

## Rural Development Programme (RDP) of Cantabria, Spain

**Programa de Desarrollo Rural de Cantabria 2007-2013 – April 2010<sup>1</sup>**  
(Rural Development Programme of Cantabria 2007-2013)

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<http://www.gobcantabria.es/>

**Other useful links:**

Rural Development Programme (RDP):

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

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 Cantabria

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

The autonomous community of Cantabria is located in the Cantabrian cornice in the north of Spain and has a total surface area of 5,289 km<sup>2</sup>, representing 1.5% of the Spanish territory and a population of 562,309 inhabitants (2005). Rural areas in Cantabria occupy 80% of the regional territory, while 43% of its population live in the urban centres of Santander and Torrelavega. In 2005, the GDP per capita was €20,544 (below the Spanish average of €20,838) and the unemployment rate was 8.1%.

The main socio-economic strengths of the region include: a significant agri-food sector which in rural areas contributes to more than 40% of employment, a significant decrease in unemployment rates, a strong traditional livestock production which represents the primary focus of agriculture (90% of final agricultural output), a cooperative and associative culture, agricultural production distinguished for its quality, high value natural, historic and cultural heritage and considerable tourism potential.

The predominantly mountainous character of the region (90% of the territory is classified as less favoured areas - LFA's) increases production costs. This, coupled with an ageing population (19% of the total population is over 60 years), has led to a progressive abandonment of agricultural land in mountainous and hilly areas. Other weaknesses include: urban and industrial pressures on agricultural land, low education and training levels in the

<sup>1</sup> Latest updated RDP, following the adoption of the Health Check and European Recovery Package and additional funds from modulation (i.e. adjustments between Pillar 1 (Agriculture) & 2 (Rural Development) of the Common Agricultural Policy (CAP).

agricultural sector, deficient or outdated farm and other rural infrastructure as well as low technology levels in many sub-sectors and excessive reliance of the rural economy on livestock production with scarce diversification.

In terms of the environment, the region is rich in agrarian landscapes and ecosystems, with 28% of the territory covered by 'Natura 2000' areas (including 29 protected areas), favourable climate conditions with low erosion levels and good air and water quality levels, valorisation of the region's forest resources (for social and recreational purposes as well as for the production of biomass for energy purposes). Environmental problems derive from intensive livestock farming and the production of greenhouse emissions from livestock production activities, as well as from the abandonment of agricultural land.

Following the CAP Health Check (HC) and the European Economic Recovery Package (EERP), in recognition of the greater emphasis now being given to the "new challenges" facing agriculture and rural areas, the revised RDP further highlights the importance of the livestock sector for the productive structure of rural areas in Cantabria. The region is one of the EU's most dependent on livestock production and in particular on the sale of milk which represents 60% of final agricultural production. This sub-sector has experienced a significant structural change, evident in the reduction of the number of exploitations (89%) due to factors such as the ageing of farmers (25% are over 60 years old) and lack of succession (only 0.66% of farmers are below 25 years), as well as the low levels of income of small farms. This strong reduction in the number of exploitations has not been accompanied by a structural change and/or adequate modernisation to enable it to face the challenges of competition and sustainable development. This situation sets the context for the revisions to the RDP in relation to the livestock sector.

### **RDP strategic objectives**

The overall objectives were chosen in accordance with the Community Strategic Guidelines (CSG), the National Strategy Plan and the Spanish National Framework and are centred on the improvement of competitiveness and employment creation, sustainable development and the integration of the environment in rural development policy:

- 1) Promote agrarian practices that are favourable for the conservation of environmental and natural resources, especially in areas with natural difficulties;
- 2) Improve the productive structures of livestock, agriculture and forest exploitations;
- 3) Revitalise the rural population and improve work and life conditions of agriculture and livestock farmers;
- 4) Reinforce the commercialisation and transformation structures of agrarian products;
- 5) Consolidate the protective and environmental functions of mountains;
- 6) Stimulate the implementation of local development strategies with social participation.

The RDP strategy takes into account key socio-economic and environmental issues, in particular: the specialisation of the agrarian sector in livestock production and the importance of livestock farming for the management of the territory and natural resources, the mountainous character of the region and the increasing abandonment of agricultural land.

