Factsheet on 2014-2022 Rural Development Programme for Schleswig-Holstein/Germany

The Rural Development Programme (RDP) for Schleswig-Holstein was formally adopted by the European Commission on 26 May 2015 and last modified on 26 May 2023 (8th programme amendment), outlining Schleswig-Holstein’s priorities for using the €1,1 billion of public money that is available for the 9-year period 2014-2022 (€597 million from the EU budget, including €107 million transferred from the German envelope for CAP direct payments, and €246 million of national co-funding plus €329 million of additional national funding top-ups.

The RDP for Schleswig-Holstein focuses mainly on 3 priority areas. Under the first of these – restoring, preserving and enhancing ecosystems related to agriculture and forestry – 10.72% of farmland is under biodiversity contracts, 7.33% under contracts to improve water management and 5.42% under contracts to improve soil management and reduce erosion. Secondly, to address social inclusion and local development in rural areas, 81% of the population are covered by LEADER local development strategies. Thirdly, to improve structures, 32 sectors of the coast protection plan receive support for flood protection. In addition, 82 projects for processing and marketing are receiving support.

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 multi-annual, co-funded programmes. In total, 118 programmes are implemented in all 28 Member States¹. The RD Regulation for the period 2014-2020 addresses six economic, environmental and social priorities, and programmes contain clear targets setting out what is to be achieved. 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 Schleswig-Holstein 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.

¹The UK left the Union on 31 January 2020. In accordance with the Withdrawal Agreement, support under Rural Development continues to apply in the UK during the 2014-2020 programming period.
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.

Schleswig-Holstein covers an area of 15 799 km², of which 88.2% is rural. Of the total area, agricultural land covers 63% and forest land 10%.

Of a population of 2.89 million, 76.1% lives in predominantly rural areas and 23.9% lives in urban areas. The unemployment rate is 3.3% (2020).

Of the agricultural area (987 400 ha in 2019), 67.2% is arable land and 32.2% is permanent grassland. Permanent crops cover the remaining 0.6%.

There are over 12 700 agricultural holdings in total. More than 3 200 have a size above 100 ha; the average size is 78 ha and thus significantly above the federal average of 61 ha.

Environmental challenges in Schleswig-Holstein mainly relate to the decline of biodiversity and to wind and soil erosion caused by climate change.

Schleswig-Holstein faces an increasing flood hazard, especially along its coastline of more than 1 000 km.

The region faces more and more the negative effects of an ageing society, a constant decline of the population in rural areas and a sharp decline in the labour force.

2. **How Schleswig-Holstein's RDP addresses these challenges**

In coping with these challenges, Schleswig-Holstein's RDP funds actions under all six Rural Development priorities – with a particular emphasis on: *restoring, preserving and enhancing ecosystems related to agriculture and forestry; social inclusion and local development in rural areas; competitiveness of the agri-sector and sustainable forestry; and food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture*. The focus of each priority is explained briefly below.

**Knowledge transfer and innovation in agriculture, forestry and rural areas**

This crosscutting priority focusses on resource efficiency and supports the shift towards a low-carbon and climate-resilient economy in the agricultural, food and forestry sectors. It is addressed mainly through measures supporting training and advisory services for people and businesses in rural areas: an expected 16 000 participants are to be trained. In addition, support is provided for co-operations in the framework of the European Innovation Partnership for Agricultural productivity and Sustainability.

**Competitiveness of agri sector and sustainable forestry**

Besides the previously mentioned support for training, about 74 farms currently receive funding for investments – focused on better animal husbandry / welfare, high-quality production, and improved working conditions.

**Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture**
Support mainly addresses investments in flood and coastal protection for agricultural and forest areas. In addition, 82 projects related to processing and marketing are receiving support.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Schleswig-Holstein endeavours to enhance biodiversity and water and soil management through support for various environmentally friendly management practices – including organic farming, lower use of fertilisers and pesticides and protection of habitats. More than 10.72% of farmland are under funded contracts to improve biodiversity, 7.33% under contracts to improve water management and 5.42% under contracts to improve or prevent soil erosion. Finally, support for environmental investments complements these annual area-based payments.

Resource efficiency and climate

The emphasis in Schleswig-Holstein is on investments in forest area development and improvement of the viability of forests. The afforestation of 1 450 ha of land is intended.

Carbon conservation and sequestration shall be achieved through the implementation of agri-environment-climate measures on an area of nearly 14 000 ha.

Social inclusion and local development in rural areas

Under this priority, 81% of the rural population is now covered by LEADER local development strategies and 6% benefits from improved services and infrastructure. Support for other co-operation projects and for village renewal is ensured.

