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Implementation of Rural Development Policies – Experiences from Germany

**Agricultural Policy Forum
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Dresden**

Implementation of Rural Development Policies – Experiences from Germany

Outline:

- 1. Regulatory Framework for Programming in Germany**
- 2. Implementation Experiences from Lower Saxony**
- 3. Comparison of RDP Implementation in the German Länder**
- 4. Conclusions**

Map of the Federal Republic of Germany

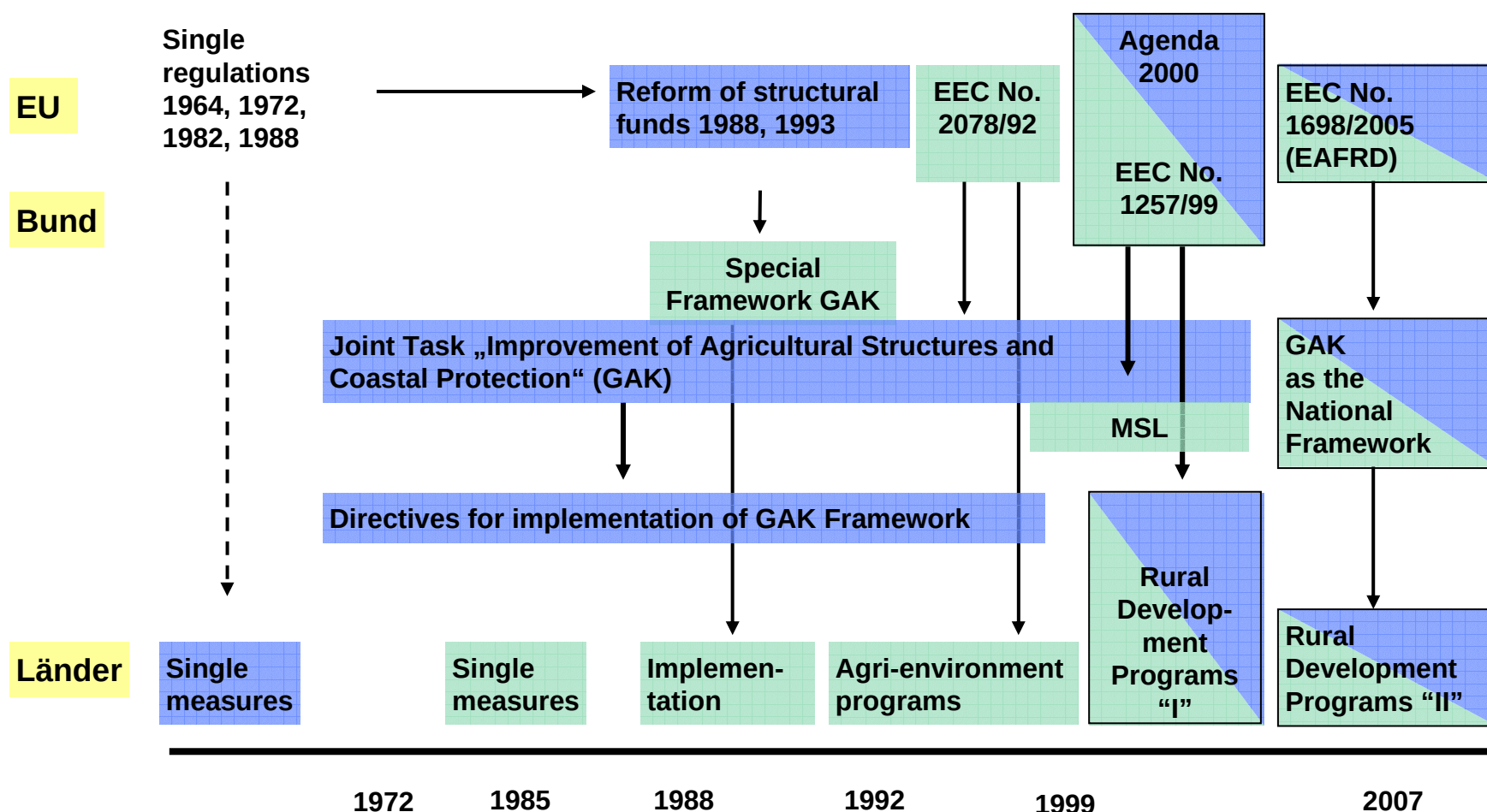
- 1 state = “Bund”
- 16 autonomous regions = “Länder”
- thereof
- 5 Länder from the former German Democratic Republic
- Different Structural Funds Support Regions



