

Rural Development Programme (RDP) of Thuringia, Germany

FörderInitiative Ländliche Entwicklung in Thüringen 2007-2013 (FILET)¹

(Funding Initiative for Rural Development in Thuringia 2007 – 2013 (FIRDT))

Relevant Contact Details

Managing Authority Website:

<http://www.thueringen.de/de/tmlfun/themen/lawi/entwplan07-13/content.html>

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 Thuringia
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General socio-economic situation in rural areas in Thuringia

Thuringia covers an area of 16,172 km² and has a population of 2.2 million. 16% of the land is used for agriculture and 34% is woodland. Of the agricultural land 50% is classified as Less Favourable Area (LFA), very similar to the national average of 49%. A large proportion of the people employed in agriculture are part-time, but they only farm on 3.5% of the agricultural land. In fact, 86% of the agricultural land is in agricultural holdings of more than 200 ha and 56% in holdings of more than 1,000 ha. Agriculture and forestry make up 0.2% of the state's gross added value (2004). The food production and processing industry is one of the most important industries in Thuringia. Over 86% of employees work in SMEs. In 2007 the GDP per capita was €20,926, well below the national average of €29,465 per capita. In January 2010 the unemployment rate was 11.7%. About 69% of the population is between 15-64 years old and 19% over 65 and about 12% under 14.

Thuringia is facing a variety of challenges. From a structural point of view, farms in Thuringia have a solid starting position. Food processing/manufacturing activities in Thuringia are number one even before the automotive industry. The strengths of the Thuringian agriculture and rural areas are the well-trained work-force, the natural

¹ Latest updated RDP (21.12.2009), 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).

conditions and the corporate structures. Agriculture and forestry have diversified their outlets (production of raw materials). On the other hand, the weak capital bases are a problem for many enterprises. This means the absence of a buffer against risk when earnings and investments are low.

Following the CAP Health Check and European Economic Recovery Package, in recognition of the greater emphasis now being given to the “new challenges” faced by agriculture and rural areas, the RDP has been revised to further highlight restructuring of the dairy sector, conserving biodiversity, the need to improve water management and to adapt and mitigate against the impact of climate change.

RDP strategic objectives

In accordance with the Community Strategic Guidelines (CSG) on rural development and the German National Strategic Plan, the Thuringian RDP aims at generating more economic growth, higher employment, and improved competitiveness. The content and objectives of the Lisbon strategy and the sustainability objectives as stated in the Gothenburg Council's conclusions are fully reflected and supported by the Thuringian RDP. The measures are aimed specifically at compensations for difficulties in mobility and compensations for less favourable supplies and service facilities. The general involvement in rural development is also fundamental: impacts of demographic changes are observed and of importance to people in rural areas. The above challenges for the rural development require enhanced cooperation between all actors engaged.

The amendments proposed in account of the additional financing provided by the CAP Health Check, the European Economic Recovery Package and Modulation do not lead to a change of the general strategy as the existing strategy is still valid and is fully in line with the CSG and the National Strategic Plan for Rural Development.

Expected impact / outcomes of the policies

The Thuringian RDP supports until 2013 investments in agricultural and forestry holdings in order to create and preserve jobs in rural areas. In particular, companies and enterprises should demonstrate through their supported development that in future they will be capable of securing jobs. In addition, agricultural management in LFAs continues to be supported by compensatory area payments whilst the quality of life in rural areas is supported through Axis 3 and 4 measures. The integration of the Leader approach into the RDP will result in new “regionally-responsible” communities which include governmental and voluntary actors with decision-making skills and financial resources to carry this responsibility as a basic driving force for rural development.

Investment in the milk production sector enables short-term direct investments and the mid-term development of the competitiveness of the sector. Thus, an important part of the agricultural sector can be maintained as competitive after 2015 when milk quotas will be phased-out (The dairy sector represents indeed 20% of the agricultural production of Thuringia). Regarding agri-environment payments (Measure 214), the targets for areas managed with soil conservation techniques, more environmentally-friendly manure

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

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

⁴ For measure 431 no private spending has been allocated.

spreading or modified cultivation techniques for grain crops increases with positive impacts upon the mitigation of soil erosion, protection of ground water and improved soil fertility.

RDP budget breakdown by axis for the period 2007-2013: Total expenditure (including national/regional + EAFRD + private funding) of €1,528,647,051



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 41% of the overall RDP budget in Thuringia is allocated to axis 1 (€631.97 million); approximately 28% is allocated to axis 2 (€435.65 million); 25% to axis 3 (€381.61 million), and; 4% to axis 4 (€66.25 million) with less than 1% available to fund Technical Assistance (€13.17 million).

