

GALICIA - SPAIN

Basic Information:

The Galicia Rural Development Programme (RDP) has budgeted for 2007-2013 a total public expenditure of €1.3 billion (European Agricultural Fund for Rural Development and Member State contribution). At the end of 2013, €974 million were spent out of the allocated budget (see Figure 1).

Axis 1 (Improving the competitiveness of the agricultural and forestry sector) has utilised 73% of its allocated budget.

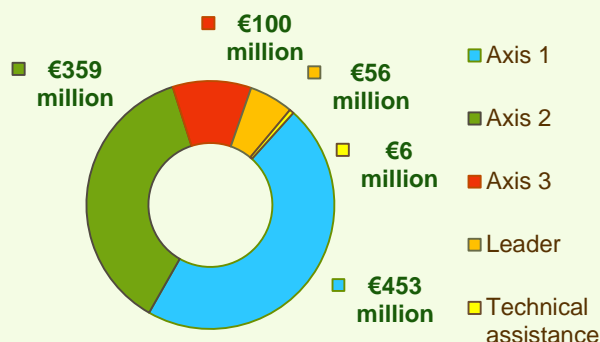
Axis 2 (Improving the environment and the countryside) has utilised 81% of its programmed expenditure.

Axis 3 (Improving the quality of life in rural areas) has utilised 63% of its budget.

Axis 4 (Leader) has utilised 46% of the programmed expenditure.



Figure 1: Total public expenditure per axis in Galicia (2007-2013)



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

Figure 2: Axis 1 total public expenditure per measure in million EURO (2007-2013)

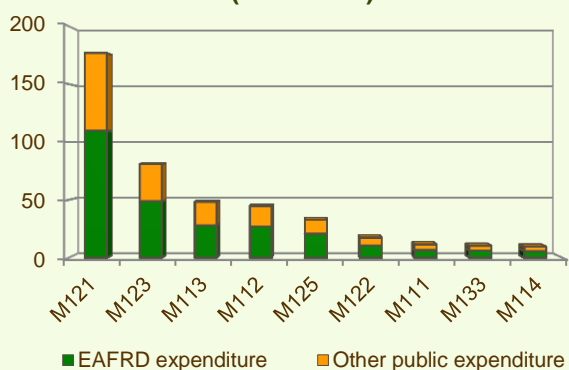
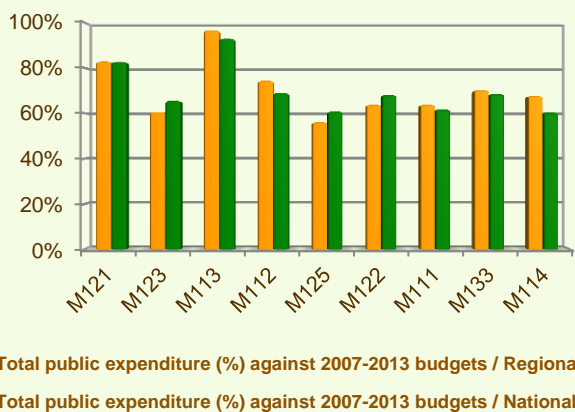


Figure 3: Axis 1 total public expenditure (2007-2013) against 2007-2013 budgets, main measures



Axis 1 places an emphasis on Modernisation of agricultural holdings (M121) allocating to this measure 34%, of the overall budgeted funds for Axis 1.

Analysis of the expenditure rates per measure up to 2013 shows that:

- ❖ The measure on Early retirement (M113) has utilised almost 97% of its allocated budget.
- ❖ Five measures have utilised 70-85% of their programmed expenditure, namely:
 - Modernisation of agricultural holdings (M121), 83%
 - Participation of farmers in food quality schemes (M132), 75%
 - Setting up of young farmers (M112), 75% and
 - Setting up of management, relief and advisory services (M115), 71%.
 - Information and promotion activities (M133), 70%
- ❖ Five measures have utilised 60-70% of their programmed expenditure, namely:
 - Use of advisory services (M114), 68%
 - Cooperation for development of new products, etc. (M124), 65%
 - Improvement of the economic value of forests (M122), 64%
 - Vocational training and information actions (M111), 64%
 - Adding value to agricultural and forestry products (M123), 61%.

Figure 3 indicates the progress of the total public expenditure of the most important measures of Axis 1 against the 2007-2013 budgets, in comparison to the National level.

