

Rural Development Programme (RDP) of Mecklenburg-Western Pomerania, Germany

Entwicklungsprogramm für den ländlichen Raum Mecklenburg-Vorpommern 2007 bis 2013¹

(Rural Development Programme of Mecklenburg-Western Pomerania 2007 to 2013)

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Managing Authority Website:

<http://www.europa-mv.de/start.htm>

Other useful links:

Rural Development Programme (RDP):

http://www.europa-mv.de/download/downloads.htm?select=Dokument_10095

National Strategy Plan (NSP):

http://www.bmelv.de/cln_154/SharedDocs/Standardartikel/Landwirtschaft/Laendliche-Raume/KonzepteStrategien/natStrategieplan.html

German National Rural Network (NRN):

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



Map of Mecklenburg-Vorpommern

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General socio-economic situation in rural areas in Mecklenburg-Western Pomerania

Located in the North-East of Germany, Mecklenburg-Western Pomerania has a total surface of 23,178km² and a population of 1.7 million inhabitants, of which 54.4% live in rural areas. In 2007 the GDP per capita was €20,352, one third below the national average of the German Länder. The unemployment rate was 15% in January 2010. Agriculture uses 58.5% of the land in Mecklenburg-Vorpommern (M-V) and agricultural labour productivity is nearly 1.4 times higher than the German average. The food sector takes up 34.5% of the manufacturing industry in M-V which is well over the national average of 9.1%. M-V has the lowest population density of all the German Länder (74 inh./km²) with only 5 cities with more than 50,000 inhabitants. The most populated cities are Rostock with 200,000 inhabitants and the state capital Schwerin with approximately 100,000 inhabitants. Almost half of the region's population (43%) lives in rural areas or in towns of under

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).

5,000 inhabitants. In many parts of the Land, the population density is between 30 inh./km² and 40 inh./km², negatively influencing costs for infrastructure. Between 1989 and 2005, the population in M-V had dropped by 13% (2005: 1,707,266), mainly due to negative net migration by young people aged between 20 and 25 years old. M-V is in terms of economic structure one of the least developed regions of Germany with only 1.4% (2006 = €32.5 billion) of Germany's GDP, which is 73.5% of the average GDP per capita in the EU. In addition, there is a gap between urban and rural areas, as no administrative unit in rural areas reaches the region's average GDP. Another weakness in M-V concerns manufacturing and financial business. The economic weakness is reflected in the high migration rates. Rural strengths include the positive rates of added value within the highly specialised and productive agricultural sector as well as tourism sector and service sector. The share of renewable energies is double as high as the national average. M-V also harbours a significant diversity of habitats (especially grassland, peatland and forests) and a significant level of biodiversity. This is threatened, however, on the one hand by intensive agricultural production (arable crops) and on the other hand by low stocking density and connected loss of grassland. At the same time although the share of water protection areas and the level of ground water recharge are high, intensive agricultural use causes a still high rate of nitrate pollution. Soil quality is reduced by wind erosion.

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 environmental challenges facing the sector and in particular the need to improve biodiversity, the need to improve water management, to adapt and mitigate against the impact of climate change and to support dairy producers respond to new market conditions.

RDP strategic objectives

The RDP of M-V has objectives and priorities which are fully compatible with both the German National Strategy Plan and the Land's programme strategy. Thus, axis 1 of the RDP focuses on improved competitiveness of agriculture and forestry through developing the physical potentials and innovation, supported by measures to improve human potentials. The highest priority of axis 2 is the development of sustainable land management. Within this axis significant proportion of funds are allocated to measures aiming to promote organic farming. The overarching priority of axis 3 is the creation of new and diverse job opportunities in rural areas, which is considered as an integrated tool for making the rural areas attractive, also for younger people. Special focus is drawn towards preservation and innovative use of the cultural heritage as a platform for further developing M-V's already strong image as a region of tourism and healthcare.

Taking into account the additional financing provided by the CAP Health Check, the European Economic Recovery Package and additional funds from 1st pillar modulation, greater strategic priority will also now be given to additional support to the dairy sector (44% of additional funds). 54% of the additional funds are allocated to support measures which contribute to the other main strategic challenges, i.e. climate change mitigation and adaptation, water management and biodiversity.