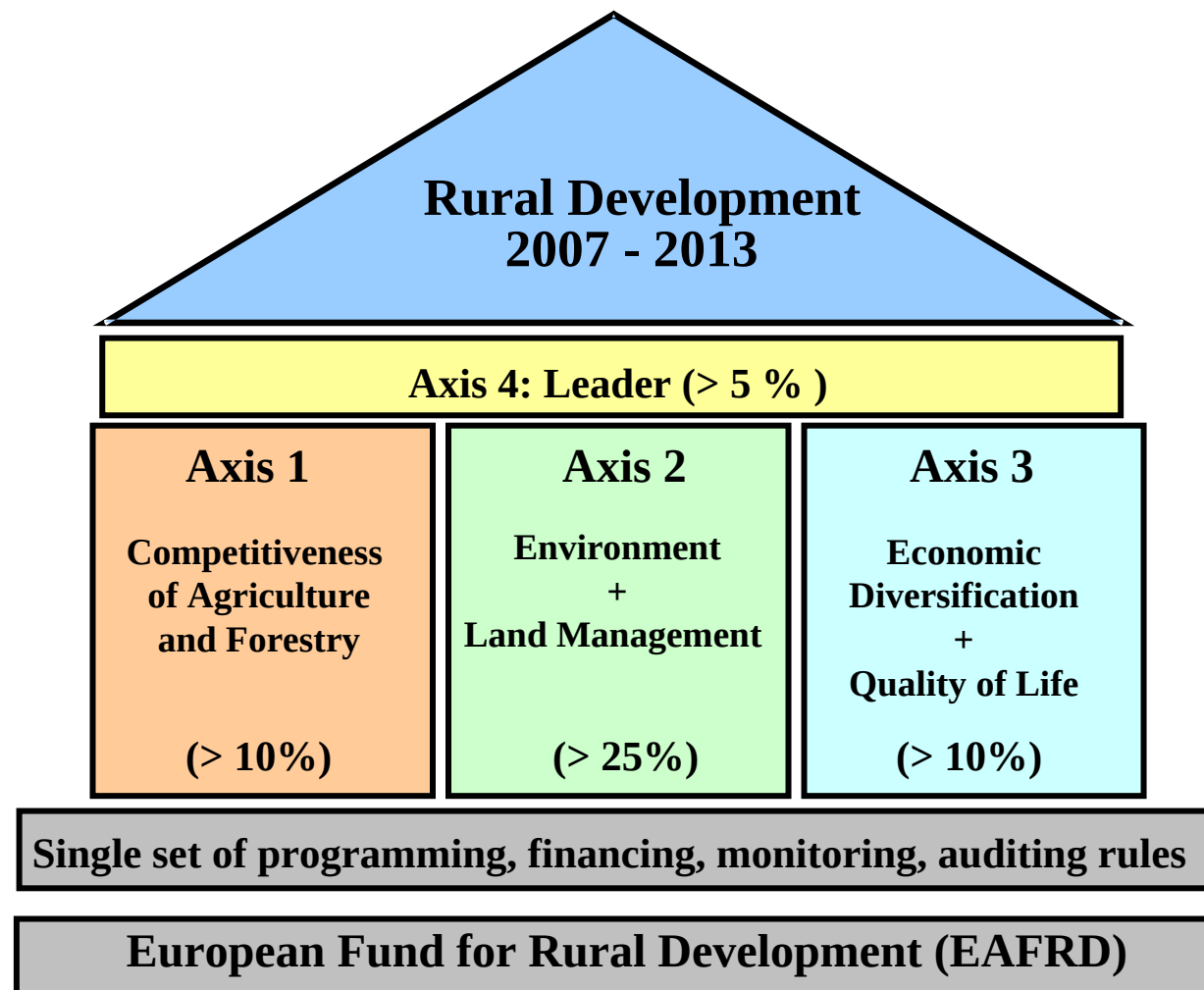
Rural Development Policies in the Federal System of Germany