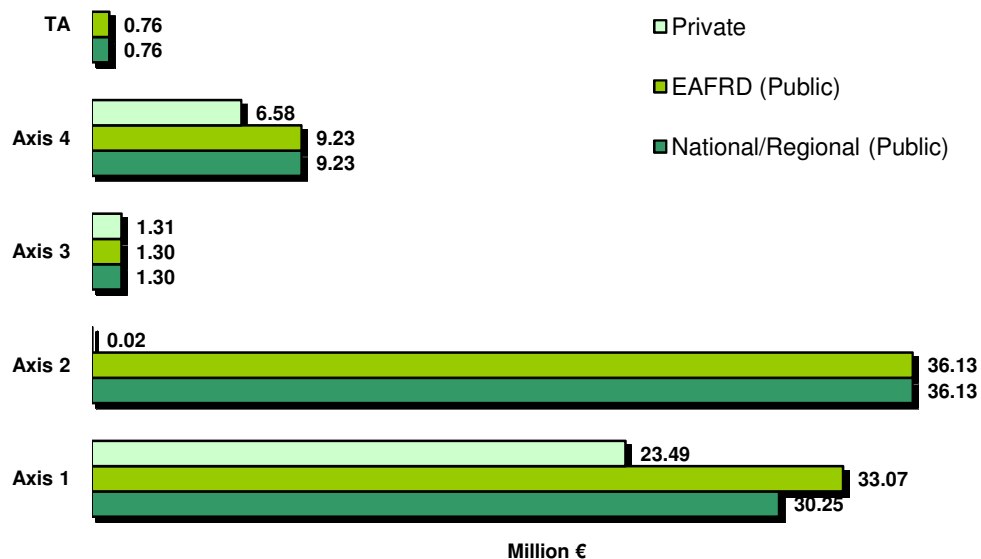
Taking into account the additional finance provided in the revised RDP and the socio-economic context in rural areas, greater strategic priority is now given to the dairy sector (100% of additional funds from the HC and the EERP). This focus on the dairy sector is coherent with the National Strategic Plan which has defined the dairy sector as a strategic priority to promote at national level. The new investments proposed in the revised RDP aim to improve the productivity of the dairy sector.

## Expected impact / outcomes of the policies

The programme outlines the importance for individual measures (in financial terms), giving priority to handicap payments in LFAs, early retirement and agri-environment measures. Expected socio economic outcomes include: a decline in the land abandonment trend and revitalisation of rural areas, improved productive systems of agricultural holdings, improved provision of basic services to the population, renovation and development of rural areas, and an increased role for women in rural activities (reflecting the principle of gender equality). Related socio-economic impacts include: increased labour productivity, net employment creation, increased gross value added (GVA) as a result of employment creation and overall economic growth. Expected environmental outcomes are related to the conservation of the environment through sustainable rural development. Relevant impacts include a reversal of the decline of biodiversity as a result of land abandonment, maintenance of areas with high natural value (HNV) (21% of the territory), improved quality of water, and a contribution to the fight against climate change (fixing CO<sub>2</sub>).

In terms of the RDP revisions, the expected impact also includes improving the productivity of the dairy sector. Modifications in output and results indicators are presented below under each axis.

## RDP budget breakdown by axis: Total expenditure (including national/regional + EAFRD + private funding) of €189,548,380



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 46% of the overall RDP

budget in Cantabria is allocated to axis 1 (€86,814,048 million); approximately 38% is allocated to axis 2 (€72,281,262 million), 2% to axis 3 (€3,910,989 million) and 13% to axis 4 (€25,027,425 million), with 1% available to fund 'technical assistance' (€1,514,656 million).

Within axis 1, National/Regional public funding represents an approximate 35% share of the axis funding; EAFRD 38%; and private funds 27%.

Within axis 2, National/Regional public funding represents an approximate 50% share of the axis funding; EAFRD 50%; and no private funds.

Within axis 3, National/Regional public funding represents an approximate 33% share of the axis funding; EAFRD 33% and private funds 34%.

Within axis 4, National/Regional public funding represents an approximate 37% share of the axis funding; EAFRD 37%; and private funds 26%.

Within technical assistance, National/Regional public funding represents an approximate 50% share of the technical assistance funding and EAFRD 50%.

As a consequence of the RDP revisions, the Cantabria region has been assigned an additional total of €5,644,689 (including €4,233,517 EAFRD and a further €1,411,172 regional/national public funds) focused on the modernisation of the livestock sector.

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

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

The emphasis of this axis is on early retirement of farmers (measure 113, representing 46% of total public expenditure for this axis) and modernisation of agricultural holdings (measure 121, representing 15% of total public expenditure for axis 1).

