



# OECD Rural Policy Reviews: Spain

Presentation for Discussion at the Working Party  
on Territorial Policy in Rural Areas

**José Antonio Ardavín, OECD**

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(1) Profile of Rural Spain

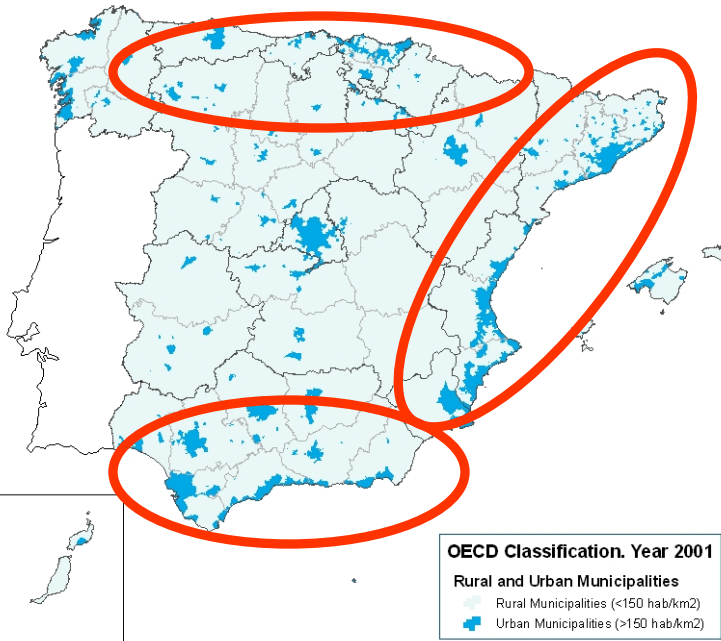
(2) Rural Policy

(3) Governance challenges

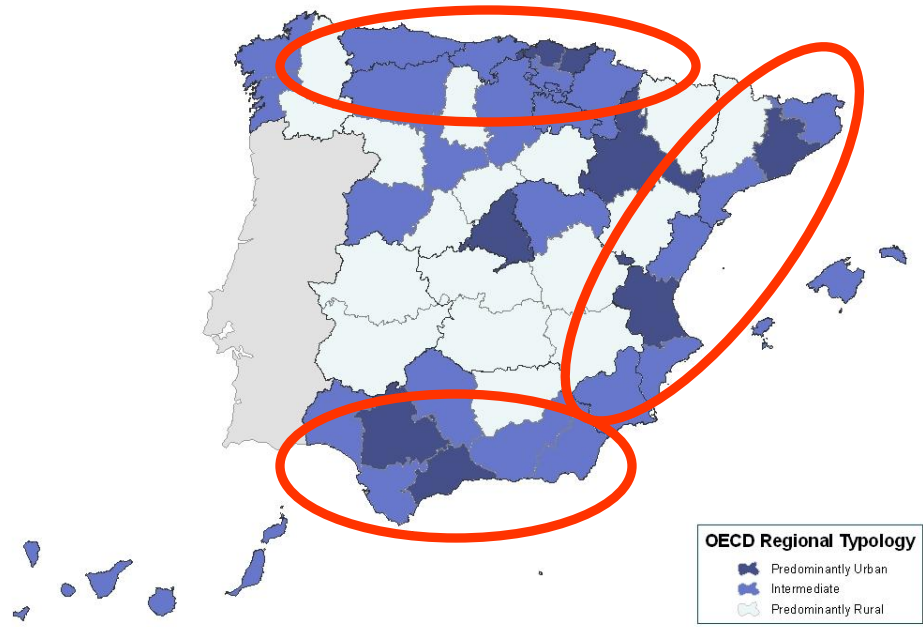
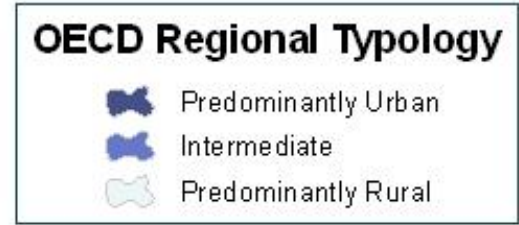
(4) Policy challenges

(0)

Despite having a vast rural territory (92%), Spain counts with relatively few “predominantly rural” regions...



