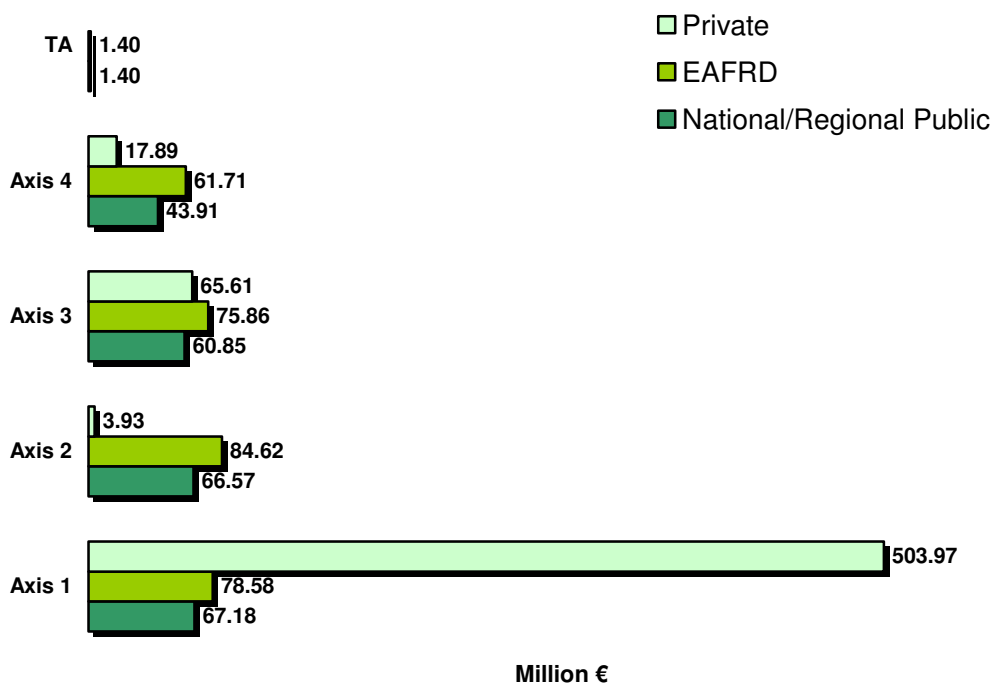
⁶ For measure 411 no private spending has been allocated.

Expected impact / outcomes of the policies

The expected results and impacts of the Schleswig-Holstein RDP include an increase in regional economic growth by €100 million; creation of 450 new employment opportunities; an increase in labour productivity (equivalent to a 3,100 Euro increase in GVA per worker); an improvement in biodiversity on agricultural land, including support for high nature value farming on 187,250 ha; water quality management on 113,000 ha; avoiding marginalisation and land abandonment in rural areas on 77,000 ha, and; an improvement of biodiversity, water quality, contribution to combating climate change and soil quality on 2,600 ha of forestry land. Water quality will also be improved by a change in nutrient balance of -15 kg/ha. The RDP will also contribute to combating climate change by increasing the production of renewable energy...

Specific modifications to impact indicators cannot be detected as these were not specified in the earlier version of the RDP. Detailed information on impact and result indicators for individual measures is provided in the RDP indicator tables.

RDP budget breakdown by axis: Total expenditure 2007-2013 (including national/regional + EAFRD + private funding) of €1,133,486,030



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; and Leader). Approximately 57% of the overall RDP budget in Schleswig-Holstein is allocated to axis 1 (€649.7 million); approximately 14% is allocated to axis 2 (€155.1 million), 18% to axis 3 (€202.3 million) and 11% to axis 4 (€123.5 million), with less than 1% available to fund

Technical Assistance (€2.8 million).

Within axis 1, national/regional public funding represents approximately 10% share of the axis funding; EAFRD 12%; and private funds 78%.

Within axis 2, national/regional public funding represents approximately 43% share of the axis funding; EAFRD 55%; and private funds 3%.

