



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

The Rural Development Programme (RDP) for Andalusia was adopted formally by the European Commission on 10 August 2015, and was last amended on 9 November 2020 in order to deploy the new measure for an exceptional temporary support to farmers and SMEs particularly affected by the COVID-19 crisis. This outlines Andalusia's priorities for using the € 2.4 billion of public money. It is available for the 7-year period 2014-2020 (€ 1.9 billion from the EU budget and € 521million of national co-funding).

In order to improve the competitiveness of the farm sector, Andalusia's RDP aims to give investment support to almost 5 000 farmers to restructure and modernise their farms and 3 800 young farmers will receive support to launch their businesses. Some more than 550 farmers will receive funding to participate in quality schemes, local markets and short supply chain distribution. The region will support training for almost 150 000 participants and will promote innovation through 240 projects under the European Innovation Partnership and 6 other cooperation projects. The RDP will also promote conservation and protection of the environment as well as actions contributing to the cross cutting objective of climate change mitigation and adaptation. More than 15% 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 almost 50 000 ha into organic farming and maintenance of 875 000 ha of organic farmland. Moreover, more than 46 000 ha will receive support to improve water efficiency and more than 23% of the forest area will be under risk prevention actions, to reduce the risk of forest fires, natural disasters and catastrophic events. Finally, more than 65% of the rural population will be covered by LEADER local development strategies, which are expected to create around 1 600 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, there are 118 programmes 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 Andalusia 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 Andalusia is located in the south of Spain. It covers 87 597 km² (around 20% of Spain, 4th biggest EU region) and almost all the regional territory is considered as rural. The region is home of 8.3 million people. Of the total area, farmland covers around 50% and forest area represents half of the territory. The primary sector contributes 4.9% of the gross added value (well over EU and Spanish average) and within the industrial sector, the agro food sub-sector is the first in job creation.

Utilised agricultural area (UAA) is over 4.4 million ha of which 25% are irrigated, producing almost 70% of the regional farm income and generating more than 60% of agricultural employment. Olive trees are cultivated on 25% of the UAA and *Dehesas* (agroforestry system) other 21%. Fruits and vegetables represent 50% of the agro food export of the region. There are 246 000 agricultural holdings in Andalucía, with an average size of 18 hectares (below Spanish average)

The unemployment rate was 34.8% (2014), more than 60% among young people. Other challenges of the region include the lack of young farmers and the need to increase the size of holdings. On the environmental side, Natura 2000 areas cover 29% of the regional territory (11% of the UAA) and 18% has been designated as nitrates vulnerable zones. The water balance is negative and the region faces problems of erosion (with risk of desertification).

2. HOW THE ANDALUSIA RDP WILL ADDRESS THESE CHALLENGES

In addressing these challenges, Andalusia's RDP will fund actions under all six Rural Development priorities – with a particular emphasis on "Promoting the competitiveness of the agricultural and agro-industry sector" and "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 Andalusia will support the development of innovative solutions through 240 operational groups under the European Innovation Partnership (EIP) and it will create almost 150 000 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 around 2.4% of all farms in the region, while 1.5% 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 more than 550 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, as well as support for environment/climate-friendly forest investments. 15% of the agricultural land will be under contract for biodiversity, 16% for water management and 17% for soil management. Moreover, 23% of the forest area will be under risk prevention actions.

Resource efficiency and climate

This priority will mainly address investments related to water efficiency so that almost 6 % of the region's irrigated area will switch to more efficient irrigation systems. It should also be noted that almost 50 million (public and private) will be mobilized in energy efficiency and renewable energy production. 1.3% of forest land will receive investment support to improve resilience and environmental value of forest ecosystems. Finally, the programme will reduce waste and residues from agriculture and agri-food industries through advisory services and demonstration projects.

Social inclusion and local development in rural areas

Under this priority, the region will support the 52 LEADER Local Action Groups (LAG) and their Local Development Strategies that will create around 1 600 new jobs and create new business opportunities. Another 260 jobs will be created through investments on non-agricultural activities, basic services and village renewal (including tourism and broadband infrastructure) and in forest products and technologies.