Expected impact / outcomes of the policies

Expected results and impacts of the M-V RDP include an increase in regional economic growth by

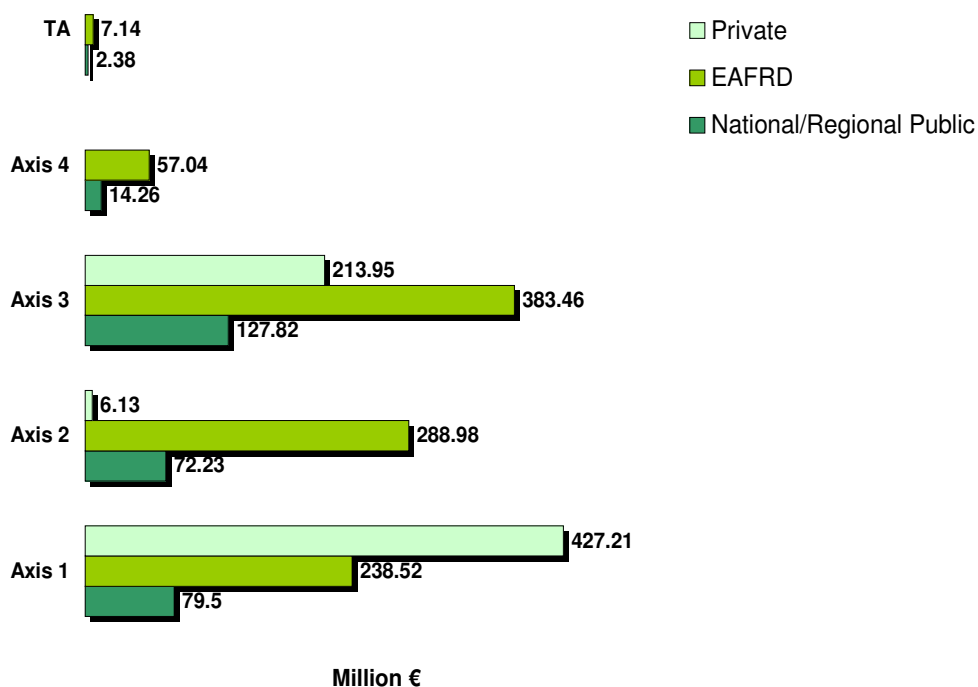
² Detailed information on the individual measures can be found in Annex I.

³ For measures 212, 214, 215, 216, and 225 no private spending has been allocated.

⁴ For measures 411, 412, 413, 421 and 431 no private spending has been allocated.

11%; creation of 2,180 new employment opportunities; an increase in labour productivity by 17% (applies for measure 123a only); reversing biodiversity decline by 5%; an increase of 5% of high nature value forestry areas; an improvement in water quality by decreasing any surplus of nitrogen in Utilised Agricultural Areas (UAA) by 2.1kg/ha and surplus of phosphorus; contribution to combating climate change by increasing the production of renewable energy by 450kT.

RDP budget breakdown by axis: Total expenditure (including national/regional + EAFRD + private funding) of €1,918,549,935



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 39% of the overall RDP budget in Mecklenburg-Vorpommern is allocated to axis 1 (€745.23 million); approximately 19% is allocated to axis 2 (€367.28 million), 37.8% to axis 3 (€725.22 million) and 4% to axis 4 (€71.29 million), with more less than 1% available to fund Technical Assistance (€9.52 million).

Within axis 1, National/Regional public funding represents approximately 11% share of the axis funding; EAFRD 32%; and private funds 57%.

Within axis 2, National/Regional public funding represents approximately 19.7% share of the axis funding; EAFRD 78.7%; and private funds 1.6%.

Within axis 3, National/Regional public funding represents approximately 17.6% share of the axis funding; EAFRD 52.7% and private funds 29.6%.

Within axis 4, National/Regional public funding represents approximately 20% share of the axis funding and EAFRD 80% (no private funding).

Within Technical Assistance, National/Regional public funding represents approximately 25% share of the technical assistance funding and EAFRD 75%.

Following the 2009 RDP amendments Mecklenburg-Vorpommern receives a total amount of €93,526,229 EAFRD contribution (€76,976,605 resulting from Health Check and European Economic Recovery Package and €9,920,752 unused funds according to Article 136 of Council Regulation (EC) No 73/2009). The additional funds will contribute to meet the new challenges 'climate change', 'water management', 'biodiversity', and 'measures accompanying restructuring of the dairy sector'.