Within axis 3, national/regional public funding represents approximately 30% share of the axis funding; EAFRD 37% and private funds 32%.

Within axis 4, national/regional public funding represents approximately 36% share of the Axis funding; EAFRD 50%; and private funds 14%.

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

Following the 2009 RDP amendments Schleswig-Holstein received a total additional amount of €64,472,128 EAFRD contribution comprised of: €58,679,156 resulting from the CAP Health Check and European Economic Recovery Package (including unused funds according to Article 136 of Council Regulation (EC) No 73/2009); €2,945,933 resulting from Commission Decision C(2008)8370, and; €2,847,039 from a correction of the distribution of the existing modulation money to the German Länder. These additional funds are assigned to meet the "new challenges" – notably to reinforce existing actions in Schleswig-Holstein to improve the competitiveness of the dairy sector, supply fast internet access, improve biodiversity and other initiatives that contribute to climate change mitigation and adaptation, water management and renewable energy.

Axis Information²

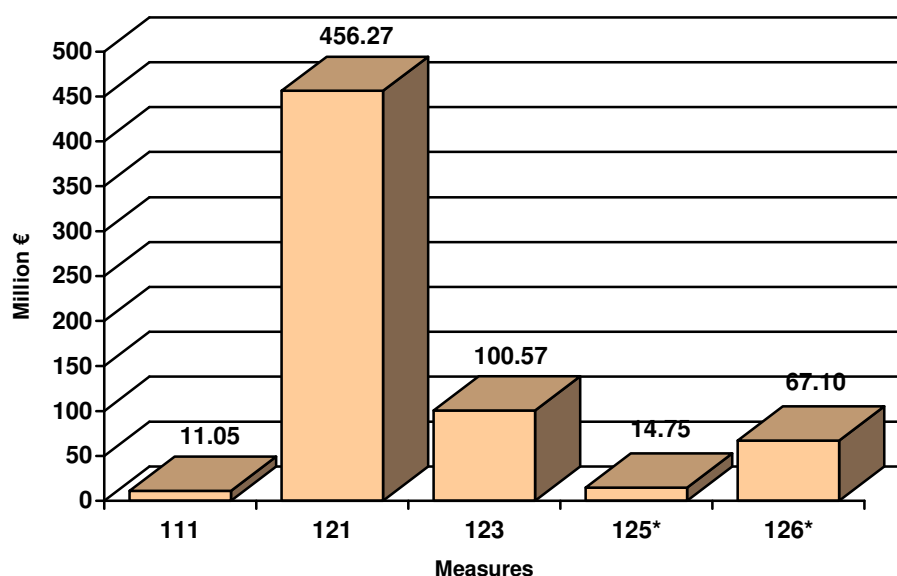
Axis 1 objectives: Improving the competitiveness of the agricultural and forestry sector

The first priority for axis 1 in Schleswig-Holstein is the modernisation of agricultural holdings (measure 121) which accounts for over 70% of the budget. A further 15% is targeted at actions for adding value to agricultural and forestry products (measure 123); 10% for supporting the restoration of agricultural production potential (measure 126); 2% for development of infrastructure for agriculture and forestry enterprises (measure 125), and; 2% for vocational training and information actions (measure 111).

Result targets include: number of participants that successfully complete training activities related to agriculture and/or forestry (7,000); the number of holdings/enterprises introducing new products and/or new techniques (785); and, increase in the value of agricultural production under recognised quality standards (€17 million).

Following the 2009 RDP amendments, a new sub-measure was introduced for measure 121 (modernisation of agricultural holdings) in order to provide 'Investment support related to dairy production'. The measure aims to provide €250 million support at 750 dairy farms. For further information on specific results indicators please refer to the indicators table in the RDP programme.

Axis 1 indicative budget breakdown by measure: Total allocated budget (including national/regional+ EAFRD + private funding) of €649,739,088³



Following the 2010 RDP update, the total budget amount for axis 1 is €649,739,088 including an additional €17,100,000 EAFRD contribution plus €158,700,000 additional national financing. Funds are mainly targeting support for restructuring of the dairy sector.