Result targets for axis 1 include: 6,500 participants to successfully complete training courses, an increase in the GVA of subsidised agricultural holdings ranging from 2% to 3% depending on the measure, and 10 agricultural holdings to introduce new products and/or techniques.

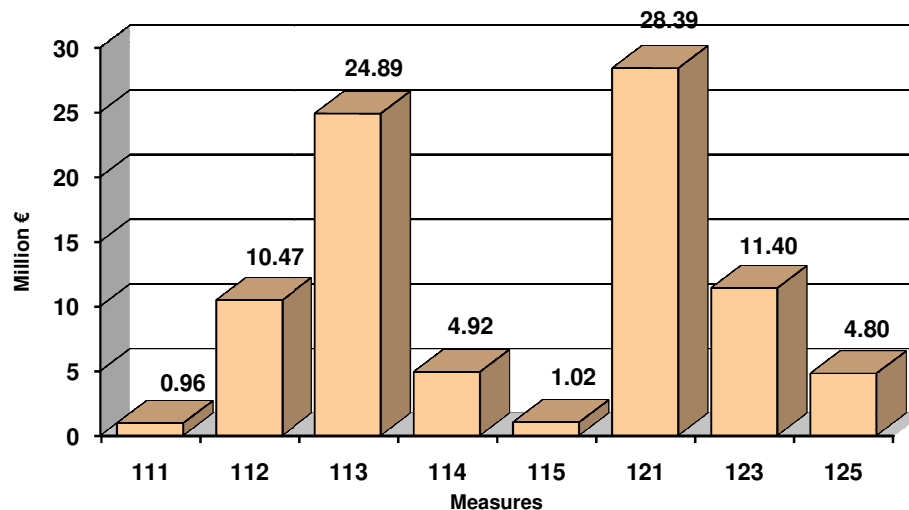
Specific modifications to output and result indicators have been made in order to take account of the amendments to the RDP and comprise an additional output indicator under measure 121 (modernisation of agricultural holdings), namely - 150 dairy sector exploitations benefiting from additional investment support of €9,400,000 and additional result indicators under measure 114 (advisory services), namely - 750 dairy farmers benefiting from advisory services and a complementary investment of €2,700,000 in this sector.

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

Strategic objectives	Specific objectives
Promote knowledge and improve human capital	<ul style="list-style-type: none"> <li>- Provide training and information programmes to improve farmers' skills and knowledge;</li> <li>- Encourage the 'set-up' of young farmers;</li> <li>- Promote revitalisation and structural improvements of agricultural holdings;</li> <li>- Encourage the use of advisory services to farmers so they can improve the overall performance of their farms.</li> </ul>
Restructure and develop the physical potential of farms and promote innovation	<ul style="list-style-type: none"> <li>- Modernise agricultural holdings through improvement plans and machinery renovation;</li> <li>- Improve the transformation and commercialisation of agricultural and forestry products, and support the commercialisation of agri-food products;</li> <li>- Improve agriculture and forest structures, in particular, accessibility improvements, land improvements, energy supply and management of water resources.</li> </ul>

**Axis 1 indicative budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €86,814,048**



Following the latest RDP update, the total budget amount for axis 1 is €86,814,048 including an additional €5,644,689 (€4,233,517 EAFRD + €1,411,172 Regional/National public funds) targeted at the dairy sector under measure 121 (modernisation of agricultural holdings). These new funds will assist producers in the dairy sector to adapt to market changes given the disappearance of the milk quotas regime. Other changes under measure 121 include: an increase in the volume of investments from around €90,000 to €100,000 per agricultural work unit and an increase in the intensity of aid for improvement plans, renovation of tractors and new technologies, especially in mountainous and other disadvantaged regions. Minor technical changes are introduced to measure 114 (advisory services) and concern the rate of support (90% of eligible cost).