- In principle, rural development / agricultural structure policies are matter of the Länder
- Policy fields of supra-regional importance were soon co-financed by the Bund
 - Joint Task “Improvement of agricultural structures and coastal protection”
(Gemeinschaftsaufgabe “Verbesserung der Agrarstruktur und des Küstenschutzes”, GAK)
- Increasing influence of EU structural policy
- Complex interlocked policy field

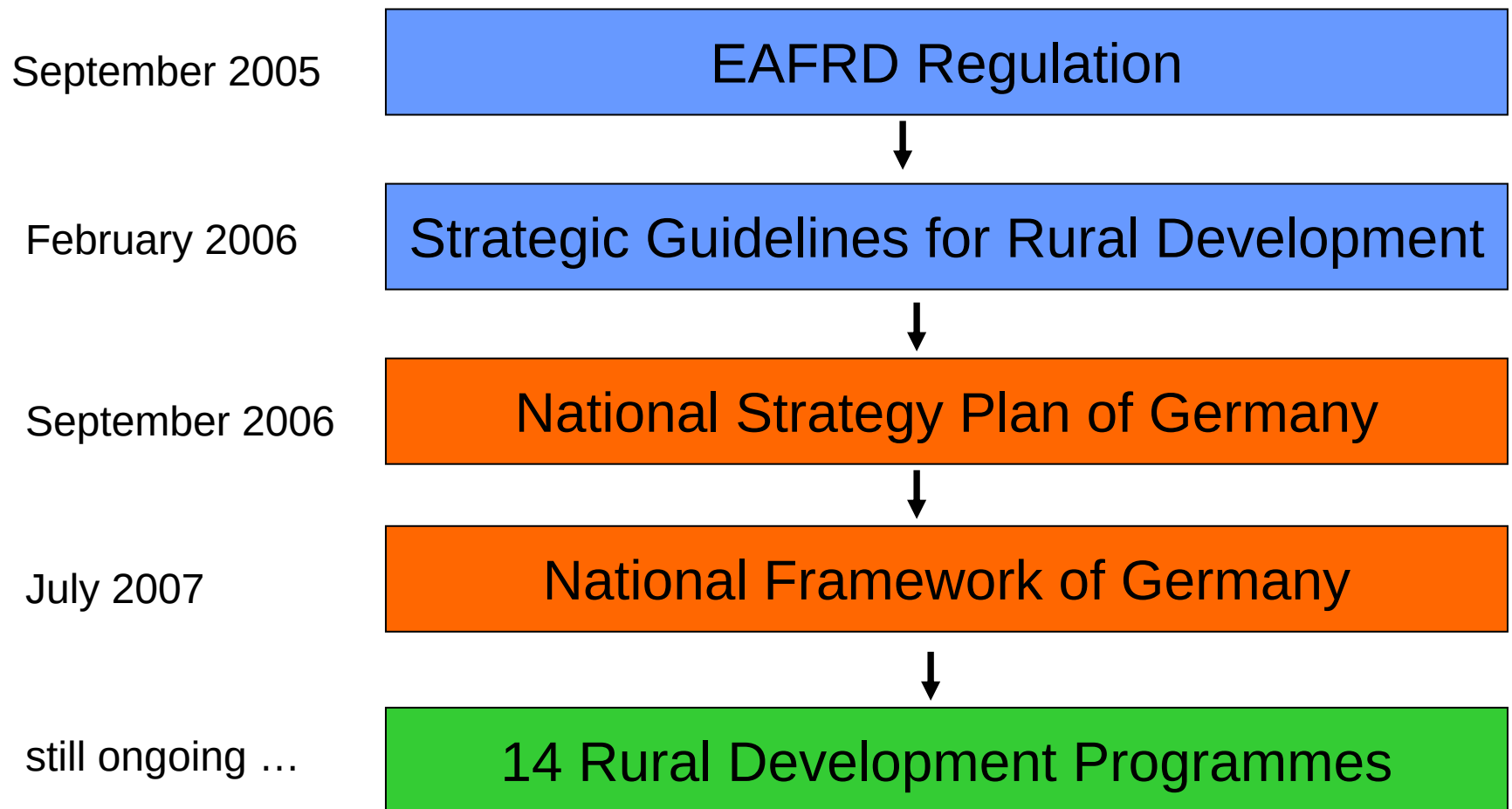
Agristructural and Agri-environmental Policy in Germany – Historical Evolution



