



Factsheet on 2014-2020 Rural Development Programme for Aragon

The Rural Development Programme (RDP) for Aragon was formally adopted by the European Commission on 26 May 2015, and last modified on 26 June 2020. It outlines Aragon's priorities for using the € 737 million of public money that is available for the 7-year period 2014-2020 (€ 467 million from the EU budget, and € 252 million of national co-funding, plus € 18 million of additional national funding top-ups).

The main objectives of the RDP for Aragon are to boost the viability of farms and forestry and promote a better management of natural resources. To this end, 1 773 farms will get investment support to restructure and modernise and 1 916 young farmers will receive support to develop their businesses. More than 16% of the region's farmland will come under management contract to improve biodiversity and 21 200 hectares of irrigated land will switch to more efficient irrigation systems. As regards knowledge transfer and innovation, nearly 18 000 people will receive training and the region aims to support 175 cooperation projects in the framework of the European Innovation Partnership. Around 12% of the funds will be used for local initiatives, aiming to create 1 114 new jobs and to improve living conditions for the rural population, with almost 6% of the rural population getting access to better infrastructure and services.

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. There are 114 programmes in the 27 Member States and 4 programmes in the United Kingdom. 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 that Aragon 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 Programme provides the funding for the networking of rural development actors in Spain.

The region of Aragon, located in the northeast quadrant of the Iberian Peninsula, covers an area of 47 720 km² and has 1.35 million inhabitants (2013) resulting in a population density of 28.2 inhabitants/km². Aragon is considered as a strongly unbalanced territory where more than half of the population and 53.1% of the total gross disposable income are concentrated in the capital Zaragoza.

This territorial imbalance is reflected in the fact that the provinces of Huesca and Teruel, which shape the Aragon rural area, only account for 27.4% of Gross Added Value and 27.6% of total employment. The unemployment rate in Aragon was 18.6% in 2012, so lower than the national level (25%) but higher than the EU average (10.50%).

The importance of the different economic sectors in terms of employment has shifted due to the economic crisis and significant decreases were observed especially in industry and construction. Agriculture has, however, performed well maintaining or even slightly increasing its share in total employment. Land occupation in Aragon (5.8% in 2012) has a greater weight than in the nation as a whole (4% in 2012).

2. HOW THE ARAGON'S RDP WILL ADDRESS THESE CHALLENGES

In addressing these challenges, Aragon's RDP will fund action under all Rural Development priorities – with a particular emphasis on enhancing farm viability and competitiveness of all types of agriculture and promoting innovative farm technologies and the sustainable management of forests as well as restoring, preserving and enhancing of ecosystems related to agriculture and forestry. The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

This cross-cutting priority will be addressed mainly through measures supporting training: an expected **17 765 participants will be trained**. There will also be support for **175 cooperation projects** in the framework of the European Innovation Partnership for Agricultural Productivity and Sustainability.

Competitiveness of agri sector and sustainable forestry

Besides previously mentioned support for training, **1 773 farms** will receive **funding for investments** focused on restructuring and modernisation and **1 916** farms will receive funding for young farmers to develop their businesses.

Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture

Under this priority, **205 farms** will receive funding for participating in **quality schemes**, local markets and short chain distribution.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Around **33% of the allocated amount** will be used for area-based payments to farmers for using **environment/climate friendly management practices**, including organic farming. As a result, more than **16%** of farmland will be under contracts to improve

biodiversity and landscape and almost **14%** of agriculture plus forest land for soil erosion and management.

Resource efficiency and climate

Support under this priority will mainly contribute to increasing efficiency in farms' water use. **21 200 ha of irrigated land** will switch to more efficient irrigation system.

Social inclusion and local development in rural areas

The programme will fund Local Development Strategies (LDS) drawn up and implemented by Local Action Groups (LAGs) under the LEADER approach. LEADER projects are expected to create **1 114 new jobs** and improve living conditions.

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

- € 272 million allocated to Measure 4: Investments in physical assets
- € 84 million allocated to Measure 8: Forestry
- € 83 million allocated to Measure 6: Farm and business development
- € 78 million allocated to Measure 10: Agro environmental / Climate
- € 77 million allocated to Measure 19: LEADER and CLLD

Annex 1: Indicative public support for the Rural Development Programme in Aragon

Target	Measure	€ Total public	%
Priority1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹			
1A: Fostering innovation, cooperation, knowledge base 4.86% of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 175 cooperation projects	16 cooperation		
1C: Training 17 765 participants trained	01 knowledge		
Priority 2: Farm viability, competitiveness and sustainable forest management		228 938 437 66	31.5
2A: Economic performance, restructuring & modernisation 3.36% of holdings with RDP support	01 knowledge	5 707 653 65	0.77
	02 advisory	5 224 067 92	0.71
	04 investments	129 586 888 52	17.58
	16 cooperation	5 133 265 32	0.70
2B: New farmers 4.17% farms with RDP support for Young Farmers	06 farm / business development	83 286 562 25	11.30
Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		131 163 581 61	17.79
3A: Improving competitiveness of primary producers 0.39% of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations	01 knowledge	443 928 59	0.06
	03 quality schemes	6 288 207 55	0.85
	04 investments	118 891 962 83	16.13
	16 cooperation	5 539 482 64	0.75

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		251 856 947 42	34.16
4A Biodiversity 0.23% of forest/other wooded area under contracts 16.39% of agricultural land under contracts	01 knowledge	1 482 094 09	0.20
	04 investments	3 860 674 30	0.52
	07 basic services	12 418 141 91	1.68
	08 forest	71 609 388 63	9.71
4B Water management 1.55% of agricultural land under contracts	10 AEC	77 749 127 84	10.55
	11 organic farming	16 182 744 68	2.19
	12 N 2000 and WFD	908 748 00	0.12
	13 ANC	61 763 031 34	8.38
4C Soil erosion and management 4.99% of agricultural land under contracts 8.82% of forestry land under contracts	15 forest - environment	533 333 33	0.07
	16 cooperation	5 349 663 30	0.73
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		37 969 045 61	5.15
5A Water efficiency 5.64% of irrigated land switching to more efficient irrigation systems	04 investments	19 513 213 06	2.65
	16 cooperation	5 583 935 03	0.76
5D Reducing of GHG and/or ammonia emissions ³ 4.93% of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions	10 AEC	0	0.00
5E Carbon conservation and sequestration 0.42% of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	8 forest	12 871 897 52	1.75
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		77 586 061 78	10.52
6B LEADER 75.80% rural population under local development strategies 5.71% rural population with improved services/infrastructure 1 114 jobs created (via LEADER)	07 basic services	586 633 03	0.08
	19 LEADER and CLLD	76 999 428 75	10.44
Technical Assistance	20 TA	8 253 890 57	1.12
Discontinued measure	113 early retirement	1 520 986 81	0.21
Total public expenditure €		737 288 951 46	100

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

³ Some hectares programmed under the priority 4 can also count in priority 5. This is in the case where an AEC scheme is designed to jointly contribute to priority 4 environmental objective(s) and focus area 5D objective