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

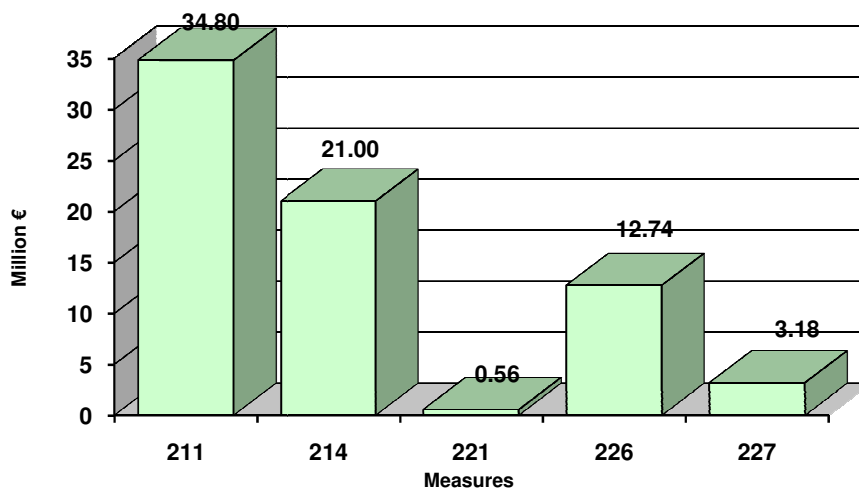
The emphasis of this axis is on natural handicap payments to farmers in mountain areas. Measure 211 receives 48% of the total public expenditure for axis 2, reflecting the strategic focus of the programme on addressing problems stemming from the predominantly mountainous character of the region. Other focal areas include agri-environment payments (29%, measure 214) and restoring forestry potential and introducing prevention actions (18%, measure 226).

Result targets for axis 2 include a surface of between 500 and 80,000 ha (depending on the measure) to contribute to the improvement of biodiversity and agriculture with HNV, the improvement of water quality, the fight against climate change, the improvement of soil quality and avoiding land marginalisation and abandonment.

There are no modifications to axis 2 indicators following the RDP update.

Strategic objectives	Specific objectives
Sustainable use of agricultural land	<ul style="list-style-type: none"> <li>- Compensate farmers for the higher costs and loss of income entailed in farming in mountainous areas;</li> <li>- Support sustainable agricultural and livestock production practices, whilst protecting biodiversity.</li> </ul>
Sustainable use of forest land	<ul style="list-style-type: none"> <li>- Support the forestation of agricultural land;</li> <li>- Reconstruct the productive forest potential damaged by natural catastrophes and implement adequate preventive measures;</li> <li>- Implement measures for the conservation and management of natural resources and the maintenance of biodiversity.</li> </ul>

**Axis 2 indicative budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €72,281,262**



There are no financial modifications in relation to axis 2 following the RDP update.

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

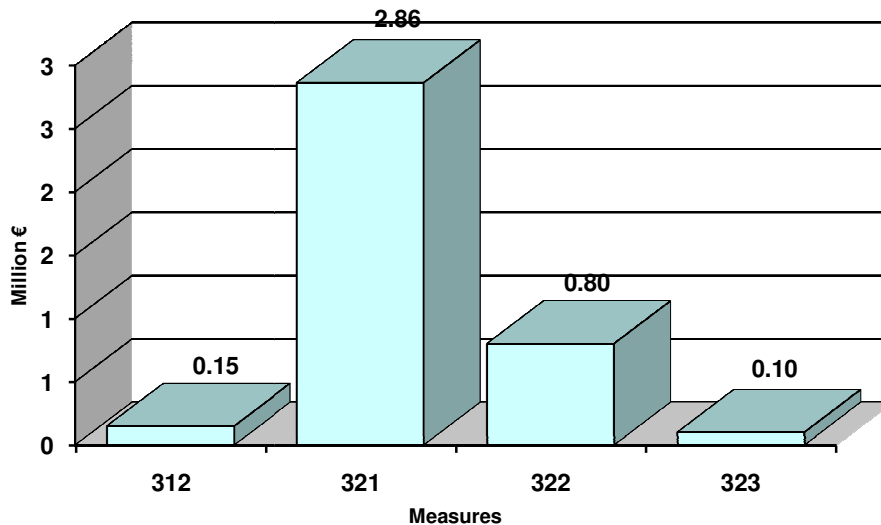
This axis is dominated by the provision of basic services for the economy and rural population (measure 321, 73% of total public expenditure for axis 3) and village renewal and development (15%, measure 322). Many measures of axis 3 will be implemented by LEADER (axis 4).

Result targets for axis 3 include: a 2% increase in non-agricultural GVA of subsidised enterprises, net employment creation (4 new employment posts), between 2,500 and 10,000 rural population to benefit from improved services (depending on the measure) and 24,877 hectares of surface to be spatially planned.

There are no modifications to axis 3 indicators following the RDP update.