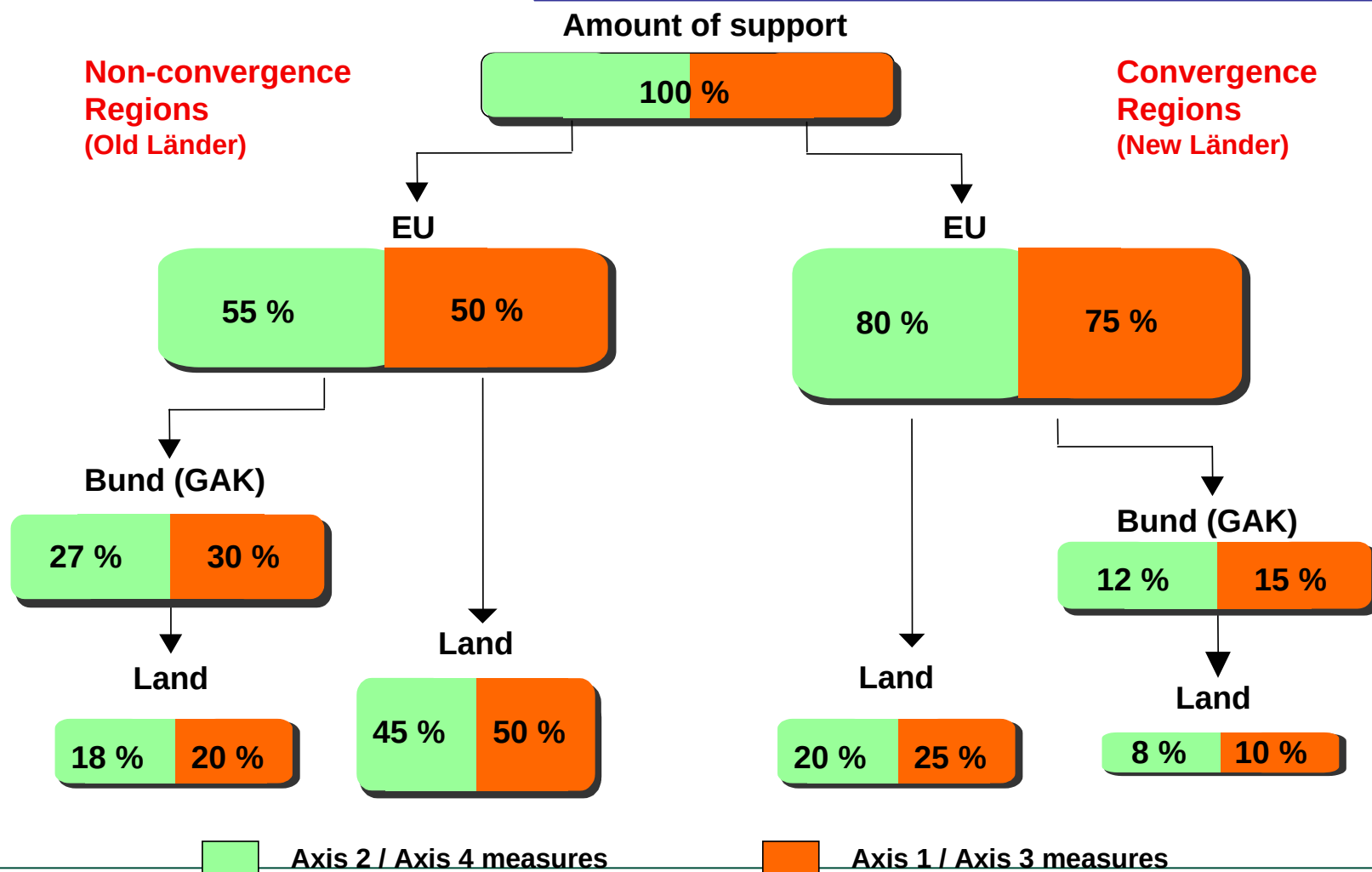
EU Rural Development Policy 2007 - 2013



Strategic Approach to EU Rural Development Policy 2007 - 2013



Shares of Financing Measures 2007 – 2013



