

WORKING DOCUMENT

Third Modification of the Rural Development Programme of Saxony Anhalt (Germany) 2007-2013

(CCI No. 2007DE06RPO020)

1. GENERAL INFORMATION ON THE APPROVED RURAL DEVELOPMENT PROGRAMME

Member State: Germany, Land Saxony-Anhalt

Programme: The rural development programme of Saxony-Anhalt for the period 2007–2013 (Entwicklungsprogramm für den ländlichen Raum des Landes Sachsen-Anhalt (ELPR) im Förderzeitraum 2007 -2013) approved by the Commission Decision C (2007) 6166 of 04.12.2007. (CCI 2007 DE 06 RPO 020)

2. LEGAL BASIS FOR THE CHANGE

Modification related to the first implementation of Article 16a of Regulation (EC) No 1698/2005, financial transfer over 1% between axes and change of EAFRD contribution rate. According to Article 6 (1) a) and Article 7 of R 1974/2006, this revision needs to be approved by Commission decision.

Furthermore, the revision is combined with other amendments according to Article 6 (1) c) of R 1974/2006.

The revision has been approved by the Monitoring Committee on 23.06.2009.

3. REASONS JUSTIFYING THE AMENDMENT / STRATEGY CHOSEN

Strategy

Health Check (HC)

Due to the new modulation (72.582.037 €) as well as to the transfer of non-used money from direct payment (Art. 136 of the Regulation 73/2009) to EAFRD from 2011 (9.151.716 €) in the framework of the HC decisions and according to the revised National Strategy Plan of Germany, an additional amount of 81.733.753 € EAFRD contribution has been allocated to the German Land Saxony-Anhalt. This money has to be used in the time from January 2010 to 2015 for the new challenges listed in Article 16a (1) of R 1698/2005.

The effects of the removal of obligatory set-asides are considerable. Farmers maintain now only voluntary set-asides. This is usually done on the economic less suitable areas in coordination with the nature protection stakeholders. These areas remain arable land or grassland and have to be maintained in good agricultural condition. Voluntary set-

aside areas are estimated to 1,5 to 2 % of the arable land (around 20.000 ha) and shows that the reduction of set-aside areas to 0 did not occur. Saxony Anhalt has reacted to this situation and introduced through Health check additional agri-environmental sub-measures, so it should stimulate the farmers to use until now unused areas for agri-environmental actions.

As Saxony-Anhalt, in its ongoing RDP, already offers a significant number of agro-environmental payments and sub-measures that meet new challenges, Saxony-Anhalt intends to use the HC money for existing measures in axis 2, for the new challenges and for newly introduced sub-measures A1 and A7, according to National framework.

Recovery Package (RP)

According to the revised National Strategy Plan of Germany, an additional amount of 4.959.245 € EAFRD contribution has been allocated to the German Land Saxony-Anhalt. This money has to be used for the new challenges listed in Article 16a (1) of R 1698/2005 from January 2009 to 2015.

It has to be mentioned that regarding broadband investments in rural areas, Saxony-Anhalt already supports this sector with ca. 37 mio. € from National support programme, looking particular for synergy effects in infrastructures and has introduced the scheme "support to broadband infrastructure" taken over from the national framework in the 1st amendment to its RDP (approved in March 2009). The analysis of divergent local situations is not yet completed. Results will be taken in account for efficient use of finances. This process will be supported by the establishment of a broadband competence centre of Saxony-Anhalt. At the moment application for the investment support is still low. If existing money for investments will not suffice, necessary amendments for transfers will be introduced in RDP.

The new total amount of EAFRD (903.907.506 €) takes also into account a decrease of funds due to the redistribution between German "Länder" according to the mechanism set out in the revised National Strategy Plan of Germany, (-266.327 €EAFRD).

Community co-financing rate

In the frame of this revision the Community co-financing rate as provided for in the approved RDP is increased for the additional funds attributed to axis 1 and 2 (HC+RP) (90% in the Convergence region Saxony-Anhalt, see Table 6.2.2).

