

## Rural Development Programme (RDP) of La Rioja, Spain

### Programa de Desarrollo Rural 2007-2013 Comunidad Autónoma de La Rioja – April 2010<sup>1</sup>

(Rural Development Programme 2007-2013 of La Rioja Autonomous Community)

### Relevant Contact Details

**Address:** Dirección General de Desarrollo Rural de la Consejería de Agricultura, Ganadería y Desarrollo Rural del Gobierno de La Rioja, Avda. de la Paz, 8-1, 26071 Logroño, Spain

**Telephone number:** +34 941 291 248

**Managing Authority Website:**

[http://www.larioja.org/npRioja/default/defaultpag\\_e.jsp?idtab=438498](http://www.larioja.org/npRioja/default/defaultpag_e.jsp?idtab=438498)

### Other useful links:

Rural Development Programme (RDP):

[http://enrd.ec.europa.eu/country-information/programming/en/programming\\_home\\_en.cfm](http://enrd.ec.europa.eu/country-information/programming/en/programming_home_en.cfm)

National Strategy Plan (NSP):

[http://www.mapa.es/es/desarrollo/pags/programacion/plan\\_estrategico/plan\\_estrategico.htm](http://www.mapa.es/es/desarrollo/pags/programacion/plan_estrategico/plan_estrategico.htm)

Spanish National Rural Network (NRN):

<http://www.mapa.es/es/desarrollo/pags/RedRuralNacional/Presentacion/presentacion.htm>



**Map of La Rioja**

(© European Commission)

## General socio-economic situation in rural areas in the Rioja region

La Rioja is located in the north of the Iberian peninsula and has a total surface of 5,033 km<sup>2</sup> representing 1.5% of the Spanish territory. The RDP provides baseline figures for La Rioja in 2005 and these state that the region had a population of 301,084 inhabitants, while rural areas occupied 91.14% of the regional territory.

One of the key socio economic strengths of the region is its robust and productive agricultural tissue centred on high quality wine production (which contributes 46% to final agricultural output, followed by horticulture production). Other strengths include high degree of diversification of agricultural production coupled with good natural conditions for high productivity, strong tradition of a well established agri-food industry in rural areas (the agri-food sector contributes 6% to employment and 30% to gross domestic product (GDP), mainly because of wine production, with good commercialisation also abroad). Wine production is also a fundamental cultural heritage element and an attraction pole for ecotourism. The Ebro valley constitutes a significant source of employment and economic development based on agriculture, diversification of activities, agri-food industry and tourism (regional per capita GDP in 2006 was 107.01% over the Spanish average).

The main weaknesses of the region are the progressive depopulation (66% of the population lives in urban centres, while some rural areas have less than 5 inhabitants per km<sup>2</sup>), an ageing population (population with more than 60 years of age represents 19% of the total), low qualifications of farmers, communication difficulties and low levels of income and productivity in

<sup>1</sup> Latest updated RDP, following the adoption of the Health Check and European Economic Recovery Package and additional funds from Modulation.

mountainous areas with increasing risks of abandonment of agricultural activity, precarious labour market conditions for rural women and young people, scarce presence of cooperatives and associative culture in agriculture, limited innovation at enterprise level and deficiencies in irrigation systems.

In terms of the environment, forest areas occupy a significant part of the territory (47%) which is rising due to reforestation efforts, while Natura 2000 areas cover 33% of the territory. The region is rich in natural resources and agricultural landscapes of high natural value and there are several plans and instruments for the sustainable management of natural resources, so that the region benefits from a generally good quality of air, water and soil. There are however contamination risks of these resources from agricultural and livestock activity, while the key problems for the environment stem from water scarcity, urbanisation pressures and low awareness and motivation of farmers in relation to environmental issues and regulations.

Following the CAP Health Check, in recognition of the greater emphasis now being given to the 'new challenges' facing agriculture and rural areas, the RDP was revised in 2009 to place additional emphasis on water savings. The revised RDP gives also emphasis on important risks related to land abandonment in mountainous areas and risks for water and soil quality from agricultural waste and polluting substances.

