

Rural Development Programme (RDP) of Niedersachsen & Bremen

PROFIL 2007-2013. Programm zur Förderung im ländlichen Raum Niedersachsen und Bremen 2007 bis 2013 – *To be inserted*¹

(PROFIL 2007-2013. Rural Development Programme of Niedersachsen and Bremen 2007 to 2013)

Relevant Contact Details

Address: Niedersächsisches Ministerium für Ernährung, Landwirtschaft, Verbraucherschutz und Landesentwicklung, Abteilung 3, Referat 304.2, Calenberger Straße 2, 30169 Hannover, Germany

Telephone number: + 49 511 120 0

Managing Authority Website:

<http://www.ml.niedersachsen.de>

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/cn_154/SharedDocs/Standardartikel/Landwirtschaft/Laendliche-Raume/KonzepteStrategien/natStrategieplan.html

Germany National Rural Network (NRN): <http://www.netzwerk-laendlicher-raum.de/>



Map of Niedersachsen
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General socio-economic situation in rural areas in Niedersachsen and Bremen

Niedersachsen has a total surface of 47,619 km² and is located in the North-West of Germany. Niedersachsen and Bremen have 8.6 million inhabitants, out of which 60% live in rural areas and its population density (168 inhabitants/km²) is lower than the German average. The area is predicted to experience a decrease in population and an increase in share of old people. Especially the South Eastern part of Niedersachsen is losing population. In January 2010 the unemployment rate was 8.3%. The GDP per capita in 2007 was €25,864, which is below the national average of €29,465 per capita. The primary sector contributes 2% to the regional GVA. About 55% of the land is cultivated; two thirds of this area is used in agriculture and one third for forestry. Animal husbandry contributes to 60% of the agricultural production value.

There is a high business dynamic in Western Niedersachsen, however, business dynamics of both Niedersachsen and Bremen are lagging behind Germany in general. In rural areas, especially in the South Eastern part, there is a threat of depletion of human resources enforced by an increased migration of woman. There is a risk of worsened employment possibilities for people with low level

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).

of qualifications. However, chances for a more developed tourism sector exist. Furthermore, the food sector is very well developed and it is the second most important sector of the regional industry.

In Niedersachsen and Bremen, 7% of the total area consists of protected habitats. These have special international importance for protected species, especially plants and breeding bird species. However, habitats like extensive grassland and heathlands are threatened by intensive land use. 27% of forest area shows a risk of forest fire. A significant share of Niedersachsen's water resources is not in a good condition. In terms of animal welfare, the high stock numbers constitute a threat in parts of Niedersachsen.

Following the CAP Health Check, in recognition of the greater emphasis now being given to the "new challenges" facing agriculture and rural areas, the revised RDP further highlights the need to adapt to and mitigate climate change, to improve water management, to reverse biodiversity decline and to take measures for restructuring the dairy sector.

RDP strategic objectives

The RDP for Niedersachsen and Bremen (PROFIL) follows an integrated approach in order to reach its strategic objectives, i.e. to make the social, cultural and economic demands of people in rural areas correspond with the ecological functions of rural areas. PROFIL has as its goal to strengthen rural areas as independent living, business and leisure areas. The RDP places strong emphasis on the modernisation of agriculture. Therefore axis 1 is the most important axis in financial terms and axis 2 and 3 keep the balance. Leader counts for about 7% of the total budget.

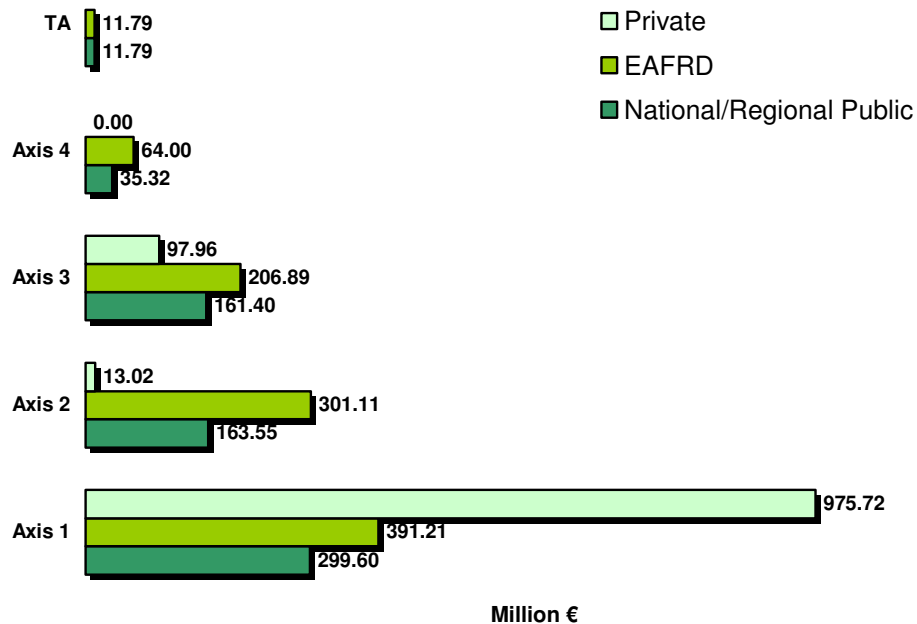
Taking into account the additional financing provided by the CAP Health Check, the European Economic Recovery Package and Modulation, greater strategic priority will also now be given to initiatives aiming at restructuring dairy sector (23.8%). The other 76.2% of additional funds will be spent on agri-environment payments (measure 214), non-productive investments (measure 216) and conservation and upgrading of the rural heritage (measure 323) and contribute to adapt to and mitigate climate change, to improve water management and to improve biodiversity.

