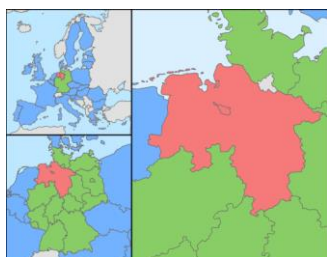


Case Study – LOWER SAXONY AND BREMEN (GERMANY) Programming for the Green Economy

Introduction

The German federal state of Lower Saxony and the city state of Bremen have a combined population of around 7.1 million and an area of approximately 47,925 km², of which 53.7% is farmland and 20.6% is forest.



In Lower Saxony 83% of the population is rural, whilst Bremen consists of two urban centres with a combined population of 661,300 inhabitants. Lower Saxony generates a higher share of its GDP from the primary sector (1.8%) than the German average, and the region has a relatively well-trained agricultural workforce and large, mainly arable farms compared to Germany as a whole. This region leads in Germany in intensive poultry, egg and pig production, and is also an important producer of potatoes, milk and sugar beet. However, broadband coverage in rural areas is still significantly lagging behind.

Environmental challenges in Lower Saxony and Bremen mainly relate to the decline of biodiversity, and wind and soil erosion caused by climate change. The coastal regions of Lower Saxony and Bremen face an increasing flood hazard due to climate change.



Policy Framework and background

The Lower Saxony government, local business associations, cooperatives and unions have formed a sustainability alliance platform, with the aim of promoting innovation and green growth, since 2008¹. The regional government announced that they are developing a sustainable development strategy in 2015², and the new German national strategy was published in June 2016³. Lower Saxony has also developed a plan to improve animal welfare standards and practices, which brings together government agencies, agri-business companies, the farmers' union, research, NGO and church organisations.

The Lower Saxony and Bremen RDP 2014-20

The 2014-20 RDP focuses on restoring, preserving and enhancing ecosystems related to agriculture and forestry, enhancing food chain organisation (including processing and marketing of agricultural products), animal welfare and risk management in agriculture, and addressing social inclusion and local development in rural areas. Lower Saxony and Bremen intend to improve biodiversity and water and soil management through support for various environmentally friendly management practices – including organic farming, reduced use of fertilisers and pesticides, and protection of habitats. More than 6% of farmland will be under funded contracts to improve biodiversity, more than 2% under contracts to improve water management and some 0.5% under contracts to reduce soil erosion. Support for environmental investments will complement these annual, area-based payments. 130 public bodies are projected to receive support for coastal and flood protection measures along rivers and estuaries. About 600 farms (1.5%) will receive funding for investments – focused on better animal husbandry and welfare, high-quality production, and improved working conditions. In addition, about 800 projects for the improvement of animal welfare will receive support.

¹ <http://www.nachhaltigkeitsallianz.de/>

² <http://www.stk.niedersachsen.de/aktuelles/presseinformationen/landesregierung-beschliet-schwerpunkte-der-nachhaltigkeitsstrategie-fuer-niedersachsen-135994.html>

³ <https://www.bundesregierung.de/Content/DE/StatistischeSeiten/Breg/Nachhaltigkeit/0-Buehne/2016-05-31-text-zum-entwurf-nachhaltigkeitsstrategie.html;jsessionid=967054A56A22A428B58EE53ACEA215C9.s6t2>

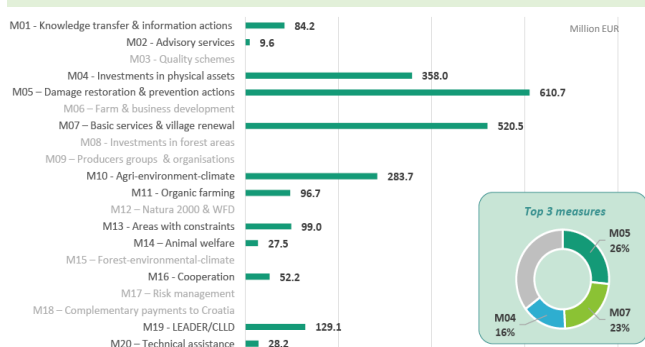
42% of the rural population will be covered by local development strategies (drawn up by 40 Local Action Groups) under the LEADER approach and 18% of the rural population is targeted to benefit from improved general services and infrastructure. 16% of the rural population will benefit from new or improved broadband infrastructure. The graphics below illustrate the EU priorities, measures and budget allocations of the Lower Saxony and Bremen RDP 2014-20.