### **RDP strategic objectives**

The strategic objectives were chosen in accordance with the EU Strategic Guidelines (EUSG), the National Strategy Plan and the Spanish National Framework and respond to the identified strengths and weaknesses of the region:

- 1) Increase competitiveness in the agri-forest sector. Emphasis is given on restructuring and modernisation of the sector, optimisation of agricultural holdings, impetus to the transformation and commercialisation processes, the promotion of Research and Development (R&D) and development through training of the rural population. There is consistency with the EU and national strategies concerning transformation of the agri-forestry sector into a dynamic one, promoting innovation and investment in human resources.
- 2) Improve the rural and natural environment. Emphasis is given on the management of soil and forest resources, the protection of natural spaces and the promotion of sustainable productive systems. There is consistency with the EU and national strategic orientations for the maintenance of biodiversity, the conservation of high natural value agro-forestry systems and the promotion of sustainable crops.
- 3) Improve quality of life and diversification of the rural economy. Emphasis is given on the diversification of economic activity, improvement of services in rural areas and improvements in welfare and quality of life. There is consistency with the EU and national strategic objectives to create employment opportunities and the conditions that favour rural economic development (through diversification of economic activity, incorporation of women in the labour market, use of New Information and Communication technologies (NICTs), tourism development).
- 4) Implement the Leader approach, with emphasis on cooperation and endogenous development of rural areas. This is consistent with the EU and national strategies for the development of cooperation capacity and the improvement of local governance.

Taking into account the additional financing in the revised RDP and the socio-economic context in rural areas, greater strategic priority is now given to water management and farm competitiveness. Emphasis is also given to environmental issues related to biodiversity and the reduction of environmental impacts on water and soil caused by agricultural activity.

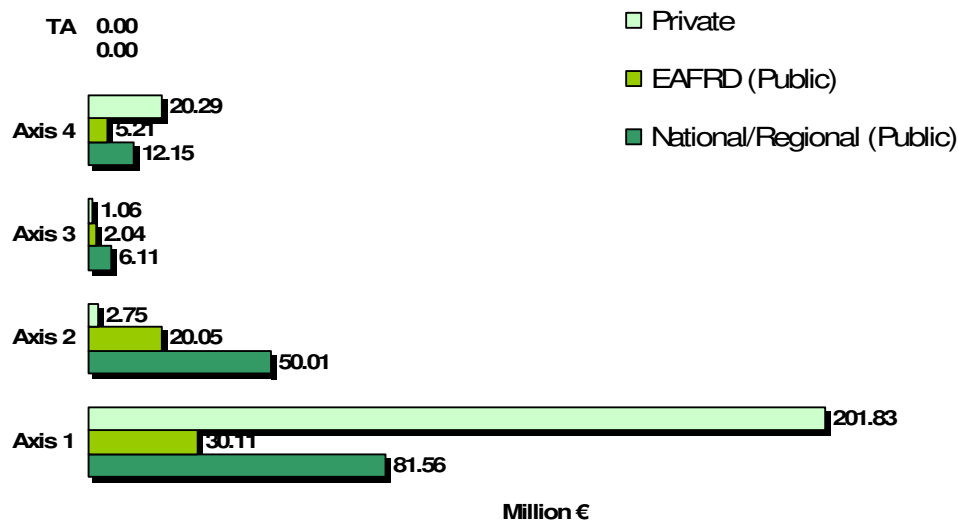
### **Expected impact / outcomes of the policies**

Expected socio-economic outcomes include strengthening of the agri-food sector and improved competitiveness through modernisation and incorporation of innovation derived from experimentation and R&D, increased employment opportunities, improved welfare for rural populations and increased attractiveness of rural areas for living, investing and generating stable economic resources and improved governance. Expected environmental outcomes include maintenance and recovery of biodiversity, agricultural production that permits environmental sustainability, reduction of forest fires, increased water savings and preservation of agro-forestry ecosystems.

Expected impacts from 2009's RDP amendment relate to the improvement in the professional qualifications of farmers, the increase in the competitiveness of agricultural holdings in La Rioja and the reduction of the negative environmental impacts caused by agricultural activities such as agricultural waste, manures, and other polluting substances.

Result indicators levels are provided below by axis.