Expected impact / outcomes of the policies

Expected results and impacts of the PROFIL include creation of 100 new employment opportunities; an increase in labour productivity by 48.5%; reversing biodiversity decline on 159,390ha; maintenance of 160,000ha of high nature value farmland and forestry areas; an improvement in water quality on 256,000ha; contribution to combating climate change on 245,000ha.

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

RDP budget breakdown by axis: Total expenditure (including national/regional + EAFRD + private funding), of €2,733,356,259



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 61% of the overall RDP budget in Niedersachsen and Bremen is allocated to axis 1 (€1.67 billion); approximately 17% is allocated to axis 2 (€477.67 million), 17% to Axis 3 (€466.25 million) and 4% to axis 4 (€99.31 million), with 1% available to fund Technical Assistance (€23.58 million).

Within axis 1, National/Regional public funding represents approximately 18% share of the axis funding; EAFRD 23%; and private funds 59%.

Within axis 2, National/Regional public funding represents approximately 34% share of the axis funding; EAFRD 63%; and private funds 3%.

Within axis 3, National/Regional public funding represents approximately 35% share of the axis funding; EAFRD 44% and private funds 21%.

Within axis 4, National/Regional public funding represents approximately 36% share of the axis funding and EAFRD 64% (no private funds).

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

Following the 2010 RDP amendments Niedersachsen and Bremen received a total amount of €159,620,672 EAFRD contribution (€138,971,973 resulting from Health Check and European Economic Recovery Package including unused funds according to Article 136 of Council Regulation (EC) No 73/2009 and €20,648,699 resulting from Commission Decision C(2008)8370 and a correction of the distribution of the existing modulation money to the German Länder). The additional funds will contribute to meeting the new challenges 'climate change', 'water management', 'biodiversity', and 'measures accompanying restructuring of the dairy sector'.

Axis Information²

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

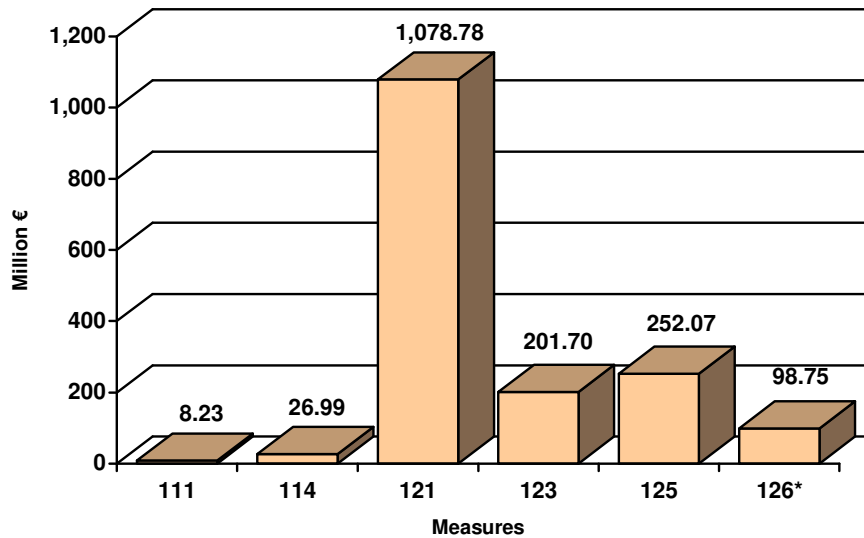
The aim of Axis 1 is to improve the competitiveness of agriculture and forestry by strengthening competence and human capital, improving innovation and quality of products and raise productivity and cost-effectiveness, implement environmental practices, improve rural and forest infrastructure and secure the potential for production in rural areas. This is in line with the German National Strategic Plan and the EU Strategic Guidelines and points towards combating the effects of globalization and liberalization of agricultural markets. The agricultural, forestry and agro food businesses of Niedersachsen and Bremen have a good starting position but structural deficits still exist that need to be addressed. The first priority in axis 1 in Niedersachsen and Bremen is placed on modernisation of agricultural holdings (measure 121) which accounts for over 64.7% of the budget. A further 15% is targeted at actions to support the development of infrastructure for agriculture and forestry enterprises (measure 125), and 12% at actions to increase the value added of agricultural and forestry products (measure 123). Other support includes restoring agricultural production potential (6%, measure 126), use of advisory services (1.6%, measure 114) and with less than 1% vocational training and information actions (measure 111).

