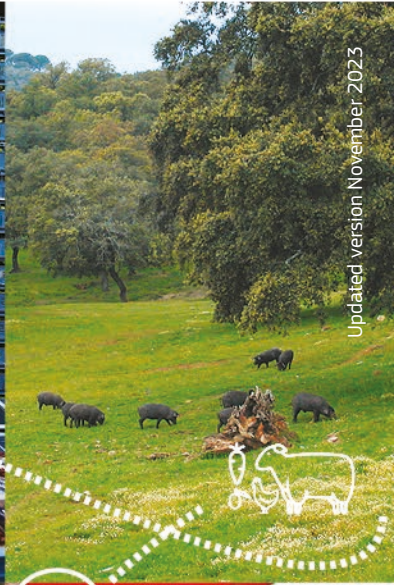




European
Commission



At a glance: SPAIN'S CAP STRATEGIC PLAN

Agriculture
and Rural
Development

CAP Strategic Plans support the transition towards a smart, sustainable, competitive, resilient and diversified agricultural sector, ensuring long-term food security. They also contribute to climate action, the protection of natural resources and the preservation/enhancement of biodiversity, as well as strengthen the socio-economic fabric of rural areas.

CAP Plans support a wide range of interventions, addressing the specific needs of Member States and their territories. Designed in line with a new result- and performance-oriented approach, they aim to deliver tangible results in relation to EU-level CAP specific objectives, while contributing to the European Green Deal.

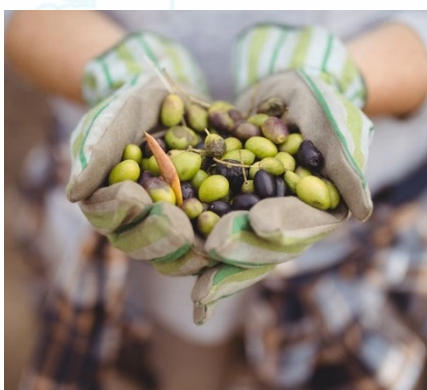
For the first time, each CAP Plan defines a strategy covering all the main CAP funded instruments: direct payments, support for rural development and interventions specific to certain market sectors.

The needs of rural areas will also be addressed by other EU instruments such as the Recovery and Resilience Facility (RRF) or the European Structural and Investment Funds (ESIF).

The impacts of both the Russian aggression against Ukraine and the extreme weather conditions caused by climate change, highlight the integral link between food security and the need of transition to sustainable and resilient food systems. In this context, the CAP Strategic Plans offer opportunities: e.g. to reduce dependence on synthetic fertilisers and scale up production of renewable energy without undermining food production; and to transform the sectors' capacity in line with more sustainable production methods.

Spain submitted its first proposal for a CAP Strategic Plan on 29 December 2021, after consultation with stakeholders. On 27 July 2022, Spain submitted a revised proposal, addressing the Commission's observations on the first draft. The Commission approved this proposal on 31 August 2022. Spain requested the first amendment of its Plan, which has been approved by the Commission on 30 August 2023. This document presents some of the main features of the CAP Strategic Plan of Spain.

1. DID YOU KNOW?



Spanish agriculture is characterised by a high contribution to the country's economy, with the primary sector accounting for 2.9% of the country's economy (total GVA). Spanish agriculture is highly varied, with significant diversity in climate, topography, and soil conditions. This results in significant differences in types of farming between territories. Vegetables and horticulture, fruit and pigmeat are the most important sectors in terms of production value. Spain is responsible for half of the EU's production of olives and for one third of fruit.

- ➔ 77% of Spain is covered by predominantly rural areas and intermediate regions.
- ➔ 3.4% of the Spanish population live in predominantly rural areas and 33.3% live in intermediate regions.
- ➔ There are more than 800 000 farmers in Spain, half of whom own farms of 5 hectares or less.



