

Rural Development Programme (RDP) of Castilla y León, Spain

Programa de Desarrollo Rural de Castilla y León – March 2010¹
(Rural Development Programme of Castilla y León)

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<http://www.jcyl.es>

Other useful links:

Rural Development Programme (RDP):

<http://www.mapa.es/es/desarrollo/pags/programacion/programas/programas.htm>

National Strategic Plan (NSP):

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 Castilla y León
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General socio-economic situation in rural areas in the Castilla y León region

Castilla y León is located in the northeast of the Iberian peninsula and borders nine other Spanish autonomous communities and Portugal. This makes it an enclave of communications with the northeast and north of the Iberian peninsula, the central and northern regions of Portugal. It has a total surface of 94,224 km² (18.6% of the Spanish surface). The following baseline figures are provided by the RDP for Castilla y León in 2006: a population of 2,523,020 inhabitants, a population density of 26.1 inhabitants/km², with rural areas covering 91.5% of the territory but only 45% of the total population.

Main socio-economic strengths include a declining unemployment rate, a high percentage of employment within the agricultural sector (9.9% of total employment) compared with the Spanish and EU average, and a very significant livestock sector (represents more than 58% of the value of agricultural production). Castilla y León is the leading Spanish region in terms of bovine and ovine populations and ranks second in the porcine sector. The agri-food industry generates more than one quarter of the non-energy industrial gross value added. Around 57% of the jobs in the agri-food industry are located in rural municipalities.

Weaknesses include a rising rural depopulation trend, slow growth of gross value added in

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

agriculture (it has shown a growth of 1.9% between 2000 and 2005) as well as a small and declining weight in regional economic activity (although still better than the national average). There is little diversification of the rural economy, insufficiently trained human resources, and little transfer of knowledge and research.

Castilla y León's environment is characterised by agrarian ecosystems of high natural value (the Natura 2000 network covers 26.1% of the region). These agrarian and forest ecosystems are source of large diversity of landscapes and contribute significantly to regional biodiversity, while also constituting a principal factor for activities in rural areas. Current production systems are closely linked to organic farming, which is of low intensity thus making it compatible with sustainability strategies. However, 18% of the region's soil has serious erosion problems, linked to which is the desertification problem in arid and semi-arid zones of the region. Furthermore, the quality of underground waters has deteriorated as a result of the use of fertilisers, in many cases linked to intensification of agriculture. Climate change has had a significant impact on forest fires, increasing in terms of frequency and surface area affected over the years.

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. As a result of the revision, a new SWOT analysis of the dairy sector in Castilla y León is provided to reflect the dramatic process of restructuring this sector experienced (the number of holdings has been reduced from 4,951 to 2,331 between 2008 and 2009). All indicators for the dairy sector show the need to promote measures to address the acceleration of the disappearance of the small holdings. Up to now the dairy activity played an important role in fixing the population in certain rural areas where there are no economic alternatives.

RDP strategic objectives

The overall aims of the programme consist of enhancing competitiveness within the agri-food sector, promoting sustainable agriculture and forestry, and creating new opportunities in rural areas. Priorities and objectives of this RDP therefore comprise:

- 1) Enhancing the competitiveness of the agricultural, forestry and agri-food sectors;
- 2) Protecting the environment, including the rural environment;
- 3) Economic diversification and improving the quality of life in rural areas.

The overall objectives were chosen in accordance with the Community Strategic Guidelines (CSG), the National Strategic Plan (NSP) and the Spanish National Framework. Measures proposed are coherent with set objectives and their financial weight corresponds to the identified strengths and weaknesses, aiming for instance to improve the value added of agriculture, modernise farms through the introduction of modern technology and infrastructure, while further supporting the integration of agriculture and the environment and addressing the impacts of forest fires.

