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## Rural Development Programmes of 4 regions of Spain:

### Country profile:

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 for the period 2000-2002; source: National strategy plan for rural development)

Rural areas cover 91.3 % of the Spanish territory and approximately 20% of the population resides in these areas. The Spanish situation is characterized by significant territorial discrepancies, mainly between the interior and the coastal areas.

Almost 0.95 million people are employed on 1,140,730 agricultural holdings, accounting for 998,000 work units. A high share of farms (68.4 %) is managed by full time farmers. The average holding size is 22.1 ha of utilized agricultural area, with large farms located mainly in the central and southern part of the country and small farms in the northern part. The dual structure of the Spanish agricultural sector is evident in the fact that 55% of holdings use only 5% of the agricultural land and 8.7 % of the holdings occupy 69.1 % of the agricultural land. The output value of agriculture (and forestry) is approximately € 26 billion. Thus, the sector contributes approximately 3.32% to the total gross value added produced in Spain (food industry: 4.5%)

The diversity of natural resources and landscapes (humid areas in the North and drier areas in the South) can also be seen as an important asset. Twenty-five percent of the territory has been classified as Natura 2000 areas, and the preservation of endangered biodiversity is seen as a very important issue.

### Chosen strategy corresponding to the profile

Due to its administrative structure, Spain has chosen to implement the rural development policy through rural development programmes (RDP) established at the regional level by the Autonomous Communities. Seventeen regional and two horizontal programmes (the National Framework and the Rural Network drafted at the national level) have been prepared. The National Framework was adopted by the Commission on 28<sup>th</sup> November 2007 and does not itself use any of the budget. Instead, regional programmes and the rural development network, which are currently in the process of approval, provide the basis for the co-financing of Spanish programmes from the EAFRD budget.

## **Region: Cataluña (Spain)**

### **Profile of Cataluña:**

- Population: 7,134,697 inhabitants (2006).
- Size: 32,107 km<sup>2</sup> (6.3 % of the Spanish surface) and a population density of 217.87 inhab/ Km<sup>2</sup>.
- GDP per capita in Cataluña is 122.9% of the EU-25 average (2006)
- Unemployment rate is 6.7% (2006)
- Population of rural areas: 691,704 inhabitants (2006) density: 34.8 inhab/km<sup>2</sup>
- Agricultural, forest and natural areas occupy a significant part of the territory (35.5%, 43.9% and 20% respectively)
- 29.83% of the territory is covered by the Natura 2000 network: this includes 10.60% of the agricultural surface and 39% of the forestry surface.
- Low contribution of employment in agriculture (2.46% of the employment).
- In 2003, approximately 60,436 agricultural holdings managed 1.9 million hectares of cultivated land.
- The average area of farm holdings is 19 ha (lower than the EU average)
- The level of education and training in the agricultural sector is low.
- Within the total agricultural production, the main sectors are pigs (27.7%), fruits (15.5%) poultry (9.7%) and cattle (8.3%).
- Cataluña's agri-food industry is the first seller at national level. This sector currently provides 3.4% of the employment of the Cataluña's industry.

### **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:

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

Axis	Total Public Expenditure (€)	Share of EAFRD Public expenditure in %	EAFRD Contribution
Axis 1	510,888,830	23	117,504,431
Axis 2	321,384,794	31	99,629,286
Axis 3	63,000,000	30	18,900,000
Leader	106,446,373	30	31,933,912
Technical assistance	14,999,585	30,84	4,625,872
Total	1,016,719,582	26,81	272,593,501

### Overall aim of the RD programme of Cataluña

The RDP of Cataluña takes as general objectives according with the Regulation (EC) n° 1698/2005 and establishes the priority activities associated with each strategic objective.

Among the main objectives are the improvement of the competitiveness of the agri-food sector and the promotion of sustainable agriculture.

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

EAFRD: € 117,504,431 (23 % of the EAFRD contribution).

Total public funding: € 510,888,830.