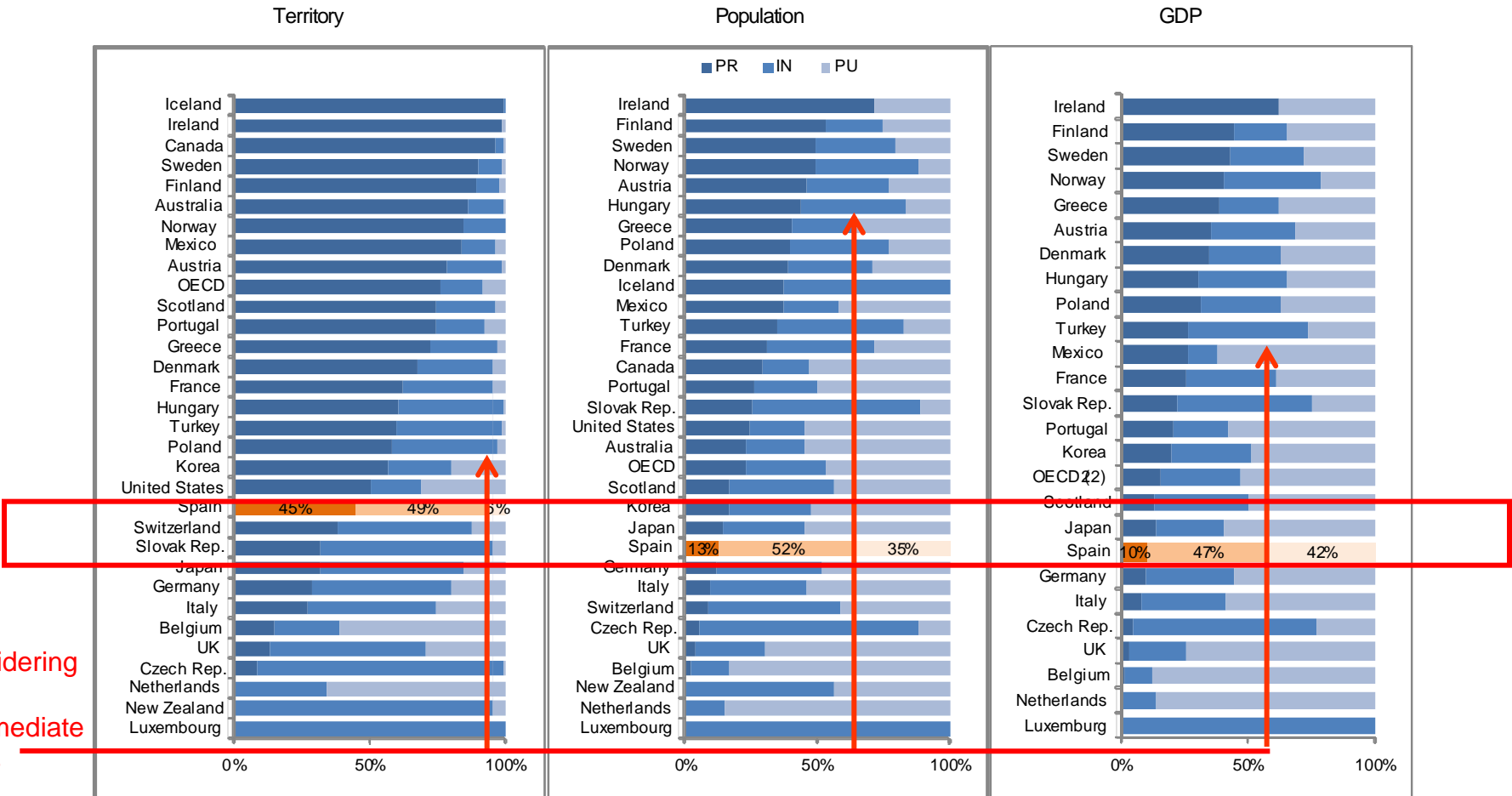
(Figure 1.1)



(Figure 1.3)

Therefore, Spain ranks low in comparison with other OECD countries in terms the territory (45%), population (13%), and GDP (10%) of PR regions.

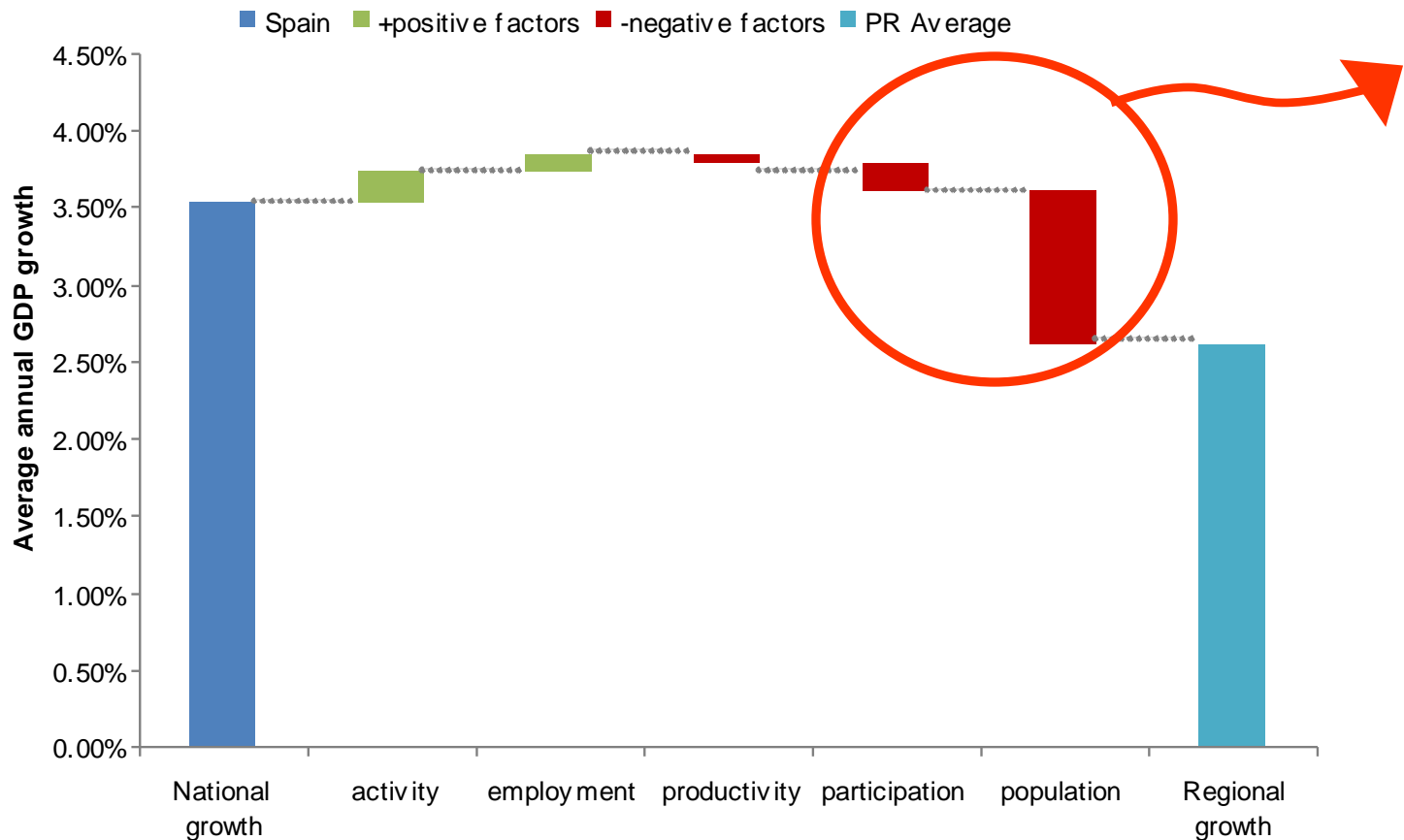
Figure 0.1. Territory, Population and GDP in Predominantly Rural Regions in OECD countries