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Measure 111 project example: Mycology Learning and Exhibition Centre / Spain - Galicia

A biotechnology company focused on mycology and specialised in ecological cultivation, initiated a project aiming to create a mycology learning and exhibition centre promoting the cultivation of different mushroom varieties. The project supported the construction of the centre that exhibits mycological products, displays production techniques and offers educational activities (training of mushroom producers) and walking tours. As result of the initiative, the company Hifas da Terra became leader in its field, specifically in: encapsulation of extracts of health-promoting mushroom varieties, nursery of mycorrhizal plants and ink disease-resistant hybrids, cultivation of different varieties of mushroom such as Shiitake in oak wood. It offers also cultivation kits and courses for producers. Additional benefits of the project were creation of highly-skilled jobs (engineers, biologists, foremen and administrative staff) in the region and more tourism activities (mycological walking tours), which boosted economic diversification.

The total cost of the project was €324,075.

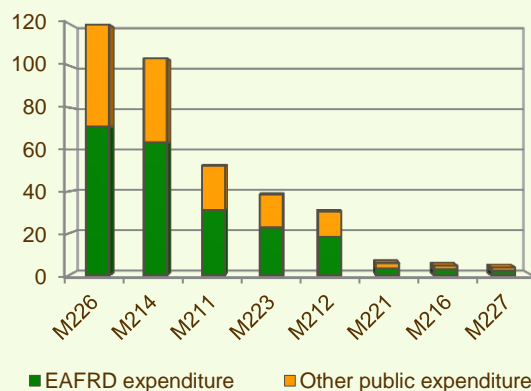
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Axis 2 - Improving the environment and the countryside

Axis 2 focuses on Restoring forestry potential and introducing prevention actions (M226) and on Agri-environment payments (M214). The two measures represent a significant part of the Axis 2 expenditure (see Figure 4). Together they have been allocated 20% of the total public budget programmed in the Galicia RDP for 2007-2013.

- ❖ Three out of the nine measures offered by the Axis, have utilised all of their allocated budgets, namely:
 - Natural handicap payments to farmers in mountain areas (M211),
 - Payments to farmers in areas with handicaps, other than mountain areas (M212), and
 - First afforestation of agricultural land (M221).
- ❖ The measures on Restoring forestry potential and introducing prevention actions (M226) and on Agri-environment payments have spent 89% and 79% respectively of their allocated expenditures.
- ❖ Two measures have utilised 50-55% of their programmed budgets, namely:
 - First afforestation of non-agricultural land (M223), 52%
 - Non-productive investments – agriculture (M216), 50%

Figure 4: Axis 2 total public expenditure per measure (2007-2013)



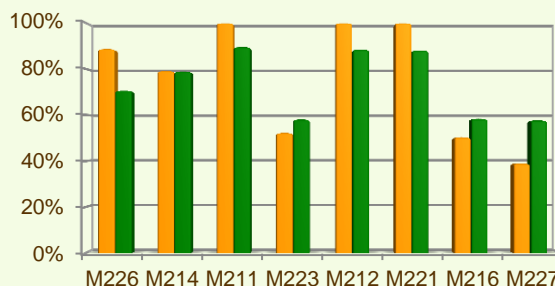
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Axis 2 - Improving the environment and the countryside

- ❖ Measure Non-productive investments – forestry (M227), has spent 39% of its available funds.
- ❖ The measure on Animal welfare payments (M215) has utilised 16% of its allocated budget.

Figure 5 indicates the progress of the total public expenditure of the most important measures of Axis 2 against the 2007-2013 budgets, in comparison to the National level.

Figure 5: Axis 2 total public expenditure (2007-2013) against 2007-2013 budgets, main measures



- Total public expenditure (%) against 2007-2013 budgets / Regional level
- Total public expenditure (%) against 2007-2013 budgets / National level

Axis 3 - Quality of life in rural areas and diversification of the rural economy

Figure 6: Axis 3 total public expenditure per measure in million EURO (2007-2013)