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:

EAFRD: € 99,629,286 (31% of EAFRD contribution).

Total public funding: € 321,384,794.

Main priorities under this axis are:

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

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

EAFRD: € 18,900,000 (30% of EAFRD contribution).

Total public funding: € 63,000,000.

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:**

EAFRD: € 31,933,912 (30% of EAFRD contribution).

Total public funding: € 106,446,373.

Main priorities under this Axis:

- Contribution to the objectives of Axis1 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.

## **Region: Castilla y León**

### **Profile of Castilla y León:**

- Population: 2 523 020 inhabitants.
- Size: 94 224 km<sup>2</sup> (18.6% of the Spanish surface) and a population density of 26.1 inhab/ Km<sup>2</sup>.
- GDP per capita in Castilla y León is 87.4 % of the EU average
- Unemployment rate of 10.7% (higher than the EU average). Decreasing tendency of long-term unemployment.
- Rural areas cover 91.5% of the territory and only 45% of the population lives in rural areas.
- Agricultural, forest and natural areas occupy a significant part of the territory (53.2%, 20.1% and 25.7% respectively).
- Less Favoured Areas cover 96.6 % of the agricultural surface.
- Natura 2000 network covers 26.1% of the territory of the region: this includes 19.60% of the agricultural surface and 39.6% of the forestry surface.
- High contribution of employment in agriculture (9.9% of the employment) if compared with the Spanish and EU average.
- The value of agricultural output accounts for 6.1% of the total regional output.
- The livestock sector represents more than 58% of the value of agricultural production. Castilla y León is the leading Spanish region with regard to bovine and ovine populations (1.3 million head and 5.4 million head respectively) and ranks second in the porcine sector (3 million head). It is also the first Spanish region for sheep's milk and sheepmeat production and the second national producer of beef and veal, cow's milk and pigmeat.
- The number of holdings has been decreasing in the last few years and their size has increased: currently the average area of holdings is 55.5 ha, twice the Spanish average area (23.2 ha).
- The agri-food industry of Castilla y León generates more than one quarter of the non-energy industrial gross value added. Around 57% of the jobs in the agri-food industry are located in rural municipalities.
- Castilla y León has 52 products participating in quality schemes.

### **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 three headings:

- Improving the competitiveness of the agricultural, forestry and agri-food sectors.
- Improving the environment and the rural environment
- Economic diversification and improvement of the quality of life in rural areas.

### Budget and share of EU funding

Axis	Total Public Expenditure (€)	Share of EAFRD Public expenditure in %	EAFRD Contribution
Axis 1	850,039,105	40	340,015,642
Axis 2	738,850,000	40	295,540,000
Axis 3	30,942,857	35	10,830,000
Leader	214,828,571	35	75,190,000
Technical assistance	3,400,000	40	1,360,000
Total	1,838,060,533	39.33	722,935,642

### Overall aim of the RD programme of Castilla y León

Overall aims are the improvement of the competitiveness of the agri-food sector, the promotion of sustainable agriculture and forestry and finding new opportunities in rural areas.

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

EAFRD: € 340 015 642 (47.03% of the EAFRD contribution)

Total public funding: € 850 039 105

Main priorities under this Axis:

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

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

EAFRD: € 295 540 000 (40.88% of EAFRD contribution).

Total public funding: € 738 850 000.

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:

EAFRD: € 10 830 000 (1.50% of EAFRD contribution, 11.90 % including Leader Axis).

Total public funding: € 30 942 857.

The main priority is the establishment of the basic services to the rural population.

**Leader budget allocation and main priorities:**

EAFRD: € 75 190 000 (10.40% of EAFRD contribution)

Total public funding: € 214 828 571

The Axis Leader is devoted exclusively to the implementation of Axis 3 measures.

