

Rural Development Programme (RDP) of Cataluña, Spain

Programa de Desarrollo Rural de Cataluña - 2007-2013 – March 2010¹

(Rural Development Programme of Cataluña 2007-2013)

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<http://www.gencat.net/darp>

Other useful links:

Rural Development Programme (RDP):

http://enrd.ec.europa.eu/country-information/programming/en/programming_home_en.cfm

National Strategy Plan (NSP):

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 Cataluña
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General socio-economic situation in rural areas in the Cataluña region

Cataluña is located on the northeast of the Iberian peninsula, which constitutes one of the strengths of its economy as it is a central link between the north European and Mediterranean countries. It covers a territory of 32,107 km² representing 6.3 % of the Spanish surface. The RDP provides the following baseline figures for Cataluña in 2006: GDP per capita is €122.9% of the EU-25 average; unemployment stands at 6.7%; and the region has a population of 7,134,697 and a population density of 217.87 inhabitants/ km².

The region is characterised by an ageing population in rural areas and a higher concentration of people in the semi-urban zones around the metropolitan region of Barcelona. Agricultural, forest and natural areas occupy a significant part of the territory (35.5%, 43.9% and 20% respectively). Despite the fact that rural areas comprise a large part of the territory, agricultural activity ranks low in the Catalan economy, contributing only 1.4% to gross domestic product (GDP) (2003), while jobs created within the agricultural sector represent 2.5% of overall employment.

In terms of economic growth, GDP growth is higher in predominantly rural and intermediate areas than in urban areas. The growth of the agricultural sector was 2.9% between 2003 and

¹ Latest updated RDP, following the adoption of the Health Check and European Economic Recovery Package and additional funds from Modulation.

2005. Competitiveness of the agricultural sector is low: productivity is higher than in other sectors, but it remains below the average due to high numbers of low skilled wage-earning labour. However, the agricultural sector produces positive externalities in terms of quality of life and conservation of natural heritage. In addition, Cataluña's agri-food industry ranks first at national level. This sector currently generates 3.4% of total employment in Cataluña. Regarding human resources development, the level of education and training in the agricultural sector is low. Promotional fairs in rural areas and formal training constitute an important source of innovation and transfer of knowledge to the sector. Overall, strengths of the Catalan economy include its long industrial tradition, extensive diversification, a strong service sector, and the relatively high quality of social services.

Weaknesses include regional differences, accessibility difficulties and poor quality of infrastructure, lack of industrial innovation, deterioration of rivers and coastal areas, abuse of water resources, and the predominance of certain traditional industries (textile, leather, metallurgy, footwear, non-electrical machinery,..) characterised by low technology intensity. Rural areas under risk of marginalisation are those located in mountainous or interior areas of the Catalan territory. Factors that contribute to the marginalisation of these areas include poor infrastructure, and few training and employment opportunities. These factors make the setting-up of new businesses less attractive and contribute towards the process of rural depopulation.

Cataluña's environment is characterised by a large variety of ecosystems, as a result of the diversity of climate and landscapes. Despite overall good water quality, a number of areas have been designated as vulnerable to nitrates originating mainly from agricultural activities. Cultural heritage constitutes one of the bases for the development of diversification in the agrarian economy through rural tourism or handicraft activities.

Following the CAP Health Check 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 RDP was revised in 2009 to place additional emphasis on these challenges. The SWOT analysis prior to the revision already addressed these challenges, thus no modifications to the RDP's SWOT.

RDP strategic objectives

The RDP's overall objectives are centred on the improvement of the competitiveness of the agri-food sector and the promotion of sustainable agriculture. Specific objectives include the following:

- 1) Enhanced competitiveness of the agri-food sector;
- 2) Sustainability and natural environment;
- 3) Improvement of the quality of life in rural areas;
- 4) Development of local capacity and diversification.

The objectives aim at responding to the identified strengths and weaknesses, more specifically: to strengthen the agri-food sector where Cataluña has a competitive advantage; to preserve the region's richness in ecosystems and mitigate the negative effects of agricultural activities on the environment; to build on strengths and address weaknesses such as accessibility problems and poor infrastructure; to build on the region's diversification tradition and to develop human resource capacity in rural areas. The objectives are also consistent with the national objectives, such as promotion of the agri-food industry, sustainable water management, co-existence of agriculture and environmental protection,

promotion of agricultural practices that respect the environment, maintenance of high-value traditional rural landscapes, improvement in the quality of life and diversification in the rural economy, and provision of rural infrastructure and services.

