



Factsheet on 2014-2020 Rural Development Programme for the Region of Navarra

The Rural Development Programme (RDP) for Navarra was formally adopted by the European Commission on 18 November 2015, outlining Navarra's priorities for using the € 320 million of public money that is available for the 7-year period for 2014-2020 (€ 136.5 million from the EU budget and € 183.5 million of national co-funding).

The RDP will promote conservation and protection of the environment as well as actions contributing to the cross-cutting objective of climate change mitigation and adaptation. A special attention is paid to energy efficiency and renewable energy. More than 17% of the agricultural land will be under management contract that improve biodiversity, water management or soil management and prevent soil erosion. This also includes supporting the conversion of 500 ha into organic farming and maintenance of 8 000 ha of organic farm land. Moreover more than 1 500 ha will receive support to improve water efficiency. In order to improve the competitiveness of the farm sector, Navarra's RDP aims to give investment support to 135 farmers to restructure and modernise their farms and more than 570 young farmers will receive support to launch their businesses. Some 60 farmers will receive funding to participate in quality schemes, local markets and short supply chain distribution. The region will support training for almost 14 000 participants and will promote 70 cooperation projects. Finally, 50% of the rural population will be covered by LEADER local development strategies, which are expected to create around 90 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 Navarra 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 Navarra is located in the north of Spain. It covers 10 390 km² (2% of Spain) and the whole territory (except Pamplona) is considered as rural. The region is home of 645 000 people. The unemployment rate is 17.9% (2012), around 50% among

young people. Of the total area, farmland covers around 52% and forest area represents 42% of the territory. The primary sector contributes 3.5% of the gross added value and around 70% of forest is public owned.

Utilised agricultural area (UAA) is almost 550 000 ha of which 13.5% is irrigated. 53% is arable land when 41% go to permanent pasture. Cereals sub-sector stands out for crops. Regarding stockbreeding sheep production is important in terms of number of holdings and UAA covered. There are almost 15 900 agricultural holdings in Navarra, with an average size of 34 hectares and around 23 LU per holding. Regarding the agro food sector, it is worthwhile to highlight that some clusters are well developed, especially in non-perishable food products.

On the environmental side, Natura 2000 areas cover 25% of the regional territory (14% of the UAA and 38.6% of forest area), and 32% of the region is classified as high nature value farmland.

Besides the need to bring more competitiveness to the agro food sector and holdings, in terms of size, efficiency or quality of products one of the challenges is the lack of young farmers in the primary sector. Other challenge would be to enhance sustainability of rural activities as well as nature protection. Finally, fixing population in rural areas, and specifically in less favoured ones, would also need to be addressed.

2. HOW THE NAVARRA RDP WILL ADDRESS THESE CHALLENGES

In addressing these challenges, Navarra'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" and "promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors." The focus of main priorities is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

During the programming period Navarra will support 70 cooperation projects and it will create almost 14 000 places in training courses targeted the farm and forestry sectors.

Competitiveness of agri sector and sustainable forestry

Farm investments supported under this priority will aim at modernising and restructuring 135 farms in the region, while 3.6% 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 the participation in quality schemes, local markets and short supply chain circuits and producer groups or organisations for 60 farmers.

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 (8 000 ha in maintenance and 500 ha in conversion), as well as support for environment/climate-friendly forest investments. More than 17% of the agricultural land will be under contract for biodiversity and a bit less than 4 % for water and soil management.

Resource efficiency and climate

This priority will mainly address investments related to efficiency in energy use in agriculture and food processing (€153.5 million investment (public + private)). Bio-economy will also be well supported. Regarding water efficiency, 2% 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 the LEADER Local Action Groups (LAG) and their Local Development Strategies (4 LAG are foreseen) that will create new business opportunities and 90 new jobs. Another 100 jobs will be created through investments on non-agricultural activities and in forest products and technologies.

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

- € 149.7 million allocated to Measure 4 – Investment in physical assets
- € 28.1 million allocated to Measure 13 – payments to areas facing natural constraints or specific other constraints
- € 26.6 million allocated to Measure 8 - Investment in forest area development and improvement of the viability of forests.
- € 21.6 million allocated to Measure 6 – Farm and business development

Annex 1: Indicative public support for the Rural Development Programme in the Region of Navarra.