Within axis 1, national/regional public funding represents approximately 10% share of the axis funding, EAFRD 32% and private funds 58%.

Within axis 2, national/regional public funding represents approximately 19% share of the axis funding, EAFRD 80% and private funds 1%.

Within axis 3, national/regional public funding represents approximately 13% share of the axis funding, EAFRD 40% and private funds 47%.

Within axis 4, national/regional public funding represents approximately 13% share of the axis funding, EAFRD 52% and private funds 35%.

Within technical assistance, national/regional public funding represents approximately 25% share of the technical assistance funding and EAFRD 75%.

Further to the CAP Health Check and the European Economic Recovery Package, additional funds were made available. The additional EAFRD contribution of €62,526,059 consists of €58,861,243 resulting from the Health Check (including unused funds in accordance with Article 136 of Council Regulation (EC) No 73/2009) plus €4,539,057 from the European Economic Recovery Package, less €874,241 from a correction of the distribution of the existing modulation money among the German *Länder*. This extra funding will be allocated to measures 121 "Modernisation of agricultural holdings" and 214 "Agri-environment payments".

Axis Information²

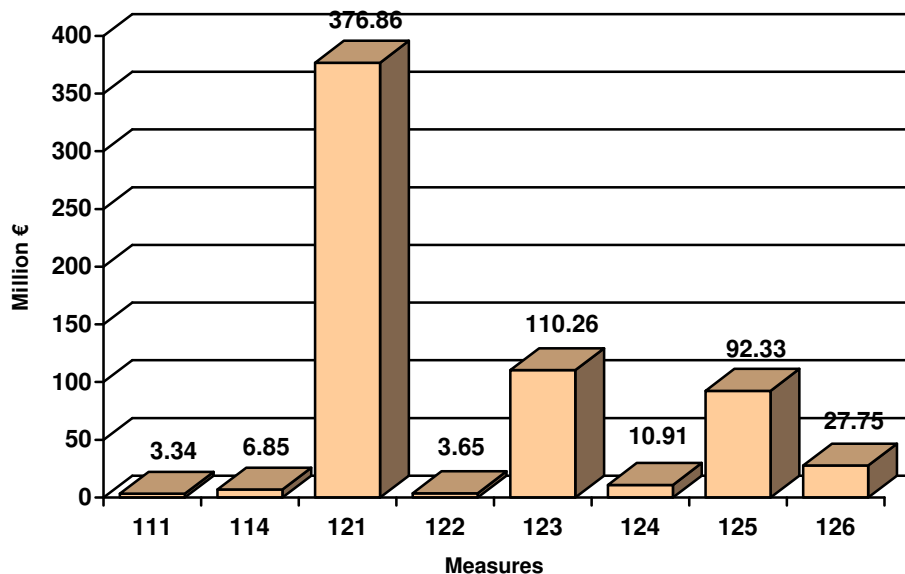
Axis 1 objectives: Improving the competitiveness of the agricultural and forestry sector

In Thuringia, there is a need for investments in the modernisation of agricultural enterprises and to add value to agricultural products. Two measures are of particular importance in that respect:

- Measure 121 with the specific target of supporting holdings developing new products or processes.
- Measure 123 which aims to support enterprises which are to introduce new products

Other axis 1 measures include the promotion of education and teaching to farm workers about new and innovative procedures, the support to infrastructure improvements (e.g. the renovation and building of paths, reparaCelling to resolve conflicts in land use and flood control), as well as increased contributions to general topics (examples: sustainable energy, animal welfare). Support to the forestry sector is offered as well.

Axis 1 indicative budget breakdown by measure: Total allocated budget (including public funds + EAFRD + private funds) of €631,966,607