Taking into account the additional financing in the revised RDP and the socio-economic context in rural areas, greater priority is now given to already existing measures which will better fulfil needs in relation to the new challenges of climate change, renewable energies, biodiversity and innovation linked to the above. No additional funds are allocated for water management since the RDP already includes operations towards this priority and the impact of new funds into this measure would be very limited, compared to the impact on the proposed measures. In relation to the milk sector, and according to the Strategy for the RDP of Cataluña, no measure is planned for restructuring the dairy sector. Finally, and in line with the National Strategic Plan, the regional RDP will not implement infrastructures for the development of broadband in rural areas since this is a competence of the national authority (thus regional programmes should not include it) and a FEDER co-financed plan already addresses this priority. Additional funds from Modulation will address the increased financing necessities of certain measures within axis 1 and 2, while modifications in relation to the wine sector are in line with the strategy and coherent with the suggestions of the wine producers' organisations following a specific consultation.

Expected impact / outcomes of the policies

The expected outcomes depend on the objectives of each RDP priority:

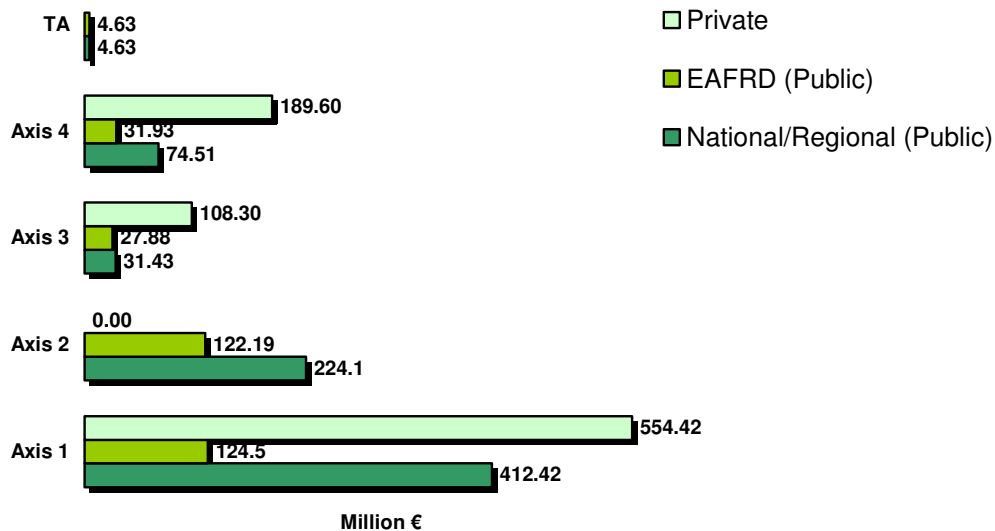
- For axis 1, expected outcomes relate to the successful completion of capacity building, the number of agricultural holdings that received advisory services, an increase in the value added of supported agricultural holdings and enterprises, the number of agricultural holdings that innovate (new products, techniques, practices, systems), micro-enterprise and job creation, innovation at enterprise level (new products or techniques), the set-up of quality standards and water savings;
- For axis 2, expected outcomes include the maintenance of agricultural activity, agro-environmental activities in sensitive areas, the promotion of sustainable agrarian practices, reforestation, conservation and improvement of the rural landscape, forests and natural heritage, protection of autochthonous livestock species, an increase in organic farming and livestock production, reduced use of fertilisers and phytosanitary products, increased support for agricultural holdings and the soil in disadvantaged areas;
- For axis 3, expected outcomes include job creation and consolidation, creation of non-agrarian activities, provision of new accommodation services, increased coverage of the population that benefits from the improvement in services, an increase in the number of beneficiaries and in the population of Local Action Group (LAG) areas;

Expected impacts include economic growth, employment creation, labour productivity, reversal of the deterioration of biodiversity, maintenance of agrarian and forest areas of high natural value, improvement in the quality of water and contribution to the fight against climate change.