### **RDP budget breakdown by axis: Total expenditure (including national/regional + EAFRD + private funding) of € 433,167,916**



The RDP budget allocations are broadly divided into four main areas of expenditure, known as axes (namely: Improving the competitiveness of the agricultural and forestry sector; Improving the environment and the countryside; Quality of life in rural areas and diversification of the rural economy; and Leader). Approximately 72% of the overall RDP budget in La Rioja is allocated to axis 1 (€313,501.7 million); approximately 17% is allocated to axis 2 (€72,809.3 million), 2% to axis 3 (€9,212.5 million) and 9% to axis 4 (€37,644.4 million), with no funding available for Technical Assistance.

Within axis 1, National/Regional public funding represents approximately 26% share of the axis funding; EAFRD 10%; and private funds 64%.

Within axis 2, National/Regional public funding represents approximately 69% share of the axis funding; EAFRD 28%; and private funds 4%.

Within axis 3, National/Regional public funding represents approximately 66% share of the axis

funding; EAFRD 22% and private funds 12%.

Within axis 4, National/Regional public funding represents approximately 32% share of the axis funding; EAFRD 14%; and private funds 54%.

As a consequence of the RDP revisions in 2009, the Rioja region has been assigned an additional budget totalling €14,183,225 (including €6,290,855 of EAFRD and a further €7,892,370 of national/regional public funds).

## Axis Information<sup>2</sup>

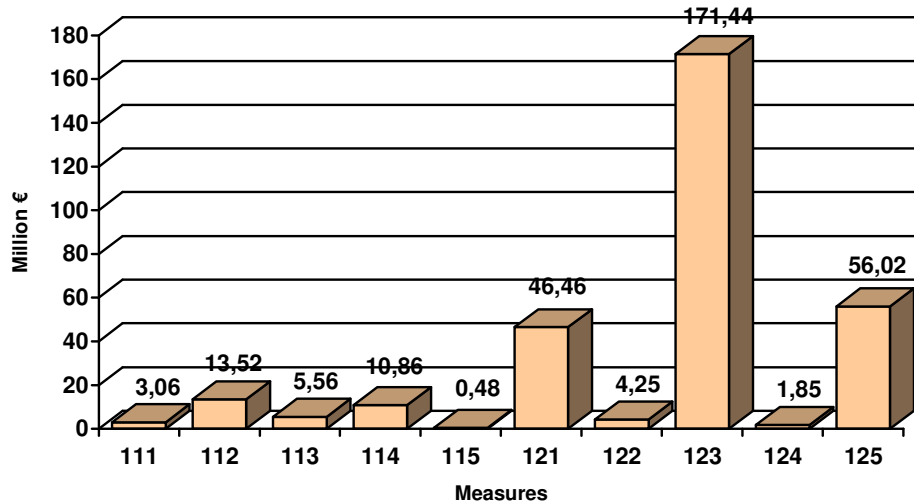
### ***Axis 1 objectives – Improving the competitiveness of the agricultural and forestry sector***

The emphasis of this axis on adding value to agricultural and forestry products (measure 123; 55% of total axis 1 budget), infrastructure for development and adaptation of agriculture and forestry (measure 125; 18%) and modernisation of agricultural holdings (measure 121; 15%).

Strategic objectives	Specific objectives
Improve conditions of the necessary infrastructure for the development of agricultural and forest activity	<ul style="list-style-type: none"> <li>- Consolidate the young population in agricultural activities;</li> <li>- Improve professional qualifications of farmers and livestock producers, through continuous training programmes and advisory services;</li> <li>- Improve accessibility and transfer to farmers the results of research and experimentation and involve them in experimentation programmes.</li> </ul>
Maintain a competitive agrarian activity by adequately equipping farms, maintaining agrarian assets and increasing productivity	<p>Infrastructure in the agrarian sector:</p> <ul style="list-style-type: none"> <li>- Modernise irrigation infrastructures and provide water to areas where it is feasible from an economic and environmental point of view;</li> <li>- Promote the development of more rational and efficient agricultural holdings;</li> <li>- Improve quality of pastures considering the high ecological value entailed in the relation: green cover/soil/livestock.</li> </ul> <p>Agrarian exploitations and productive systems:</p> <ul style="list-style-type: none"> <li>- Orientate agrarian production towards quality products.</li> <li>- Improve the economic performance of agrarian exploitations;</li> <li>- Promote the implementation of common investment activities to optimise costs and the use of agricultural machinery;</li> <li>- Introduce new technologies to agrarian exploitations.</li> </ul>
Generate greater valued added of local production through the growth of the transformation commercialisation industry and the growth of production linked to quality schemes	<ul style="list-style-type: none"> <li>- Strengthen the link between producers and the agri-food industry and help the small agri-food industry;</li> <li>- Offer incentives to actions for improvement of commercialisation channels and the presence of agri-food enterprises in fairs.</li> </ul>

<sup>2</sup> Detailed information on the individual measures can be found in Annex I.