Main priorities under this Axis:

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

## **Region: Galicia**

### **Profile of Galicia:**

- Galicia is a convergence region.
- Galicia has a total population of 2,762,198 inhabitants.
- Its size is 29,575 km<sup>2</sup> or approximately 6% of the Spanish territory and it has a population density of 93.40 inhabitants/ km<sup>2</sup>.
- Galicia is a significantly rural region (249 municipalities out of 315 are considered rural). Almost 35% of its population live in rural municipalities (with less than 150 inhabitants per km<sup>2</sup>) and these occupy 88% of the territory. Population density varies significantly from more than 100 inhabitants per km<sup>2</sup> in the Atlantic Axis to less than 25 inhabitants per km<sup>2</sup> in other parts.
- The UAA (utilised agricultural area) comprises 724,620 hectares or 24.5% of the Galician territory. 27.5% of UAA is under annual crops, 69.6% under pastures and 2.7 % under permanent crops.
- In 2003, the GDP per capita in terms of purchasing power parity was 76.6% of the average GDP in EU-25 (97.4% for Spain).
- The contribution of agriculture to the economy (3.35% of Gross Value Added (GVA) in 2003) has been decreasing but is slightly higher than the national average.
- Unemployment rate (2005) is 9.9% which is higher than the national and the EU25 average.
- The primary, secondary and tertiary sectors contribute, respectively, 10.7%, 30.3% and 59% to employment.
- In terms of land use, forestry takes up the largest share with 57.65%, followed by farmland with 15.41% and pastures with 14.84%.
- The average farm size is extremely small with 7.11 ha per farm compared to 22.3 ha per farm in Spain.
- Forestry covers 2,039,547 ha, or approximately 60% of the Galician territory and almost 11% of forest area in Spain.
- The agri-food sector contributes a total of 2.63% of Galician GVA. Meat, milk and animal food products represent 47.8% and beverages contribute 21.4%.

### **The chosen strategy corresponding to the profile:**

The overall objective, which derives from the Community Strategic Guidelines (CSG) and the National Strategy Plan, is to “resolve the imbalances between the Atlantic Axis, where growth is concentrated, and the trend to abandon the rest of the Galician territory, especially the mountain areas and inland territories”.

The following strategic objectives are defined:

- to strengthen the agro-food and forestry productive basis
- to foster a sustainable and multifunctional agriculture and forestry sector
- to improve the quality of life and the economy of the rural areas
- to foster governance in the rural areas

## Budget overall and share of EU funding (in EUR)

Axis	Total Public Expenditure (€)	Share of EAFRD Public expenditure in %	EAFRD Contribution
Axis 1	690,859,256	57.56	397,658,588
Axis 2	484,791,303	57.56	279,045,874
Axis 3	154,288,150	57.56	88,808,259
Leader	148,798,839	57.56	85,648,612
Technical assistance	9,250,832	57.56	5,324,779
Total	1,487,988,380	57.56	856,486,112

### Overall aim of RD programme in the country

The overall aim is to achieve a sustainable, strong and viable rural environment by 2013.

### Axis 1 budget allocation and main priorities:

EAFRD: € 397,658,588 (46.43% of programme total).

Total public funding: € 690,859,256.

Main priorities:

- -Modernisation of agricultural holdings
- -Adding value to agricultural and forestry products
- -Setting up of young farmers

### Axis 2 budget allocation and main priorities:

EAFRD: € 279,045,874 (32.58% of programme total).

Total public funding: € 484,791,303.

Main priorities:

- -Restoring forestry potential and introducing prevention measures
- -First afforestation of non-agricultural land
- -Agri-environment payments

### Axis 3 budget allocation:

EAFRD: € 88,808,259 (10.37 % of the programme).

Total public funding: EUR 154,288,150).

Main priorities:

- -Support for the creation and development of micro-enterprises
- -Basic services for the economy and rural population

**Leader budget allocation and main priorities:**

EAFRD: € 85,648,612 (10% of the programme).

Total public funding: € 148,798,839.

Support for selected integrated strategies according to the Leader principles. The measure shall contribute to the accomplishment of the objectives of axes 1, 2 and 3 by 25%, 5% and 70%, respectively. The main priority is Quality of life/Diversification. Inter-territorial and trans-national cooperation is envisaged.