The strategic approach of the revised RDP incorporates the "new challenges" introduced by the health Check in relation to climate change and renewable energies, namely, to reduce emissions in the agricultural sector without reducing productivity levels and to promote the use of the agricultural and animal by-products and the energy crops as a source for bio-energy production; in relation to water management, the new strategy foresees investments in waste water treatment in the agro-food industries and acceleration of the existing irrigation systems; and in relation to biodiversity, the new strategy foresees to promote agricultural

practices addressed to the conservation of the genetic diversity as well as species-rich vegetation types. The RDP includes as an objective the development of a competitive dairy sector which should be adapted to the internal and external demands and contribute to the development of the rural areas.

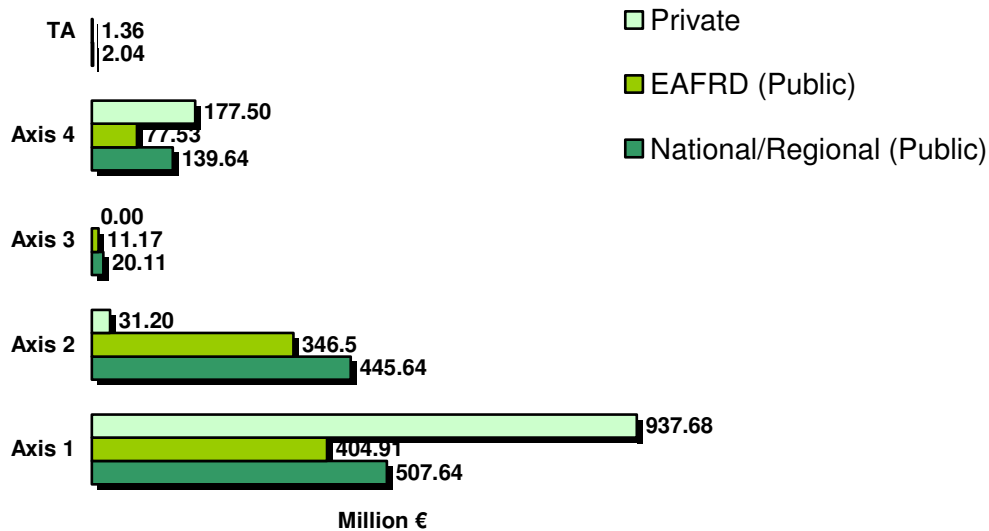
Expected impact / outcomes of the policies

Expected socio-economic outcomes include installation of new farmers, modernised farms, increased value added in agricultural and forestry products as well as increased gross value added of farms and enterprises, increased cooperation for the development of new products, processes and technologies in the agriculture, forestry and agri-food sectors, improved cooperation and local development through the set up of local action groups covering 95% of the territory and improved service provision. Expected environmental outcomes include sustainability of mountainous and disadvantaged areas, increased environmental awareness and its practical integration into agrarian practices (e.g. organic farming), a significant rise in afforested agricultural land, better capacity for the prevention of natural risks and the recovery of the forest environment (especially in Natura 2000 areas).

Expected impacts include:

- Economic growth: 3% increase in relation to previous gross domestic product;
- Employment creation: 3.78% employment growth; direct or indirect creation of approximately 32,180 employment posts;
- Increase in labour productivity;
- Reduction of biodiversity deterioration: maintenance of the population of regional bird species;
- Maintenance of agriculture and forest areas of high natural value: 21.19% of surface protected under Natura 2000 as Zones of Special Protection for Birds; 5.75% of surface protected in the Network of Natural Spaces of Castilla y León;
- Improvement in the quality of water (balance of nutrients): concentration of pesticides in surface waters (0.38 mg/litre of the average of 2003-2005); maintenance of the concentration of nitrates in surface waters; concentration of nitrates and pesticides in underground waters (16.52 mg/litre - 2004);
- Contribution to the fight against climate change: 12,825 kton of capture of CO₂ by the region's forests.