Axis Information²

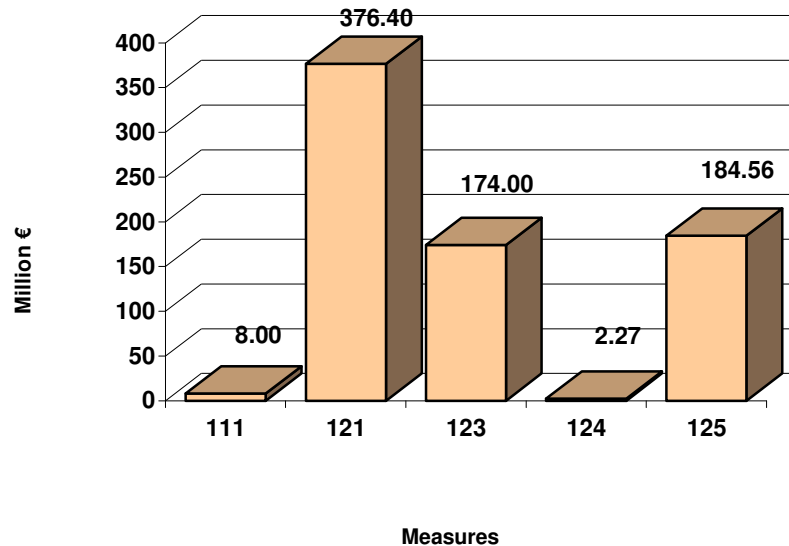
Axis 1 objectives: Improving the competitiveness of the agricultural and forestry sector

The highest priority in axis 1 in Mecklenburg-Vorpommern is focused on modernisation of agricultural holdings (measure 121) which accounts for over 50% of the budget. A further 23% is targeted at actions to increase the value added of agricultural and forestry products (measure 123), while 25% of the budget is targeted at supporting the development of infrastructure for agriculture and forestry enterprises (measure 125). Other support includes support for vocational training and information actions (measure 111, 1%) and support to cooperation for development of new products, processes and technologies (measure 124, 0.3%).

Result targets include: number of participants that successfully complete training activities related to agriculture and/or forestry (6,000 participants); depending on the respective measure increase in labour productivity of supported holdings/enterprises by 210 million €; and the number of holdings/enterprises introducing new products and/or new techniques (1,615 holdings).

For further information on specific results indicators please refer to the impact indicators table in the RDP programme.

Axis 1 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €745,228,867



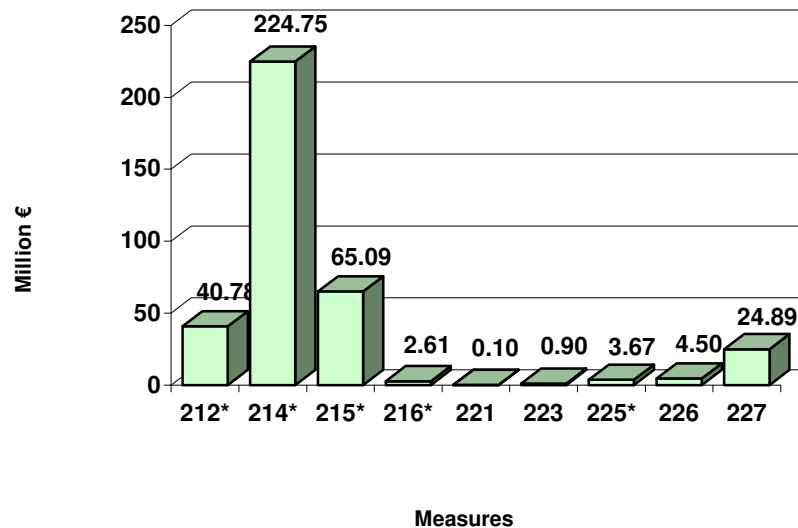
Following the RDP latest update, the total budget amount for axis 1 is €745,228,867 including an additional €3,551,000 EAFRD contribution that is targeted at assisting agricultural holdings in reducing production costs and adapting to market changes (measure 121).

Axis 2 objectives: Improving the environment and the countryside

Agri-environmental measures (measure 214) dominate support provided under axis 2 with over 61.2% of total axis 2 funding; other support is targeted at animal welfare (17.7%, measure 215), farmers in less favoured areas (11.1%, measure 212), support for non-productive investments in forestry sector (6.8%, measure 227) and restoring forestry potential and introducing prevention actions (1.2%, measure 226) as well as forest-environment payments (1%, measure 225). Less than 1% of total axis funding support is targeted non-productive investments in agricultural sector (0.7%, measure 216), first afforestation of agricultural land (0.03%, measure 221) and first afforestation of non-agricultural land (0.25, measure 223). Overall, approximately 91% of axis 2 funding in Mecklenburg-Western Pomerania is devoted to promotion of sustainable use of agricultural land and 9% on promotion of sustainable use of forestry land.