Expected impacts from 2009's RDP amendment relate to the reduction of CO2 emissions by energy saving, replacement of fossil combustible, reduction of greenhouse effect gases and climate change adaptation, improvement of capacities for better efficient water management and quality improvement, conservation and maintenance of biodiversity and holding back its loss. Furthermore, the improvement of the competitiveness of the wine sector is expected to have a direct impact on the generational replacement of farmers, the enhancement of the level of training of farmers and the improvement of processes of transformation and

marketing, together with information and promotion for products under quality schemes. On the other hand, the modification of the co-financing rates will relieve the regional and national authorities from the need to contribute with additional funds not available for the moment given the financial crisis.

RDP budget breakdown by axis: Total expenditure (including national/regional + EAFRD + private funding) of €1,910,536,115



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 57% of the overall RDP budget in Cataluña is allocated to axis 1 (€1,091,331.4 million); approximately 18% is allocated to axis 2 (€346,296.1 million), 9% to axis 3 (€167,610.6 million) and 15% to axis 4 (€296,046.4 million), with 0.5% available to fund Technical Assistance (€9,251.7 million).

Within axis 1, National/Regional public funding represents approximately 38% share of the axis funding; EAFRD 11%; and private funds 51%.

Within axis 2, National/Regional public funding represents approximately 65% share of the axis funding; EAFRD 35%; and no private funds.

Within axis 3, National/Regional public funding represents approximately 19% share of the axis funding; EAFRD 17% and private funds 65%.

Within axis 4, National/Regional public funding represents approximately 25% share of the axis funding; EAFRD 11%; and private funds 64%.

Within technical assistance, National/Regional public funding represents approximately 50%

share of the technical assistance funding and EAFRD 50%.

As a consequence of the RDP revisions in 2009, the Cataluña region has been assigned an additional budget totalling €67,666,413 (including €43,716,303 of EAFRD and a further €23,950,110 of national/regional public funds) focused on existing measures that address new challenges under axis 1, 2 and 3. Minor technical changes also took place in order to improve programme implementation and relate to the update of legal references, changes in the levels of maximum support, enlargement of the list of products supported under quality schemes and other clarifications.

Axis Information²

Axis 1 objectives - Improving the competitiveness of the agricultural and forestry sector

The emphasis of this axis is on adding value to agricultural products (measure 123; 40% of total axis 1 budget), modernisation of agricultural holdings (measure 121; 22%), setting up of young farmers (measure 112, 12%), infrastructure related to the development and adaptation of agriculture and forestry (measure 125; 10%) and advisory services (measure 114; 6%).

Result targets for axis 1 include: number of participants that have successfully completed training activities, 6,000 farmers that have received advisory services, 10-15% increase value added of agricultural holdings and subsidised enterprises, 100-490 (depending on the measure) agricultural holdings that have introduced new products and/or techniques, 4-50 new enterprises created (depending on the measure), 1,800 employment posts consolidated and employment posts created (no specific quantitative target for this), 10-15% increase in the value of agricultural production under recognised quality standards and 500 m³/he of water savings.

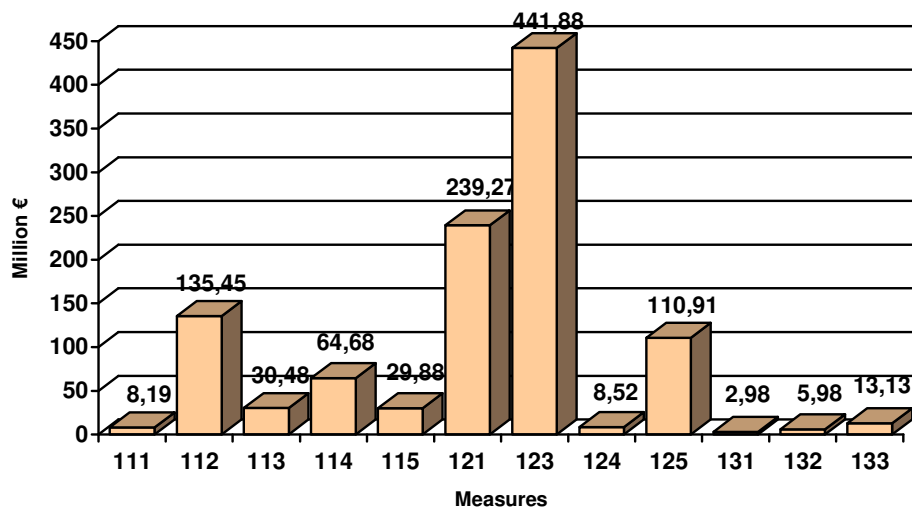
The revised RDP contains additional output indicators for operations that address the “new challenges” and these comprise the number of subsidised cooperation initiatives (e.g. 4 cooperation initiatives to preserve biodiversity, 6 to improve water management, 7 to support the development of renewable energies, etc.) and the number of entrepreneur farm owners per cooperation project (e.g. 2 entrepreneurs per cooperation project for energy efficiency, 2 entrepreneurs per cooperation project for the conservation of biodiversity, etc.). Updated output indicator targets have also been included for the measures benefiting from the wine reform (see below).