Considering also Intermediate areas

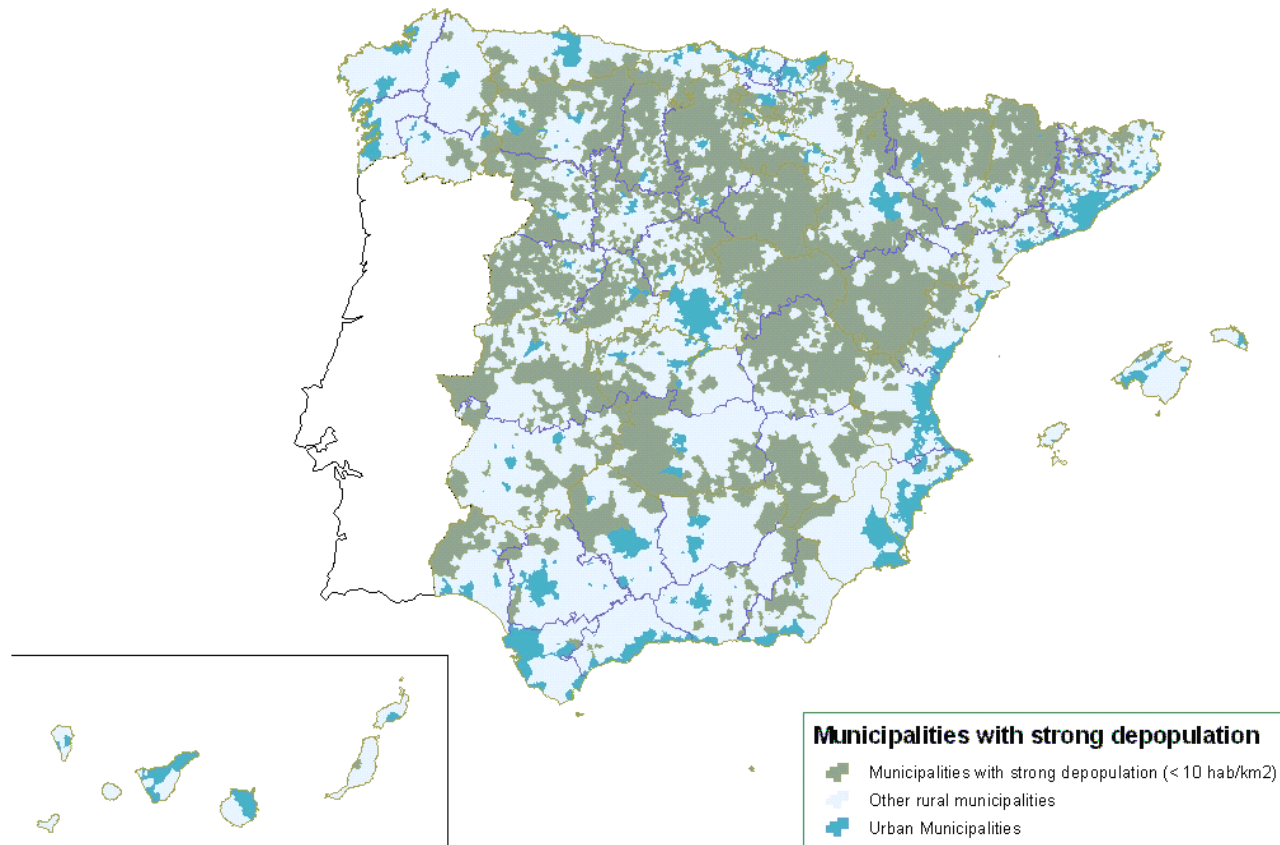
# (1) Spain's recent long period of vigorous growth did not entirely include rural areas...