Strategic objectives	Specific objectives
Diversification of the rural economy	- Improve the elaboration and commercialisation of traditional food products of Cantabria.
Improve the quality of life in rural areas	- Promote electrification and facilitate the setting up of water supply systems in rural areas; - Renovate and develop rural villages; - Conserve and improve rural heritage with the ultimate aim of guaranteeing biodiversity.

**Axis 3 indicative budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €3,910,989**



Following the latest revision of the RDP there are no modifications to the axis 3 budget (remaining at €3,910,989), except for the additional national/regional finance which is reduced by €1,929,482 for measure 321 (basic services for the rural economy and population). The new total additional national finance is €104,237,742 instead of the previous amount of €106,167,224.

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

Axis 4 (Leader) is devoted to quality of life and diversification, including the running of local action groups (LAGs), skills acquisition and animation (measure 413, allocated 74% of total public expenditure for axis 4), followed by conservation and upgrading of the rural heritage (15%) and competitiveness (6%).

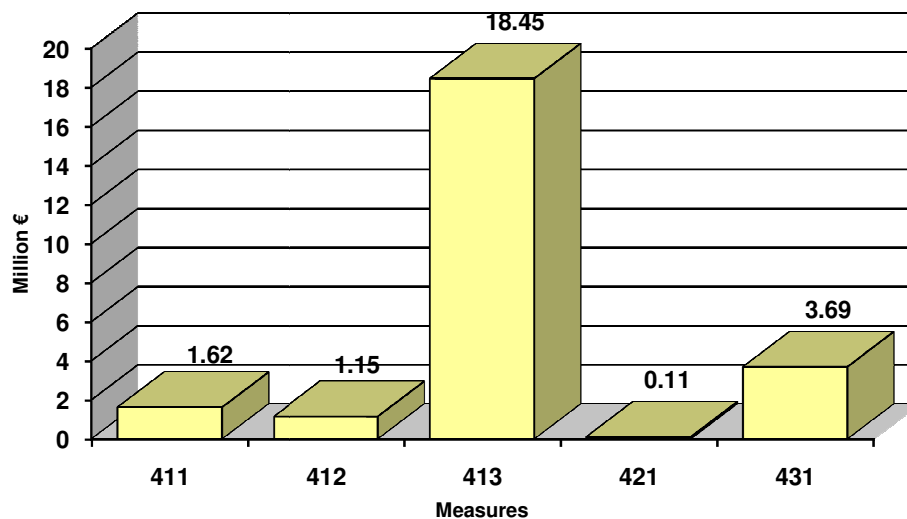
Result targets for axis 4 include gross employment creation (120 employment posts) and 1,400 participants to successfully complete training courses.

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

There are no modifications to axis 4 indicators following the RDP update.

Strategic objectives	Specific objectives
Develop local strategies	- Promote endogenous development of rural areas in Cantabria for improved competitiveness, the protection of the environment and improved quality of life and diversification.
Support the functioning and promotion of local action groups	- Efficient functioning of LAGs; - Improved capacities and promotion of the territory.

### **Axis 4 indicative budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €25,027,425**



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

### **Monitoring and evaluation strategy**

The monitoring system will provide information on programme implementation through financial, output and result indicators. The Monitoring Committee will use this information to propose necessary amendments of the RDP for subsequent years. Close cooperation with the



Payment Authority will be maintained so that latter incorporates in its database all monitoring and financial management information. The Managing Authority will use this information as a basis for monitoring and preparation of annual interim reports. The programme will be subject to continuous evaluation by an external evaluator with the support of the Managing Authority and management centres. The evaluations will use the output, results and impact indicators defined by the Common Monitoring and Evaluation Framework (CMEF) and disaggregated where possible by age and gender.

### **Communication and publicity**

The main components of the communication and publicity strategy are: a) measures for informing potential beneficiaries, professional organisations, economic, social and environmental actors, organisations that promote gender equality and NGOs, of the opportunities offered by the programme and the norms for obtaining financial support; b) measures for informing actual beneficiaries of the EU contribution; and c) measures for informing the general public of the role of the EU in the programmes and results obtained. A variety of communication tools will be used to support these actions, including the setting up of a programme web page, publications of the programme (paper and electronic format), public presentations, publication in the Official Bulletin of Cantabria, dissemination material (leaflets, catalogues, etc.) on specific measures, publication of results in annual implementation and evaluation reports, and periodic meetings with relevant organisations.

## Annex I - Measures

Measures selected by the RDP		Measures selected by the updated RDP		
<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>311</b>
<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	