Lower Saxony: Economic Development

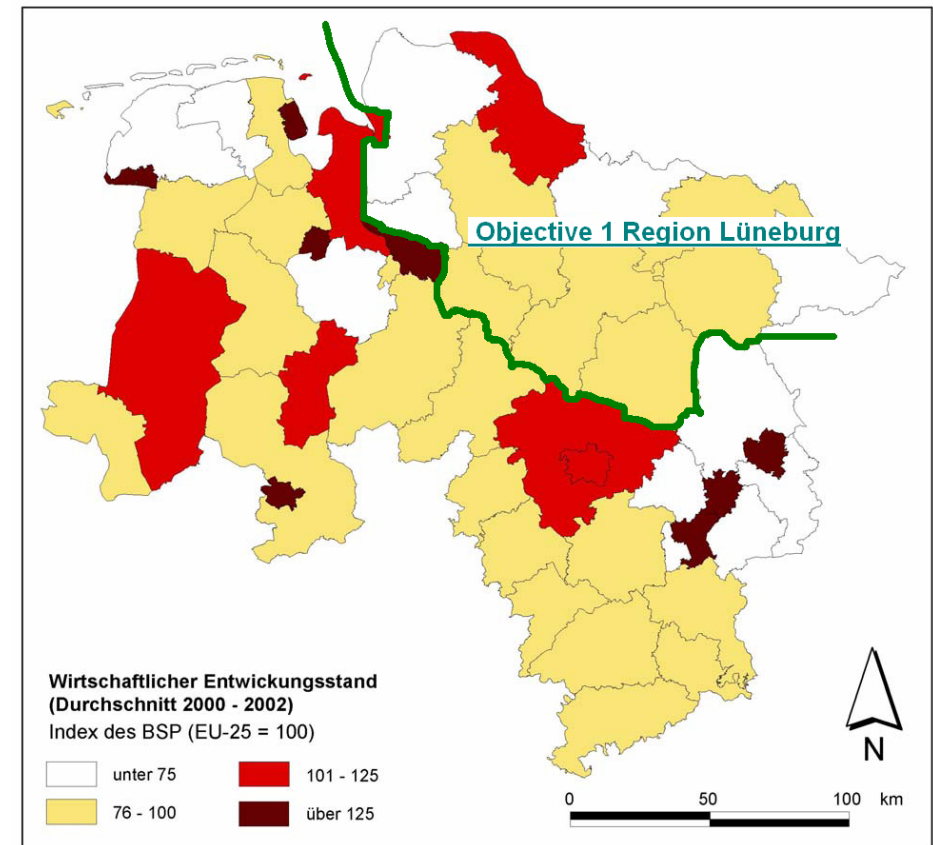
➤ Economic Growth: GDP (1992-2002)

Germany	2.7 % p.a.
Lower Saxony	2.2 % p.a.

➤ Economic welfare: Index GDP (pps, Ø 2000-2002)