**Figure 0.2. Decomposition of the difference between national and PR regions' growth**



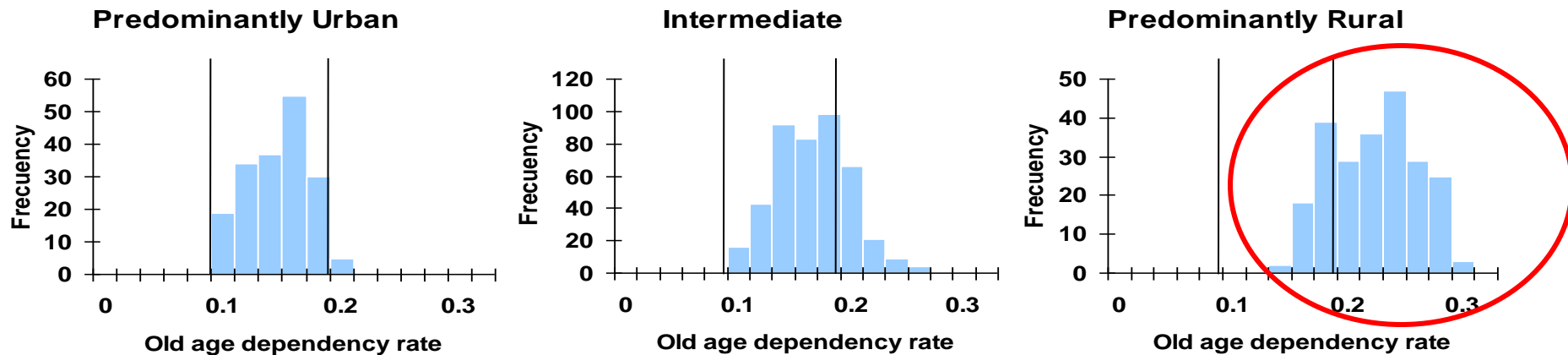
The depopulation of rural areas in Spain has been more significant than in other OECD countries...

**Figure 0.3. Map of municipalities with strong depopulation**



...with significant social consequences, such as ageing and masculinisation...

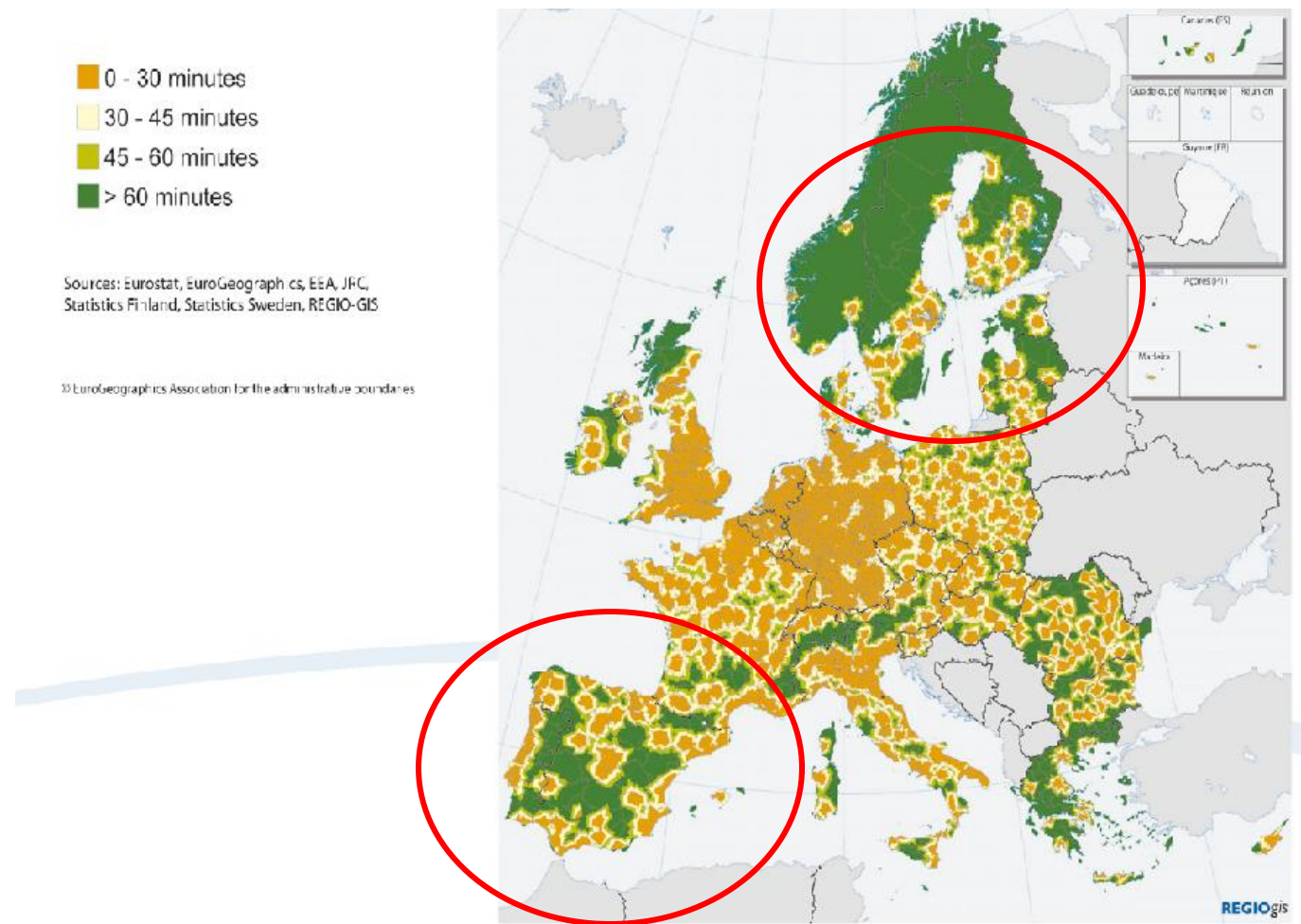
Figure 1.10. Distribution of population older than 65 by type of region



(2)

...and public policy challenges in terms of accessibility and adaptation of public services...

