



## **Factsheet on 2014-2020 Rural Development Programme Catalunya**

The Rural Development Programme (RDP) for Catalunya was formally adopted by the European Commission on 28 July 2015, outlining Catalunya's priorities for using nearly € 810.8 million of public money that is available for the 7-year period 2014-2020 (€348.6 million from the EU budget, and € 462.2 million of national co-funding).

The RDP for Catalunya focuses mainly on three priority areas. In order to improve the competitiveness of the farm sector, almost 4 000 farmers will get support to restructure and modernise their farms and 1 800 young farmers will get support to launch their businesses. Some 2 500 farms will receive funding to participate in quality schemes, local markets and short supply chain distribution. The region will support training for more than 18 900 participants. 120 cooperation projects, targeting innovation and development, will receive support. Restoring, preserving and enhancing ecosystems related to agriculture and forestry is also considered important with 5.20% of farmland to come under management contracts to improve biodiversity. Nearly 39% of the rural population will be covered by a LEADER local development strategy and these strategies are expected to create around 600 new jobs.

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 Catalunya 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 provides the funding for the networking of rural development actors in Spain.

The region of Catalunya is located in the North East of Spain. It covers an area of 32 108 km<sup>2</sup> of which 88% is rural. The region is home to 7.5 million people. The unemployment rate is 23% (2013) and, among young people, is more than 50%.

Of the total area, farmland covers less than 1/3 and forestry more than 2/3. The percentage of forest area and forest surface is higher in Catalonia than in the rest of the

European Union. Likewise, the percentage of private forest area is also higher in Catalonia than the average for Spain and the EU as a whole.

The food industry is a sector of great importance in the Catalan economy. The primary sector represents only 1.2% of Gross Value Added. The region has a strong livestock sector which represents 60% of the total agricultural production. The livestock sector is very intensive and is specialised in pig, poultry and bovine production.

The main challenges of the region are to establish specific policies for young people in rural areas, to promote their economic and social development. It also needs to promote economic recovery and job creation, with a focus on the agricultural, food, forestry and rural areas. It should stimulate innovation and knowledge transfer in the food sector and promote actions to mitigate and adapt to climate change and the protection of natural resources.

## **2. HOW THE CATALUÑA'S RDP WILL ADDRESS THESE CHALLENGES**

In addressing these challenges, Cataluña's RDP will fund actions 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 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: more than 18 900 participants will be trained. There will also be support for 100 cooperation projects in the framework of the European Innovation Partnership for Agricultural Productivity and Sustainability.

### Competitiveness of agri sector and sustainable forestry

Farm investments supported under this priority will aim at modernising and restructuring around 6.5% of all farms (3 950 farmers) in the region, while 3 % of farms (1 800 farmers) will receive support for young farmers to launch their businesses.

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

Under this priority, 4% of farms (2 454 farmers) will receive support to invest in processing and marketing of agricultural products.

### Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Most funds under this priority will be used for agro-environmental operations, as well as support for environment/climate-friendly forest investments. 5.2% of the agricultural land will be under contracts for biodiversity, 6.2% for water management and 2% for soil management. For organics, support will be given to convert 8 600 hectares to organic farming and to maintain organic farming on 16 500 hectares

### Resource efficiency and climate

This priority will mainly address investments related to water efficiency so that 2.3% of the region's irrigated area will switch to more efficient irrigation systems.

### Social inclusion and local development in rural areas

Under this priority, the region will support LEADER Local Action Groups and their Local Development Strategies. These strategies will address small investments related to the diversification of non-agricultural activities in rural areas and the reinforcement of basic services and small-scale collective infrastructure. The focus will be on improving the living conditions of the rural population and on creating 600 new jobs as well as new business opportunities. The Local Development Strategies will cover nearly 39% of the rural population in Catalunya.

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

- € 308.5 million allocated to Measure 4: Investments in physical assets
- € 125 million allocated to Measure 10: Agri-environment-climate
- € 80 million allocated to Measure 6: Farm and business development (business start-up aid for young farmers)
- € 71 million allocated to Measure 8: Investment in forest area development and improvement of the viability of forests.