Main objectives	Specific objectives
Promote integration in the agri-food chain	<ul style="list-style-type: none"> - Investments for the development of new products, processes, technologies; - Adaptation of EU legislation to market needs - Promote links between agricultural holdings and agri-food industry; - Establishment of agri-shops throughout the territory; - Promote production within quality programmes; - Improve food security.

² Detailed information on the individual measures can be found in Annex I.

Modernise the agrarian sector	<ul style="list-style-type: none"> - Direct investments to increase productivity; - Update and improve agrarian infrastructure; - Incorporate ICT; - Promote the employment of young farmers; - Reinforce small-holding concentration.
Promote initiatives that improve the environmental performance of agrarian holdings	<ul style="list-style-type: none"> - Achieve energy savings and energy efficiency; - Improve actual risks.
Promote the differentiation of products through quality	<ul style="list-style-type: none"> - Maintain current quality standards and create new ones; - Promote the creation of new food brands; - Help create communication channels with final consumers.
Boost the development of human capital	<ul style="list-style-type: none"> - Integral advisory system in agricultural holdings; - Provide training and information to farmers; - Incorporate technological innovation; - Promote agrarian networking.

Axis 1 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €1,091,331,348



Following the 2009 RDP update, the total budget for axis 1 is €1,091,331,348 including an additional €26,022,517 (€6,990,708 EAFRD + €19,031,809 national/regional public funds). Of these new funds, €1,933,709 from the HC and the EERP is targeted at measure 124 (cooperation for the development of new products, processes and technologies in the agricultural and food sector). New funds complement the existing ones and finance cooperation activities in areas related to new challenges, namely, improvement of energy efficiency, biomass from agricultural products transformation for renewable energy production, innovative operations related to the mitigation and adaptation of climate change, innovative operations related to the development of renewable energies, innovative operations related to improve water management, and innovative operations related to biodiversity conservation. The remaining €24,088,808 additional funds from modifications in

relation to the wine sector is targeted at measures 111 (vocational training), 113 (early retirement of farmers), 123 (adding value to agricultural and forest products) and 133 (information and promotion activities). The only change for these measures consists of increasing the EAFRD budget in order to address the increased financing necessities of these measures.

Axis 2 objectives - Improving the environment and the countryside

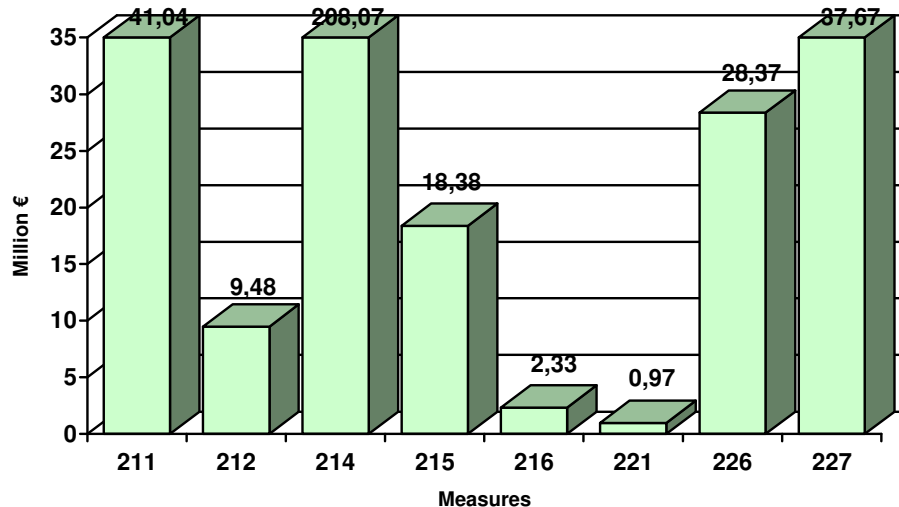
The emphasis of this axis is on agri-environment measures (measure 214; 60% of total budget for axis 2). This is followed by support to farmers in mountainous areas (measure 211; 12%), non-productive investments (measure 227; 11%), restoring forestry potential and introducing prevention actions (measure 226; 8%), and animal welfare payments (measure 215; 5%).