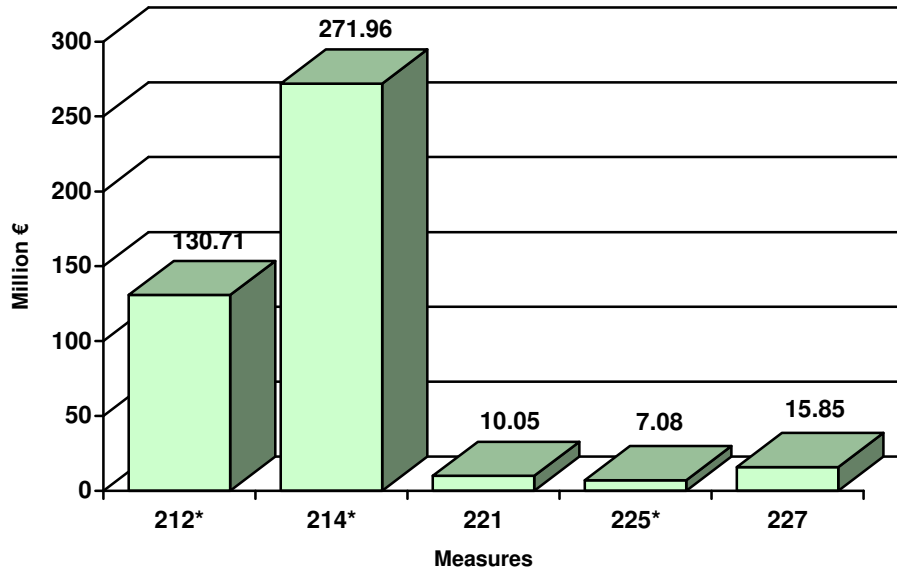
Following the RDP amendments in 2009, the total budget amount for axis 1 was increased to €631,966,607, which includes an additional €21.02 million (EAFRD budget). The additional funds were allocated to measure 121 and target at supporting the restructuring of dairy sector. The additional amount of EAFRD contribution injected into the measure enables the earlier and better implementation of modernisation of agricultural holdings in the dairy sector.

Axis 2 objectives: Improving the environment and the countryside

Environmental protection and landscape conservation are important targets of the Thuringian RDP. Key measures are:

- support for less favoured areas (LFAs) in particular with measure 212 which aims to support the continued management of 300,000 ha.
- conservation of the agri-cultural landscape with the measure 214. This measure aims to support a range of more sustainable management practices on a total of 312,000 ha which will contribute to objectives regarding biodiversity and high nature value farming water quality, climate change, soil quality, and avoidance of marginalisation and land abandonment.

Axis 2 indicative budget breakdown by measure: Total allocated budget (including public funds + EAFRD + private funds) of €435,648,633³



Following the RDP amendments in 2009, the total budget amount for axis 2 was increased to €435,648,633. This includes an additional €42.38 million from the EAFRD budget. The additional funds were allocated to measure 214 and target at supporting the new challenges of biodiversity and climate change.

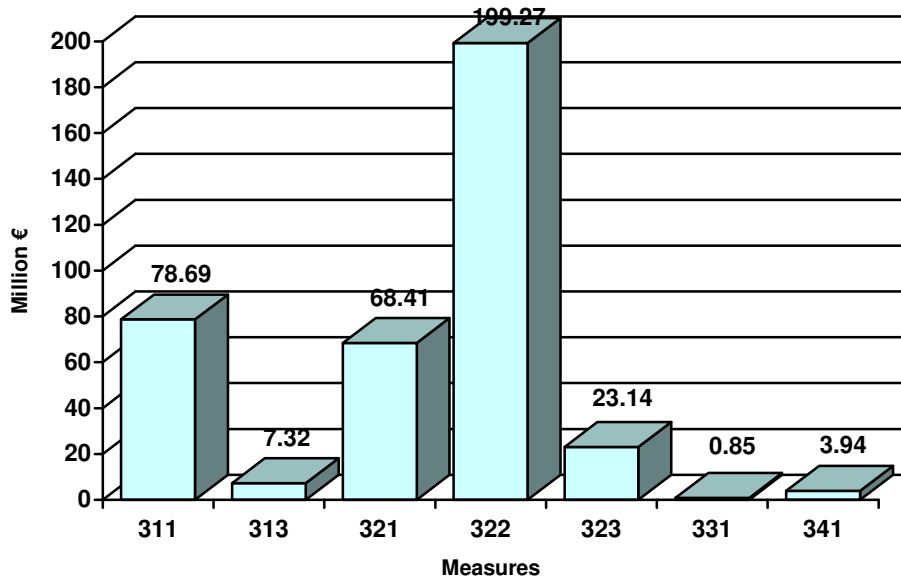
New sub-measures under measure 214 were proposed.

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

- To improve the quality of life in rural areas, the Thuringia RDP focuses on the development of non-agricultural activities and the renovation of villages. The main measures are: Measure 311 which aims to create 900 full/part time jobs and to ensure an increase in the profits of supported businesses.
- Measure 321 (providing the rural population with community facilities for basic services) and measure 322 which aims to improve living conditions for 200,000 people living in the rural areas and the development of rural and small communities up to 10,000 inhabitants for 100,000 people.
- Both measures 321 and 322 are implemented in a coordinated way.

