

## Rural development plan in Spain: Navarra

### Country profile for Spain

- Size: 504 411 km<sup>2</sup>
- Population: 44, 5 millions inhabitants (density: 88 inhabitants/ km<sup>2</sup>)
- GDP per capita: 19 480 € (average years 2000-2002; source: national strategy plan for rural development)
- Rural areas cover 91.3 % of the Spanish territory and about 31% of the population live in these areas. The Spanish situation is characterized by important territorial discrepancies, mainly between the interior and the coastal areas.
- Almost 0.95 million people are employed in 1.140.730 agricultural holdings (998 000 work units), with a high share of farms (68.4 %) managed by full time farmers. The average size of the agricultural holdings is 22.1 ha, with big farms mainly in the centre and south of the country, and on the other side relatively small farms in the North part of Spain. While 55% of the holdings use 5% of the agricultural land, the 8.7 % of the holdings occupy the 69.1 % of the agricultural land. The value of the output of Spanish agriculture amounts to about 26 billion € including forestry. Thereby the sector contributes about 3.32 % to the total gross value added produced in Spain (food industry: 16.5%)
- The diversity of natural resources and landscapes (wet in the North and dryer in the South) can also be seen as an important asset. 24.5% of the territory has been classified as Natura 2000 areas including forest areas, and the preservation of the endangered biodiversity is seen as a very important issue.

### Chosen strategy corresponding to the profile

Due to its structure, Spain implements the rural development policy through 17 rural development programmes (RDP) established at regional level by the Autonomous Communities. A National Framework has been elaborated at the national level which includes certain elements common to all 17 regional programmes.

### Budget for Rural Development for Spain

Total: € 13 814 062 684 (adding national aids: € 15 800 192 832) of which EAFRD<sup>1</sup> support amounts to € 7 213 917 799 € (Convergence regions: € 4 943 643 740).

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<sup>1</sup> EAFRD: European Agricultural Fund for Rural Development

# Region: Navarra

## Profile of Navarra:

- Population: 593 472 inhabitants.
- Size: 10 391 km<sup>2</sup> (2.7% of the Spanish surface) and a population density of 57.11 inhab/ Km<sup>2</sup>.
- GDP per capita in Navarra is 125% of the EU average
- Unemployment rate of 5.5% is lower than EU average
- Rural areas cover 90% of the territory (252 out of the 272 municipalities) with a population of 260,963 inhabitants (43.97% of the region's population).
- Agricultural, forest and natural areas occupy a significant part of the territory (47%, 32% and 20% respectively)
- 33.64% of the agricultural surface is classified as less-favoured area
- 24.30% of the territory is covered by the Natura 2000 network: this includes 19.60% of the agricultural surface and 34.65% of the forestry surface.
- Low contribution of employment in agriculture (4.44% of the employment). Working Units have diminished by 3.21%, while productivity has increased by 23.92% since 2000. Productivity level in the agricultural sector is currently higher than the EU average.
- The average area of farm holdings is 30.8 ha (10 ha higher than the EU average), but 45% of the farm holdings have less than 5 ha.
- The level of education and training in the agricultural sector is low.
- Within the total agricultural production, the fastest growing sectors are fruits, wine and olive oil. However, other relevant crops such as fodder plants, industrial plants and potatoes are seeing a dramatic decrease.
- Navarra's agri-food industry is showing a positive trend: the number of companies has been constantly increasing at an annual rate of 1.58%. The size of the sector remains constant (at an average value of 10 workers per agri-food industry). This sector currently provides 17% of the employment of the Navarran industry. Both agri-food production and its gross added value have risen satisfactorily, with annual averages of 10.31% and 9.22% respectively.
- Agri-food industry is growing as a key economic driver of the rural areas, as well as tourism.

## Chosen strategy corresponding to the profile:

The overall objectives were chosen in accordance with the Community Strategic Guidelines (CSG), the National Strategy Plan and the Spanish National Framework:

Therefore, the priorities and objectives of this RDP can be summarised under four headings:

- Competitiveness of the agri-food sector.
- Sustainability and natural environment.
- Diversification of the quality of life in rural areas.
- Development of the local capacity and diversification.

## Budget and share of EU funding

<b>AXIS</b>	<b>Total Public Expenditure (€)</b>	<b>Share of EAFRD* (in %)</b>	<b>EAFRD contribution (€)</b>
Axis 1	219 671 380	25%	54 917 845
Axis 2	66 555 684	55%	36 605 626
Axis 3	15 405 330	50%	7 702 665
LEADER	23 778 000	55%	13 077 900
Technical Assistance	0	-	0
<b>Total</b>	<b>325 410 394</b>	<b>34.51%</b>	<b>112 304 036</b>

\* EAFRD = European Agricultural Fund for Rural Development

### Overall aim of the RD programme of Navarra

The improvement of the competitiveness of the agri-food sector, the promotion of sustainable agriculture and forestry and the searching of new opportunities in the rural areas.

#### Axis 1 budget allocation and main priorities:

Total public funding: € 219 671 380€ - EAFRD contribution: € 54 917 845

Main priorities under this Axis:

- Promotion of knowledge and improvement in human potential.
- Restructuring and development of the physical potential and promotion of innovation.

#### Axis 2 budget allocation and main priorities:

Total public funding: € 66 555 684 – EAFRD contribution: € 36 605 626 (

Main priorities under this axis are:

- Sustainable use of the agricultural land
- Sustainable use of the forest land

#### Axis 3 budget allocation and main priorities:

(6.86% of EAFRD contribution, 15.88% including Leader Axis).

Total public funding: EUR 15 405 330 – EAFRD contribution: € 7 702 665

Main priorities under this Axis are:

- Diversification of the rural economy
- Improvement in the quality of life in the rural areas.

#### Leader budget allocation and main priorities:

Total public funding: € 23 778 000 - EAFRD contribution: € 13 077 900

The Leader budgeted allocation is divided as follows: 10.23% for Axis 1, 12.28% for Axis 2 and 77.49% for Axis 3.

Main priorities under this Axis:

- Contribution to the objectives of Axis 1, 2 and 3 through the rural development strategies and participation of economic and social actors.
- Improvement in local governance and promotion of cooperation between the private and public sectors.
- Mobilisation of the endogenous development potential of rural areas.

See: [http://ec.europa.eu/agriculture/rurdev/index\\_en.htm](http://ec.europa.eu/agriculture/rurdev/index_en.htm)