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

- € 576 million allocated to Measure 4 – Investment in physical assets
- € 340 million allocated to Measure 8 - Investment in forest area development and improvement of the viability of forests.
- € 321 million allocated to Measure 11 – Organic farming
- € 316 million allocated to Measure 10 – Agro-environment-climate
- € 258 million allocated to Measure 19 – LEADER

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

| Target | Measure | € Total public | % |
|--|-------------------------------------|--------------------|--------------|
| Priority 1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹ | | | |
| 1A: Fostering innovation, cooperation, knowledge base 2.90% of RDP expenditure | 01 knowledge | | |
| | 02 advisory | | |
| | 16 cooperation | | |
| 1B: Strengthening links (with research etc.) 246 cooperation projects | 16 cooperation | | |
| 1C: Training 146.331 participants trained | 01 knowledge | | |
| Priority 2: Farm viability, competitiveness and sustainable forest management | | 537.168.958 | 22.19 |
| 2A: Economic performance, restructuring & modernisation 2.40 % of holdings with RDP support | 01 knowledge | 22.778.295 | 0.94 |
| | 02 advisory | 7.526.335 | 0.31 |
| | 04 investments | 248.750.566 | 10.27 |
| | 16 cooperation | 27.480.353 | 1.13 |
| | 21 - COVID | 26.200.000 | 1.08 |
| 2B: Generational renewal 1.55% of holdings with RDP supported business development plan/investments for young farmers | 06 farm and business development | 204.433.409 | 8.43 |
| Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management | | 266.851.986 | 11.02 |
| 3A: Improving competitiveness of primary producers 0.23% of holding in quality schemes 1,125 supported investments for processing and marketing of agricultural products | 03 quality schemes | 10.561.526 | 0.44 |
| | 04 investments | 217.888.727 | 10.04 |
| | 16 cooperation | 400.348. | 0.02 |
| 3B: Risk management 0.17 % of farms participating in risk management schemes | 05 Restoring agricultural potential | 38.001.385 | 1.57 |

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

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| Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry² | | 941.561.544 | 38.95 |
| 4A Biodiversity 15.03% of agricultural land under contracts 23.51% of forest/other wooded area under risk prevention actions | 01 knowledge 04 investments 07 Basic services 08 forest | 7.061.325 13.134.127 26.996.207 175.980.969 | 0.29 0.54 1.11 7.27 |
| 4B Water management 16.27% of agricultural land under contracts | 10 AEC 11 organic farming 13 ANC | 316.445.741 320.895.326 81.047.849 | 13.07 13.25 3.35 |
| 4C Soil erosion and management 17.09% of agricultural land under contracts | | | |
| Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors | | 270.519.589 | 11,17 |
| 5A - Water efficiency 6.01% of irrigated land switching to more efficient irrigation systems | 04 investments | 75.838.662 | 3.13 |
| 5B - Energy efficiency 20.000.000 € of total investment for energy efficiency | 04 investments | 20.000.000 | 0.83 |
| 5C - Renewable energy 90 activities of advisory actions or demonstration projects on residues from agriculture and agro food industries | 01 knowledge | 1 209 049 | 0.05 |
| | 02 advisory | 967 239 | 0.04 |
| | 07 basic services | 9.000.000 | 0.37 |
| 5E - Carbon conservation and sequestration 1.34% of forest land under investment to improve resilience and environmental value of forest ecosystems | 08 Forests | 163.504.639 | 6.75 |
| Priority 6: Social inclusion, poverty reduction and economic development in rural areas | | 305.020.355 | 12.0 |
| 6A - Diversification, SMEs and job creation 266 jobs created in supported projects | 07 Basic services | 15.905.031 | 0.66 |
| | 08 Forests | 117.131 | 0.00 |
| | 21 COVID | 24.400.000 | 1.01 |
| 6B - Fostering local development 66.77 % rural population under local development strategies 1.616 jobs created (via LEADER) | 02 advisory | 2 763 540 | 0.11 |
| | 19 LEADER | 257.856.106 | 10.65 |
| 6C - Information and communications technologies 2.69% of rural population benefiting from the new improved services/infrastructures (ICT) | 07 Basic services | 3.978.527 | 0.16 |
| Technical Assistance | | 95.694.174 | 3.95 |
| Discontinued measures | | 4.392.959 | 0.18 |
| Total public expenditure € | | 2.421.209.545 | 100.00 |

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