

Factsheet on 2014-2020 Rural Development Programme for the German Land Mecklenburg-Western Pomerania

The rural development programme of the German Land Mecklenburg-Vorpommern for support from the European Agricultural Fund for Rural Development (EAFRD) for the 2014-2020 programming period was approved by Commission Implementing Decision C(2015) 834 of 13 February 2015, and last amended by Commission Implementing Decision C(2021) 7473 of 12 October 2021 outlining Mecklenburg-Western Pomerania's priorities for using the € 1.6 billion of public money that is available for the 9-year period 2014-2022 (€ 1.2 billion from the EU budget, including € 137.2 million transferred from the German envelope for CAP direct payments and € 329.6 million national cofunding).

The RDP for Mecklenburg-Western Pomerania focuses mainly on two priorities. Under the first - restoring, preserving and enhancing of ecosystems related to agriculture and forestry – 33 % of farmland and 2.5 % of forest area are placed under funded contracts to improve biodiversity. Under the second – social inclusion and local development in rural areas – funding improves local services for 80 % of the rural population. In addition, nearly 13 % of farms receive investment support to modernise and restructure.

Support for <u>Rural Development</u> is the 2nd Pillar of the <u>Common Agricultural Policy</u>, 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 <u>RD Regulation</u> 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 (<u>ESIF</u>), a <u>Partnership Agreement</u> 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 Mecklenburg-Western Pomerania 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 The UK left the Union on 31st 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, elements common to regional programmes are presented in a national framework 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.

Mecklenburg-Western Pomerania has an area of 23 294 km 2 (of which 1 321 km 2 is covered by water). 69 % of its territory is agricultural area and 22 % is forest. Of the agricultural area (1.3 million ha in 2018), 80 % is arable land and 20 % is permanent grassland. Agriculture has a share of 3 % in the regional gross value added (compared with 0.9 % in Germany as a whole). There are 4 920 agricultural holdings in total. 2 280 have a size above 100 ha; the average size is 275 ha.

With a population of 1.6 million inhabitants, MV is the least densely populated German Land. 74 % of the population live in predominantly rural areas and 26 % live in intermediate areas. The unemployment rate of 4.2 % (2019) is above the German average of 3.8 %.

In this context, demographic change and loss of economic activities in rural areas are continuing challenges in Mecklenburg-Western Pomerania. At the same time, environmental challenges relate mainly to soil erosion, nitrate pollution in surface and ground waters and pressure on biodiversity.

2. How the RDP for Mecklenburg-Western Pomerania addresses these challenges

In addressing these challenges, the RDP of Mecklenburg-Western Pomerania funds actions under all Rural Development Priorities – with a particular emphasis on **restoring**, **preserving and enhancing ecosystems related to agriculture and 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 is addressed mainly through measures supporting training and advisory services for people and businesses in rural areas: an expected **8 500 participants will be trained**. There is also 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, 13 % of farms receive funding for investments – focused on high-quality production, better animal husbandry / welfare, improved working conditions and farm diversification.

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

Funding encourage farmers to form **producer groups** in order to respond to the concentration of buying power in the agri-food sector. **11%** of businesses, which process / market agricultural products, receive support to find new ways to help the **food supply chain to operate better** and more efficiently.

At the same time, **20 public authorities** are supported **for investments to prevent or undo damage from future natural disasters,** which benefit **80 farms.**

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Mecklenburg-Western Pomerania improve biodiversity and water and soil management through support for various environmentally friendly management practices – including organic farming, lower use of fertilizers and pesticides and protection of habitats. As a result, 33 % of farmland and 2.5 % of forest area are under funded contracts to improve biodiversity. Support for environmental investments complement these annual area-based payments.

Resource efficiency and climate

The emphasis in Mecklenburg-Western Pomerania is on **restoring wetlands and peatlands** for the sake of **carbon conservation**. The programme support **investments in small-scale infrastructure** for the sake of using or producing **renewable energy**, or **saving energy**. Supported **EIP pilot projects** will help improve **efficiency in water use**.

Social inclusion and local development in rural areas

The programme funds Local Development Strategies drawn up and implemented by Local Action Groups under the LEADER approach: these cover areas containing 66 % of the rural population. There is also support for other co-operation projects and for village renewal. **80% of the rural population** benefit from **improved services**.