4. DESCRIPTION OF PROPOSED AMENDMENTS

- A) Health Check and Recovery Package - Types of operations matching the new challenges according to Article 6 (1) a) and Article 7 (1) b) and c) of Regulation 1974/2006, financial transfer over 1% within axes and change of EAFRD co-financing rate
- B) Other amendments proposed according to Article 6 (1) c) and Article 9 of Regulation 1974/2006

AD A) HEALTH CHECK AND RECOVERY PACKAGE - TYPES OF OPERATIONS MATCHING THE NEW CHALLENGES

A.1 DESCRIPTION OF THE PROPOSED AMENDMENTS

Following table gives an overview of operations according to the Article 16a(3)(a) and Article 69(5a) of Regulation (EC) 1698/2005.

Table 5.3.6 List of types of operations referred to in Article 16a(3)(a) of Regulation (EC) No. 1698/2005 up to the amounts referred to in Article 69(5a) of that Regulation

Axis/measure	Type of operation	Potential effects	"Existing" or "new" type of operation	Reference to the description of the type of operation in the RDP	Output indicator - target			
					Number of holdings receiving investment aid	Total supported area (ha)	Actual supported area (ha)	Total number of contracts
Axis 1, measure 121	(Dairy) RP Investment support related to dairy production	Improvement of the competitiveness of the dairy sector	existing	Chapter 5.3.1.2.1 NF 4.2.1.4/ I.2	45		22,067 mio €	
Axis 2, measure 214	(Climate change) HC Soil management practices (e.g. tillage methods, catch crops, diversified crop rotations)	Reduction of nitrous oxide (N ₂ O), carbon sequestration, adaptation to the effects of climate change on soil	new	Chapter 5.3.2.1.4./A1 NF 4.2.1.4 A1	Number of supported holdings	Total supported area (ha)	Actual supported area (ha)	Total number of contracts
					500	30.000	15.000	250
Axis 2, measure 214	(Water management) HC Soil management practices (e.g. tillage methods, catch crops, diversified crop rotations)	Contribution to the reduction of losses of different compounds to water, including phosphorus	existing	Chapter 5.3.2.1.4./A3 NF 4.2.1.4 A3	2.500	350.000	120.000	2.500
Axis 2, measure 214	(Biodiversity) HC Perennial field and riparian boundary strips and biobeds	Protection of birds and other wildlife and improvement of biotope network, reducing entry of harmful substances in bordering habitats, conservation of protected fauna and flora	new	Chapter 5.3.2.1.4./A7 NF 4.2.1.4 A7	500	5.000	2.920	700
Axis 2, measure 214	(Biodiversity) HC Perennial field and riparian boundary strips and biobeds	Protection of birds and other wildlife and improvement of biotope network, reducing entry of harmful substances in bordering habitats, conservation of protected fauna and flora	existing	Chapter 5.3.2.1.4./B 3.1 NF 4.2.1.4 B 3.1	160	16.100	16.100	400
Axis 2, measure 214	(Water management) HC Soil management practices (e.g. tillage methods, catch crops, diversified crop rotations)	Contribution to the reduction of losses of different compounds to water, including phosphorus	existing	Chapter 5.3.2.1.4./IV Outside NF	500	69.000	38.000	500

Measure 121: Modernisation of agricultural holdings

• Sub-measure I : Agricultural investment support programme

Reasons and implementation problems justifying the amendment

The phasing out of the milk quota regime will require specific efforts from dairy farmers and will trigger the need of investments in the dairy sector;

Description of proposed amendments

- Additional budget from Recovery programme is put into this measure with concentration in the milk sector. Provision determining that dairy farmers have to stay within the limits of allocated production quota to receive a support is suspended according to article 2 of the EC Regulation 1974/2006 amended by EC Regulation 363/2009.

- For investments financed through loans of the revolving fund the minimum duration of the investment is 5 years.