**Figure 1.15 Accessibility in European countries by road to cities with at least 50 000 inhabitants**

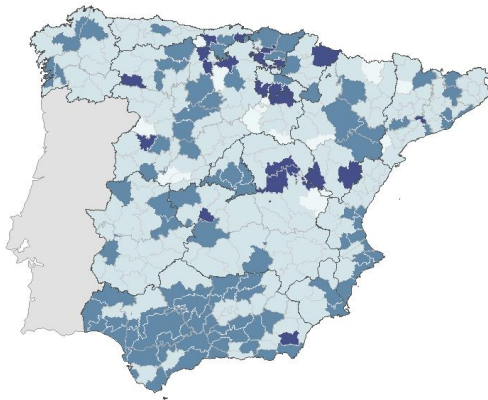








...not so much in terms of secondary schools or health centres (although there are some localized regional needs in per capita terms), but notably in terms of services for elderly population

**Figure 0.4 Accessibility to education, health services and residences for elderly population**

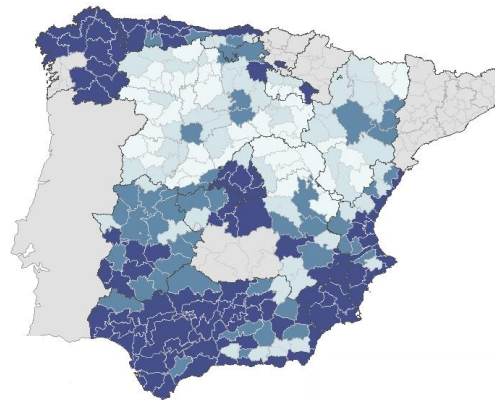
Number of institutes  
per 1000 young (12-18)



**Institutes per 1,000 young people  
(12 to 18 years old)**

-  Without institute
-  < 1 institute per 1,000 young people
-  1 - 3 institutes per 1,000 young people
-  > 3 institutes per 1,000 young people

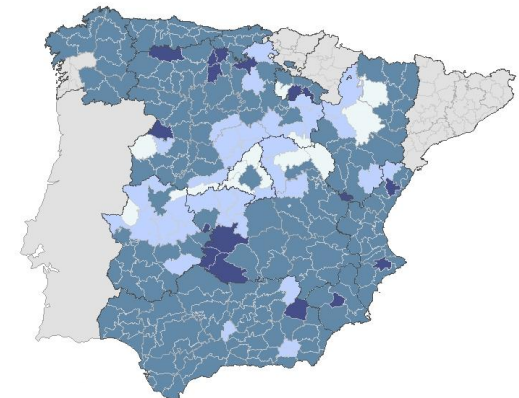
Local health centres  
per 10,000 inhabitants



**Health centres per 10,000 habitants  
(municipalities with < 50,000 habitants)**

-  No Data
-  < 5 Health Centres
-  5 - 10 Health Centres
-  10 - 25 Health Centres
-  > 25 Health Centres

Residences for elderly population  
per 1000 pop >65



**Residences for elderly population  
per 1000 habitants > 65 years old  
(municipalities with < 50,000 habitants)**

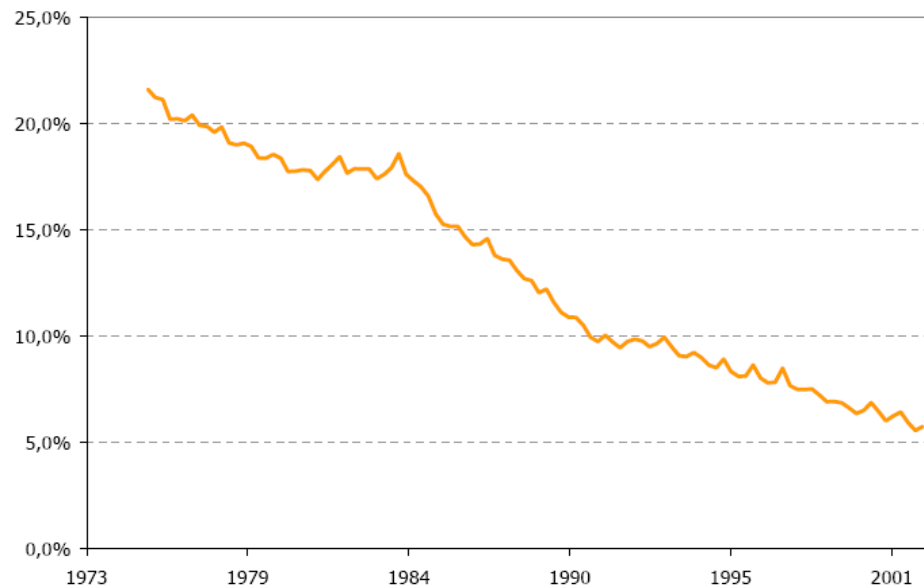
-  No Data
-  Without Residence
-  < 1 Residence
-  1 - 1.5 Residences
-  > 1.5 Residences