Result indicators: 187,475 ha of agricultural land are dedicated areas contributing to increased levels of biodiversity and high nature value areas; 184,000 ha are target areas to improved water quality; 274,000ha are dedicated to mitigating climate change while 40,000 ha to improved soil quality and 120,000 ha will be supported for avoiding of marginalisation and land abandonment in rural areas. 276,920 ha of forestry land are dedicated areas under successful land management contributing to increased levels of biodiversity and high nature value areas; 273,420 ha to improved water quality; 273,420 ha to mitigating climate change; 10,120 ha to improved soil quality

Axis 2 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €367,284,053³



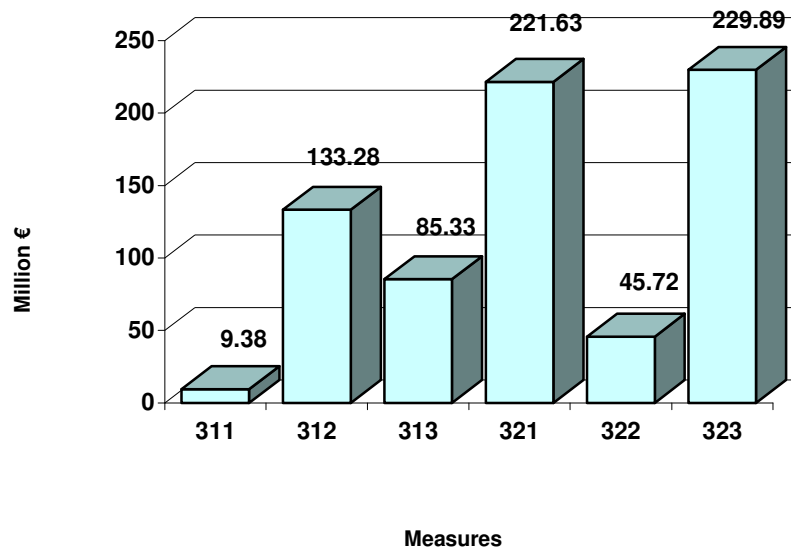
Following the CAP Health Check and update of the RDP in M-V, the total budget allocation under axis 2 is €367,284,053. Alterations to funding under the axis include additional support for measure 214 (agri-environmental payments, €31,115,229) including support for creating flower strips and flower areas in order to increase biodiversity. Further support available under measure 215 (animal welfare payments, €37.5 million) includes action to enhance the animal welfare situation in the dairy sector and the positive environmental effects of the dairy sector by pasturing of dairy cattle. For further information on measures please refer to the impact indicators table in the revised RDP.

Output indicators linked to the amendments for new measure 214e include 500 farm holdings and holdings of other land managers receiving support from newly introduced sub-measures, 1000 ha of physical area under agri-environmental support and 5,000 beehives. Result indicator is maintenance of number of beehives (19,600 in 2008). Output indicators for new measure 215 include 500 holdings. Result indicators include support for 180,000 cattle of which are 77,000 dairy cattle, and also support for 19,000 pigs.

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

For axis 3, priority is given to measure 323 - conservation and upgrading of the rural heritage (32% of axis 3 funding) and measure 321 - improvement of basic services for the rural economy and its population (31%). Other support includes business creation and development (18%, measure 312), encouragement of tourism activities (11.8%, measure 313), village renewal and development (6.3%, measure 322) and diversification of the rural economy (1.3%, measure 311). Result targets include an increase by €48 million in non-agricultural GVA in supported businesses; 2,115 new jobs created; 500,000 additional overnight stays; and, depending on the respective measure, between 150,000 to 1,160,000 inhabitants in rural areas benefiting from improved services.

Axis 3 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €725,222,600)



Following the latest revision of the RDP the new total budget allocation for axis 3 is €725,222,600 including additional funds for measure 323 (Conservation and upgrading of rural heritage, €21,360,000). Additional funds support improvement of water management by developing semi-natural water bodies and creating natural banks as well as meandering rivers and contribute to combating climate change by improvement of land use (moors) in order to reduce nitrous oxide and maintain/enhance carbon sequestration. For further information on measures please refer to the impact indicators table in the revised RDP.