Output targets include number of farmers who have utilised advisory services (28,000), number of holdings/enterprises receiving investment aid (4,560), increased added value of agricultural and forestry products on 100 enterprises, improvement and expansion of the infrastructure (1,942 projects), restoration of agricultural production potentials as well as preventive actions against natural disaster damages on 306,700ha. Result targets include number of participants (26,036) that successfully complete training activities related to agriculture and/or forestry.

The 2010 RDP amendments contain a modification of output indicators in axis 1, i.e. providing support for approximately additional 550 agricultural holdings (in addition to before targeted 2,800 holdings). The increased financial allocation will allow dairy farmers either to improve their competitiveness potential or provide farmers with support to leave the dairy sector and enter other sectors of production.

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

Axis 1 budget breakdown by measure: Total allocated budget (including public funds + EAFRD + private funds) of €1,666,526,857³



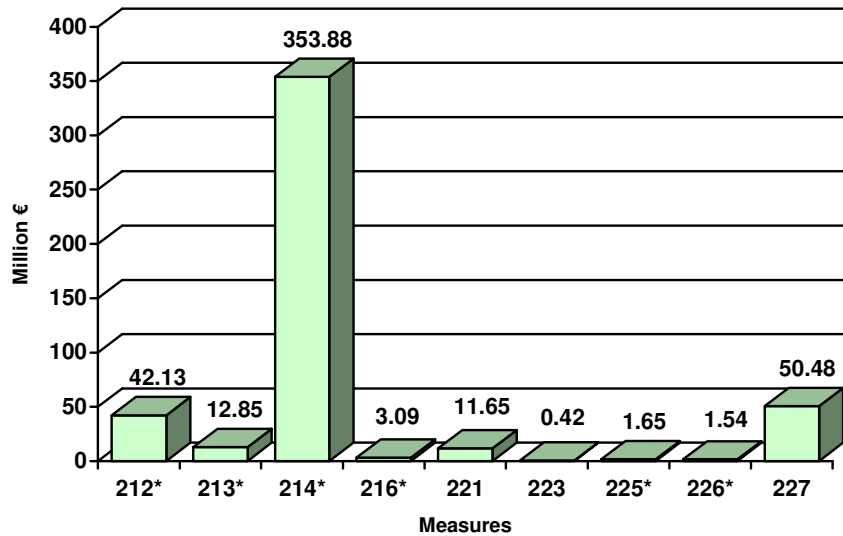
Following the RDP latest update, the total budget amount for axis 1 is €1,666,526,857 including an increase of the financial allocation for measure 121 (modernisation of agricultural holdings) for actions qualifying as new challenge 'restructuring dairy sector' by €33,190,000 EU-contribution (€29,73 million additional modulation funds and reallocation of existing funds of €3.46 million) which translates into an increase of total public expenditure by €41,800,000 for the entire programming period.

Axis 2 objectives: Improving the environment and the countryside

Agri-environmental payments (measure 214) dominate support provided under axis 2 with over 74% of total axis 2 funding; other support is targeted at non-productive investments in forestry sector (10.6%, measure 227); farmers in mountainous areas (8.8%, measure 212); Natura 2000 payments (2.7%, measure 213), and first afforestation of agricultural land (2.4%, measure 221). With less than 1% support is targeted at non-productive investments in agricultural sector (measure 216), first afforestation of non-agricultural land (measure 223), forest-environment payments (measure 225) and restoring forestry potential and introducing prevention actions (measure 226). Overall, approximately 86% of axis 2 funding in Niedersachsen and Bremen is devoted to promotion of sustainable use of agricultural land and approximately 14% on promotion of sustainable use of forest land. 160,890ha of agricultural land are dedicated areas under successful land management contributing to increased levels of biodiversity and high nature value areas; 256,000ha to improved water quality; 245,000ha to combating climate change and 154,000ha to improved soil quality. 8,500ha of forestry land are dedicated areas under successful land management contributing to increased levels of biodiversity and high nature value areas; 30,000ha to improved water quality and 30,000ha to improved soil quality.