Germany	110
Lower Saxony	102
Region Lüneburg	82

Index GDP (2000-2002) NUTS 3 Regions



Lower Saxony: Importance of the Primary Sector

➤ **GVA of primary sector as a share of total GVA (2003):**

Germany 1.1%

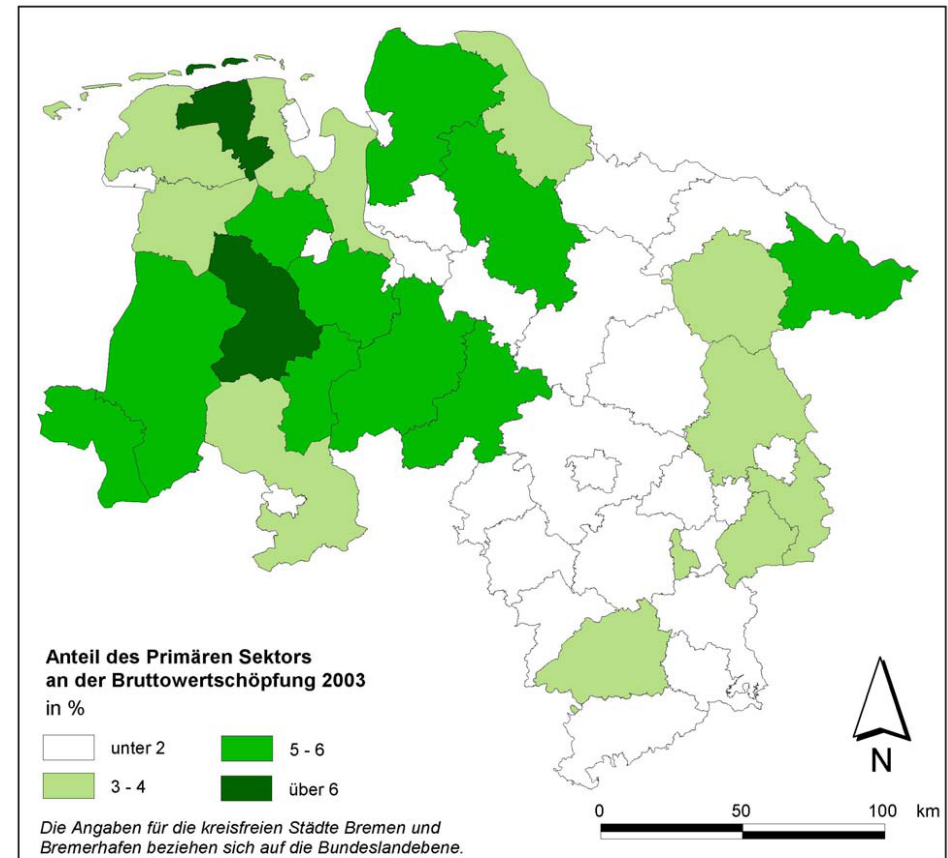
Lower Saxony 2.2%

Kreis Cloppenburg 7.5%

➤ **High importance of agriculture, especially in the Western parts**

➤ **strong regional clusters with forage & equipment industry, food industry**

GVA Primary Sector (% , 2003) NUTS 3 Regions



„Ideal“ Order of Programming Steps and Actual Schedule in Lower Saxony

- | | |
|--|-------------------------|
| 1. identify the needs for support through the strength-weakness analysis | July 2006 |
| 2. formulate a programme strategy by setting targets and giving them priorities | August 2006 |
| 3. select appropriate measures for achieving the targets | April 2006 |
| 4. elaborate the financial plan according to the given target priorities | June 2006 |
| | Approval 09/2007 |

Characterization of the New RDP in Lower Saxony

- **Measures remain largely the same**
- **Financial share between axes changes not more than necessary**
- **Main target groups remain the same**
 - Farmers, municipalities

Reasons for Programme Continuity

➤ **Financial continuity**

- Big financial success in 2000 – 2006
- No need for reducing measure budgets in 2007 – 2013
- High importance of GAK co-financing
- Huge demand for support by municipalities

➤ **Shared responsibilities for programming:**

- | | | |
|-----------------------------|---|------------------------|
| • Programme Coordinator | → | Coordinating |
| • Functional Departments | → | Measure planning |
| • Ministers (Cabinet) | → | Financial distribution |
| • External consultancy firm | → | Writing RDP document |

Partnership in Programming

Ideally:

- **involve all appropriate partners at all programming stages**
 - all relevant public authorities
 - economic and social partners
 - non-governmental organisations...