Result targets for axis 2 include a surface area of between 880 and 723,800 ha (depending on the measure) that contribute to the improvement of biodiversity and agriculture of high natural value, improvement of water quality, fight against climate change, improvement of soil quality and prevention of land marginalisation and abandonment.

The revised RDP contains updated output indicator targets for the measures benefiting from additional finance (214, 211, 212, 215). They relate mainly to the number of holdings supported and the total supported area (hectares).

Main objectives	Specific objectives
Protect rural landscapes	<ul style="list-style-type: none"> - Maintain agrarian activity in zones with special difficulties; - Conservation of constructions and traditional elements; - Reduction of erosion; - Promote the integration of agri-holdings with the rural landscape.
Promote agrarian activities with a high sustainability rate	<ul style="list-style-type: none"> - Promote organic agriculture and livestock production; - Promote activities beneficial for both silviculture and livestock production; - Maintain vegetable varieties and autochthonous races; - Specific management systems with high natural value; - Improve the quality of soil and water, reduce contamination from nitrates and pesticides; - Promote the value added of products and their recognition by the market; - Establish agri-environmental actions in line with the conclusions of Territorial Pacts.
Protect sustainable management of forests	<ul style="list-style-type: none"> - Promote forest management; - Prevent forest fires; - Set up infrastructure for extinguishing forest fires; - Establish practices of maintenance and promotion of biodiversity.

Axis 2 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €346,296,049



Following the 2009 RDP update, the total budget for axis 2 is €346,296,049 including an additional €41,643,896 (€27,749,612 EAFRD + €13,894,284 national/regional public funds). Of these new funds, €33,727,281 from the HC and the EERP is targeted at measure 214 (agri-environment payments) to support certain existing sub-measures which play a special role as regards biodiversity and climate change (extensification of livestock and livestock management, integrated and organic production and setting up and preservation of meadow orchards). The remaining €7,916,615 additional funding comprises a transfer of funds from agri-environment operations to measures 211 (natural handicap payments to farmers in mountainous areas), 212 (payments to farmers in areas with handicap, other than mountain areas) and 215 (animal welfare payments) to address the increased financing necessities of these measures.

Axis 3 objectives - The quality of life in rural areas and diversification of the rural economy

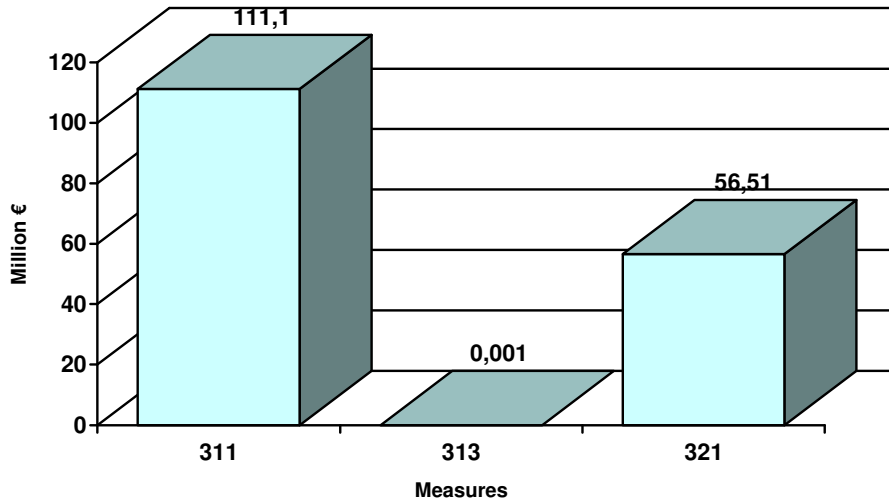
The emphasis of this axis is on diversification into non-agricultural activities (Measure 311; 66% of total budget for axis 3) and the provision of basic services to the economy and rural population (measure 321; 34%).

Result targets for axis 3 include the creation of between 500 and 1,500 employment posts (depending on the measure). Other result targets (no quantification provided) include enterprise creation and modernisation, creation of tourist accommodation, increase in the numbers of rural population benefiting from improved services.