³ For measure 126 no private spending has been allocated.

Axis 2 budget breakdown by measure: Total allocated budget (including public funds + EAFRD + private funds) of €477,686,178⁴



Following the 2010 RDP amendments, the total budget allocation under axis 2 is €477,686,178. Alterations to funding under the axis include further support for measure 214 (Agri-environmental payments), with a total amount of €76,200,000 EU-contribution (€64 million additional modulation funds and reallocation of existing funds of €12.2 million), including the extension of the eligible area for 'Support of cultivation of intercrops and cover crops on arable land' and introduction of two new sub-measures 'Climate-/water protection on permanent grassland' and 'Supporting permanent grassland utilization with recovering phases and preservation strips'. A total of €2 million EU-contribution (additional modulation funds) supports measure 216 (non-productive investments).

Output indicators linked to the amendments for measure 214 include from 500 to 1,000 farm holdings and holdings of other land managers receiving support depending on the sub-measure, 1,000ha to 128,000ha of physical area under agri-environmental support. Output indicators for measure 216 include 100 farm holdings receiving support and €2,400,000 in total volume of investments.

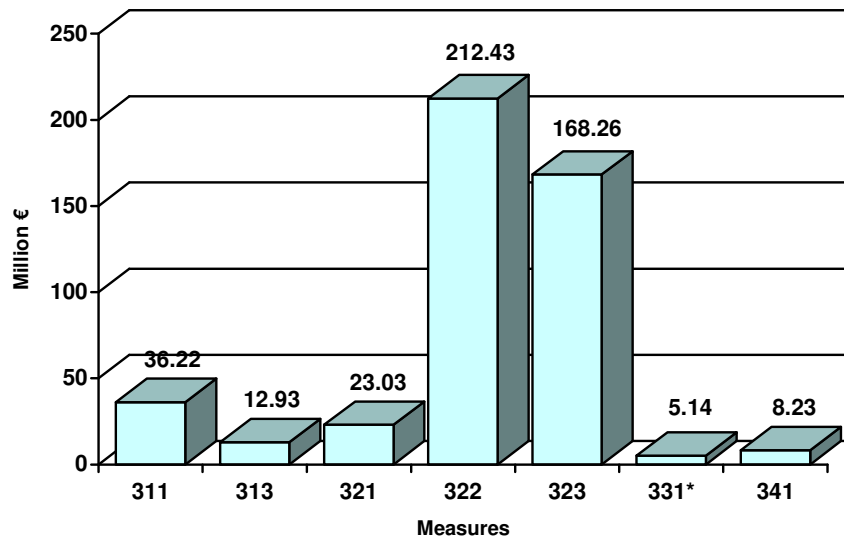
Axis 3 objectives: Quality of life in rural areas and diversification of the rural economy

For axis 3, priority is given to Measure 322 – village renewal and development (45.6% of axis 3 funding). Other support targets at conservation and upgrading of the rural heritage (36.1%, measure 323), diversification of the rural economy (7.8%, measure 311) and measure 321 - improvement of basic services for the rural economy and its population (4.9%). In addition, support is targeted at encouragement of tourism activities (2.8%, measure 313), training and information (1.1%, measure 331) and skills –acquisition and animation with a view to preparing and implementing a local development strategy (1.8%). Result targets include 75 new non-agricultural jobs created; 14,000 additional tourists; 70,000 inhabitants in rural areas benefiting

⁴ For measures 212, 213, 214, 216, 225 and 226 no private spending has been allocated.

from improved services; 1.2 million benefiting from village renewal and 10,000 from conservation and upgrading of rural heritage; and, 600 participants that have successfully ended a training activity.

Axis 3 budget breakdown by measure: Total allocated budget (including public funds + EAFRD + private funds) of €466,246,260⁵



Following the latest revision of the RDP the new total budget allocation for axis 3 is €466,246,260 including additional funds for measure 323 (Conservation and upgrading of rural heritage), with a total amount of €27,582,415 EU-contribution (€13.7 million additional modulation funds and reallocation of existing funds of €13.88 million) in addition to €144.47 million before. Funds target at sub-measure 'development measure for nature and landscape' to make an additional contribution to the preservation of biodiversity and sub-measure 'development of water courses (WFD)' to make an additional contribution with respect to the implementation of the Water Framework Directive (WFD).