Financial aspects of the amendment

Additional budget of 4.959.245 € is allocated through Recovery Package.

Measure 214: Agri-environment payments

• Sub-measure I-A1: Crop rotation on arable land (new)

(Sub-measure taken over from the national framework (NF))

Intended aims and targets of the measure

- improvement of surface waters by adequate cultivation measures
- improvement of habitat diversity and to natural and protective environment for local animal and plant sorts
- improvement of life quality in rural areas
- mitigation of nitrogen spill-over
- creation of additional structures in agricultural landscape and environmental improvement of areas through the combination of existing used areas and new flowering areas/strips or conservation strips

Type of operation implemented

- crop rotation for 5 years and minimum of 5 main crops in a rotation

Type of beneficiaries

- farmers (as of NF)

Amounts of support (as in the NF)

- 75 €/ha for arable land
- 45 €/ha for organic farming

- **Sub-measure I-A7: Cultivation of flowering areas/strips or conservation strips (new)**

(Sub-measure taken over from the national framework (NF))

Intended aims and targets of the measure

- improvement of surface waters by adequate cultivation measures
- improvement of habitat diversity and to natural and protective environment for local animal and plant sorts
- improvement of life quality in rural areas
- mitigation of nitrogen spill-over
- creation of additional structures in agricultural landscape and environmental improvement of areas through the combination of existing used areas and new flowering areas/strips or conservation strips

Type of operation implemented

- cultivation of flowering areas/strips or conservation strips for 5 years and for maximal 15% of arable area of the holding

Type of beneficiaries

- farmers (as of NF)

Amounts of support (as in the NF)

- 740 €/ha for annual seeding of flowering
- 740 €/ha for the conservation strip with the same crop as the whole area
- 600 €/ha for the conservation strip and for a single seeding of the mixture in 5 years

Only the area planted with flowering strips is paid! .

- **Sub-measure A3: Mulching or direct tilling on arable land – change of the amount of support**

Amount of support

- Support is increased from 54 €/ha to 55 €/ha (according to NF).

Eligibility criteria

- support only after cereals without mais (stricter than in the NF).
- use of herbicides is limited to once per year.

• Sub-measure B.3.1: Extensive management of certain pasture plots in order to reduce inputs or to apply certain grazing methods (changed)

(Sub-measure according to the national framework (NF))

Reasons and implementation problems justifying the amendment

This measure has 2 options. Up to now only option N° was applied. With that modification the 2nd option is also taken over from the NF .

Description of proposed amendments

Implementation of certain grazing methods is extended so that livestock density of 1,4 GVE/ha applies,.

The expected impacts of the amendment

Improvement of the diversity of natural habitats and local animal and plant species is expected. This sub-measure contributes to improvement of surface water status.

Amount of support

New amount

- 150 €/ha for permanent pasture (according to the change in the NF)
- 220 €/ha for applying of certain grazing methods (new option) (according to the change in the NF)

Eligibility criteria

As in the NF!

Sub-measure IV: Voluntary water protection services (existing measure)

Additional information

A combination of payments for voluntary water protection services and voluntary nature protection services is not allowed.

Coherence with the NSP and the regional RDP strategy

The amendment is in line with the NSP as well as with the Saxony-Anhalt RDP strategy.

Financial aspect of the amendment

Above mentioned sub-measures will be implemented by HC allocation.

A.2 REASONS AND IMPLEMENTATION PROBLEMS JUSTIFYING THE AMENDMENT

The amendment of the RDP programme strategy is the consequence of the EU decisions on Health Check and Recovery Package. It implements also the decision of the Government of Saxony-Anhalt on EU Health Check and Recovery Package.

A.3 EXPECTED IMPACTS OF THE PROPOSED AMENDMENTS

Use of the financial means of the Recovery Package for the investment in the milk production enables short-term direct investments and the mid-term development of the competitiveness in this sector. Thus, this important part of the agricultural sector can be retained competitive also after 2015 when milk quotas will be phased-out. Storage capacities for manure will be built and sensibilisation for environment protection will increase. Manure storage construction will be compliant with provisions of Art. 26 of the Regulation 1698/2005.