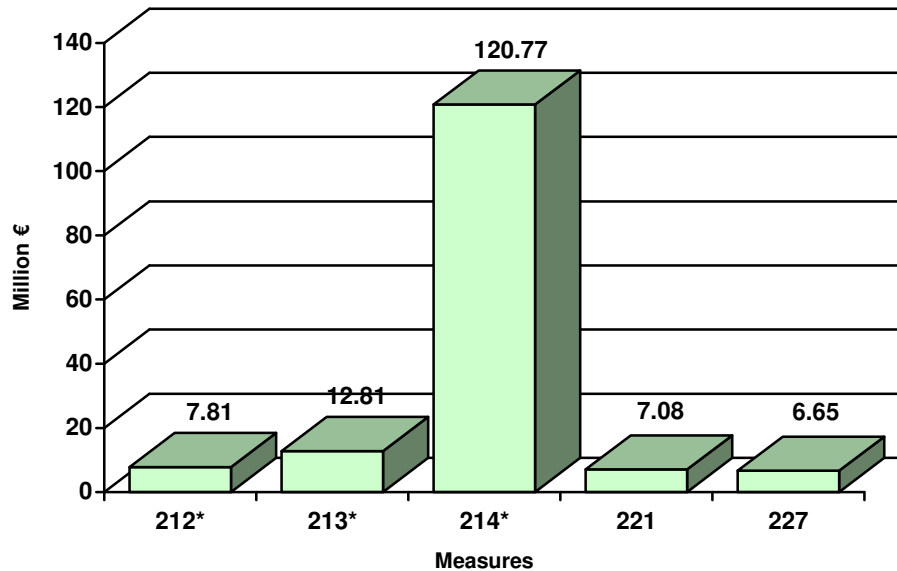
Axis 2 objectives: Improving the environment and the countryside

Agri-environment payments (measure 214) take the majority of support provided under axis 2 with over 78% of total axis 2 funding (including private funding). Other support includes 8% targeted at Natura 2000 payments for agricultural land (measure 213); 5% for payments to farmers in areas with handicaps other than mountain areas (measure 212); 5% to first afforestation of agricultural land (measure 221), and; 4% to non-productive forestry investments (measure 227). Overall, 91% of axis 2 funding in Schleswig-Holstein is devoted to promoting the sustainable use of agricultural land and only 9% on promoting the sustainable use of forest land.

Result targets include: areas under land management dedicated to increased levels of biodiversity and high nature value farming (187,250 ha) improved water quality (113,000 ha) and avoidance of marginalisation and land abandonment in rural areas (77,000 ha). Plus 2,600 ha of forest areas contributing to biodiversity and high nature value, water quality, mitigation of climate change and soil quality.

The result indicators were modified following the 2009 RDP amendments and led to a considerable increase in the target for the measure 214 sub-measures, including an increase from 26,700 ha to 247,250 ha for all sub-measures relating to the improvement of biodiversity and from 108,000 ha to 113,000 ha for sub-measures relating to water quality.

Axis 2 indicative budget breakdown by measure: Total allocated budget (including national/regional+ EAFRD + private funding) of €155,117,684⁴