The revised RDP contains updated output indicator targets for axis 3 measures benefiting from additional finance.

Main objectives	Specific objectives
Promote diversification of agrarian activity	<ul style="list-style-type: none"> - Development of non-agrarian activities in agri-holdings; - Facilitate investments directed at diversification of agrarian production through increasing the value added of products; - Prioritise and discriminate positively actions carried out by women; - Promote actions with a social and/or environmental benefit.
Impel the establishment of new activities in the rural world	<ul style="list-style-type: none"> - Set up of micro-enterprises in rural zones and infrastructures necessary for them; - Prioritise and positive discrimination actions carried out by women; - Promote actions with an important social benefit; - Install new energy production methods using local resources.
Establish a network of basic services for the rural population	<ul style="list-style-type: none"> - Equip rural population with basic infrastructure; - Facilitate access to ICT; - Support the conservation and restoration of artistic, cultural and natural heritage.

Axis 3 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €167,610,602



Following the 2009 RDP update, the total budget for axis 3 is €167,610,602 including an increase in the co-financing rate from 30% to 47% (average for the period 45%). This implies a reallocation of funds in axis 3 where the same additional amount of EAFRD (€8,975,983) replaced national financing. The justification of this transfer of funds amendments is related to the availability of national and regional funds (given the current economic crisis) necessary to co-finance the additional EAFRD. In addition, the increased co-financing rate in axis 3 would improve the balance between axis.

Axis 4 objectives - Leader

The main emphasis of this axis is on quality of life and diversification (measure 413; 68% of the total budget for axis 4), followed by competitiveness (measure 411; 25%) and conservation and upgrading of the rural heritage (measure 431; 5%).

Result targets for axis 4 include 5,000 employment posts created. Other result targets (no quantification provided) include an increase in the number of beneficiaries of Local Action Groups.

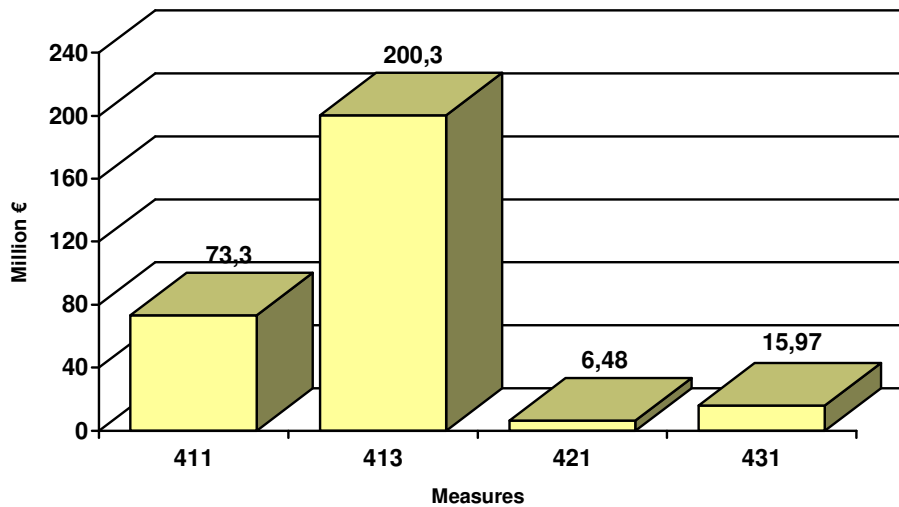
There were no modifications to axis 4 indicators following the RDP update in 2009.

The main objectives of the application of the Leader approach comprise:

- reinforcing the dynamism of LAGs;
- establishing a cooperation network between all diverse actors in the context of LAGs;
- defining territories with sufficient capacity for the development of local strategies;
- promoting capacity building and information on the different possibilities of diversification;
- facilitating the definition of local development strategies based on the conclusions of the Territorial Pacts.

Number of LAGs operational in the RDP areas as of March 2010 was 13.

Axis 4 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €296,046,373



There were no financial modifications in relation to axis 4 following the 2009 RDP update.