**Axis 1 budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €313,501,707**



Following the 2009 RDP update, the total budget for axis 1 is €313,501,706 including an additional €10,805,545 (€2,913,175 EAFRD + €7,892,370 national/regional public funds). That was initially targeted at water savings (measure 125.1) to support operations such as the restoration of existing irrigation infrastructures, the transformation of irrigation ditches into water pipelines, improvements of the water drainage network, installation of water measure and control devices and IT technology and management software for irrigated holdings. However, given the weaknesses identified in terms of the low level of professional qualifications of farmers and the low profitability and competitiveness of agricultural holdings associated with high fixed costs, the revised RDP reallocated the additional funding from measure 125.1 to measures 114 (advisory services) and 121 (modernisation of agricultural holdings). This reallocation of new funds serves the double objective of improving the professional qualification of agricultural and livestock farmers by offering appropriate advisory services and increasing farm competitiveness through modernisation investments.

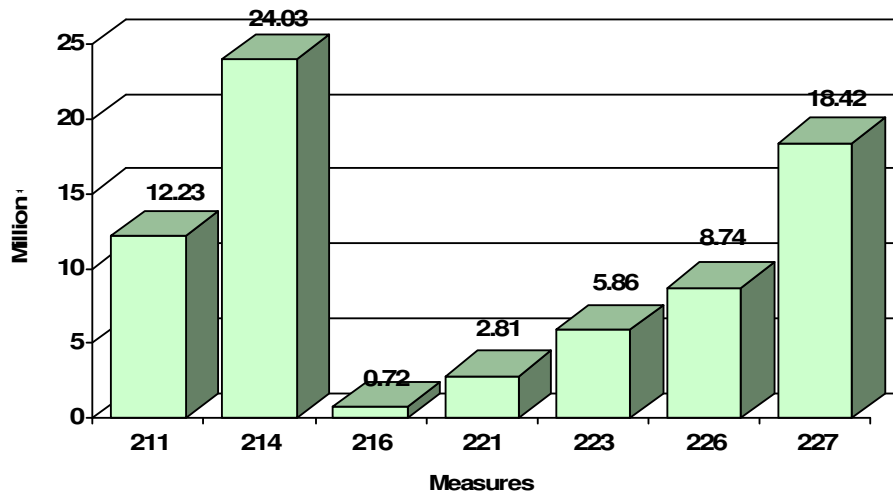
**Axis 2 objectives - Improving the environment and the countryside**

The emphasis of this axis is on agri-environment measures (measure 214; 33% of total budget for axis 2), non-productive investments (measure 227; 25%), Natural handicap payments to farmers in mountain areas (measure 211; 17%), restoring forestry potential and introducing prevention actions (measure 226; 12%) and first afforestation of non-agricultural land (measure 223; 8%).

Specific modifications to output and result indicators have been made in order to take account of the amendments to the RDP. New result indicators include the number of exploitations and the agrarian surface supported in mountainous areas (target values of 713 and 59,375 ha respectively), the surface that contributes to an improvement of biodiversity and agriculture of high natural value, improvement of water quality, fight against climate change, improvement of soil quality and avoiding land marginalisation and abandonment (target value of an average 50,000 ha approximately). In addition, the result targets for the surface committed to integrated production and the surface committed to organic farming increase from 2,000ha to 2,667ha and 2,439ha respectively.