(3)

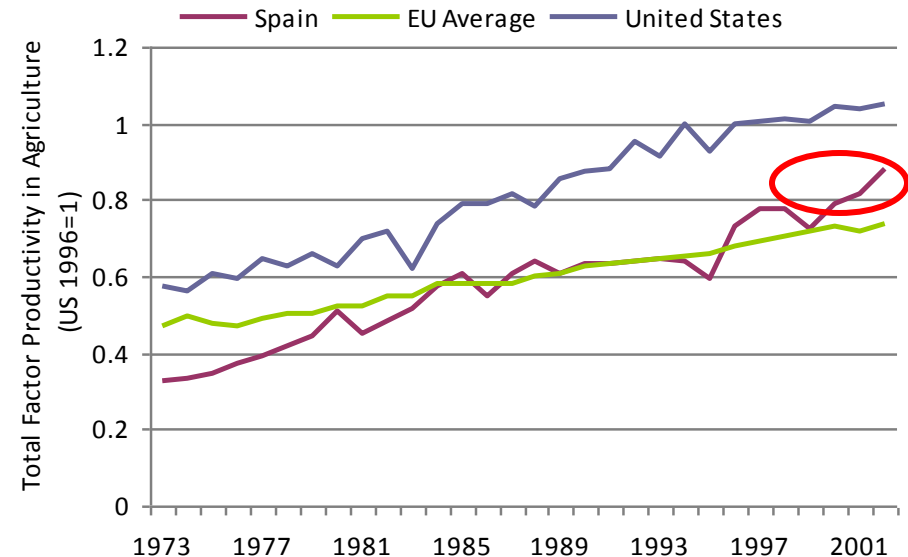
The rural economy has experienced an structural transformation marked by the decline in agricultural labour force, significant production and productivity growth and of a solid agro-food industry...

Figure 1.20. Evolution of agricultural labour force and productivity in Spain 1973-2002

