



Factsheet on 2014–2020 Rural Development Programme for Rhineland-Palatinate (Germany)

The Rural Development Programme (RDP) for Rhineland-Palatinate (RP) was formally adopted by the European Commission on 26 May 2015, and last modified on 14 February 2020 (4th programme amendment). It outlines Rhineland-Palatinate's priorities for using about 632 million EUR of public money that is available for the 7-year period 2014–2020 (300 million EUR from the EU budget, including 53 million EUR transferred from the German envelope for CAP direct payments and 220 million EUR of national co-funding plus 112 million EUR of additional national funding top-ups).

The RDP for Rhineland-Palatinate focuses mainly on three priority areas. Under the first of these – restoring, preserving and enhancing ecosystems related to agriculture and forestry – 28% of farmland is under funded contracts to improve biodiversity, around 34% to improve water management and around 13% to improve soil management and prevent soil erosion. Under the second – competitiveness of the agri-sector and sustainable forestry – around 6% of agricultural holdings will receive support for investments in restructuring or modernisation. The third priority emphasised is that of social inclusion and local development in rural areas. This is addressed mainly through the LEADER approach to local development, which covers around 55% of the rural population.

Support for Rural Development is the 2nd Pillar of the Common Agricultural Policy, providing Member States with an envelope of EU funding to manage nationally or regionally under multiannual, co-funded programmes. In total, 118 programmes are implemented in all 28 Member States. The RD Regulation for period 2014–2020 addresses six economic, environmental and social priorities, and programmes contain clear targets setting out what is to be achieved. It put also emphasis on networking activities at EU and national level. Moreover, in order to coordinate actions better and maximise synergies with the other European Structural & Investment Funds (ESIF), a Partnership Agreement has been agreed with each Member State highlighting its broad strategy for EU-funded structural investment.

This document provides a brief overview of how the challenges and opportunities Rhineland-Palatinate is facing are addressed by the RDP. In the annex, a table indicates the priorities and focus areas each with their specific targets, and their allocated budget.

1. SITUATION AND KEY CHALLENGES

In Germany, rural development is implemented through 13 separate regional RDPs, which broadly correspond to the various *Länder* (but with two joint programmes). However, common elements to several regional programmes are presented in a national framework (NF) established at federal level. In addition to this, a National Rural Network Programme provides the funding for the networking of rural development actors in Germany.

With a population of 4 million inhabitants, only 24% of the population live in predominantly rural areas and 53% live in intermediate areas. The unemployment rate is 4.3% (yearly average 2019)¹ which is about 0,7% below the federal average.

Rhineland-Palatinate covers an area of 19 854 km², of which 45% is rural. Of the total area, agricultural land covers nearly 36% and forestland 42%.

Of the agricultural area (715 000 ha in 2019), 57% is arable land and 33% is permanent grassland. Permanent crops cover the remaining 10%. The particular feature of Rhineland-Palatinate is the high use of land for growing grapes. Vineyards cover 9% of the agricultural land, the highest percentage in Germany.

There are nearly 16 800 agricultural holdings in total. Almost 2 100 have a size above 100 ha; the average size is 42 ha - far below the federal average of 62 ha.²

It is intended to ensure sustainable, environmentally friendly and market-oriented land use by the protection, conservation and improvement of natural capital. A need for action is seen regarding soil and water conservation and the preservation or improvement of biodiversity. A continuous extension of areas used for organic farming is envisaged. Given the structural situation, continued development of agricultural holdings is required to ensure sustainable management in all parts of Rhineland-Palatinate. In addition, in order to improve the competitiveness of the agricultural sector Rhineland-Palatinate seeks to increase resource efficiency and to enhance animal welfare. With the support of regional marketing initiatives, the added value in local areas should be increased and the economy made stronger through greater sustainability. The third priority focuses on measures that are not offered in other programs. It includes measures for the participatory implementation of rural development (e.g. LEADER) as well as new approaches such as the promotion of the European Innovation Partnership (EIP).

2. HOW RHINELAND-PALATINATE'S RDP WILL ADDRESS THESE CHALLENGES

In addressing these challenges, Rhineland-Palatinate's RDP funds actions under five Rural Development priorities – with a particular emphasis on **restoring, preserving and enhancing ecosystems related to agriculture and forestry, competitiveness of the agri-sector and sustainable forestry**, as well as **social inclusion and local development in rural areas**. The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

This cross-cutting Priority – under which there will a focus on resource efficiency and on supporting the shift towards a low-carbon and climate-resilient economy in the agricultural, food and forestry sector – will be addressed mainly through measures supporting training and advisory services for people and businesses in rural areas: an expected **1 375 participants are to be trained**. There will also be support for cooperation in the framework of the European Innovation Partnership for Agricultural Productivity and Sustainability.

Competitiveness of agri sector and sustainable forestry

Besides previously mentioned support for training, nearly **6% of farms** currently receive **funding for investments** – focused on better animal husbandry / welfare, high-quality production, and improved working conditions.

¹ Data source: Federal Employment Agency

² Data source: Federal Statistical Office of Germany, Ministry for Economics, Traffic, Agriculture and Winery Rhineland-Palatinate, Federal Ministry of Food and Agriculture

Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture

Funding encourages farmers to form **producer groups** in order to respond to the concentration of buying power in the agri-food sector and to improve farmers' position in markets. About 2 million EUR is invested in cooperation measures for this purpose.

At the same time, more than **2% of farms** currently receive funding for **participating in risk management schemes**, particularly approximately 20 000 ha of land cultivated with vegetables and wine near the river Nahe and the Upper Rhine which are threatened by floods.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Rhineland-Palatinate will improve biodiversity and water and soil management through support for various environmentally friendly management practices – including organic farming, less use of fertilisers and pesticides and protection of habitats. As a result, **28% of farmland** will be under **funded contracts to improve biodiversity**, around **34% to improve water management** and around **13% to improve or prevent soil erosion**. Support for **environmental investments** complements these annual area-based payments.