With agro-environmental measures the protection of biodiversity, water, climate and soil will be improved.

A.4 FINANCIAL ASPECTS OF THE AMENDMENT

Additional 86.692.998 € from EAFRD contribution are injected into measures 121 and 214, thus enabling the earlier and better implementation of modernisation of agricultural holdings in milk production and in other new challenges. Financial changes are shown in the tables in the Annex to this document.

A.5 COHERENCE WITH THE NSP AND THE REGIONAL RDP STRATEGY

The amendments are in line with the NSP and RDP of Saxony-Anhalt.

AD B) MODIFICATIONS RELATED TO ART. 6.1.C OF REGULATION (EC) N° 1974/2006

B.1 DESCRIPTION OF THE PROPOSED AMENDMENTS

B1.1. CHANGES IN DESCRIPTION OF MEASURES

Measure 114: New type of advisory services on energy, climate, water management and biodiversity (existing measure)

Reasons and implementation problems justifying the amendment

Extension of the scope of advisory services is needed in regard to new challenges for optimal use of funds.

Description of proposed amendments

Extension of the scope of advisory services to efficient energy use, mitigation of climate related gas emissions, water management and adaptation of milk sector.

The expected impacts of the amendment

Positive effects in implementation of new legal and economic requirements in holdings are expected.

Financial aspects of the amendment

Transfer of additional 4.515.000 € from technical assistance.

Coherence with the NSP and the regional RDP strategy

The measure amendment is in line with the amendments of NSP according to article 12a of EC Regulation 1698/2005 as well as with the Saxony-Anhalt RDP strategy.

Measure 121: Modernisation of agricultural holdings

sub-measure I: Agricultural investment support programme (change)

Demarcation to pillar 1

- Sugar aid: end date for temporary exclusion from support under RDP was amended. New end date will be the 18.03.2009

Measure 125: Improving and developing infrastructure related to the development and adaptation of agriculture and forestry

sub-measure II: Rural path construction (existing measure)

Demarcation to pillar 1

- Sugar aid: end date for temporary exclusion from support under RDP was amended. New end date will be the 18.03.2009

sub-measure IV: Improvement of water management resources (measure of the national framework –NF)-new

Reasons and implementation problems justifying the amendment

Agricultural production (potato, sugar beet, fruit, vegetables as well as ornamental plants) substantially depends on water supply from April to September. Investment in the water infrastructure ensures the supply on water for agricultural land. No more water than the newly accumulated will be allowed to be taken from the water management system.

Description of proposed amendments

Supporting new constructions and extensions of water facilities in order to improve the draw-up, storage and supply of water for irrigation to the delivery point in irrigation network of the holdings.

Investments will be done in new construction/extension of installations (water retention, pumping stations) for agricultural use of water resources.

Projects will only be accepted if there is a positive opinion given by the relevant public water authority!

The expected impacts of the amendment

Positive effects through implementation of new legal and economic requirements in holdings are expected.

Types of beneficiaries

- Associations of agricultural holdings and land owners or public bodies (as in NF) meeting the requirements of the German law on water related associations

Eligibility

According to NF and additional outside of NF:

- statutes of the associations must be compliant with the objectives of the aid

Additional information

Authorisation for water draw-up is necessary.

Financial aspects of the amendment

An amount of 15 Mio. € is transferred from the measure 123 to the measure 125. After the introduction of the measure 123 it became evident that the actual investment requests lied below the available funds. MA estimates that these funds could be used for investments in the measure 125.

Measure 214: Agri-environment payments

Sub-measure II: Voluntary nature protection services: (new)

Reasons and implementation problems justifying the amendment

Agricultural use has an important impact on biodiversity. Use of large areas of heavily fertilized multiple-mowed grassland reduces the biodiversity of flora and fauna. Maintaining minimal cultivation on grassland contributes to biodiversity. Though decrease of the number of animals leads to reduction of grass sorts and finally to vegetation encroachment that should be avoided.