RDP budget breakdown by axis: Total expenditure (including national/regional + EAFRD + private funding) of €3,102,913,632



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 60% of the overall RDP budget in Castilla y León is allocated to axis 1 (€1,850.2 million); approximately 27% is allocated to axis 2 (€823,3 million), 1% to axis 3 (€31.3 million) and 13% to axis 4 (€394.7 million), with 0.1% available to fund Technical Assistance (€3.4 million).

Within axis 1, National/Regional public funding represents approximately 27% share of the axis funding; EAFRD 22%; and private funds 51%.

Within axis 2, National/Regional public funding represents approximately 54% share of the axis funding; EAFRD 42%; and private funds 4%.

Within axis 3, National/Regional public funding represents approximately 64% share of the axis funding; EAFRD 36% and private funds 0%.

Within axis 4, National/Regional public funding represents approximately 35% share of the axis funding; EAFRD 20%; and private funds 45%.

Within technical assistance, National/Regional public funding represents approximately 60% share of the technical assistance funding and EAFRD 40%.

As a consequence of the Health Check (HC) and the Economic Recovery Package (EERP), the Castilla y León region has been assigned an additional budget totalling €131,632,834 (including €98,724,626 of EAFRD and a further €32,907,208 of national/regional public

funds), focused on the new challenges. Furthermore, an additional €19,803,410 EAFRD as a result of Modulation adjustments and the wine reform is allocated to the modernisation of agricultural holdings, the provision of basic services and measures of the Leader axis.

Axis Information²

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

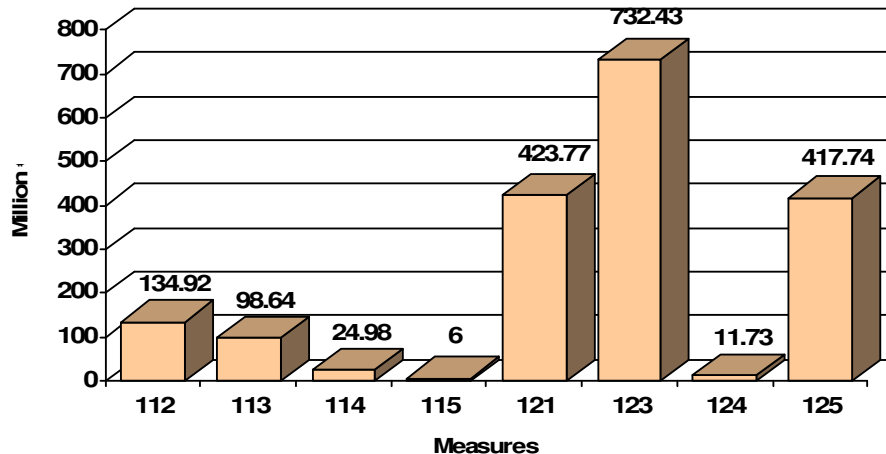
The emphasis of this axis is on adding value to agricultural products (measure 123; 40% of total budget for axis 1), followed by modernisation of agricultural holdings (measure 121; 23%), infrastructure for the development and adaptation of agriculture and forestry (measure 125; 23%) and the set up of young farmers (measure 112; 7%).

Result targets for axis 1 include between €234.8 and €820 million (depending on the measure) increase in gross value added of supported agricultural holdings, and 30-980 (depending on the measure) farms or enterprises that have introduced new products and/or techniques.

Strategic objectives	Specific objectives
Promote knowledge and improve human potential	<ul style="list-style-type: none"> - Facilitate the establishment of young farmers and the structural adjustment of farms; - Achieve a significant structural change in farms transferred; - Help agriculture and forest farmers adapt, improve and facilitate management as well as improve global productivity by promoting human potential.
Promote restructuring and develop physical potential and innovation	<ul style="list-style-type: none"> - Improve the economic situation of farms through better use of production factors, including new technologies and innovation; - Improve transformation and commercialisation of primary and forestry sector products through investments that improve efficacy, renewable energies, new technologies and new market opportunities; - Exploit market opportunities through innovatory approaches, new products, processes and technologies; - Improve infrastructure in order to increase competitiveness of agriculture.