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

- o € 273.7 million allocated to Measure 4: Investments in physical assets
- o € 276.0 million allocated to Measure 11: Organic farming
- o € 225.7 million allocated to Measure 10: Agri-environment and climate measures

Annex 1: Indicative public support for the Rural Development Programme of Mecklenburg-Western Pomerania

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Version	9.1

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)	0,86	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)	16,00	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)	8.500,00	M01 Knowledge	0,00	
P2: Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting sustainable management of forests	innovative farm tech	nologies and the	200.564.699,27	12,37%
2A Farm performance		Total: 2A	200.564.699,27	12,37%
T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	12,68	M01 Knowledge	5.548.400,00	0,34%
Total investment € (public + private)	435.600.000,00	M02 Advisory services	2.130.240,43	0,13%
Nr of holdings supported for investment in agricultural holdings (4.1)	550,00	M04 Physical Investment	190.552.725,51	11,75%
Nr of beneficiaries advised (2.1)	600,00	M16 Cooperation	2.333.333,33	0,14%
P3: Promoting food chain organisation, including processing and marketing of agricultural products, an	imal welfare and risk	management in agriculture	105.218.744,82	6,49%
3A Competitiveness of producers		Total: 3A	53.218.744,82	3,28%
T.6: Percentage of industrial holdings processing and marketing agricultural products receiving support	11,40	M04 Physical Investment	43.099.760,79	2,66%
T.6: Percentage of farms, members of a producer group recieving subsidies for processing and marketing/development of agricultural products	0,42	M14 Animal welfare	5.534.207,80	0,34%
Total investment € (public + private)	100.300.000,00	M16 Cooperation	4.584.776,23	0,28%
Nr of operations supported for investment (e.g. in agricultural holdings, in processing and marketing of ag. products) (4.1 and 4.2)	41,00			
Nr of beneficiaries	180,00			
3B Risk management		Total: 3B	52.000.000,00	3,21%
5.1: Number of public institutions participating in risk management systems	20,00	M05 Restoring agricultural potential	52.000.000,00	3,21%
P4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry			662.542.931,91	40,85%
4A Biodiversity, HNV and landscapes		Total: P4	662.542.931,91	40,85%
T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)	2,50	M01 Knowledge	3.698.933,33	0,23%
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	33,11	M02 Advisory services	2.603.627,20	0,16%

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4B Water management		M04 Physical Investment		20.080.000,00	1,24%
T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	0,15	M07 Basic services		102.478.797,43	6,32%
T11: percentage of forestry land under management contracts to improve water management (focus area 4B)	0,19	M08 Forest		31.955.722,46	1,97%
P4 All Focus Areas		M10 Agri-environment- climate		221.205.418,34	13,64%
Total investment € (public + private)	20.080.000,00	M11 Organic Farming		276.020.433,15	17,02%
Area (ha) under agri-environment-climate (10.1)	234.500,00	M12 NAT 2000 & WFD		4.500.000,00	0,28%
Area (ha) - convertion to organic farming (11.1)	50.000,00				
Area (ha) - maintainance of organic farming (11.2)	160.000,00				
Area (ha) - NATURA 2000 FO land (12.2)	7.500,00				
Nr of beneficiaries advised (2.1)	700,00				
P5: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient en	conomy in agriculture	e, food and forestry sector	ors	27.225.139,31	1,68%
5C Renewable energy		Total:	5C	2.667.200,00	0,16%
T16: Total investment in renewable energy production (€) (focus area 5C)	2.667.200,00	M07 Basic services		2.667.200,00	0,16%
Total investment € (public + private)	2.667.200,00				
5D Reducing GHG and NH3		Total:	5D	4.557.939,31	0,28%
T18: percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D)	2,24	M10 Agri-environment- climate		4.557.939,31	0,28%
Area (ha) (e.g. green cover, catch crop, reduced fertilisation, extensification)	30.000,00				
5E Carbon conservation / sequestration		Total:	5E	20.000.000,00	1,23%
T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	0,13	M04 Physical Investment		20.000.000,00	1,23%
Total investment € (public + private)	20.000.000,00				
P6: Promoting social inclusion, poverty reduction and economic development in rural areas				558.282.836,21	34,42%
6A Diversification, SMEs and job creation		Total:	6A	13.823.352,94	0,85%
T20: Jobs created in supported projects (focus area 6A)	105,00	M06 Farm and business development		13.823.352,94	0,85%
Total investment € (public + private)	31.000.000,00				
Nr of beneficiaries (holdings) receiving start up aid/support for investment in non-agric activities in rural areas (6.2 and 6.4)	185,00				
6B Local development		Total:	6B	544.459.483,27	33,57%
T21: percentage of rural population covered by local development strategies (focus area 6B)	66,49	M07 Basic services		401.472.113,36	24,75%
T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	80,26	M16 Cooperation		4.755.555,56	0,29%
T23: Jobs created in supported projects (Leader) (focus area 6B)	75,00	M19 LEADER and CLLD		138.231.814,35	8,52%
Population benefiting from improved services/infrastructures (7.1; 7.2; 7.4; 7.5; 7.6; 7.7)	1.312.000,00				
Population covered by LAG	1.087.000,00				
Number of LAGs selected	14,00				
M20 TA				68.008.399,80	4,19%
				68.008.399,80	4,19%
Total public expenditure				1.621.842.751,32	100,00%