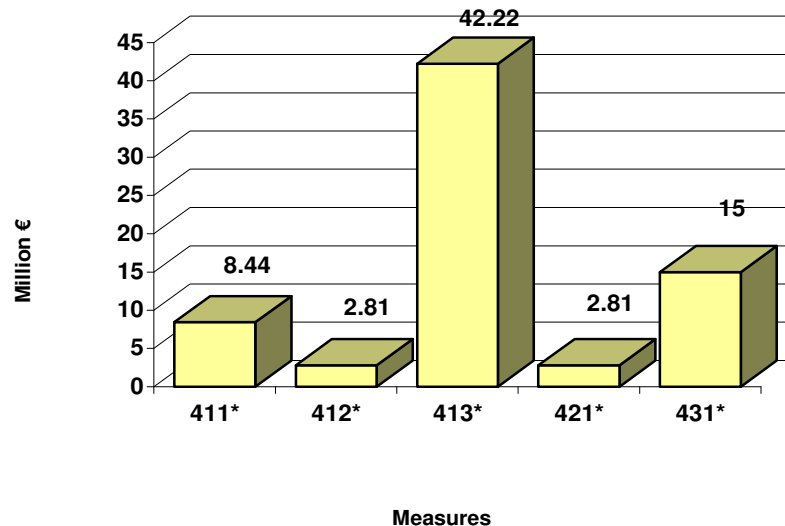
Output indicators linked to the amendments include increase in number of supported actions from 150 to 240 and supported water flow line targeted to improve water quality from 220km to 540km.

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 over 59% of the total axis budget allocation. Other support is targeted at running the local action groups, skills acquisition, animation (21%, measure 431), implementing competitiveness actions (11.8%, measure 411), implementing cooperation projects (measure 421, 3.94%), and improvements to the environment and land management practices to be supported through local development strategies (3.94%, measure 412). Output targets include number of LAGs involved (measure 411: 9, measure 412: 3, measure 413: 13). Further output targets include 8 cooperation projects and 300,000 persons benefiting from these projects, 140 projects financed by LAGs with 600,000 persons benefiting from these projects and 20 actions targeting at skills acquisition and animation.

The number of LAGs operational in the designated rural areas as of March 2010 was 13.

Axis 4 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €71,294,416⁴



Monitoring and evaluation strategy

Monitoring and evaluation is based on experiences gained within the former funding period (2000-2006) and is carried out in line with the Common Monitoring and Evaluation Framework (CMEF). The Managing Authority will systematically collect performance data in order to set up a system of input, output, result and impact indicators including both CMEF indicators as well as additional specific indicators. As far as possible, indicators have been quantified from the start of RDP.

Necessary information on indicators will be made available in an electronic database. A query tool will facilitate analyses and report generation. The data base facilitates a permanent comparison between aggregated indicators and indicative budget allowing a continuous controlling of planned and actual outflow of funds. Based on CMEF requirements content and objectives of each stage of the evaluation will be concretised by both the "other" body (Ministry of Agriculture, Environment and Consumer Protection) and the monitoring committee. Evaluations are performed by independent evaluators based on a common evaluation framework for the operational programmes of the structural funds (ERDF and ESF) which will be developed by a steering committee (consisting of members of the monitoring committee). Ongoing evaluation will take the form of a mid-term evaluation in 2010 and ex-post evaluation in 2015. Evaluation is carried out by the von-Thünen-Institute and is part of a seven-Länder-evaluation, i.e. a common evaluation approach is applied in these seven Länder.

Communication and publicity

The M-V RDP includes a communication strategy and a detailed plan for communication and publicity in order to: 1) make known the programme and its results, 2) establish contacts between the different actors and the relevant target groups and promote dialogue and 3) provide service for

the target groups. In view of the various phases of RDP implementation, the Managing Authority and other bodies responsible for publicity will

- a. during the initial phase - publish the content of the specific action and make any document online available for all potentially interested parties;
- b. during the project phase - appropriately inform about implementation and progress of the programme. Special emphasis is placed upon information for administration, monitoring and evaluation of the M-V RDP, and;
- c. in the final phase - to inform professionals and the general public about results and conclusions of the European intervention (the M-V RDP)

For communication and publicity purposes all relevant media and resources are used, e.g. internet, brochures, posters, seminars, workshops. It will be assured that beneficiaries promote the role of the EU contribution in line with Reg. no 1974/2006.

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 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>
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 LAG, skills acquisition, animation	