Description of proposed sub-measure

Submeasure already available in Natura 2000 areas and in grassland areas covered by § 37 (biotopes protection) of the German law on nature protection (new codes: aa, ba) are made available in other areas (codes: ab, bb)

- a) mowing adapted to nature protection
 - aa) on the high-yield habitat types in Natura 200 areas and on grassland, protected by biotope provisions (no change)
 - ab) without limitations of eligible area
- b) grazing with sheep and goats adapted to nature protection
 - ba) on the lower-yield and no-significant-yield habitat types in Natura 2000 areas and on grassland, protected by biotope provisions (no change)
 - bb) without limitations of eligible area
- c) cultivation and care of meadows with scattered fruit trees

This sub-measure will be implemented outside of the scope of NF.

The expected impacts of the amendment

Preservation of biodiversity (flora and fauna)

Financial aspects of the amendment

This amendment will be implemented from existing funds. No financial transfers are needed.

Amount of support

- a) environmental friendly mowing
- ab) without limitations of eligible area

- 335 €/ha for mowing before 15.06 and mowing or grazing after 15.08. with no use of chemical fertilizers, pesticides, animal manure, biogas substrates, sewage sludge; no surface rolling and no mulching, and towing allowed until 15.04.

- additional measure: 20 €/ha if on minimum 10% of the area the first grass growth is not mowed

Premia are limited to maximum 355 €/ha.

b) environmental friendly grazing with sheep and goats

bb) without limitations of eligible area

- 310 €/ha for:

- grazing until 15.05, no use from 16.05 until 15.06, from 15.06 mowing or grazing and only grazing from 01.09 on (additional mowing allowed), mechanical removal of emerging young woods and nitrophile tall forbes.
- no use of chemical fertilizers, pesticides, animal manure, biogas substrates, sewage sludge; no surface rolling, and towing allowed until 15.04.

- additional measure: 70 €/ha if guarded sheep keeping minimal 1 times a year is performed

- additional measure: 45 €/ha if minimum 5% of the flock are goats

Premia are limited to maximum 425 €/ha.

c) environmental friendly scattered fruit trees in meadows

- additional measure: 50 €/ha if additional planting once in the period of the measure execution is necessary.

Premia are limited to maximum 450 €/ha.

Additional information

Eligibility is extended outside of the Natura 2000 area

Coherence with the NSP and the regional RDP strategy

The measure amendment is in line with the NSP as well as with the Saxony-Anhalt RDP strategy.

Financial aspects of the amendment

This amendment will be implemented from existing funds. No financial transfers are needed.

Sub-measure III: Prevention of endangered animals from extinction and conservation of genetic resources of special plants (existing measure)

Reasons and implementation problems justifying the amendment

Agricultural use has impact on biodiversity. Maintaining minimal cultivation on grassland contributes to biodiversity. Though decrease of the number of animals leads to mitigation of grass sorts and finally to vegetation encroachment that should be avoided.

Description of the proposed amendment

New sub-measure is introduced: Support for sustainable establishment of a decentralized database network The sub-measure will be implemented outside the scope of NF.

The expected impacts of the amendment

Degradation of biodiversity will be prevented and the diversity of landscape and habitats preserved.

Conditions for granting aids

Annual support amount is limited to 40.000 €

- coordination tasks for genetic data base network Rose and
- related to reference collections of wild and cultivated roses
- annual settlement
- compliance to the rules and adequate use of funds.
- no double financing with the actions from the project ROSA, supported by the European Commission under Regulation (EC) 1467/94 on the conservation, characterization, collection and utilization of genetic resources in agriculture, is possible.

Types of beneficiaries

Specific beneficiary: Association database network Rose in cooperation with Sangerhausen municipality.