Strategic objectives	Specific objectives
<p>Guarantee the presence of livestock and agricultural activity in mountain areas and areas under risk of depopulation.</p> <p>Contribute to the sustainability and quality of natural resources (soil, water, air) through an environmentally responsible agrarian activity.</p>	<ul style="list-style-type: none"> <li>- Extend agrarian practices that are respectful of the environment, reducing contamination from the excessive use of inputs and through adequate management of agricultural sub-products and waste;</li> <li>- Contribute to the reduction of the erosive and contamination effects through good agrarian practices;</li> <li>- Promote organic agricultural production integrated production as systems of low environmental impact.</li> <li>- Promote the development of agrarian and livestock practices that contribute to maintain natural landscapes and the environment.</li> </ul>
<p>Promote the sustainable management of forest resources and the protection of the natural environment</p>	<ul style="list-style-type: none"> <li>- Reduce the spaces affected by erosion and improve natural spaces and the quality of mountains;</li> <li>- Preserve and recover protected natural spaces (Natura 2000 network);</li> <li>- Manage biodiversity and recover species in danger of extinction;</li> <li>- Develop instruments for spatial planning of the natural environment.</li> </ul>

**Axis 2 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €72,809,266**



Following the 2009 RDP update, the total budget for axis 2 is € 72,809,266 including an additional €3,377,680 EAFRD that is targeted at measures 211 (Natural handicap payments to farmers in mountain areas) and 214 (agri-environment payments, the organic farming and integrated production sub-measures). The aims of the increased support are: to increase competitiveness of holdings located in mountain areas and, at the same time, to avoid the abandonment of agricultural activities and its negative impacts on landscape maintenance and soil erosion and to reduce negative environmental impacts caused by agricultural activities such as agricultural waste, manures, or the reduction of polluting substances.

**Axis 3 objectives - The quality of life in rural areas and diversification of the rural economy**

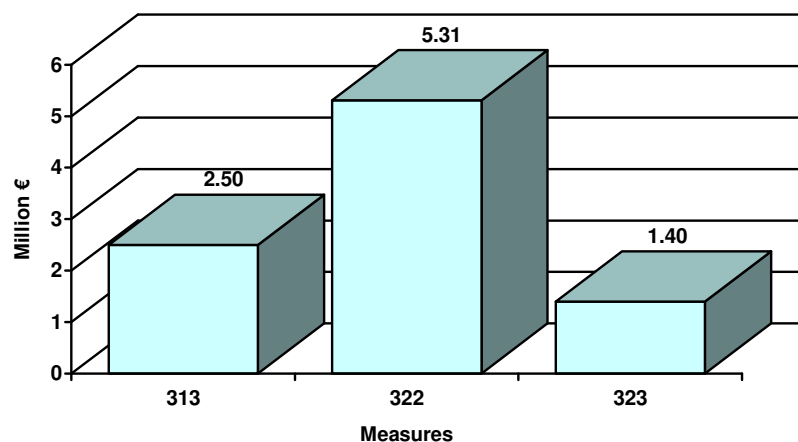
The emphasis of axis 3 is on village renewal and development (measure 322; 58% of total budget for this axis), the encouragement of tourism activities (measure 313; 27%) and conservation and upgrading of the rural heritage (measure 323; 15%).

There were no common result indicators directly under this Axis. They were covered by Axis 4 measures, in particular measure 413 that finances wholly or partly Axis 3 measures.

Following the RDP update in 2009 the following result targets have been provided.

Strategic objectives	Specific objectives
Increase economic activity, employment and professional qualification of the inhabitants of rural areas	<ul style="list-style-type: none"> <li>- Generate employment and self-employment through the promotion of economic activities based on rural tourism, crafts and selling of local products.</li> <li>- Promote sustainable tourism strategies, based on natural, cultural and productive resources of the area and a balanced offer of leisure services.</li> <li>- Promote diversification of economic activity of agrarian exploitations and incorporate complementary activities.</li> </ul>
Increase the attractiveness of rural areas through the better use of natural and cultural resources, coupled with an adequate offer of leisure services	<ul style="list-style-type: none"> <li>- Promote equal opportunities for women in rural areas and integration of the immigrant population in rural villages.</li> <li>- Improve the rural environment: embellishment and renewal of villages, elimination of architectural barriers in rural municipalities.</li> </ul>
Improve local governance through the implication of the population in decisions concerning local development	<ul style="list-style-type: none"> <li>- Training, dissemination and promotion of new information and communication technologies (NICT).</li> </ul>

**Axis 3 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €9,212,500**



There were no financial modifications in relation to axis 3 following the 2009 RDP update.