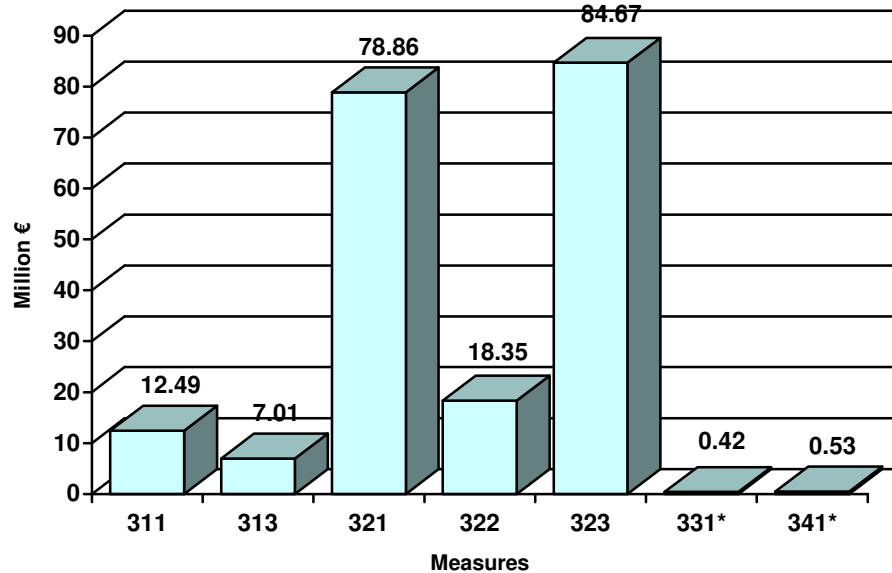
Following the 2009 RDP amendments, the total budget allocation under axis 2 is €155,117,684. Alterations to funding under the axis include further support of €5,500,000 for measure 214 (Agri-environment payments) targeting at improved water quality and biodiversity. A new nature conservation sub-measure is introduced. The specific biodiversity objectives for the amendments to measure 214 are to a) strengthen the structural variety of grassland on larger areas in order to secure and develop specific summer-time biotopes (e.g. to benefit amphibians and birds), and; b) to increase the ecological variety of agricultural land. It is also hoped to improve the acceptability of agri-environment payments to farmers. For further information on measures please refer to the impact indicators table in the revised RDP.

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

For axis 3, priority is given to measures 323 (Conservation and upgrading of rural heritage) with 42% of total axis funding and 321 (Improvement of basic services for the rural economy and its population) with 39% of axis funding. Other support includes 9% for village renewal and development (measure 322); 6% for diversification of the rural economy (measure 311) and 3% for encouragement of tourism activities (measure 313). Less than 1% of the axis funding is for training and information activities (measure 331) and skills-acquisition and animation with view to preparing and implementing a local development strategy (measure 341).

The result targets include: 50,000 additional daily visitors; 3,000 additional overnight stays; 315,000 inhabitants in rural areas benefiting from improved services; 1.0 million inhabitants benefiting from village renewal; 1.2 million inhabitants benefiting from maintenance and enhancement of rural heritage, and; 1,050 participants that have successfully ended a training activity.

Axis 3 indicative budget breakdown by measure: Total allocated budget (including public funds + EAFRD + private funds) of €202,319,062⁵



Following the latest revision of the RDP the new budget allocation for axis 3 is a total of €202,319,062. Additional EAFRD funds include €3,389,156 for measure 321 (Improvement of basic services for the rural economy and its population) and €19,120,000 for measure 323 (Conservation and upgrading of rural heritage). For further information on measures please refer to the impact indicators table in the revised RDP.

The result indicators have also been modified following the 2009 RDP amendments. A new sub-measure under measure 321 aims to support 50 operations targeted at creating and enabling access to broadband infrastructure with a total 150,000 inhabitants in rural areas benefiting. Amendments to measure 323 include the introduction of a new sub-measure targeting biodiversity (20 operations with a total volume of €7.8 million) and amendment of an existing sub-measure targeting at the improvement of water quality. Result indicators include improvement of peat land retention on 290 ha (increased from 152 ha) and initiating new peat land creation and stopping soil degradation on 170 ha (increased from 152 ha). **Too detailed!!!**