# Basque Autonomous Region in Spain

## Profile of the Basque region:

- The Basque region is a non-convergence region
- Size: size is 7,234 km<sup>2</sup> or approximately 1.4% of the Spanish territory
- Total population: 2,124,846 inhabitants. Population density: 293.7 inhabitants/ km<sup>2</sup>
- The Basque region consists of three historical territories or provinces namely Alava, Bizkaia and Gipuzkoa. There are significant differences between the more urbanised coastal provinces (Gipuzkoa and Bizkaia) and Alava which is very rural. Given the geography of the region the rural areas are closely linked to urban areas. However they cover 87% of the total surface area and include 9% of the total population.
- In 2005 the GDP per capita in terms of purchasing power parity was 125.6% of the average GDP in EU-25, making it the region with the second highest GDP per capita in Spain after Madrid.
- Unemployment rate (2004) stood at 9.3%, which is lower than the national and the EU25 average.
- The primary, secondary and tertiary sectors contribute, respectively, 1.3%, 34.1% and 64.6% to the employment in the region.
- Although agriculture and forestry sectors in this region represents only 0.7% of the total GDP, they play a key multifunctional role (management of 85% or of the territory, conservation of the environment and landscape, cultural heritage, strategic agro-food sector) apart from being fundamental activities of the Basque rural area. In the year 2004 these sectors employed 22,809 persons with around 88% of the total work being within the family.
- The GDP contribution of the agro-processing sector represented 1.58% of the total GDP of the region in 2004 and has been constantly increasing since 1998.
- Forests cover some 396,701 ha or 55% of the surface area of the whole region.
- In terms of land use, forestry takes up the largest share with 55%, followed by agricultural land with 26.7%, 12.6% of natural areas and the remaining 5.8% of artificial areas.
- The final production of the Agricultural sector is composed mainly of vine/wine, dairy milk, horticultural products and forestry products.

## The chosen strategy corresponding to the profile:

The following strategic objectives are defined:

- to improve the competitiveness of the agro-forestry sector
- to foster a sustainable and multifunctional agriculture and forestry sector
- to improve the quality of life and the economy of the rural areas
- to foster governance in the rural areas

## Budget overall and share of EU funding (in EUR)

Axis	Total Public Expenditure (€)	Share of EAFRD Public expenditure in %	EAFRD Contribution
Axis 1	130,000,000	36	46,800,000
Axis 2	39,100,000	50	19,550,000
Axis 3	12,701,865	31	3,937,578
Leader	24,418,172	32	7,813,815
Technical assistance	122,500	30	36,750
Total	206,342,537	37.87	78,138,143

### Overall aim of RD programme in the region

The overall aim is to achieve a sustainable, strong and viable rural environment by 2013.

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

EAFRD: € 46 800 000 (60,2% of programme total).

Total public funding: € 130,000,000.

Main priorities:

- Adding value to agricultural and forestry products
- Modernisation of agricultural holdings
- Setting up of young farmers
- Improvement of the economic value of forests

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

EAFRD: € 19 550 000 (25% of programme total).

Total public funding: € 39 100 000.

Main priorities:

- Agri-environment payments
- Natural handicap payments to farmers in mountain areas
- Restoring forestry potential and introducing prevention measures

#### Axis 3 budget allocation:

EAFRD: € 3 937 578 (5.05 % of the programme).

Total public funding: € 12 701 865.

Main priorities:

- Basic services for the economy and rural population
- Village Renewal and development

**Leader budget allocation and main priorities:**

EAFRD: € 7 813 815 (10% of the programme).

Total public funding: € 24 418 172.

Support for selected integrated strategies according to the Leader principles. The measure shall contribute to the accomplishment of the objectives of axes 1, and 3 by 3% and 90% respectively. The main priorities are business creation and development and the encouragement of tourism activities. Inter-territorial and trans-national cooperation are also envisaged.