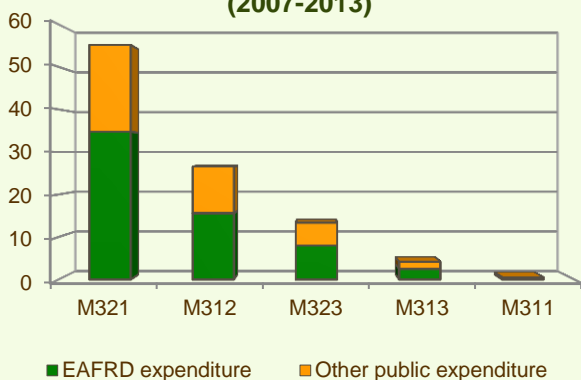
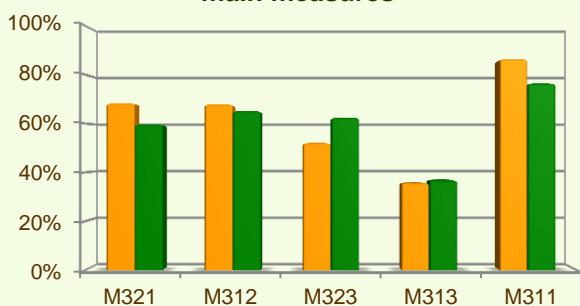


Figure 7: Axis 3 total public expenditure (2007-2013) against 2007-2013 budgets, main measures



- Total public expenditure (%) against 2007-2013 budgets / Regional level
- Total public expenditure (%) against 2007-2013 budgets / National level

Axis 3 of the Galicia RDP focuses on Basic services for the economy and rural population (M321) and Support for business creation and development (M312) which together represent 76% of the programmed budget and most of the total public expenditure of the Axis (see Figure 6).

When comparing the expenditure rates per measure up to 2013 it is observed that:

- ❖ The measure Diversification into non-agricultural activities (M311) has spent almost 87% of its programmed budget.
- ❖ Two measures have utilised 68% of their programmed budgets, namely:
 - Basic services for the economy and rural population (M321), and
 - Support for business creation and development (M312).
- ❖ Two measures have utilised 35%-55% of their programmed budgets, namely:
 - Conservation and upgrading of the rural heritage (M323), 52% and
 - Encouragement of tourism activities (M313), 36%.

Figure 7 indicates the progress of the total public expenditure of the most important measures of Axis 3 against the 2007-2013 budgets, in comparison to the National level.

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Axis 4 - Leader

The Leader Axis in the Galicia RDP has allocated budget of €121 million, out of which €56 million have been spent by 2013. Within the Axis, emphasis has been given to the Quality of life/diversification (M413) which has been allocated the largest share of funds.

When comparing the public expenditure per measure up to 2013 it is observed that Quality of life/diversification (M413) had the largest total public expenditure (see Figure 8).

It is also observed that:

- ❖ The measure Competitiveness (M411) has spent all of its programmed expenditures
- ❖ The measure on Running the LAG, skills acquisition, animation (M431) has utilised 62% of its allocated funds.
- ❖ Two measures have utilised 25-40% of their allocated funds, namely:
 - Quality of life/diversification (M413), 40%
 - Environment/land management (M412), 28%.

Figure 9 indicates the progress of the total public expenditure of the most important measures of Axis 4 against the 2007-2013 budgets, in comparison to the National level.

Figure 8: Axis 4 total public expenditure per measure in million EURO (2007-2013)

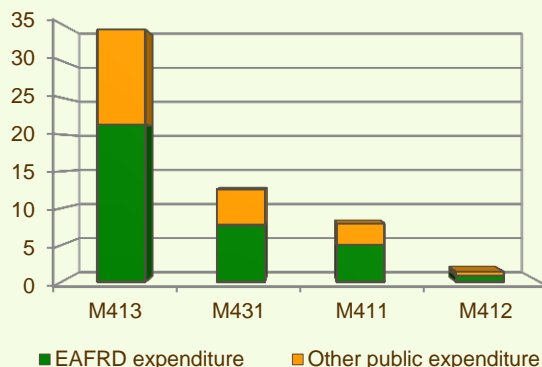
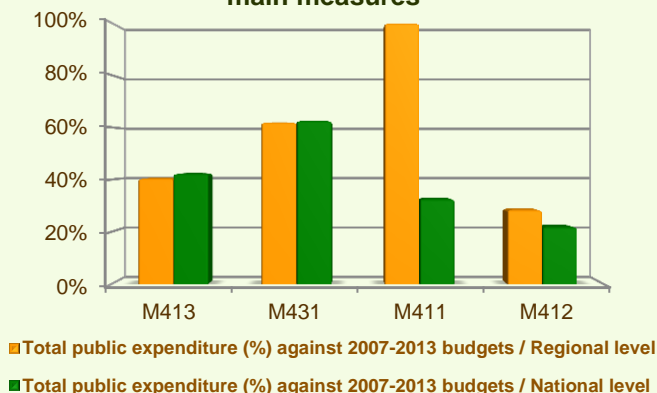


