



Factsheet on 2014-2020 Rural Development Programme for the Comunidad de Madrid

The Rural Development Programme (RDP) for the Comunidad de Madrid was formally adopted by the European Commission on 18 November 2015, outlining Madrid's priorities for using the € 120.6 million of public money that is available for the 7-year period for 2014-2020 (€ 76.5 million from the EU budget and € 44 million of national co-funding).

Restoring, preserving and enhancing of ecosystems related to agriculture and forestry is considered a main priority, with 20% of farmland and 70% of forestry coming under management contracts to improve biodiversity. This also includes supporting the conversion or maintenance of organic farming on 6 000 hectares. In order to improve the competitiveness of the farm sector, Madrid's RDP aims to give investment support to some 290 farmers to restructure and modernise their farms and 200 young farmers will receive support to launch their businesses. The region will support training for more than 1 400 participants and will promote innovation through 116 projects under the European Innovation Partnership. More than 97% of the rural population will be covered by LEADER local development strategies, which are expected to create around 180 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 Madrid 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 de Madrid is geographically located in the centre of Spain. It comprises a clearly delimited high populated city together, within a walking distance, with a well-defined rural area which is much less populated. It covers an area of 8 000 km² (1.6% of the Spanish total area), of which 51.8% is rural. The region is home of 6.4 million people resulting in the highest population density in Spain, with more than 800 inhab/km². Madrid has the largest GDP per capita in the country (about 30% above the EU average) Of the total area, farmland covers 37% and forestry 52%. The primary sector contributes only 0.1% to total gross added value. The unemployment rate is 19% (2012), 48.5% among young people and above 45% in rural areas.

Farming in Comunidad de Madrid is almost equally focussed on agriculture (cereals) and livestock (cattle). Only 9.6% of the UAA is irrigated (2011), 51% still under flood irrigation system. Agriculture plays a key role in managing the territory, maintaining the environment and landscapes given that the farming system is mostly extensive. As a result, significant overlap exists between agricultural ecosystems and valuable areas.

Among the main challenges of the region are the lack of young farmers and the need to increase the size of the holdings. On the environmental side, the main threat is the urban pressure on the environmental values of natural and rural areas

2. HOW THE MADRID RDP WILL ADDRESS THESE CHALLENGES

In addressing these challenges, Madrid's RDP will fund actions under all six Rural Development priorities – with a particular emphasis on "Restoring, preserving and enhancing ecosystems related to agriculture and forestry" The focus of main priorities is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

During the programming period Madrid will support the development of innovative solutions through 7 operational groups under the European Innovation Partnership (EIP) and it will create 1 422 places in training courses targeted the farm sector.

Competitiveness of agri sector and sustainable forestry

Farm investments supported under this priority will aim at modernising and restructuring around 3.5% of all farms in the region, while 2.4% of 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 116 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 environment/climate-friendly forest investments and area-based payments to farmers for using environment/climate friendly management practices, including organic farming. 70% of the forest land will be under contract for biodiversity. 20% of the agricultural land will be under contract for biodiversity, 1.9% for water management and 19% for soil management.

Resource efficiency and climate

This priority will mainly address investments related to small scale infrastructure including in renewable energy and energy saving and investments in water efficiency. Some 3 025 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

Under this priority, the region will support LEADER Local Action Groups and their Local Development Strategies (3 LAG are foreseen). Nearly 100% of the rural population will be affected by these local initiatives which will also create around 180 new jobs.

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

- € 39 million allocated to Measure 4 – Investment in physical assets
- € 26 million allocated to Measure 8 - Investment in forest area development and improvement of the viability of forests.
- €18 million allocated to Measure 19 – Support for LEADER local development (CLLD – community-led local development)
- € 14 million allocated to Measure 7 – Basic services and village renewal in rural areas

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

Target	Measure	€ Total public	%
Priority1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹			
1A: Fostering innovation, cooperation, knowledge base 4.49% of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 116 cooperation projects	16 cooperation		
1C: Training 1 422 participants trained	01 knowledge		
Priority 2: Farm viability, competitiveness and sustainable forest management		23 785 885	19.73
2A: Economic performance, restructuring & modernisation 3.51% of holdings with RDP support	01 knowledge	104 389	0.09
	02 advisory	87 500	0.07
	04 investments	17 802 107	14.76
2B: Generational renewal 2.42% of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	104 389	0.09
	02 advisory	87 500	0.07
	04 investments	2 279 000	1.89
	06 farm and business development	3 321 000	2.75
Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		14 358 129	11.91
3A: Improving competitiveness of primary producers 0.25% of farms supported 116 supported investments in agricultural holdings or in processing and marketing of agricultural products 8.5% of operations for investments in agro-food industry	01 knowledge	104 389	0.09
	02 advisory	87 500	0.07
	04 investments	13 350 000	11.07
	16 cooperation	816 240	0.68

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

Target	Measure	€ Total public	%
Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry²		48 672 476	40.37
4A Biodiversity	04 investments	800 000	0.66
69.51% of forest/other wooded area under contracts	7 basic services	11 255 500	9.33
20.32% of agricultural land under contracts	8 forest	22 990 536	19.07
4B Water management	10 AEC	3 719 000	3.08
1.88% of agricultural land under contracts	11 organic farming	5 907 440	4.90
25.33% of forestry land under contracts	13 ANC	4 000 000	3.32
4C Soil erosion and management			
19% of agricultural land under contracts			
25.33% of forestry land under contracts			
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		12 671 165	10.51
5A Water efficiency	01 knowledge	104 389	0.09
7.05% of irrigated land switching to more efficient irrigation systems	02 advisory	87 500	0.07
	04 investments	4 300 000	3.57
5B - Energy efficiency	01 knowledge	104 389	0.09
20% of public expenditure under cooperation earmarked to promote energy efficiency	02 advisory	87 500	0.07
	16 cooperation	566 240	0.47
5C - Renewable energy	01 knowledge	104 389	0.09
€ 3.5 million investment in renewable energy production	02 advisory	87 500	0.07
	07 basic services	2 200 000	1.82
5D - Reducing GHG and NH3	01 knowledge	104 389	0.09
20% of public expenditure earmarked to reduction in greenhouse and ammoniac gas	02 advisory	87 500	0.07
	16 cooperation	566 240	0.47
5E Carbon conservation and sequestration	01 knowledge	104 389	0.09
0.41% of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	02 advisory	87 500	0.07
	08 Forests	3 000 000	2.49
	15 Cooperation	93 000	0.08
	16 cooperation	986 240	0.82

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

Target	Measure	€ Total public	%
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		19 634 829	16.28
6A - Diversification, SMEs and job creation	01 knowledge	104 389	0.09
3 jobs created in supported projects	07 basic services	789 600	0.65
	16 cooperation	890 840	0.74
6B Fostering local development 97.68% rural population under local development strategies 180 jobs created (via LEADER)	19 LEADER	17 850 000	14.80
Technical Assistance		1 344 000	1.11
Discontinued measures		111 100	0.09
Total public expenditure €		120 577 584	100.00