

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

The Rural Development Programme (RDP) for Andalusia was formally adopted by the European Commission on 10 August 2015, and last modified on 22 March 2022. It outlines Andalusian priorities for using the  $\in$  3,213 million of public money that is available for the 9-year period 2014-2022 ( $\in$  2,454 million from the EU budget, out of which 165 million EURI). The latest modification integrates 0.8 million from the budget of direct payments of the CAP.

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 5,300 young farmers will receive support to launch their businesses. Some more than 100 farmers will receive funding to participate in quality schemes, local markets and short supply chain distribution. The region will support training for almost 160,000 participants and will promote innovation through 240 projects under the European Innovation Partnership and 4 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 20% 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 1.200.000 ha of organic farmland. Moreover, more than 90,000 ha will receive support to improve water efficiency and more than 25% 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 almost 900 new jobs.

Support for Rural Development is the  $2^{nd}$  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, 114 programmes are foreseen in all 27 Member States, plus 4 in the United Kingdom. The 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,  $4^{th}$  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 suport the development of innovative solutions through 230 operational groups under the European Innovation Partnership (EIP) and it will create almost 160,000 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 3.3% of all farms in the region, while 2.2% 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 130 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. 21% of the agricultural land will be under contract for biodiversity, 16% for water management and 23% 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 12% of the region's irrigated area will switch to more efficient irrigation systems. It should also be noted that almost 66 million (public and private) will be mobilized in energy efficiency and renewable energy production. 4.7% 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:

- o € 896 million allocated to Measure 4 Investment in physical assets
- € 438 million allocated to Measure 11 Organic farming
- o € 436 million allocated to Measure 10 Agro-environment-climate
- • 396 million allocated to Measure 8 Investment in forest area development and improvement of the viability of forests.

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

Target	Measure	€ Total public	%
Priority1: Knowledge transfer and innovation in agr and rural areas <sup>1</sup>			
1A: Fostering innovation, cooperation, knowledge base 3.40% of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 233 cooperation projects	16 cooperation		
1C: Training 157,838participants trained	01 knowledge		
Priority 2: Farm viability, competitiveness and susta management	ainable forest	811,681,794	24.50
2A: Economic performance, restructuring & modernisation 3.29 % of holdings with RDP support	01 knowledge	38,721,383	1.10
	02 advisory	15,712,791	0.47
	04 investments	398,796,532	12.04
	16 cooperation	47,325,665	1.43
	21 - COVID	26,885,080	0.81
2B: Generational renewal 2.15% of holdings with RDP supported business development plan/investments for young farmers 5,266 young farmers who benefit from installation aid	06 farm and business development	284,240,343	8.58
Priority 3: Food chain organisation, including proce of agricultural products, animal welfare and risk ma		361,563,655	10.91
3A: Improving competitiveness of primary producers 0.05% of farms financed to participate in quality figures (102 participants)  With € 595,594,456 of investments, 1,389 operations supported for investment in processing and marketing of agricultural products  25 farms involved in local cooperation between supply chain actors	03 quality schemes	12,984,227	0.39
	04 investments	301,537,990	9.10
	16 cooperation	100,000	0.00
3B: Risk management 0.15 % of farms participating in risk management schemes 375 beneficiaries of preventive actions.	05 Restoring agricultural potential	46,941,438	1.42

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 $<sup>^{1}</sup>$  No financial allocation shown for Priority 1 as the expenditure is distributed across other focus areas.

Priority 4: Restoring, preserving and enhancing ecoagriculture and forestry <sup>2</sup>	osystems in	1.269.694.913	38.32
4A Biodiversity	01 knowledge	4,063,436	0.12
15.03% of agricultural land under contracts	04 investments	28,643,787	0.86
24.89% of forest/other wooded area under risk	07 Basic services	35,669,770	1.08
prevention actions	08 forest	216,281,702	6.53
4B Water management	10 AEC	436,456,061	13.17
2.29% of agricultural land under contracts	11 organic farming	437,668,937	13.21
	13 ANC	110,911,220	3.35
4C Soil erosion and management			
23.58% of agricultural land under contracts			
Priority 5: Resource efficiency and shift to low resilience economy in agriculture, food and forestry		373,927,472	11.29
5A - Water efficiency 11.75% of irrigated land switching to more efficient irrigation systems	04 investments	146,121,540	4.41
5B - Energy efficiency € 20,571,000 of total investment for energy efficiency	04 investments	20,571,000	0.62
5C - Renewable energy 96 activities of advisory actions or demonstration projects on residues from agriculture and agro food industries	01 knowledge	1,992,421	0.06
	02 advisory	967,239	0.03
	07 basic services	25,166,667	0.76
5E - Carbon conservation and sequestration 4.74% of forest land under investment to improve resilience and environmental value of forest ecosystems	08 Forests	179,108,591	5.41
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		360,084,518	10.87
6A - Diversification, SMEs and job creation	07 Basic services	22,554,284	0.68
	08 Forests	117,131	0.00
	21 COVID	14,540,000	0.44
6B - Fostering local development 66.09 % rural population under local development strategies 1.616 jobs created (via LEADER)	02 advisory	3,638,835	0.11
	07 Basic services	26,600,000	0.80
	19 LEADER	281,029,602	8.48
6C - Information and communications technologies 4.50% of rural population benefiting from the new improved services/infrastructures (ICT)	07 Basic services	11,604,666	0.35
Technical Assistance		131,891,265	3.98
Discontinued measures		4,199,096	0.13
Total public expenditure€		3,313,042,713	100.00

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 $<sup>^{2}</sup>$  Expenditure under Priority 4 is programmed for the priority as a whole, not for individual focus areas