² Detailed information on the individual measures can be found in Annex I.

Axis 1 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €1,850,225,730



Following the 2009 RDP update, the total budget for axis 1 is €1,850,225,730 including an additional €65,816,417 (€49,362,313 EAFRD + €16,454,104 national/regional public funds). That is targeted at the new challenges under measures 121 (modernisation of agricultural holdings), 123 (increasing the value added of agricultural and forestry products) and 125 (infrastructure related to the development and adaptation of agriculture and forestry). These new funds support existing types of operations, such as improvement of energy efficiency, energy savings and reductions in emissions, investment support related to dairy production, processing of agricultural/forest biomass for renewable energy, installations for waste water treatment on farms and in processing and marketing, improvements in processing and marketing related to the dairy sector and water saving technologies (irrigation systems). Measure 121 receives further additional funding from Modulation and the wine reform. Furthermore, minor technical changes are introduced to measures 112 (setting up of young farmers), 114 and 115 (training and advisory services), 121, 123 and 124 (cooperation for the development of new products, processes and technologies) intended to improve the implementation of the programme and the understanding of the measures by the beneficiaries as well as update the measures according to the new legal requirements.

Axis 2 objectives - Improving the environment and the countryside

The emphasis of this axis is on agri-environment measures (measure 214; 36% of total axis 2 budget), support to farmers in disadvantaged areas (measure 212; 22%), support first afforestation of agricultural land (measure 221; 18%) and support to farmers in mountainous areas (measure 211; 8%).

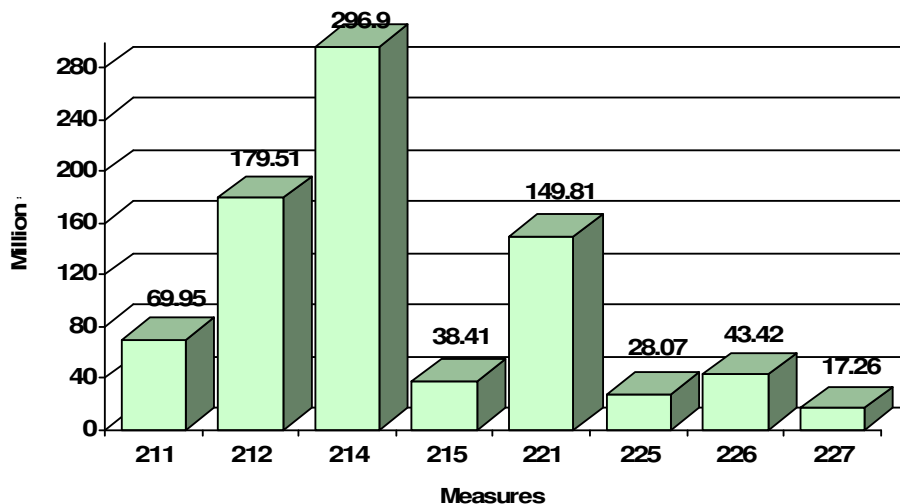
Result targets for axis 2 include:

- a surface area of approximately 6,300-620,000 (depending on the measure) ha to contribute to the maintenance of biodiversity;
- 11,000 ha to contribute to the improvement of water quality;
- 30,000-185,000 ha to contribute to the fight against climate change;
- 11,000-80,000 ha to contribute to the improvement of soil quality;

- approximately 74,000-2,000,000 ha to prevent land marginalisation and abandonment.