Output indicators linked to 2010 RDP amendments include 275 actions supported total investment from €2,667,000 up to €35,000,000 depending on the types of operations.

Axis 4 objectives: Leader

The main priority under axis 4 is support for local development strategies that promote quality of life actions and diversification of rural activities (measure 413), which accounts for approximately 54% of the total axis budget allocation. Other support is targeted at running the local action groups, skills acquisition, animation (18.75%, measure 431), implementing cooperation projects (measure 421, 11.65%), implementation of competitiveness actions (9.21%, measure 411) and improvements to the environment and land management practices to be supported through local development strategies (6.4%, measure 412). Output targets include number of operational LAGs (32), 1,600 projects financed by LAGs, 15 cooperation projects and 300 measures targeting at

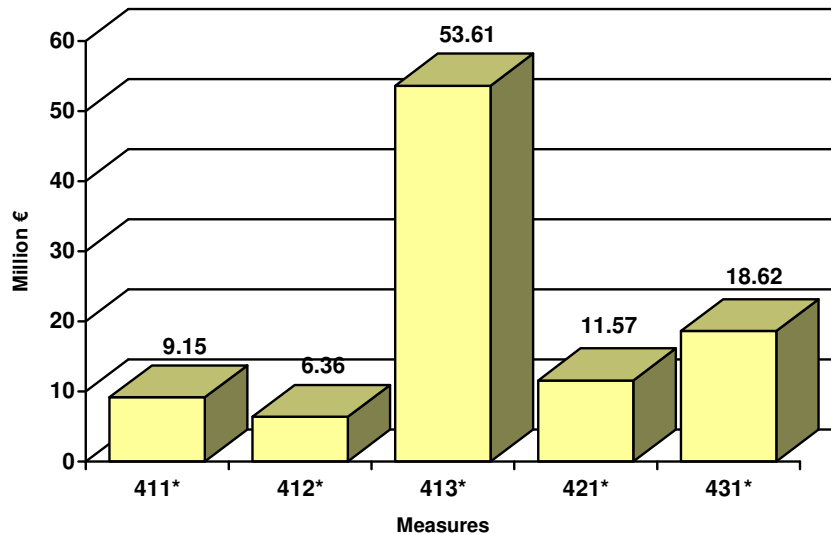
⁵ For measure 331 no private spending has been allocated.

running the local action groups, skills acquisition and animation.

Number of LAGs operational in the RDP areas as of March 2010 was 33.

There are no modifications in relation to Axis 4 following the RDP modification.

Axis 4 budget breakdown by measure: Total allocated budget (including public funds + EAFRD + private funds) of €99,318,180⁶



Monitoring and evaluation strategy

A Monitoring Committee is established with the tasks of addressing the selection criteria for project financing, verifying the programme progress, the goal compliance and conformity of the targets by means of financial and performance indicators, discuss the annual progress reports, discuss and decide about changes in the development programme, discuss questions related to the evaluation and control of the programme and decide on the selection of LEADER regions. The framework for the indicators related to the ongoing monitoring is based on the Common Monitoring and Evaluation Framework (CMEF) Guidelines. Throughout the programming period, data is continuously collected and used to control the impact of the different measures in relation to program goals. The data is presented in a yearly status report and makes up the empirical and analytical basis for the mid-term and ex-post evaluations. Evaluations will be performed by independent evaluators. This will happen in the form of an ex-ante evaluation, a mid-term evaluation and an ex-post evaluation.

Communication and publicity

The aim of the Communication Strategy is to reach the wider public and to disseminate information about the activities of the EU to support the rural areas and make transparent the RDP interventions. The main target groups are the potential receivers of support, municipal authorities,

⁶ For measures 411, 412, 413, 421 and 431 no private spending has been allocated.

business unions and organisation, private and social partners, nongovernmental organisations including environmental organisations. The main concrete communication tools and actions consist of press releases and press conferences, but also the webpage www.ml.niedersachsen.de which is an important information channel providing overview and detailed information about specific support measures. Brochures and information folders will be produced and seminars and workshops as well as fairs and exhibitions will be arranged to communicate specific substantive matters and to make visible the role of EU in the RDP. Different communication initiatives are foreseen during the initial programming phase, the intermediate phase and the ending phase of the programme.

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	