Monitoring and evaluation strategy

The RDP's monitoring system provides information on programme implementation through financial, output and result indicators. The Monitoring Committee use this information to propose necessary amendments of the RDP for subsequent years. Additional indicators that supplement the Common Monitoring and Evaluation Framework (CMEF) indicators include those related to job and enterprise creation, water savings (axis 1); organic livestock production, afforestation, prevention of forest fires, support to disadvantaged areas (axis 2); and consolidation of new jobs, creation of non-agrarian activities, population in the areas covered by LAGs (axis 3). The evaluation strategy comprises an interim and an ex-post evaluation. The interim assessment will analyse the achievement of objectives (effectiveness) and coherence of the RDP, use of financial resources, implementation and follow-up, implications for EU priorities and socio-economic development. The interim evaluation will also propose measures to improve the quality and management of the programme. The ex-post evaluation will analyse the effectiveness, efficiency and impact of the interventions and offer conclusions in relation to rural development policy.

The evaluation uses the following sources for the collection of information:

- information from reports and the work of the Monitoring Committee;
- interviews and contacts with managers, beneficiaries and other stakeholders involved;
- surveys, case studies and site visits;
- available statistics.

Communication and publicity

The aims of the communication plan are to:

- ensure wide dissemination of the RDP providing as much complete information as possible to beneficiaries and potential beneficiaries;
- provide information to the public and publicise the financed measures;
- comply with the principle of transparency that must prevail in public administration actions.

Target groups comprise: the general public, potential beneficiaries and actual beneficiaries.

Main information and communication tools include: publication of granted support in official journals; information provided via the decentralised offices of the Department of Agriculture, Food and Rural Action (DAR in Spanish) to potential beneficiaries who visit them; the intranet and Internet; the information points of the DAR which assist the public via telephone and email; an information phone line of the regional government of Cataluña known to the majority of citizens; publications, such as the 'Rural' journal, leaflets, small books and other special publications of general character, target group specific or addressed to agri-food industries; publicity through the local and national press and radio; a digital magazine 'InfoAgriculture' targeted at agrarian entities, journalists and specialists in the sector; provision of information through other organisations such as enterprises, trade unions, LAGs and a public consortium composed of multi-sectoral regional stakeholders.

Annex I – measures

Measures selected by the RDP	Measures selected by the updated RDP
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Axis 1 - Improving the competitiveness of the agricultural and forestry sector	<i>Promoting knowledge and improving human potential</i>	111	Vocational training and information actions
		112	Setting up of young farmers
		113	Early retirement
		114	Use of advisory services
		115	Setting up of management, relief and advisory services
	<i>Restructuring and developing physical potential and promoting innovation</i>	121	Modernisation of agricultural holdings
		122	Improvement of the economic value of forests
		123	Adding value to agricultural and forestry products
		124	Cooperation for development of new products, processes and technologies in the agriculture and food sector and in the forestry sector
		125	Infrastructure related to the development and adaptation of agriculture and forestry
		126	Restoring agricultural production potential
	<i>Quality of agricultural production and products</i>	131	Meeting standards based on EU legislation
		132	Participation of farmers in food quality schemes
		133	Information and promotion activities
	<i>Transitional measures</i>	141	Semi-subsistence farming
142		Producer groups	
143		Providing farm advisory and extension services	
Axis 2 - Improving the environment and the countryside	<i>Sustainable use of agricultural land</i>	211	Natural handicap payments to farmers in mountain areas
		212	Payments to farmers in areas with handicaps, other than mountain areas
		213	Natura 2000 payments and payments linked to Directive 2000/60/EC
		214	Agri-environment payments
		215	Animal welfare payments
		216	Non-productive investments
	<i>Sustainable use of forestry land</i>	221	First afforestation of agricultural land
		222	First establishment of agroforestry systems on agricultural land
		223	First afforestation of non-agricultural land
		224	Natura 2000 payments
		225	Forest-environment payments
		226	Restoring forestry potential and introducing prevention actions
		227	Non-productive investments
Axis 3 - Quality of life in rural areas and diversification of the rural economy	<i>Diversify the rural economy</i>	311	Diversification into non-agricultural activities
		312	Support for business creation and development
		313	Encouragement of tourism activities
	<i>Improve the quality of life in rural areas</i>	321	Basic services for the economy and rural population
		322	Village renewal and development
		323	Conservation and upgrading of the rural heritage
		331	Training and information
Axis 4 - Leader	<i>Implementing local development strategies</i>	411	Competitiveness
		412	Environment/land management
		413	Quality of life/diversification
	421	Implementing cooperation projects	
	431	Running the local action group, skills acquisition, animation	