Social inclusion and local development in rural areas

The programme currently funds Local Development Strategies drawn up and implemented by Local Action Groups under the LEADER approach: these will cover **areas containing about 55% of the rural population**. Support for other co-operation projects and for village renewal is ensured.

The four **biggest RDP measures** in budgetary terms (total public funding including top-ups) are:

- 183 million EUR allocated to M10 (Agri-environment-climate)
- 147 million EUR allocated to M04 (Investments in physical assets)
- 122 million EUR allocated to M11 (Organic farming)
- 79 million EUR allocated to M19 (LEADER / CLLD: community-led local development)

Annex 1: Indicative public support for the Rural Development Programme in Rhineland-Palatinate (Germany)

Target		Measure	Indicative public support	%
P1: Fostering knowledge transfer and innovation in agriculture, forestry and rural areas			0,00	
1A Innovation, cooperation, knowledge			0,00	
T1: percentage of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (focus area 1A)	2,68	M01 Knowledge	0,00	
		M02 Advisory services	0,00	
		M16 Cooperation	0,00	
1B Research & innovation			0,00	
T2: Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) (focus area 1B)	20,00	M16 Cooperation	0,00	
1C Lifelong learning and vocational training			0,00	
T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C)	1.375,00	M01 Knowledge	0,00	
P2: Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and the sustainable management of forests			144.572.714,60	22,86%
2A Farm performance			Total: 2A	144.572.714,60
				22,86%
T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	5,84	M01 Knowledge	1.000.000,00	0,16%
RP 2A: Extent of the direct and indirect developed agricultural area in ha	27.000,00	M02 Advisory services	2.808.500,00	0,44%
Total investment € (public + private)	370.000.000,00	M04 Physical Investment	136.274.983,83	21,54%
Nr of holdings supported for investment in agricultural holdings (4.1)	1.220,00	M16 Cooperation	4.489.230,77	0,71%
Nr of beneficiaries advised (2.1)	1.960,00			
P3: Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture			40.601.177,00	6,42%
3A Competitiveness of producers			Total: 3A	14.164.177,00
				2,24%
RP 3A-1: Nr of agricultural holdings, participating in information measures or receiving advice within the RDP EULLE	2,70	M01 Knowledge	700.000,00	0,11%
RP 3A-2: Investment costs € in sub-measure M 4.2	50.300.000,00	M02 Advisory services	0,00	0,00%
Total investment € (public + private)	30.000.000,00	M04 Physical Investment	11.369.561,62	1,80%
Nr of operations supported for investment (e.g. in agricultural holdings, in processing and marketing of ag. products) (4.1 and 4.2)	15,00	M16 Cooperation	2.094.615,38	0,33%
3B Risk management			Total: 3B	26.437.000,00
				4,18%
T7: percentage of farms participating in risk management schemes (focus area 3B)	2,43	M02 Advisory services	437.000,00	0,07%
RP 3B: percentage of agricultural holdings benefiting from the flood protection measures	2,40	M05 Restoring agricultural potential	26.000.000,00	4,11%
Nr of beneficiaries for preventive actions (5.1) - farm holdings	500,00			
Nr of beneficiaries advised (2.1)	260,00			

P4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry			315.209.689,01	49,83%
4A Biodiversity, HNV and landscapes		Total: P4	315.209.689,01	49,83%
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	28,05	M01 Know ledge	800.000,00	0,13%
4B Water management		M02 Advisory services	444.500,00	0,07%
T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	33,92	M07 Basic services	6.000.000,00	0,95%
4C Soil management		M10 Agri-environment-climate	183.172.368,50	28,96%
T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	12,71	M11 Organic Farming	122.000.000,00	19,29%
P4 All Focus Areas		M16 Cooperation	2.792.820,51	0,44%
Area (ha) under agri-environment-climate (10.1)	164.300,00			
Area (ha) - conversion to organic farming (11.1)	25.000,00			
Area (ha) - maintenance of organic farming (11.2)	50.000,00			
Nr of beneficiaries advised (2.1)	310,00			
P6: Promoting social inclusion, poverty reduction and economic development in rural areas			114.166.590,90	18,05%
6A Diversification, SMEs and job creation		Total: 6A	12.920.000,00	2,04%
T20: Jobs created in supported projects (focus area 6A)	15,00	M01 Know ledge	700.000,00	0,11%
Total investment € (public + private)	41.100.000,00	M02 Advisory services	800.000,00	0,13%
Nr of beneficiaries (holdings) receiving start up aid/support for investment in non-agric activities in rural areas (6.2 and 6.4)	140,00	M06 Farm and business development	11.420.000,00	1,81%
Nr of beneficiaries advised (2.1)	550,00			
6B Local development		Total: 6B	84.146.590,90	13,30%
T21: percentage of rural population covered by local development strategies (focus area 6B)	54,81	M07 Basic services	5.000.000,00	0,79%
T23: Jobs created in supported projects (Leader) (focus area 6B)	50,00	M19 LEADER and CLLD	79.146.590,90	12,51%
Population benefiting from improved services/infrastructures (7.1; 7.2; 7.4; 7.5.;7.6; 7.7)	140.000,00			
Population covered by LAG	1.700.000,00			
Number of LAGs selected	20,00			
6C ICT		Total: 6C	17.100.000,00	2,70%
T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	3,55	M07 Basic services	17.100.000,00	2,70%
M20 TA			18.000.000,00	2,85%
			18.000.000,00	2,85%
Total public expenditure			632.550.171,51	100,00%