Target	Measure	€ Total public	%
Priority1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹			
1A: Fostering innovation, cooperation, knowledge base 9.39% of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 70 cooperation projects	16 cooperation		
1C: Training 14 000 participants trained	01 knowledge		
Priority 2: Farm viability, competitiveness and sustainable forest management		51 553 189	16.11
2A: Economic performance, restructuring & modernisation 0.85% of holdings with RDP support	01 knowledge	1 726 375	0.54
	02 advisory	1 650 600	0.52
	04 investments	14 232 458	4.45
	16 cooperation	280 000	0.09
2B: Generational renewal 3.61% of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	1 376 375	0.43
	02 advisory	1 300 600	0.41
	04 investments	14 232 458	4.45
	06 farm and business development	16 754 324	5.23
Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		4 660 600	1.46
3A: Improving competitiveness of primary producers 0.38% of farms supported	01 knowledge	70 000	0.02
	02 advisory	1 300 600	0.41
	03 quality schemes	3 010 000	0.94
	16 cooperation	280 000	0.09

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		94 550 200	29.54
4A Biodiversity 17.37% of agricultural land under contracts 2.14% of forestry land under contracts	01 knowledge	2 822 750	0.88
	02 advisory	2 601 200	0.81
	07 Basic services	2 843 750	0.89
4B Water management 3.77% of agricultural land under contracts 0.64% of forestry land under contracts	08 forest	21 703 500	6.78
	10 AEC	18 598 333	5.81
	11 organic farming	12 250 000	3.83
4C Soil erosion and management 3.71% of agricultural land under contracts 0.64% of forestry land under contracts	12 Natura 2000 and WFD	3 605 000	1.13
	13 ANC	28 119 000	8.79
	16 cooperation	2 006 667	0.63
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		119 727 731	37.41
5A Water efficiency 2.06% of irrigated land switching to more efficient irrigation systems	01 knowledge	1 376 375	0.43
	02 advisory	1 300 600	0.41
	04 investments	19 254 958	6.02
	16 cooperation	280 000	0.09
5B Energy Efficiency €153.5 million investment (public + private) in energy efficiency	01 knowledge	1 376 375	0.43
	02 advisory	1 300 600	0.41
	04 investments	41 374 958	12.93
	16 cooperation	280 000	0.09
5C Renewable energy €52.6 million investment (public + private) in renewable energy production	01 knowledge	1 376 375	0.43
	02 advisory	1 300 600	0.41
	04 investments	19 254 958	6.02
	06 Farm and business development	2 450 000	0.77
	08 Forests	1 750 000	0.55
	16 Cooperation	280 000	0.09

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

Target	Measure	€ Total public	%
5D Reducing GHG and NH3 1.15% of LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions 1.43% of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions	01 knowledge	1 306 375	0.41
	02 advisory	1 300 600	0.41
	04 investments	19 254 958	6.02
	10 AEC	1 381 667	0.43
	16 Cooperation	280 000	0.09
5E Carbon conservation and sequestration 1.20% of agricultural and forest land under management contracts contributing to carbon sequestration and conservation	08 Forests	1 400 000	0.44
	10 AEC	985 000	0.31
	16 Cooperation	863 333	0.27
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		48 216 350	15.07
6A - Diversification, SMEs and job creation 103 jobs created in supported projects	02 advisory	350 000	0.11
	04 investments	22 120 000	6.91
	06 Farm and business development	2 450 000	0.77
	08 Forests	1 750 000	0.55
	16 Cooperation	280 000	0.09
6B Fostering local development 49.88 % rural population under local development strategies 7.04% of population benefiting from improved services/infrastructures 90 jobs created (via LEADER)	07 Basic services	2 843 750	0.89
	19 LEADER	17 052 000	5.33
6C - Information and communications technologies 10% of beneficiaries from measures 1 and 2 receive training/advice on ICT.	01 knowledge	70 000	0.02
	02 advisory	1 300 600	0.41
Technical Assistance		851 032	0.27
Discontinued measures		486 930	0.15
Total public expenditure €		320 046 032	100.00