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

- € 373 million allocated to Measure 5 (Restoring agricultural potential damaged by natural disasters and catastrophic events and introduction of appropriate prevention measures)
- € 238 million allocated to Measure 7 (Basic services and village renewal in rural areas)
- € 169 million allocated to Measure 11 (Organic farming)
- € 131 million allocated to Measure 10 (Agri-environment-climate)
Annex: Indicative public support for the Rural Development Programme in Schleswig-Holstein (Germany)

<table>
<thead>
<tr>
<th>Target</th>
<th>Measure</th>
<th>Indicative public support</th>
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<tbody>
<tr>
<td><strong>P1: Fostering knowledge transfer and innovation in agriculture, forestry and rural areas</strong></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td><strong>IA Innovation, cooperation, knowledge</strong></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>TI Percentage of expenditure under Articles 4, 5 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (key area IA)</td>
<td>4.54</td>
<td>M6 Knowledge</td>
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<tr>
<td></td>
<td></td>
<td>M2 Innovation services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>M6 Cooperation</td>
</tr>
<tr>
<td><strong>IB Research &amp; innovation</strong></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>TI Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) [groups, networks, facilitators, pilot projects; key area IB]</td>
<td>52.00</td>
<td>M6 Cooperation</td>
</tr>
<tr>
<td><strong>IC Lifelong learning and vocational training</strong></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>TI Total number of participants trained under Article 34 of Regulation (EU) No 1305/2013 [key area IC]</td>
<td>6.000</td>
<td>M6 Knowledge</td>
</tr>
<tr>
<td><strong>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</strong></td>
<td></td>
<td>42,926,927.00 3.05%</td>
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<tr>
<td><strong>2A Farm performance</strong></td>
<td></td>
<td>42,926,927.00 3.05%</td>
</tr>
<tr>
<td>TI Percentage of agricultural holdings with RDP support for investments in restructuring or modernization (key area 2A)</td>
<td>0.82</td>
<td>M6 Knowledge</td>
</tr>
<tr>
<td>Total investment (public + private)</td>
<td>62,000,000.00</td>
<td>M2 Innovation services</td>
</tr>
<tr>
<td>Number of holdings supported for investment in agricultural holdings (2A)</td>
<td>74.00</td>
<td>M6 Physical investment</td>
</tr>
<tr>
<td>Number of beneficiaries harvested (2A)</td>
<td>2,000.00</td>
<td>M6 Cooperation</td>
</tr>
<tr>
<td><strong>P3: Promoting food chain organization, including processing and marketing of agricultural products, animal welfare and risk management in agriculture</strong></td>
<td></td>
<td>389,244,902.00 22.08%</td>
</tr>
<tr>
<td><strong>3A Competitiveness of producers</strong></td>
<td></td>
<td>17,423,485.00 1.08%</td>
</tr>
<tr>
<td>TI Number of supported projects (e.g., in agricultural holdings, in processing and marketing of agricultural products; key area 3A)</td>
<td>62.00</td>
<td>M6 Physical investment</td>
</tr>
<tr>
<td>Total investment (public + private)</td>
<td>12,423,485.00 1.08%</td>
<td></td>
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</tbody>
</table>
### 3B Risk management
- Soil erosion and the sustainable use of natural resources
  - 33.02% of the total investment
  - Total: 1B 372,829,907.00

### P4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry
- 44% of the total investment
- Total: P4 446,229,776.00

#### 4A Biodiversity, hiv and landscapes
- 16.72% of the total investment
- Total: 4A 174,556,684.00

#### 4B Water management
- 17.33% of the total investment
- Total: 4B 169,917,220.00

#### 4C Soil management
- 5.42% of the total investment
- Total: 4C 50,000,000.00

### P4 All Fossil Areas
- 21.05% of the total investment
- Total: P4 27,884,966.00

#### 5E Carbon conservation / sequestration
- 1.56% of the total investment
- Total: 5E 27,884,966.00

### P6: Promoting social inclusion, poverty reduction and economic development in rural areas
- 19.25% of the total investment
- Total: P6 266,388,224.93

#### 6B Local development
- 16.83% of the total investment
- Total: 6B 197,237,771.93

#### 6C ICT
- 6.38% of the total investment
- Total: 6C 63,092,453.00

### M29 TA
- 1.39% of the total investment
- Total: M29 15,386,290.00

### Total public expenditure
- 1.39% of the total investment
- Total: 1,171,821,880.51