### A. Agricultural Employment

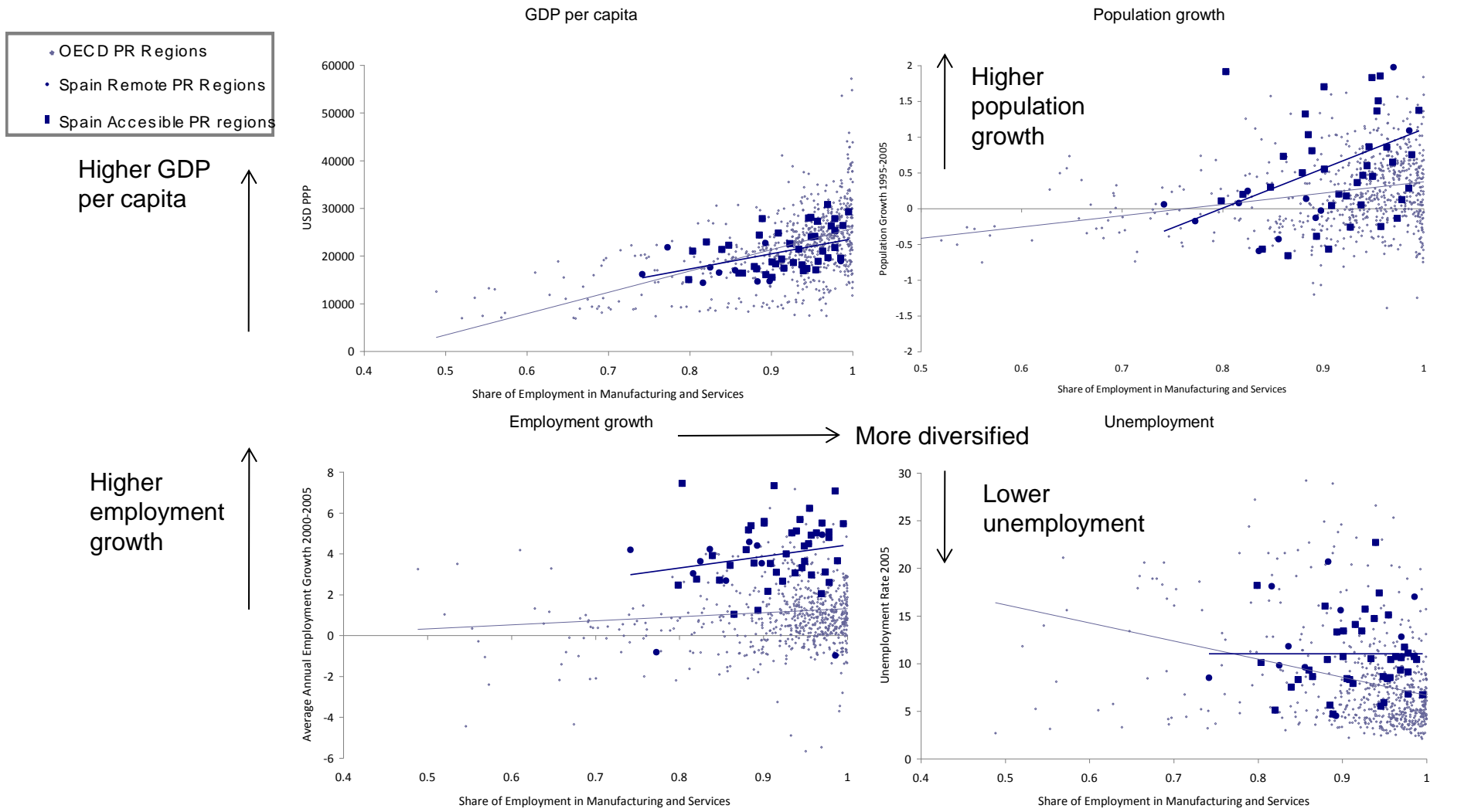


### B. Productivity in Agriculture



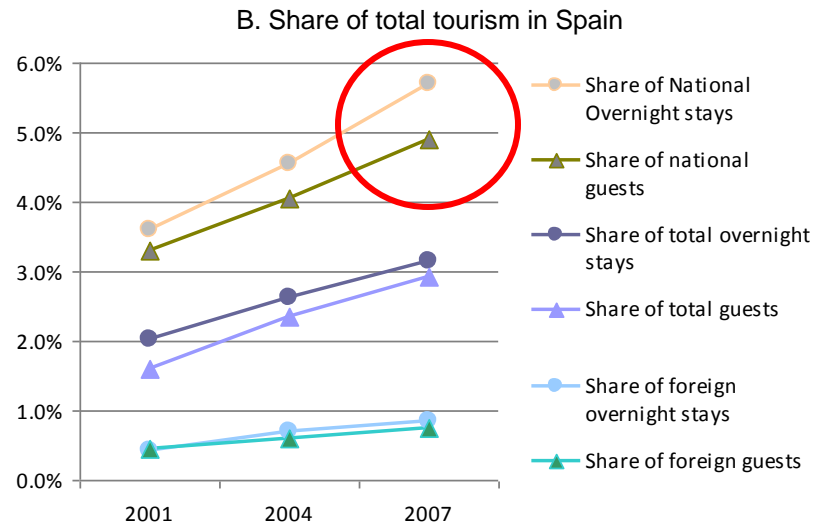
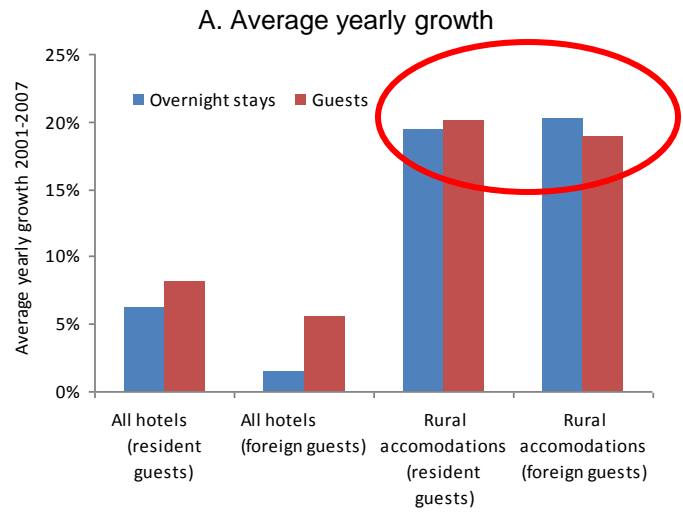
# ...and diversification, with positive outcomes for the most diversified regions...