Other amendments aim to improve water management, notably regarding implementation of the EU Water Framework Directive. The drawing-up of management plans in Natura 2000 areas which are partly outside the rural area will also be eligible for support in the future.

Axis 3 indicative budget breakdown by measure: Total allocated budget (including public funds + EAFRD + private funds) of €381,610,464



Axis 4 objectives: Leader

The Leader approach implements the concept of integrated rural development and achieves certain key outcomes. Its main instrument is partnership and “working more closely together”. Actors in the Local Action Groups (LAGs) will come together with an expected impact on 1.8 million people in the rural areas of Thuringia. In this way the skills and competences existing in the rural areas will be better pooled and used.

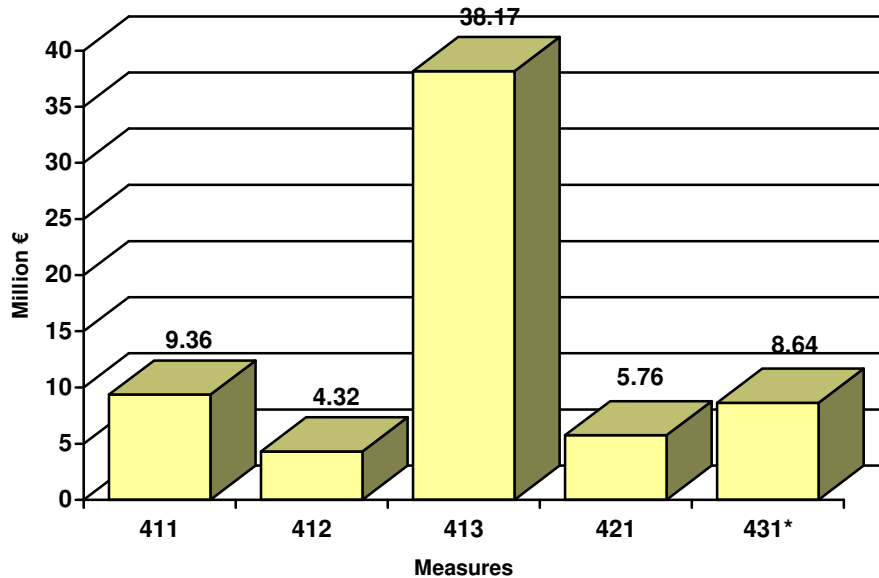
The Leader approach uses element of:

- a greater mobilization of endogenous development potentials;
- improved regional cooperation and participation of relevant stakeholders;
- development and dissemination of innovative approaches.

Leader is seen as a way of intensifying co-operation and promoting innovative projects through bottom-up processes including the integration of business, culture and social interests. This is an inclusive approach that aims to commit a range of different actors to the development process.

The number of LAGs operational in the RDP of Thuringia area as of March 2010 was 15.

Axis 4 indicative budget breakdown by measure: Total allocated budget (including public funds + EAFRD + private funds) of €66,253,054⁴



No modifications were made to axis 4 during the 2010 RDP update.

Monitoring and evaluation strategy

Monitoring and evaluation of the Thuringian RDP is based upon the guidance contained in the EU's Common Monitoring and Evaluation Framework (CMEF) and aims to measure the progress and performance of the programme against both common (EU-wide) and RDP-specific indicators relating to the baseline situation plus the subsequent inputs, outputs, results and impacts of the RDP.

The RDP-specific indicators for Thuringia include detailed measurements of desired outputs and results that relate to goals specially defined in the programme.

Monitoring and evaluation activities include annual reports that are presented to the Commission and based on the RDP objectives. These reports also inform the Commission of any changes in general conditions that might affect the implementation of the RDP. A mid-term evaluation is under preparation.

Communication and publicity

The implementation of the Thuringian RDP 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 Thuringian Ministry of Agriculture, Forestry Environment, and Nature Protection 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 contributions.

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 of Thuringia:
<http://www.thueringen.de/de/tmlnu/themen/lawi/entwplan07-13/content.html>;
- brochures, leaflets and other publications;
- regular publication of RDP funding opportunities in the Thüringer Staatsanzeiger (Thuringian State Gazette);
- trade fairs, exhibitions, workshops and regional conferences.

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>	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