2. GOALS AND STRATEGY OF THE CAP STRATEGIC PLAN OF SPAIN

Spain has designed a strategy that combines national and regional elements. This will provide support to all farmers with a fair approach, while taking into account regional specificities. The Spanish CAP Plan seeks the sustainable development of farming, food and rural areas, ensuring food security through a competitive agri-food sector. To reach this objective, the consolidation of a lively rural environment will be a key focus, thanks to a wide range of measures aimed at contributing to environmental, economic and social sustainability.

2.1 AN ECONOMICALLY SUSTAINABLE AND FAIRER CAP

Spain is building a more targeted and fairer system of financial support to farmers, through the combination of a mechanism to cap very high payments, redistributive support for small and medium sized farms and harmonisation of the amount of payments to farmers.

Basic income support for sustainability, covering 86.4% of the utilised agricultural area, will play an essential role in the resilience of farms. Together with the national insurance system, it minimises the volatility of farm income against climate and market instability. In addition, farmers operating in certain sectors undergoing difficulties (such as extensive livestock), benefit from additional financial aid. This prevents the abandonment of the activity.

Other sectors (fruit and vegetables, wine and apiculture) benefit from dedicated support to cover their different, specific needs with investments, training, advice or crisis prevention and management.

To address challenges specific to certain supply chains, the Plan will boost cooperation, focusing for example on participation in and promotion of quality schemes (such as geographical indications or protected designations of origin), the succession of agricultural holdings and environmental

- *EUR 90 million total rural development funding will be used to help 123 761 farms take part in producer groups, producer organisations, local markets, short supply chains and quality schemes supported by the Plan. This support can help to improve their organisation, to sustain the costs relating to the design of the projects, and to compensate for certain inherent administrative costs (such as registration and controls).*
- *To enhance competitiveness and the overall performance and sustainability of the agricultural sector, more than EUR 1.82 billion (total rural development funding) will be allocated to investments in farm modernisation, processing, marketing and development of agricultural products, and infrastructures.*

actions.

2.2 A GREENER CAP

Spain faces major challenges in relation to environmental and climate-related objectives. The fight against desertification and erosion and the improvement of the soil structure and soil organic content are of utmost importance. Water management is also a priority, in terms of both quantity and quality. Driven by the Strategic Plan, Spain is strengthening its framework of measures of a regulatory nature to ensure better synergies among the various tools, in order to achieve the environmental objectives.



More than 86% of the utilised agricultural area will need to comply with good agricultural and environmental conditions, while EUR 6 billion is reserved for farmers committing to more ambitious actions (such as carbon sequestration and maintenance of landscape features). EUR 2.59 billion (EU rural development budget), is destined for interventions beneficial for climate, the environment and animal welfare, such as sustainable management of pastures, through extensive grazing and transhumance, protection of birds by limiting the use of fertilisers and pesticides or fight against erosion through cover crops and minimum tillage.

To help reverse biodiversity loss and in line with the European Green Deal's ambitions, Spain aims to cultivate 20% of its utilised agricultural land with organic agriculture by 2030. The CAP Strategic Plan will help this process by providing financial aid to 1 281 937 ha. As in the past, Spain will keep a large budget allocated to forests: EUR 827 million of total rural development funding will promote afforestation, agroforestry, fire prevention, restoration and adaptation of forests and forest activities.



- 13% of the Spanish Natura 2000 sites will be financially supported to improve and maintain the conservation status of their habitats and species.
- Water use efficiency in agriculture will be improved by financing nearly 200 investments aimed at modernising irrigation systems. For example, digital technologies will be employed to monitor soil humidity and the use of green infrastructure – contributing to water retention in the soil – will be encouraged.



2.3 SOCIALLY SUSTAINABLE CAP

Rural areas in Spain are facing major challenges in terms of depopulation and ageing, as well as important social imbalances. Consequently, the Spanish Plan prioritises actions in these fields.

Actions for the local development of rural areas will ensure better employment opportunities, particularly in the most disadvantaged territories and social groups. Coordination with other sources of EU funding will play a key role in this process. In this framework, more than 41 000 rural businesses, including bio-economy businesses, will be supported by the Plan, as well as the creation of 17 347 new jobs. 16 Smart Villages will also be developed.