Coherence with the NSP and the regional RDP strategy

The measure amendment is in line with the NSP as well as with the Saxony-Anhalt RDP strategy.

Changes in other sub-measures of 214 - amounts of support

Amounts of the support are changed for following sub-measures from 2009 on:

A5 cultivation of arable fodder crops in order to reduce erosion

to 180 €/ha from 170 €/ha for supported arable fodder area

A6 Refraining from the use of herbicides in permanent crops

to 170 €/ha from 156 €/ha for pomes and stone fruits, wine, hops

A8 Biological and biotechnical measures of plant protection

to 55 €/ha from 92 €/ha for all fruit arts, that are covered by approval of the instrument

to 56 €/ha from 180 €/ha for pheromone process for stone fruits

to 34 €/ha from 88 €/ha for virus process

to 73 €/ha from 76 €/ha for combination of viruses and insecticides against codling moth in stone fruits

to 22 €/ha from 58 €/ha for combination of viruses and insecticides against paring moth in stone fruits

to 157 €/ha from 152 €/ha for pheromone process against European grape berry moth in wine cultivation

to 74 €/ha from 62 €/ha for bacillus thuringensis against European grape berry moth in wine cultivation – for double application only, no change in the amount of support for 4 applications)

Amounts of support are in line with NF.

B1 extensive permanent pasture

to 120 €/ha from 110 €/ha for permanent grassland

B2 Conversion of arable land into extensive pasture

to 320 €/ha from 239 €/ha for convertible arable area

to 140 €/ha from 151 €/ha in defined flooding areas, additionally

C. Support of organic farming (maintenance)

to 300 €/ha from 271 €/ha for vegetable cultivation on free land

to 720 €/ha from 662 €/ha for permanent crops

to 200 €/ha from 160 €/ha for arable land in organic farming – an exception (20% over NF level as allowed)

to 170 €/ha from 137 €/ha for arable land and grassland

Measure 321: Basic services for the economy and rural population

Indicators have been updated.

Output indicators:

- supported projects: to 437 from 34
- total investment: to 265.559.000 €from 63,6 Mio €

Result indicators:

- number of persons in rural areas that benefit from services: 286.000 from n/a
- increase of internet access in rural areas: 20.000 persons from n/a.

Measure 323: Conservation and upgrading of the rural heritage

Sub-measure I: Measures for Natura 2000 protection system and other regions with high nature value (amendment regarding beneficiaries and the minimum investment amount) - changed

Reasons and implementation problems justifying the amendment

- Certain wild animals cause damages on agricultural holdings. The conflict with farm animal owners will be mitigated through preventive actions.
- Need to improve the management equipment of nature parks

Subject of support

- Construction of new information centres as well as the refurbishment and extension of the existing information centres are central point of the amendment.
- Establishment of information centres and investment for the promotion of higher acceptance level related to damages caused by wild animals. Wolves and lynx are added to the list of wild animals.
- Investments in specific protection fences and acquisition of livestock guardian dogs

The expected impacts of the amendment

Implementation of preventive actions for resettling of wolf and lynx contributes to the protection of animal species and prevents the mitigation of biodiversity.

Conditions for granting aid (change)

- no combination between voluntary water protection services and voluntary nature protection services is possible.

Demarcation

Demarcation with the measure 313: (Encouragement of tourism activities): activities of sensitisation are limited only to Natura 2000 and other regions with high nature value

Type of beneficiaries

"Office for environmental protection of Saxony-Anhalt, legal person of public law and associations of common public interest

Coherence with the NSP and the regional RDP strategy

The measure amendment is in line with the NSP as well as with the Saxony-Anhalt RDP strategy.

Sub-measure II: Semi-natural water development (existing measure)

Reasons and implementation problems justifying the amendment

According to NF, additional information had to be provided

Description of the modification

Purchase of land limited to 10% of eligible public expenditures

The expected impacts of the amendment

Clarification of provisions on eligible expenditures.