Strategic objectives	Specific objectives
Increase the sustainable management of agricultural land by encouraging farmers to employ land use methods that are compatible with biodiversity, water and soil quality and climate change management	<ul style="list-style-type: none"> - Contribute in mountainous and other disadvantaged areas to the continuous use of agricultural land and therefore maintain the rural environment and promote sustainable agriculture systems; - Respond to the increasing demand for environmental services by encouraging farmers and other land managers to introduce or continue the use of agrarian production methods that are compatible with the protection and improvement of the environment and landscape; - Improve the conditions of animal breeding above established standards in the legislation on animal welfare and indirectly achieve an increase in product quality.
Increase the sustainable management of agricultural land by encouraging forestry farmers to employ land use methods that are compatible with biodiversity, water and soil quality and climate change management	<ul style="list-style-type: none"> - Expand existing forest resources in agricultural land to contribute to the protection of the environment, the prevention of natural risks, and the fight against climate change; - Preserve forests through spatial planning and the coordination of forest interventions; - Defend and restore existing natural resources; - Promote spatial planning and forest management in order to guarantee the conservation and restoration of habitats and species of EU interest in the Natura 2000 areas.

Axis 2 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €823,340,498



Following the 2009 RDP update, the total budget for axis 2 is €823,340,498 including an additional €65,816,417 (€49,362,313 EAFRD + €16,454,104 national/regional public funds), targeting measure 214 (agri-environment payments). Environmental benefits expected from

this additional measure include fire prevention, biodiversity conservation and landscape homogenisation and protection. Furthermore, minor technical changes are introduced to measures 211 (natural handicap payments in mountain areas) and 226 (restoring forestry potential and introducing prevention actions) intended to improve the implementation of the programme and the understanding of the measures by the beneficiaries as well as update the measures according to the new legal requirements.

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

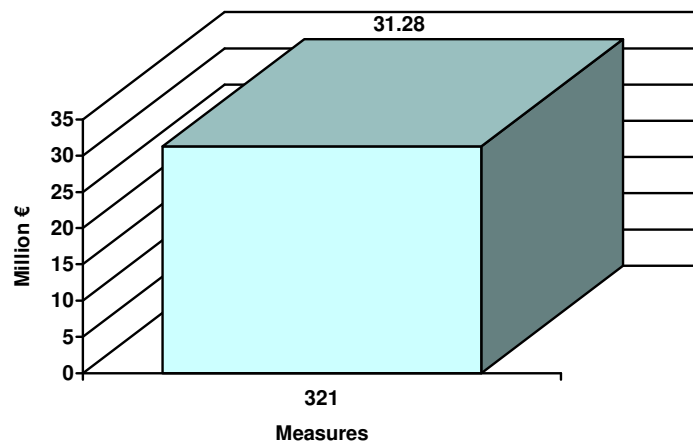
This axis is dedicated exclusively to the provision of basic services for the economy and the rural population (measure 321; 100% of axis 3 budget).

Result targets for axis 3 include 60,000 people benefiting from improved services and up to 2,000 jobs worth of net employment creation.

There are modifications to output indicators only for axis 3, following the RDP update that relate to the number of supported actions and the total volume of investments.

Strategic objectives	Specific objectives
Diversify the rural economy	- Diversify agricultural activities towards non agricultural ones and promote employment.
Improve quality of life in rural areas	- Improve basic services, including local access to information and communication technologies (ICT) and carry out investments that increase the attractiveness of rural areas in order to reverse the depopulation trend; - Improve infrastructure for the provision of basic services.
Reinforce coherence and territorial synergies	- Promote the human potential required for the diversification of the local economy and the provision of local services.

Axis 3 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €31,280,112



Following the 2009 RDP update, additional EAFRD is allocated to measure 321 (basic services). No further modifications are foreseen for axis 3.