#### **Axis 4 objectives - Leader**

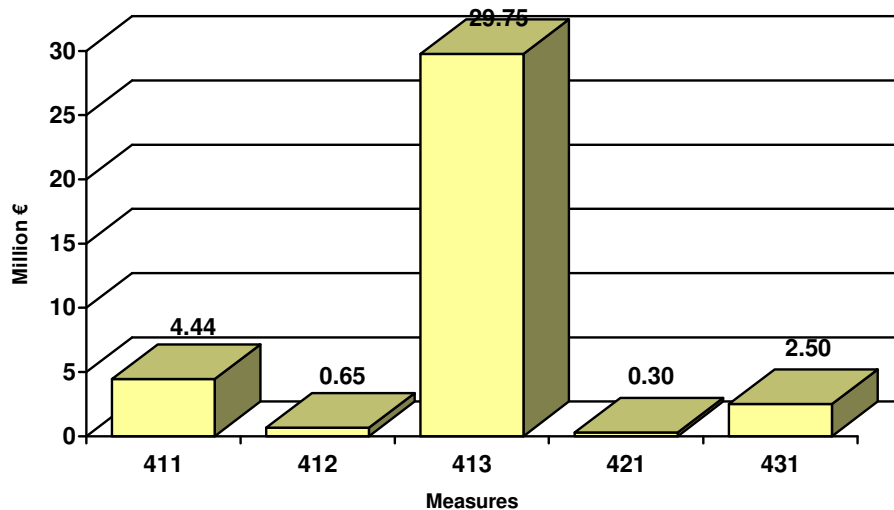
Axis 4 (Leader) is devoted to quality of life and diversification (measure 413, 79% of total budget for this axis) which finances wholly or partly axis 3 measures, with emphasis on the support for business creation and tourism activities. This is followed by competitiveness (measure 411; 12%) and the running of local action groups (measure 431; 7%).

The number of LAGs operational in the RDP areas as of March 2010 was three.

There were no modifications to axis 4 indicators following the RDP update in 2009.

Strategic objectives	Specific objectives
Cooperation in rural areas	<ul style="list-style-type: none"> <li>- Promote the social participation of the population in the definition of development strategies in rural areas.</li> <li>- Develop Local Action Groups.</li> </ul>

#### **Axis 4 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of € 37,644,444**



There were no financial modifications in relation to axis 4 following the 2009 RDP update.

### **Monitoring and evaluation strategy**

The RDP's monitoring system is based principally on a limited number of common output and result indicators, whose evolution is presented in annual interim reports, together with the evolution of the financial monitoring of the programme. The EU and the Managing Authority examine the main results of the year covered by each annual monitoring report. The programme remains subject to the following evaluation activities: a) continuous evaluation to examine progress, improve the quality of programme implementation, examine proposals for programme modifications, prepare the interim and ex-post evaluations; b) interim and ex-post evaluations to measure programme effectiveness, efficiency, socio-economic impacts, determine success factors (special attention to economic sustainability, the environment and gender) and identify good practice; c) monitoring and evaluation of environmental aspects to assess the



effectiveness/impact of the programme in relation to environmental measures.

The evaluations use the output, results and impact indicators defined by the Common Monitoring and Evaluation Framework (CMEF). There are additional result indicators in all axes related for instance to the introduction of new products/techniques concerning environmental protection, changes in irrigation systems, forestry related improvements, spatial planning of natural spaces, employment and tourism development. A significant number of additional impact indicators are defined and relate to: in axis 1, agricultural and irrigation infrastructure (e.g. surface irrigated by spraying or dripping), size of farms, improvement in pasture surfaces, population occupied in agrarian activities, age of farm owners (e.g. % of those below 35 years old), human resource training and qualifications (e.g. % of farm workers that have received training), support to agri-food SMEs; in axis 2, forest surfaces and development of forest surface (e.g. afforested surface), numbers of farms in mountainous or disadvantaged areas, soil under risk of erosion, special conservation areas (e.g. Natura 2000 surface), organic farming and integrated production surfaces, surface of zones vulnerable to nitrate contamination; in axis 3, diversification of agricultural activity (e.g. number of farms that introduce a new activity), generation of economic activity in the service sector (e.g. new service enterprises), female unemployment reduction, immigrant population, improvements in infrastructure and services (e.g. % of beneficiary municipalities); in axis 4, participation of municipalities and associations in LAGs, numbers of LAGs.