Axis 4 objectives: Leader

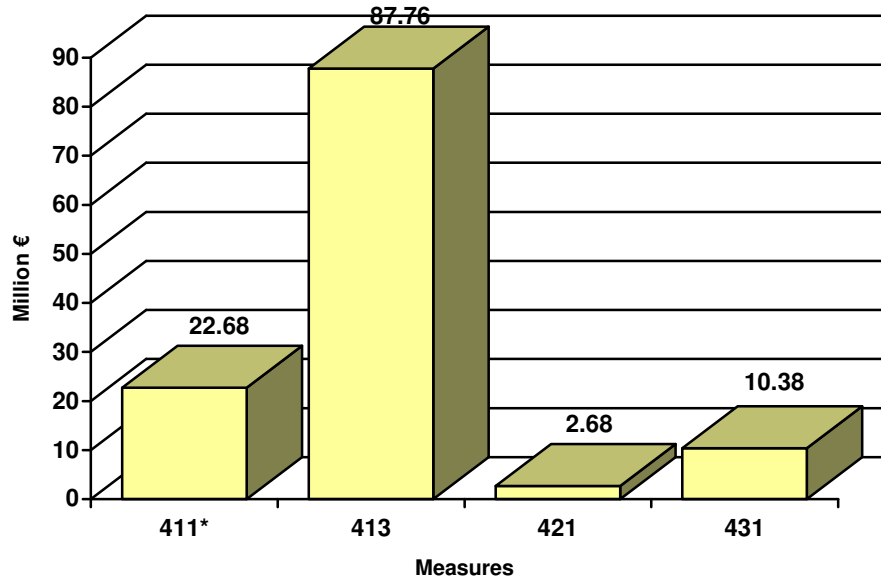
The main priority under axis 4 is support for local development strategies that promote quality of life actions. Diversification of rural activities (measure 413) accounts for over 71% of the total axis 4 budget allocation, whilst 18% of the budget is targeted at the implementation of competitiveness actions (measure 411); 2% at implementation of co-operation projects (measure 421), and; 8% at running the local action groups, skills acquisition, animation (measure 431). Output targets include number of LAGs (21); 2,000 projects financed by LAGs; 21 cooperation projects and 50 measures targeting at running the local action groups, skills acquisition and animation.

The number of LAGs operational in the Schleswig-Holstein RDP area as of March 2009 was 19.

Following the 2009 RDP amendments of the LEADER measures, the target for the number of

projects financed by LAGs increases from 2,000 to 2,100.

Axis 4 indicative budget breakdown by measure: Total allocated budget (including national/regional+ EAFRD + private funding) of €123,504,196⁶



Monitoring and evaluation strategy

The Ministry for Agriculture, the Environment and Rural Affairs (MLUR) coordinates the monitoring and evaluation of the Schleswig-Holstein RDP. The programme contains all the relevant indicators from the CMEF.

MLUR has prepared an annual report on the implementation of the RDP since 2008. A final report will be presented at the end of the programme period on 30 June 2016. All reports include information requested pursuant to Article 8 (2) of Council Regulation 1698/2005. The Schleswig-Holstein RDP is evaluated by independent external evaluators as part of the process of on-going evaluation. A Monitoring Committee is appointed for the period 2007-2013 chaired by a representative from the Managing Authority. Other members are the Paying Agency; the departments managing the funds; the specialised departments responsible for the implementation of the programme measures, and; various economic, social and environmental partners representing the most important rural associations in the region.

Communication and publicity

The aim of the communication strategy for the Schleswig-Holstein RDP is to inform the public about the European Union's support for rural development; to make transparent the work related to the rural development programme; to create acceptance of EU support for rural areas, and; to secure targeted and efficient use of the financial support.

More concretely the communication strategy is to inform beneficiaries about the programme, to create contact between different actors and to provide services for the target groups. The communication actions differ between the initial programming period, the intermediate

programming period and the final programming period. The main target groups of the communication strategy are potential beneficiaries of support, responsible authorities, business social and environmental partners, organisations, unions and actions working with structural policies and the interested public. The main communication tools are the use of media, internet, brochures and information folders, project visits and seminars and workshops.

Annex I - Measures

Measures selected by the RDP		Measures selected by the updated RDP	
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 Community 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