



Factsheet on 2014-2020 Rural Development Programme for Aragon

The Rural Development Programme (RDP) for Aragon was formally adopted by the European Commission on 26 May 2015, outlining Aragon's priorities for using the € 907 million of public money that is available for the 7-year period 2014-2020 (€ 467 million from the EU budget, and € 269.5 million of national co-funding, plus € 170.6 million of additional national funding top-ups).

The main objectives of the RDP for Aragon are to boost the viability of farms and forestry and promote a better management of natural resources. To this end, 4 400 farms will get investment support to restructure and modernise and 1 400 young farmers will receive support to develop their businesses. Almost 16% of the region's farmland will come under management contract to improve biodiversity and 20 000 hectares of irrigated land will switch to more efficient irrigation systems. As regards knowledge transfer and innovation, nearly 18 000 people will receive training and the region aims to support 330 cooperation projects in the framework of the European Innovation Partnership. Around 9% of the funds will be used for local initiatives, aiming to create 1 800 new jobs and to improve living conditions for the rural population, with almost one tenth of the rural population getting access to better infrastructure and services.

Support for Rural Development is the 2nd Pillar of the Common Agricultural Policy, providing Member States with an envelope of EU funding to manage nationally or regionally under multi-annual, co-funded programmes. In total, 118 programmes are foreseen in all 28 Member States. The new RD Regulation for the period 2014-2020 addresses six economic, environmental and social priorities, and programmes contain clear targets setting out what is to be achieved. Moreover, in order to coordinate actions better and maximise synergies with the other European Structural & Investment Funds (ESIF), a Partnership Agreement has been agreed with each Member State highlighting its broad strategy for EU-funded structural investment.

This document provides a brief overview of how the challenges and opportunities that Aragon is facing are addressed by the RDP. In the annex, a table indicates the priorities and focus areas each with their specific targets, and their allocated budgets.

1. SITUATION AND KEY CHALLENGES

In Spain rural development is implemented through 18 separate RDPs – one at national level and 17 regional RDPs. However, common elements to the programmes are presented in a national framework. In addition, the National Rural Network Programme provides the funding for the networking of rural development actors in Spain.

The region of Aragon, located in the northeast quadrant of the Iberian Peninsula, covers an area of 47 720 km² and has 1.35 million inhabitants (2013) resulting in a population density of 28.2 inhabitants/km². Aragon is considered as a strongly unbalanced territory where more than half of the population and 53.1% of the total gross disposable income are concentrated in the capital Zaragoza.

This territorial imbalance is reflected in the fact that the provinces of Huesca and Teruel, which shape the Aragon rural area, only account for 27.4% of Gross Added Value and 27.6% of total employment. The unemployment rate in Aragon was 18.6% in 2012, so lower than the national level (25%) but higher than the EU average (10.50%).

The importance of the different economic sectors in terms of employment has shifted due to the economic crisis and significant decreases were observed especially in industry and construction. Agriculture has, however, performed well maintaining or even slightly increasing its share in total employment. Land occupation in Aragon (5.8% in 2012) has a greater weight than in the nation as a whole (4% in 2012).

2. HOW THE ARAGON'S RDP WILL ADDRESS THESE CHALLENGES

In addressing these challenges, Aragon's RDP will fund action under all Rural Development priorities – with a particular emphasis on enhancing farm viability and competitiveness of all types of agriculture and promoting innovative farm technologies and the sustainable management of forests as well as restoring, preserving and enhancing of ecosystems related to agriculture and forestry. The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

This cross-cutting priority will be addressed mainly through measures supporting training: an expected **17 765 participants will be trained**. There will also be support for **330 cooperation projects** in the framework of the European Innovation Partnership for Agricultural Productivity and Sustainability.

Competitiveness of agri sector and sustainable forestry

Besides previously mentioned support for training, **4 400 farms** will receive **funding for investments** focused on restructuring and modernisation and 2.7% of farms will receive for young farmers to develop their businesses.

Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture

Under this priority, **600 farms** will receive funding for participating in **quality schemes**, local markets and short chain distribution

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Around **35% of the allocated amount** will be used for area-based payments to farmers for using **environment/climate friendly management practices**, including organic farming. As a result, nearly 16% of farmland will be under contracts to improve biodiversity and landscape and almost 14% for soil erosion and management.

Resource efficiency and climate

Support under this priority will mainly contribute to increasing efficiency in farms' water use. **20 000 ha of irrigated land** will switch to more efficient irrigation system.

Social inclusion and local development in rural areas

The programme will fund Local Development Strategies (LDS) drawn up and implemented by Local Action Groups (LAGs) under the LEADER approach. LEADER projects are expected to create **1 800 new jobs** and improve living conditions.

The four **biggest RDP measures** in budgetary terms (total public funding) are:

- € 386 million allocated to Measure 4: Investments in physical assets
- € 96 million allocated to Measure 10: Agro environmental / Climate
- € 95 million allocated to Measure 8: Forestry
- € 80 million allocated to Measure 13: Payments for areas facing natural constraints

Annex 1: Indicative public support for the Rural Development Programme in Aragon

Target	Measure	€ Total public	%
Priority1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹			
1A: Fostering innovation, cooperation, knowledge base 7.26% of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 330 cooperation projects	16 cooperation		
1C: Training 17 765 participants trained	01 knowledge		
Priority 2: Farm viability, competitiveness and sustainable forest management			
2A: Economic performance, restructuring & modernisation 8.34% of holdings with RDP support	01 knowledge	12 203 330	1.36
	02 advisory	14 136 961	1.56
	04 investments	220 546 190	24.31
	16 cooperation	10 030 461	1.11
2B: New farmers 2.65% farms with RDP support for Young Farmers	06 farm / business development	59 671 242	6.58
Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management			
3A: Improving competitiveness of primary producers 1.14% of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations	01 knowledge	949 148	0.10
	03 quality schemes	7 231 604	0.80
	04 investments	141 589 853	15.61
	16 cooperation	10 847 405	1.20

¹ No financial allocation shown for Priority 1 as the expenditure is distributed across other focus areas.

Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry²			
4A Biodiversity	01 knowledge	3 118 629	0.34
0.23% of forest/other wooded area under contracts	04 investments	3 974 528	0.44
16.39% of agricultural land under contracts	07 basic services	7 861 266	0.87
4B Water management	08 forest	79 399 671	8.75
1.53% of agricultural land under contracts	10 AEC	96 236 001	10.61
	11 organic farming	16 863 121	1.86
4C Soil erosion and management	12 N 2000 and WFD	560 000	0.06
4.99% of agricultural land under contracts	13 ANC	80 121 224	8.83
8.82% of forestry land under contracts	15 forest - environment	1 233 333	0.14
	16 cooperation	3 702 809	0.41
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors			
5A Water efficiency	04 investments	19 513 213	2.15
5.32% of irrigated land switching to more efficient irrigation systems			
	16 cooperation	10 847 405	1.20
5D Reducing of GHG and/or ammonia emissions ³	10 AEC	0	0.00
4.93% of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions			
5E Carbon conservation and sequestration	8 forest	15 500 000	1.71
0.41% of agricultural and forest land under management contracts contributing to carbon sequestration or conservation			
Priority 6: Social inclusion, poverty reduction and economic development in rural areas			
6B LEADER	07 basic services	7 231 604	0.80
87.41% rural population under local development strategies			
9.54% rural population with improved services/infrastructure			
1 800 jobs created (via LEADER)	19 LEADER and CLLD	76 884 429	8.48
Technical Assistance	20 TA	5 423 702	0.60

² Expenditure under Priority 4 is programmed for the priority as a whole, not for individual focus areas

³ Some hectares programmed under the priority 4 can also count in priority 5. This is in the case where an AEC scheme is designed to jointly contribute to priority 4 environmental objective(s) and focus area 5D objective

Discontinued measure	113 early retirement	1 383 043	0.15
Total public expenditure €		907 060 172	100