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

| Target  | Measure                        | € Total public     | %            |
|---|--------------------------------|--------------------|--------------|
| <b>Priority1: Knowledge transfer and innovation in agriculture, forestry and rural areas<sup>1</sup></b>                                    |                                |                    |              |
| 1A: Fostering innovation, cooperation, knowledge base<br>4.93% of RDP expenditure   | 01 knowledge                   |                    |              |
|   | 16 cooperation                 |                    |              |
| 1B: Strengthening links (with research etc.)<br>120 cooperation projects  | 16 cooperation                 |                    |              |
| 1C: Training<br>18 900 participants trained   | 01 knowledge                   |                    |              |
| <b>Priority 2: Farm viability, competitiveness and sustainable forest management</b>  |                                | <b>277 050 000</b> | <b>34.17</b> |
| 2A: Economic performance, restructuring & modernisation<br>6.5% of holdings with RDP support  | 01 knowledge                   | 5 100 000          | 0.63         |
|   | 02 advisory services           | 650 000            | 0.08         |
|   | 04 investments                 | 176 500 000        | 21.87        |
|   | 06 farm / business development | 8 000 000          | 0.99         |
|   | 08 forests                     | 5 000 000          | 0.62         |
|   | 09 producer groups             | 2 500 000          | 0.31         |
|   | 16 cooperation                 | 3 350 000          | 0.42         |
| 2B: Generational renewal<br>2.96% of holdings with RDP supported business development plan/investments for young farmers                    | 01 knowledge                   | 1 400 000          | 0.17         |
|   | 02 advisory services           | 2 550 000          | 0.32         |
|   | 06 farm / business development | 72 000 000         | 8.92         |
| <b>Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management</b> |                                | <b>91 100 000</b>  | <b>11.24</b> |

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

|  |                      |                    |              |
|--|----------------------|--------------------|--------------|
| 3A: Improving competitiveness of primary producers   | 03 quality schemes   | 10 000 000         | 1.24         |
| 4.03 % of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations | 04 investments       | 65 000 000         | 8.05         |
|  | 16 cooperation       | 16 100 000         | 2.00         |
| 340 supported beneficiaries for processing and marketing of agricultural products  |                      |                    |              |
| <b>Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry<sup>2</sup></b>  |                      | <b>323 918 784</b> | <b>39.95</b> |
| 4A Biodiversity  | 01 knowledge         | 800 000            | 0.10         |
| 1.08% of forest/other wooded area under contracts  | 02 advisory services | 90 000             | 0.01         |
|  | 04 investments       | 18 000 000         | 2.23         |
| 5.20% of agricultural land under contracts   |                      |                    |              |
| 4B Water management  | 07 basic services    | 2 000 000          | 0.25         |
| 6.19% of agricultural land under contracts   | 08 forests           | 66 178 784         | 8.18         |
|  | 10 AEC               | 125 000 000        | 15.49        |
| 4C Soil erosion and management   | 11 organic farming   | 38 000 000         | 4.71         |
| 2.11% of agricultural land under contracts   | 13 ANC               | 68 000 000         | 8.43         |
|  | 16 cooperation       | 5 850 000          | 0.72         |
| <b>Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors</b>                            |                      | <b>53 110 000</b>  | <b>6.55</b>  |

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

|   |                      |                    |             |
|---|----------------------|--------------------|-------------|
| 5A Water efficiency<br>2.31% of irrigated land switching to more efficient irrigation systems                                 | 01 knowledge         | 800 000            | 0.10        |
|   | 02 advisory services | 550 000            | 0.07        |
|   | 04 investments       | 30 000 000         | 3.72        |
|   | 16 cooperation       | 850 000            | 0.11        |
| 5B Energy efficiency<br>32 000 000 Total investment for energy efficiency   | 04 investments       | 15 000 000         | 1.86        |
| 5C Renewable energy<br>12 000 000 investment in renewable energy production   | 01 knowledge         | 900 000            | 0.11        |
|   | 02 advisory services | 160 000            | 0.02        |
|   | 04 investments       | 4 000 000          | 0.50        |
|   | 16 cooperation       | 850 000            | 0.11        |
| <b>Priority 6: Social inclusion, poverty reduction and economic development in rural areas</b>                                |                      | <b>62 000 000</b>  | <b>7.65</b> |
| 6B Fostering local development<br>38.86% rural population under local development strategies<br>600 jobs created (via LEADER) | 19 LEADER and CLLD   | 62 000 000         | 7.65        |
| <b>Technical Assistance</b>   |                      | 3 327 177          | 0.41        |
| <b>Discontinued measures</b>  |                      | 313 018            | 0.04        |
| <b>Total public expenditure €</b>   |                      | <b>810 818 979</b> | <b>100</b>  |