Actually:

- **Possibilities of partners are rather low**
 - Official consultation (June 2006)
 - Written statements to programme details
 - Direct (informal) contacts by certain stakeholders
- **Missing qualification for real participation**

Role of Ex-ante Evaluation

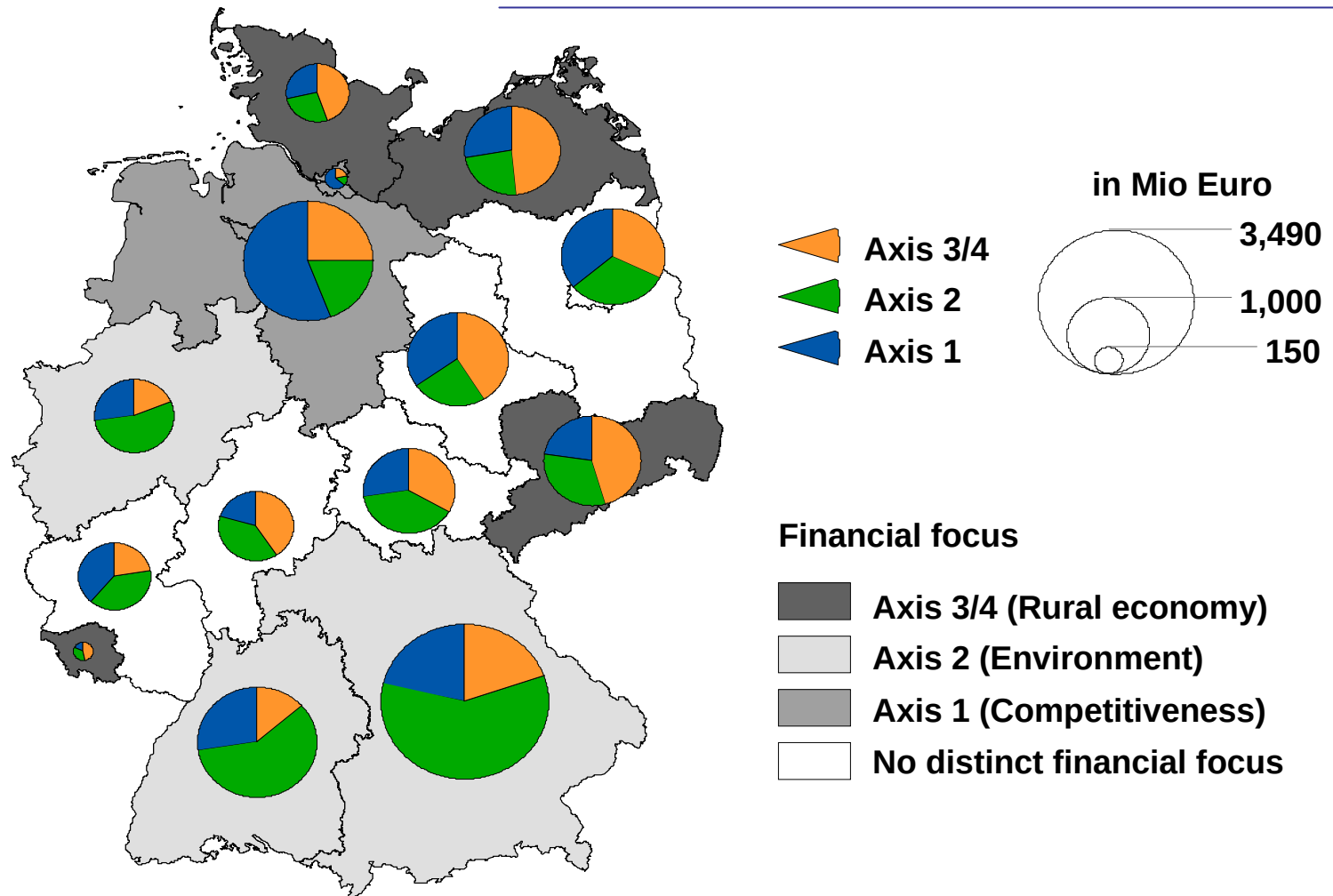
Ideally:

- **optimise the allocation of budgetary resources and improve programme quality by appraising**
 - medium and long-term needs
 - goals to be achieved
 - quantified targets...