Coherence with the NSP and the regional RDP strategy

The measure amendment is in line with the NSP as well as with the Saxony-Anhalt RDP strategy.

Measure 421: Implementing cooperation projects: inter-territorial and trans-national cooperation

Reasons and implementation problems justifying the amendment

According to Leader managers there is a need for specific support of inter-regional and trans-national actions.

Description of the modification

New description due to differentiated objectives and targets of the established local action groups (LAG). Additional eligibility criteria are defined as well as additional beneficiaries.

The expected impacts of the amendment

Consolidation of LAG's and amount of aid adapted for international contacts of larger and better organized LAG's that are able to establish such contacts.

Subject of support

- establishment of interregional cooperation
- projects emerging from cooperation
- development and supervision of mutual actions
- coordination costs of trans-national cooperation

Amount of aid

- up to 100% of the eligible expenditures for municipalities, municipality associations and public-private partnerships
- up to 90% of eligible expenditures for all other beneficiaries

Maximal aid

- 2.500 €for establishing interregional cooperation
- 3.500 €for establishing trans-national cooperation
- 10.000 €for elaboration and supervision of interregional cooperation
- 20.000 €elaboration and supervision of trans-national cooperation
- 2.500 €for coordination costs of trans-national cooperation

Eligibility criteria

- decision of LAG for implementation of the cooperation project
- cooperation agreement between cooperating LAG's
- cost and financial plan with detailed specification of cost sharing by partners.

Types of beneficiaries

- municipality and municipality associations
- natural and legal persons, association of persons of private law
- private-public partnerships
- non-profit organisations and associations, other legal persons with charitable objectives

B.1.2. CHANGE OF ADDITIONAL NATIONAL SUPPORT (TOP-UPS)

Top ups for the measures 125, 126, 321, 322 and 323 have been changed.

Changes are specified in the table in Chapter 8 of RDP.

B.1.3 CHANGE OF THE STATE AIDS TABLE

Table 8 Additional national financing (art 16 (f) of Regulation (EC) No 1698/2005 State aid according to Art 89 of Regulation (EC) No 1698/2005

Reduction of additional national financing for certain measures of axis 1 and 3. All measures with national top-ups are either no state aid cases according to Articles 87-89 of the EC Treaty or fall under already approved decisions as "de-minimis" Regulation.

Code	Measure	Total costs 2007-2013 in mio €
Axis 1		

121	
125	Infrastructure related to the development and adaptation of agriculture and forestry	44,939
126	Restoring agricultural production potential damaged by rural disasters and introducing appropriate prevention action	60,165
Total Axis 1		119,104
Axis 2 -----		
Axis 3		
321	Basic services for the for the economy and rural population	48,800
322	Village renewal and development	32,680
Total Axis 3		81,480

Increase of funds in measures 125, 322 and 323 is covered by state-aid schemes according to NF

B.1.4 CHANGES IN PROGRAMME INDICATORS

Indicators have been updated and quantified.

Changes can be seen in the Chapter 3.3 of the RDP.

B.1.5 OTHER EDITORIAL CHANGES

Editorial change is done in Chapter 5.2.8 of RDP

Text on reporting at the level of single transaction of the Fund was moved from reports according to article 52 to reports according to article 51 and article 58 of Regulation 1698/2005.

B.2 FINANCIAL ASPECTS

Financial transfers within axes are proposed. see Chapter 7 below.

B.3 COHERENCE WITH THE NSP AND THE REGIONAL RDP STRATEGY

The amendments are in line with the NSP and the strategy of the RDP of Saxony-Anhalt.

5. THE EXPECTED IMPACTS OF THE AMENDMENTS

The expected impacts have been described separately for each amendment.