Table 1: Budget allocation per RDP Priority

Priority	Total public expenditure per priority (million EUR)	% of total public expenditure*
P2 - Competitiveness	306.9	13.3 %
P3 - Food chain & risk management	638.2	27.8 %
P4 - Ecosystems management	637.5	27.7 %
P5 - Resource efficiency & climate	112.1	4.9 %
P6 - Social inclusion & local development	576.5	25.1 %

Source: RDP Summaries, ENRD, 2016

Table 2: Budget allocation per RDP Measure



Source: RDP Summaries, ENRD, 2016

- higher animal welfare pig stalls;
- higher animal welfare cow stalls;
- covered and sealed slurry or manure pits;
- walled and leak-proof silage bale storage areas;
- water efficient irrigation;
- energy efficient buildings and technology;
- air filters to reduce ammonia emissions from intensive livestock housing.

Food production and marketing (VuV)

This programme invests in actions to make the food industry more resource efficient. The applicants must demonstrate through an independent certifier that they invest at least 20% of the money in resource saving and reduce their resource use by at least 10%. The businesses are expected to use less energy and water and to reduce waste and greenhouse gas emissions.

Village development and energy efficiency

This programme will fund better services in rural areas, such as new or improved education, health and social care facilities with wheelchair access, local shops, public and shared transport initiatives, and energy efficiency improvements. Apart from the direct business opportunities, local green businesses will also benefit indirectly from more attractive living places that retain families and working age skilled people, healthy happy local populations, and more tourists and visitors.

Rural tourism

This programme will fund new or improved recreational and cultural facilities, green spaces, and small-scale tourist infrastructure, which will provide local business opportunities for green and low environmental impact tourism and recreation that gets added value out of the local natural capital.

Animal welfare

Support will be offered to farmers willing to make voluntary commitments to improve animal welfare by investing in intensive livestock housing, for example by giving pigs more space so that their tails do not have to be removed and decreasing the number of chickens per square metre. The pig programme sets a clear indicator of results (pigs with their tails intact) but does not tell farmers how to achieve this goal, allowing them to use their own experience and initiative to create more animal-friendly and sustainable practices.

RDP investment in green rural businesses

Agricultural investment programme (AFP)

This programme is investing in a competitive, sustainable, environmentally friendly, energy efficient multifunctional agriculture with high standards of animal welfare⁴. Investments must score points for their environmental and climate objectives in order to get funding. Farm businesses can apply for up to 40% of the costs of investments such as:

⁴ <http://www.lwk-niedersachsen.de/index.cfm/portal/leistungsangebote/nav/0/action/kaba/ac/1025.html>

The programme has created some eye catching promotional slogans and pictures⁵:



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Broadband

The broadband roll-out programme, which is managed by the broadband competence centre, combines RDP funding with EU regional development funds⁶.

More efficient use of natural resources to provide ecosystem services

Coastal protection programme and flood protection programme (HWS)

The coastal protection scheme is investing in protection of coastal agricultural areas from storm floods in Bremen. The flood protection programme is investing in the protection of inland agricultural areas from flooding across Lower Saxony and Bremen. Using the RDP measure for preventing damage from climatic events, these programmes will channel €610 million to 130 public bodies in 2014 to 2020. They will receive support for all the planning, surveying and consultations, to make sure the funds are used as economically as possible. This public investment will secure the future of agriculture along the coast and rivers, with protection adapted to climate change.

A typical measure is to set back the flood dike and create a new flood overspill area in front of the dike, which can bring benefits both for agricultural risk management and for wildlife.

Agri-environment-climate programme (AUM)

The agri-environment-climate programme is built on five pillars consisting of farm-level actions (organic farming and low-emission fertilisation), sustainable arable practices, ecological elements on arable land, actions for permanent grassland, grassland management, and actions to support migratory birds⁷. €283 million will go to farmers and farmer groups under this programme in 2014 to 2020. Arable farmers will be paid to increase ecosystem services and benefit wildlife on arable cropland, for example through flower-rich margins for pollinating insects and natural enemies of crop pests, and through organic farming methods. The fertiliser and permanent grassland options will improve the ecosystem services associated with higher water quality, including better drinking water quality for Lower Saxony, which relies on groundwater sources. Farmers will be encouraged to work together in cooperative projects to increase the environmental benefits.