### **Communication and publicity**

The main components of the communication and publicity strategy are: a) general dissemination of the programme to the public at large; b) information and access to measures and programme support for potential beneficiaries; c) transparency of programme actions and management of support to actual beneficiaries. The communication plan includes therefore three types of target groups: potential beneficiaries and organisations that can address them (e.g. local/regional authorities, professional organisations, economic, social and environmental actors, organisations that promote gender equality, NGOs); actual beneficiaries that need to be informed of the EU contribution and their rights and obligations; the public in general that needs to be informed of the programme financing, results and impacts. A variety of communication tools will be used to support the publicity and dissemination of the programme, including the web page of the Department of Agriculture and Economic Development of the regional government, publications (leaflets, triptychs, catalogues, articles), specific information actions addressed to young people and women in rural areas and the population in general, distribution of the RDP to relevant actors, installation of publicity signs/plaques in beneficiary organisations.

## Annex I – measure

Measures selected by the RDP	Measures selected by the updated RDP
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<b>Axis 1 - Improving the competitiveness of the agricultural and forestry sector</b>	<i>Promoting knowledge and improving human potential</i>	<b>111</b>	Vocational training and information actions
		<b>112</b>	Setting up of young farmers
		<b>113</b>	Early retirement
		<b>114</b>	Use of advisory services
		<b>115</b>	Setting up of management, relief and advisory services
	<i>Restructuring and developing physical potential and promoting innovation</i>	<b>121</b>	Modernisation of agricultural holdings
		<b>122</b>	Improvement of the economic value of forests
		<b>123</b>	Adding value to agricultural and forestry products
		<b>124</b>	Cooperation for development of new products, processes and technologies in the agriculture and food sector and in the forestry sector
		<b>125</b>	Infrastructure related to the development and adaptation of agriculture and forestry
		<b>126</b>	Restoring agricultural production potential
	<i>Quality of agricultural production and products</i>	<b>131</b>	Meeting standards based on EU legislation
		<b>132</b>	Participation of farmers in food quality schemes
		<b>133</b>	Information and promotion activities
	<i>Transitional measures</i>	<b>141</b>	Semi-subsistence farming
<b>142</b>		Producer groups	
<b>143</b>		Providing farm advisory and extension services	
<b>Axis 2 - Improving the environment and the countryside</b>	<i>Sustainable use of agricultural land</i>	<b>211</b>	Natural handicap payments to farmers in mountain areas
		<b>212</b>	Payments to farmers in areas with handicaps, other than mountain areas
		<b>213</b>	Natura 2000 payments and payments linked to Directive 2000/60/EC
		<b>214</b>	Agri-environment payments
		<b>215</b>	Animal welfare payments
		<b>216</b>	Non-productive investments
	<i>Sustainable use of forestry land</i>	<b>221</b>	First afforestation of agricultural land
		<b>222</b>	First establishment of agroforestry systems on agricultural land
		<b>223</b>	First afforestation of non-agricultural land
		<b>224</b>	Natura 2000 payments
		<b>225</b>	Forest-environment payments
		<b>226</b>	Restoring forestry potential and introducing prevention actions
		<b>227</b>	Non-productive investments
		<b>Axis 3 - Quality of life in rural areas and diversification of the rural economy</b>	<i>Diversify the rural economy</i>
<b>312</b>	Support for business creation and development		
<b>313</b>	Encouragement of tourism activities		
<i>Improve the quality of life in rural areas</i>	<b>321</b>		Basic services for the economy and rural population
	<b>322</b>		Village renewal and development
	<b>323</b>		Conservation and upgrading of the rural heritage
	<b>331</b>		Training and information
	<b>341</b>	Skills-acquisition and animation measure with a view to preparing and implementing a local development strategy	
<b>Axis 4 - Leader</b>	<i>Implementing local development strategies</i>	<b>411</b>	Competitiveness
		<b>412</b>	Environment/land management
		<b>413</b>	Quality of life/diversification
		<b>421</b>	Implementing cooperation projects
		<b>431</b>	Running the local action group, skills acquisition, animation