6. FINANCING

In addition to HC/RP allocation related changes:

Following financial shifts within axes are done in addition to HC/RP allocation related change:

Axis 1

Transfer of 15.000.000 € from measure 123 to measure 125 IV

Axis 2

Transfer of 9.894.000 € from measure 213 to measure 212

584.000 € from measure 213 to measure 214 I

9.706.600 € from measure 214 IV to measure 212

Technical assistance

Reduction of technical assistance from 4% to 2.05% results in a decrease of 15.950.000 € and is redistributed to

Axis 1 4.515.000 €

Axis 2 4.400.000 €

Axis 3 6.193.000 €

Axis 4 842.000 €

with the outcome of a total reduction of 266.327 € arising from the redistribution between German "Länder".

7. ASSESSMENT

- I. Justification and description that amendments are in line with the National Strategy Plan as well as with the regional programme strategy and the NF were applicable!
- II. The changes are in conformity with the Council Regulation (EC) N° 1698/2005 and with the Commission Regulation (EC) N° 1974/2006
- III. Appraisal of respect of competition rules

The proposed changes are in line with competition rules.

Financial Table – Annual contribution from the EAFRD in €

Table 6.1

	2007	2008	2009	2010	2011	2012	2013	Total 2007-2013
Convergence region	114.707.832	117.584.250	116.766.231	117.210.437	117.244.701	117.017.388	116.683.689	817.214.528
Additional funds according to Article 69 (5)a of R 1698/2005	0	0	2.917.203	14.386.739	19.128.268	23.083.664	27.177.124	86.692.998
Total	114.707.832	117.584.250	119.683.434	131.597.176	136.372.969	140.101.052	143.860.813	903.907.526

Financial plan – by axes (in EUR – total period) - Convergence region

Table 6.2.1

Axes	Public expenditures		
	Total public	EAFRD contribution rate (%)	EAFRD amount
Axis 1	321.208.667	75,00	240.906.500
Axis 2	292.045.841	80,00	233.636.673
Axis 3	374.272.111	75,00	280.704.083
Axis 4	56.522.590	80,00	45.218.072
Technical Assistance	22.332.267	75,00	16.749.200
Total	1.066.381.476	76,63	817.214.528

Financial plan – by axes (in EUR total period)

additional EAFRD financial resources in accordance with Article 69(5a) of Regulation 1698/2005 – convergence region

Table 6.2.2

Axes	Public expenditures		
	Total public	EAFRD contribution rate (%)	EAFRD amount
Axis 1	5.510.272	90,00	4.959.245
Axis 2	90.815.281	90,00	81.733.753
Axis 3	0	0	0
Axis 4	0	0	0
Technical Assistance	0	0	0
Total	96.325.553	90,00	86.692.998

Indicative financial table for measures matching the new challenges in € for the period from 01.01.2009 until 31.12.2013

Table 6.3

Priority 1/Measure	EARDF contribution for 2009-2013
Measure 121	4.959.245
Priority 1 total	4.959.245
Measure 214	81.733.753
Priority 2 total	81.733.753
Programme total	86.692.998

Indicative budget related to operations referred to in Art. 16 a of Regulation (EC) 1698/2005 between 01.01.2009 and 31.12.2013 (Article 16a(3b) up to the amount specified in Article 69(5a) of Regulation (EC) No 1698/2005.

Table 6.3

Axis 1/Measure	EAFRD contribution for 2009-2013
121 Modernisation of agricultural holdings (dairy restructuring)	4.959.245
Axis 1 total	4.959.245
214 Diversification of crops cultivated on arable land (biodiversity)	7.518.286
214 Mulching or direct tillage on arable land	43.570.467
214 Cultivation of flowering or conservation strips	7.166.250
214 Extensive management of certain pasture plots in order to reduce inputs or to apply certain grazing methods	15.640.000
214 Voluntary water protection services (water management)	7.838.750
Axis 2 total	81.733.753
Programme total	86.692.998

Table

Use of Health Check and Recovery package funds per priority

Priority	€
Climate change	51.088.753
Water management	7.838.750
Biodiversity	22.806.250
Diary restructuring	4.959.245
Total	86.692.998