Figure 9: Axis 4 total public expenditure (2007-2013) against 2007-2013 budgets, main measures

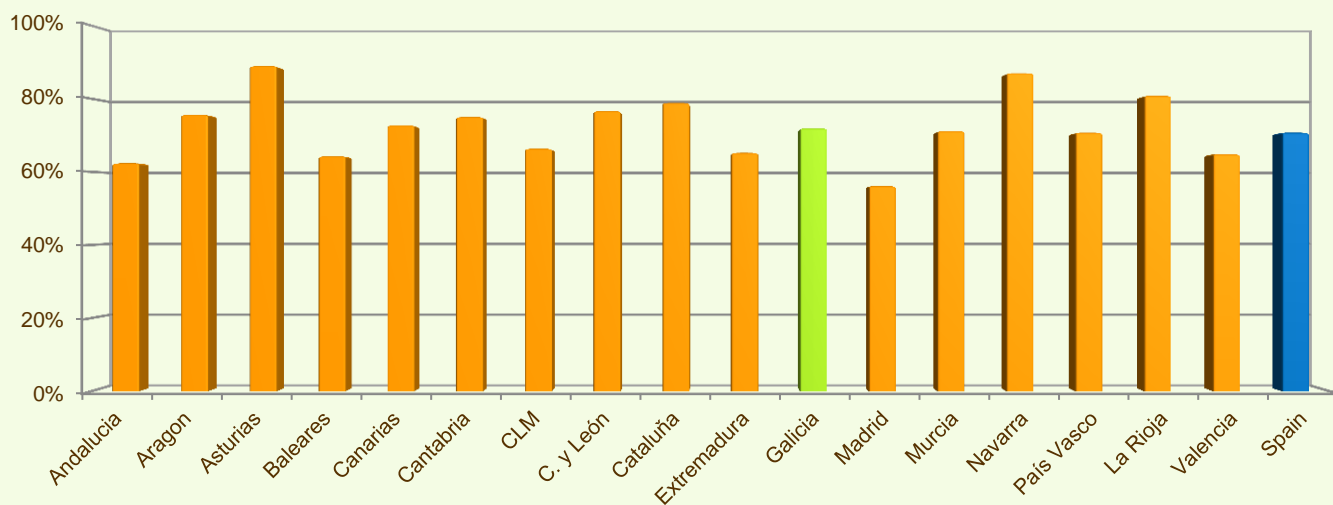


Summary

- ✓ Within seven years of implementation, the Galicia RDP has utilised about 72% (see Figure 10) of the total public expenditure planned for the current Programming Period (including post Health Check and the European Economic Recovery Package modifications).
- ✓ Modernisation of agricultural holdings (M121) is the measure with the highest allocated budget in the Galicia RDP. Up to 2013, it has utilised 83% of its available budget and represents 18% of the total public expenditure of the programme.
- ✓ Restoring forestry potential and introducing prevention actions (M226) has the second largest budget in the Galicia RDP and the utilised expenditure is 89% of its allocated funds. M226 represents 12% of the total public expenditure of the programme.
- ✓ The third largest measure budget is for Adding value to agricultural and forestry products (M123), which has used almost 61% of its programmed total public expenditure and represents 8% of the total public expenditure of the programme.

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**Figure 10: Progress of total public expenditure up to 2013
(at regional and national level)**



Source of the data:

1) Programmed expenditures 2007-2013: RDP budget allocation following Health Check revision (December 2013)

2) Expenditures 2007-2013: DG AGRI

3) Output indicators data are available only at National level; therefore at regional level a comparison of financial implementation progress is provided between the regional RDPs.

For further detailed information on financial / physical and output indicators data please refer to the dedicated ENRD website section on Monitoring Indicators.



<http://enrd.ec.europa.eu>