Actually:

- **improve the quality of programme documents**
 - comprehensible intervention logics
 - logical coherence of the texts
 - comments on measure details
 - selection of meaningful indicators

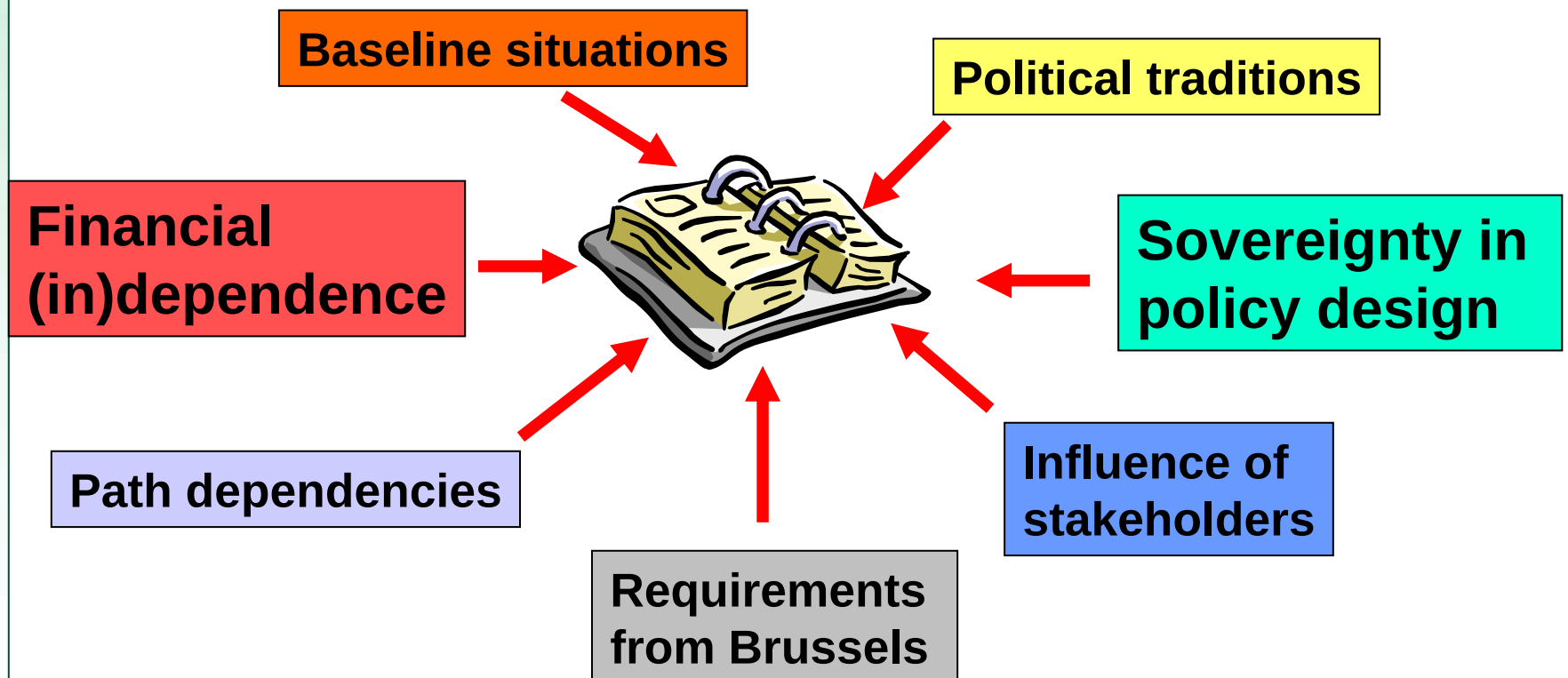
Comparison of Länder RDPs



Financially Important Measures in German Rural Development Programmes

	Average budget share	Max.	Min.
Agri-environment payments (Code 214)	25,8 %	43 %	14 %
Modernisation of agricultural holdings (Code 121)	10,4 %	20 %	5,3 %
Infrastructure related to agriculture and forestry (Code 125)	9,8 %	46 %	0,4 %
Village renewal and development (Code 322)	9,6 %	27 %	0,4 %

Why Are the German RDPs so Different?



Conclusion:

A More Integrated Rural Development Policy?

- **A “more strategic approach” to the main targets of EU policy (Coherence, Competitiveness, Sustainable Development)?**
- **EAFRD Regulation still offers a broad spectrum of support possibilities**
- **Länder follow their own strategic determinants in composing their own RDP**
- **This is far from being target-oriented**
- **But it might be appropriate to the current state of evolution of Rural Development policy**