Habitats and species preservation and restoration (EELA and LaGe), restoration of rivers (FGE) and lakes (SEE) and coastal areas

These programmes fund nature restoration and management that bring together farmers and foresters with local authorities, NGOs, local businesses and contractors⁸, using the RDP measures for studies and investments in high nature value sites, and support for local strategies not developed under LEADER). The EELA programme funds the development and implementation of plans and concepts for Natura 2000 and other protected areas, and other plans to restore and manage wildlife in Lower Saxony and Bremen⁹. It will finance the better management and restoration of these special areas, which will both benefit biodiversity and create new opportunities for tourism and recreation, and local employment for farmers, foresters and contractors. The river and lake restoration funding will support actions to help create more natural rivers and river banks¹⁰, restore lake margins and reduce pollution running into lakes¹¹.

⁵ http://www.ml.niedersachsen.de/portal/live.php?navigation_id=28272&article_id=98191&_psmand=7

⁶ http://www.ml.niedersachsen.de/portal/live.php?navigation_id=1354&article_id=5120&_psmand=7

⁷ http://www.ml.niedersachsen.de/portal/live.php?navigation_id=34151&article_id=121421&_psmand=7

⁸ http://www.ml.niedersachsen.de/portal/live.php?navigation_id=37881&article_id=140890&_psmand=7

⁹ http://www.umwelt.niedersachsen.de/startseite/themen/natur_landschaft/foerdermoeglichkeiten/erhalt_und_entwicklung_von_Lebensraeumen_und_Arten_pfeil/erhalt-und-entwicklung-von-lebensraeumen-und-arten-pfeil-125118.html

¹⁰ http://www.ml.niedersachsen.de/portal/live.php?navigation_id=37881&article_id=140887&_psmand=7

¹¹ http://www.ml.niedersachsen.de/portal/live.php?navigation_id=37881&article_id=140888&_psmand=7

Facilitating local dialogues and learning for local food and rural communities

Making it clear – from the shop shelf to the producer

This scheme uses the RDP cooperation measure to support the training of village facilitators all over Lower Saxony and Bremen, who are actively engaged in raising environmental awareness at village level (measure M16.9). They will acquire skills to actively facilitate village development, kick-starting processes to find creative solutions to demographic change and the other challenges facing rural areas. The facilitators will engage young consumers and families to awake in them an interest in their regional identity and in the positive development of the countryside¹². The programme wants to generate spaces for local dialogues between farming businesses, education services and tourism providers. The farmers and farm businesses will be able to get to know their customers directly, and build local recognition of their farming and their products. This will help Lower Saxony increase the market for labelled local products, which is currently small compared to other German regions¹³.

Advice, knowledge transfer, innovation and training

Training for professional development (BMQ)

This scheme supports training for workers and advisors in the forestry, horticulture and agriculture sectors, on energy efficiency, climate change, business management, and other topics. As pointed out on the website¹⁴ ongoing professional training is essential for green business success in agriculture and forestry. There is also a dedicated scheme for farmers to receive one-to-one advice on water protection with the aim of improving water quality in the region.

Key points

- ✓ Lower Saxony is an intensive farming region faced with an ageing rural population and shrinking rural services, whilst Bremen is a large low-lying mainly urban area.
- ✓ The RDP allocates a significant share of the budget in preventing damage to agricultural areas from coastal and riverine flooding.
- ✓ Investments in rural businesses are aimed at improving their environmental and animal welfare performance, generating both more sustainable business models and public goods and ecosystem services.
- ✓ A suite of RDP investment measures is aimed at improving business efficiency and skills in the primary production and processing sectors.
- ✓ Significant funding is provided for rural development initiatives that will improve life quality and services in rural areas, tackling out-migration of skills, ageing populations and the loss of local services, and creating new opportunities for green businesses.



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¹²<http://www.lwk-niedersachsen.de/index.cfm/portal/foerderung/nav/519.html>

¹³<http://www.noz.de/deutschland-welt/wirtschaft/artikel/661204/3500-produkte-mit-regionalfenster-wenige-aus-niedersachsen>

¹⁴http://www.ml.niedersachsen.de/portal/live.php?navigation_id=1363&article_id=5067&psmand=7