Axis 4 objectives - LEADER

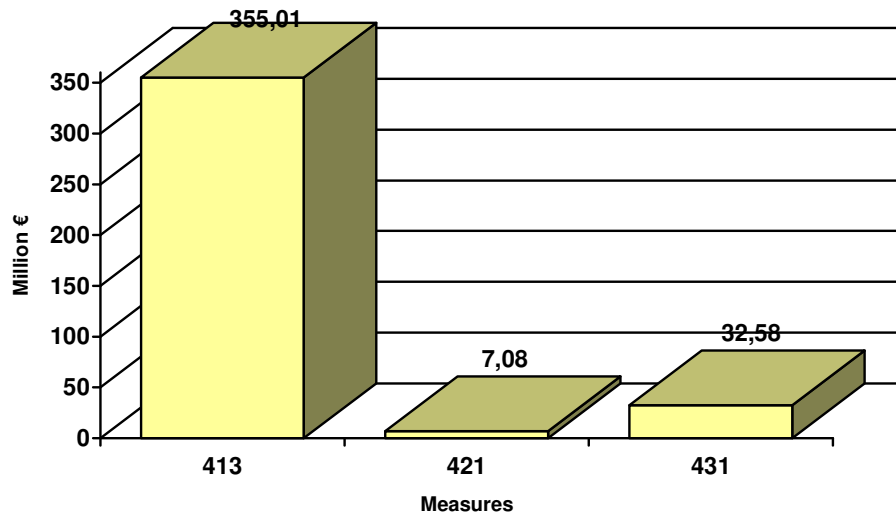
This axis is almost exclusively focused on quality of life and diversification (90% of total axis 4 budget) while 8% is allocated to conservation and upgrading of the rural heritage (measure 431).

Result targets for axis 4 include up to 120 net jobs created.

Strategic objectives	Specific objectives
Apply the LEADER approach in the main programming of rural development	<ul style="list-style-type: none"> - Improve quality of life in rural areas and promote diversification of economic activity; - Promote cooperation and good practice; - Increase the capacity to apply the LEADER approach.

Number of LAGs operational in the RDP areas as of March 2010 was 44.

Axis 4 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €394,667,291



Following the 2009 RDP update, additional EAFRD is allocated to measures 413 (quality of life/diversification), 421 (implementing cooperation projects) and 431 (conservation and upgrading of the rural heritage) as a result of Modulation adjustments and are intended to facilitate the achievement of existing indicators.

Monitoring and evaluation strategy

The RDP's monitoring system provides information on programme implementation through financial, output and result indicators that are included in the annual interim reports of the programme. Data is collected and stored with the help of a management information technology tool by the Managing Authority, who develops a manual for the maintenance and exploitation of this database. The Monitoring Committee uses this information to propose necessary amendments of the RDP for subsequent years.

The evaluation strategy comprises a continuous evaluation as well as an interim and an ex-post evaluation to be carried out by independent evaluators. The aim of the evaluations is to examine the evolution of the programme in relation to its objectives through monitoring and evaluation indicators, to improve the quality and increase the effectiveness and efficiency of programme implementation and to examine and take decisions on potential changes to the programme. The continuous evaluation is composed of three elements: annual evaluation reports which in 2010 and 2015 will become the interim and the ex post evaluations respectively, thematic studies upon the initiative of the Commission and activities of the Evaluation Network. These evaluations use the output, result and impact indicators defined by the Common Monitoring and Evaluation Framework (CMEF).

Communication and publicity

The objectives of the Communication Plan are to guarantee transparency during the implementation of the RDP, disseminate information on the content of the RDP in relation to the EAFRD contribution and its objectives, disseminate information that facilitates the correct utilisation of designated financial resources, inform the public opinion on the role of the European Union in favour of the actions foreseen in the programme and their results.

The communication plan comprises three components and target groups:

- a) Dissemination of the RDP and the finance opportunities offered by the programme to potential beneficiaries, professional organisations, economic, social and environmental agents, organisations that promote equal opportunities, NGOs, etc;
- b) Information to actual beneficiaries about the role of the EU contribution;
- c) Dissemination of results and the role of the EU to the general public.

Information to target groups is distributed via electronic means (e.g. Managing Authority website www.jcyl.es), publications, information points and services for citizens, publicity through the media (radio, local and national press), publications in the official bulletin of Castilla y León, periodical meetings and information sessions with managers and local action groups (LAGs), participation of economic and social agents and agrarian professional organisations in the dissemination activities of the programme, the installation of signs/plaques/posters in beneficiary premises and Local Action Groups (LAGs).

Annex I – measure

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