Moreover, for the first time in Spain, a gender balance approach will be applied in the distribution of the Strategic Plan financial aid: targeted, additional financing will be granted to women farmers who are already active in agriculture or who want to start a new business.

Considering the importance of livestock production in Spain, major efforts will be put in place to improve animal welfare and antimicrobial use. For instance, an ambitious national regulatory package, combined with the interventions of the Plan, will encourage a 50% cut in the use of antimicrobials by 2030.

- *16 528 new young farmers will be helped to start their activities. They will receive a grant (from EUR 20 000 to EUR 100 000), to cover part of their initial investments.*
- *The development of rural areas will be entrusted to Local Action Groups, which will receive funding in the framework of LEADER: with more than EUR 500 million dedicated from the EU rural development budget, they will bring together public, private and civil society stakeholders in a particular area to find shared solutions for its challenges.*



3. KNOWLEDGE SHARING, INNOVATION AND DIGITALISATION

The functioning of the Agricultural Knowledge and Innovation System (AKIS) in Spain is relatively strong, but fragmented. For this reason, a coordination body will be set up.

This will further boost the spread of digital and innovative solutions, which show significant potential. Indeed, part of the Spanish agricultural system could easily take advantage of digital, automated solutions, for which a positive trend has already been observed. While the Recovery and Resilience Facility will bring digital infrastructure to rural areas, the CAP Strategic Plan will help farmers and foresters make the most out of it. More than 1,2 million people will benefit from training (with a special focus on closing the digital skills gap), advice and awareness actions. Advisors will receive funding to bring innovative solutions to farmers and foresters, who will thus gain the knowledge tools to address the economic, green, social and digital challenges ahead of them.

In recent years, Spain engaged in the European Innovation Partnership with one of the highest numbers of Operational Groups. To keep building on this expertise, 777 Operational Groups will receive funding to act as a bridge between research, industry and farmers.





4. FINANCIAL ANNEX

	EU budget (€)	National funding (€)	Total (€)
Direct payments	24 440 095 296	n/a	24 440 095 296
Sectoral support	1 666 171 631	46 843 087	1 713 014 718
Rural development	5 403 084 125	2 858 645 892	8 261 730 017
Total	31 509 351 052	2 905 488 979	34 414 840 031

National funding does not include additional national financing referred to in Article 146 of Regulation (EU) 2021/2115. Direct payments include allocations for cotton set out in Annex VIII of Regulation (EU) 2021/2115 and reflect possible transfers between pillars. Payments for support under Regulation (EU) No 1308/2013 are not included in the CSP. National funding for sectoral support only relates to apiculture. Rural development reflect possible transfers between pillars and include technical assistance.

EU FUNDING RESERVED FOR	In EUR	%
Environmental and climate objectives under rural development	2 591 003 194	48%¹
Eco-schemes under direct payments	5 552 577 672	23%²
LEADER	542 154 229	10%¹
Complementary Redistributive Income Support	2 414 164 212	10%²
Young farmers (generational renewal)	1 088 280 185	n/a³

The minimum financial allocations for support for young farmers can be reserved under direct payments and/or rural development. Eco-schemes under direct payments may be lower than 25% if the possibility to use the rebate mechanism from rural development is used, in line with Article 97 of Regulation (EU) 2021/2115. The Complementary redistributive income support under Direct Payments may be lower than 10%, in line with Article 29 of Regulation (EU) 2021/2115.

¹ as compared to the rural development allocations set out in Annex XI of Regulation (EU) 2021/2115

² as compared to the direct payments allocations set out in Annex IX of Regulation (EU) 2021/2115

³ not applicable as the minimum contribution to young farmers is set as absolute amounts in Annex XII of Regulation (EU) 2021/2115

More financial information can be found in section 6 and in Annex V of Spain's CAP Strategic Plan.

