



Factsheet on 2014-2020 Rural Development Programme of Comunidad Valenciana

The Rural Development Programme (RDP) for Comunidad Valenciana was formally adopted by the European Commission on 28 July 2015, outlining Valencia's priorities for using the € 450 million of public money that is available for the 7-year period 2014-2020 (€ 204 million from the EU budget and € 180.9 million of national co-funding plus € 65.1 million of additional national funding top-ups).

In order to improve the competitiveness of the farm sector, Comunidad Valenciana's RDP aims to give investment support to 744 farmers to restructure and modernise their farms, and 640 young farmers will receive support to launch their businesses. Some 650 farmers will receive funding to participate in quality schemes, local markets and short supply chain distribution. The region will support training for more than 9 000 participants and will promote innovation through 30 cooperation projects. Restoring, preserving and enhancing of ecosystems related to agriculture and forestry is also considered important, with 22 530 ha of farmland and 25% of forestry coming under management contract to improve biodiversity. This also includes supporting the conversion or maintenance of organic farming on 14 820 hectares. More than 45% of the rural population will be covered by LEADER local development strategies, which are expected to create around 150 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 Valencia 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.

Comunidad Valenciana is located in the South East of Spain and consists of three provinces: Alicante, Castellón and Valencia. It covers an area of 23 255 km² (4.6% of the total area of Spain), of which 65% is rural. The region is home to 5 million people. Of the total area, farmland covers 45% and forestry 54 %. The primary sector contributes 2.4% to gross added value in Valencia.

Two ways of farming coexist in the Region of Valencia. Irrigated farming – rice, and fruit trees occupy 33% of the agricultural area, and extensive non-irrigated agriculture occupying the other two thirds. Agriculture plays a key role in maintaining the environment and landscapes as well as the strategic, export-oriented agri-food sector. There are 120 000 agricultural holdings in Valencia, and the average size is only 7.5 hectares. The small dimension of the holdings – due to a lack of know-how and part-time farming – limits investment capacity.

The unemployment rate is 27% (2013), and more than 50% among young people. Other challenges of the region are the low level of generation renewal in the primary sector, the risk of abandonment of farmland and the fragmentation of holdings. On the environmental side, the region faces problems of vulnerability to climate change (risk of flood, drought, fire), water scarcity and soil and forest deterioration.

2. HOW THE COMUNIDAD VALENCIANA RDP WILL ADDRESS THESE CHALLENGES

In addressing these challenges, Valencia's RDP will fund actions under all six Rural Development priorities – with particular emphasis on restoring, preserving and enhancing ecosystems related to agriculture and forestry, promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in the agriculture, food and forestry sectors. 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 9 000 participants will be trained. There will also be support for 30 cooperation projects.

Competitiveness of agri sector and sustainable forestry

Farm investments supported under this priority will aim at modernising and restructuring around 744 farms in the region, while an additional 640 farms 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

The region will support 650 projects investing in agricultural holdings as well as 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 area-based payments to farmers for using environment/climate friendly management practices, including organic farming, as well as support for environment/climate-friendly forest investments. 22 530 ha of farmland and 25% of forestry will come under management contract to improve biodiversity. This also includes supporting the conversion or maintenance of organic farming on 14 820 hectares.

Resource efficiency and climate

Support allocated under this priority will facilitate the supply and use of renewable sources of energy with around € 5.5 million of public and private expenditure. 22 425 ha of farmland and forest land will be under contracts contributing to fostering carbon conservation and sequestration in agriculture and forestry.

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. Nearly 46% of the rural population will be affected by these local initiatives, which will also create around 150 new jobs.

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

- € 115 million allocated to Measure 4 – Investment in physical assets
- € 81 million allocated to Measure 10 – Agri-environment-climate
- € 60 million allocated to Measure 8 - Investment in forest area development and improvement of the viability of forests.
- € 48 million allocated to Measure 6 - Farm and business development (business start-up aid for young farmers)
- € 23 million allocated to Measure 11 – Organic farming

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

Target	Measure	€ Total public	%
Priority1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹			
1A: Fostering innovation, cooperation, knowledge base 2.11% of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 30 cooperation operations	16 cooperation		
1C: Training 9 000 participants trained	01 knowledge		
Priority 2: Farm viability, competitiveness and sustainable forest management		54 300 000	12.07
2A: Economic performance, restructuring & modernisation 0.62% of holdings with RDP support	01 knowledge	2 100 000	0.47
	02 advisory	2 000 000	0.44
	04 investments	8 000 000	1.78
	06 farm and business development	8 000 000	1.78
	16 cooperation	1 800 000	0.40
2B: Generational renewal 0.53% of holdings with RDP supported business development plans/investments for young farmers	02 advisory	400 000	0.09
	06 farm and business development	32 000 000	7.11
Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		59 100 000	13.13
3A: Improving competitiveness of primary producers 0.54% of farms supported 700 supported beneficiaries for processing and marketing of agricultural products	01 knowledge	700 000	0.16
	03 quality schemes	3 000 000	0.67
	04 investments	55 200 000	12.27
	16 cooperation	200 000	0.04

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		148 080 000	32.91
4A Biodiversity	02 advisory	1 200 000	0.27
24.54% of forest/other wooded area under contracts	04 investments	3 980 000	0.88
3.43% of agricultural land under contracts	08 forest	43 700 000	9.71
4B Water management	10 AEC	75 400 000	16.76
2.81% of agricultural land under contracts	11 organic farming	13 800 000	3.07
24.54% of forestry land under contracts	13 ANC	10 000 000	2.22
4C Soil erosion and management			
1.12% of agricultural land under contracts			
24.54% of forestry land under contracts			
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		84 020 000	18.67
5A Water efficiency	04 investments	53 020 000	11.78
5.59% of irrigated land switching to more efficient irrigation systems			
5C - Renewable energy	08 Forests	5 500 000	1.22
5 500 000 euros investment in renewable energy production			
5D - Reducing GHG and NH3	04 investments	5 300 000	1.18
0.08% of livestock units concerned by investments in livestock management in view of reducing the GHG and/or ammonia emissions	10 AEC	6 000 000	1.33
	11 organic farming	8 050 000	1.79
0.45% of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions			
5E Carbon conservation and sequestration	08 Forests	5 000 000	1.11
1.18% of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	11 organic farming	1 150 000	0.26
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		91 000 000	20.22
6A - Diversification, SMEs and job creation	01 knowledge	700 000	0.16
550 jobs created in supported projects	02 advisory	400 000	0.09
	04 investments	49 400 000	10.98
	06 farm and business development	8 000 000	1.78
	08 Forests	5 500 000	1.22
6B Fostering local development	19 LEADER	27 000 000	6.00
45.77 % rural population under local development strategies			

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

150 jobs created (via LEADER)			
Technical Assistance		5 000 000	1.11
Discontinued measures		8 500 000	1.89
Total public expenditure €		450 000 000	100.00