**Figure 0.5. Relationship between diversification of rural region's economy and various indicators**

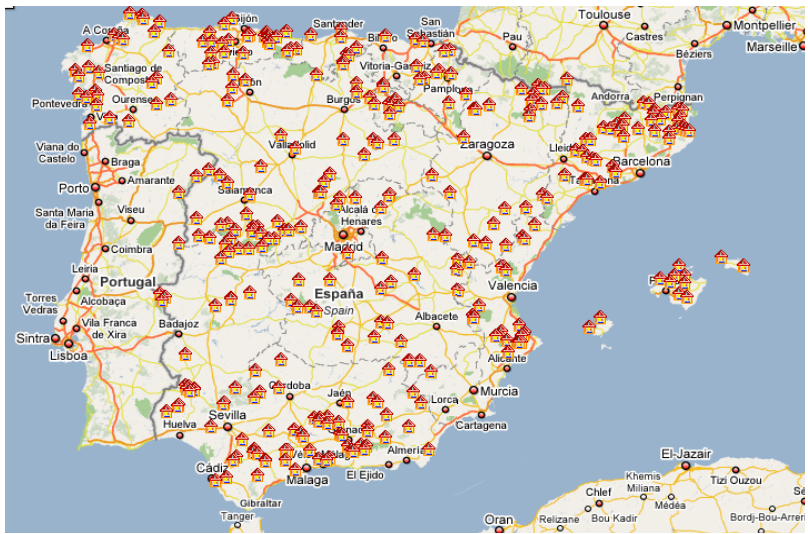


# ...most evidently into rural tourism...

Figure 0.6. Growth of rural tourism with respect to tourism sector in Spain



Close to 12,000 rural accommodations



Network of close to 100 Paradores



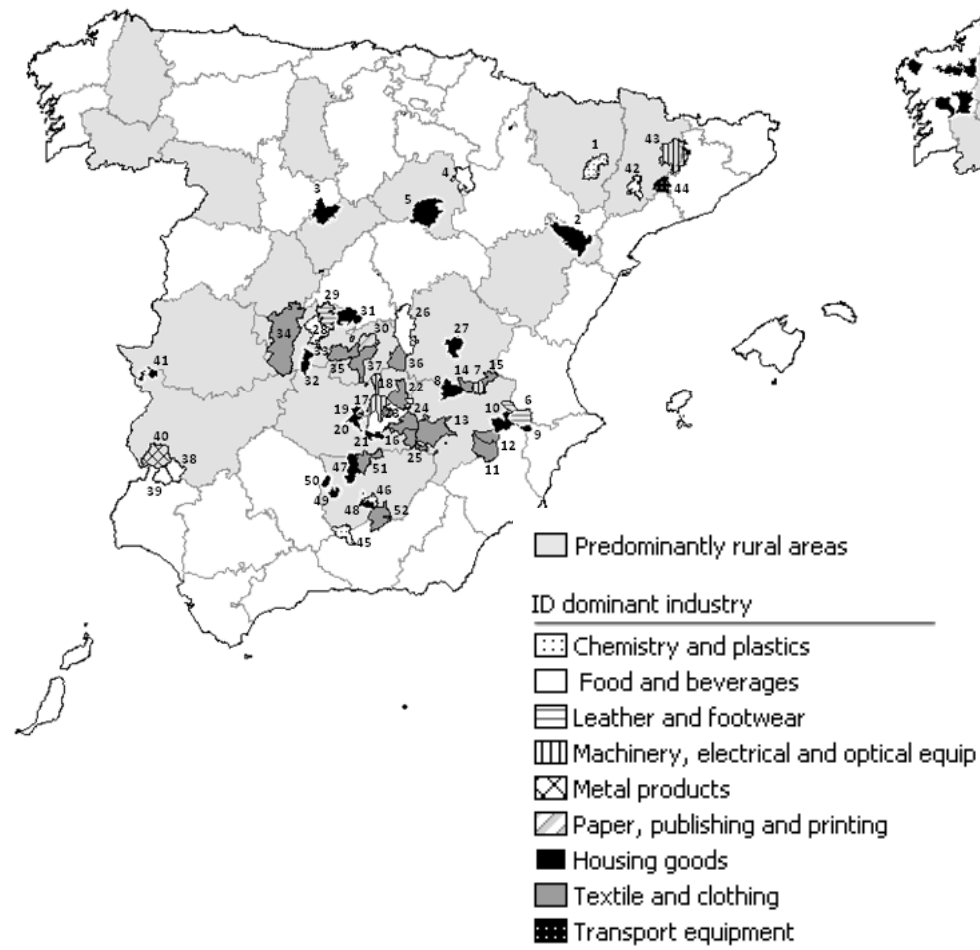
Source: Casaturismorural.com map by Google ©

Source: Parapromotions-spain.com©

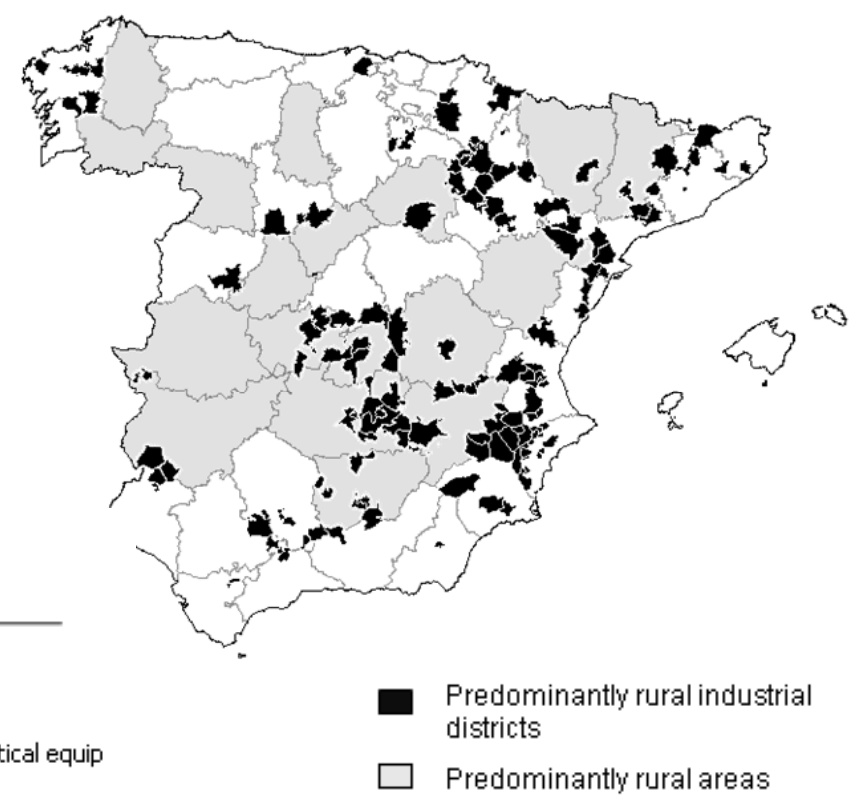
...but also in “rural” manufacturing industrial districts, which employ almost 340 000 people

Figure 0.7. Localization of industrial districts in rural areas

A. IDs in PR regions

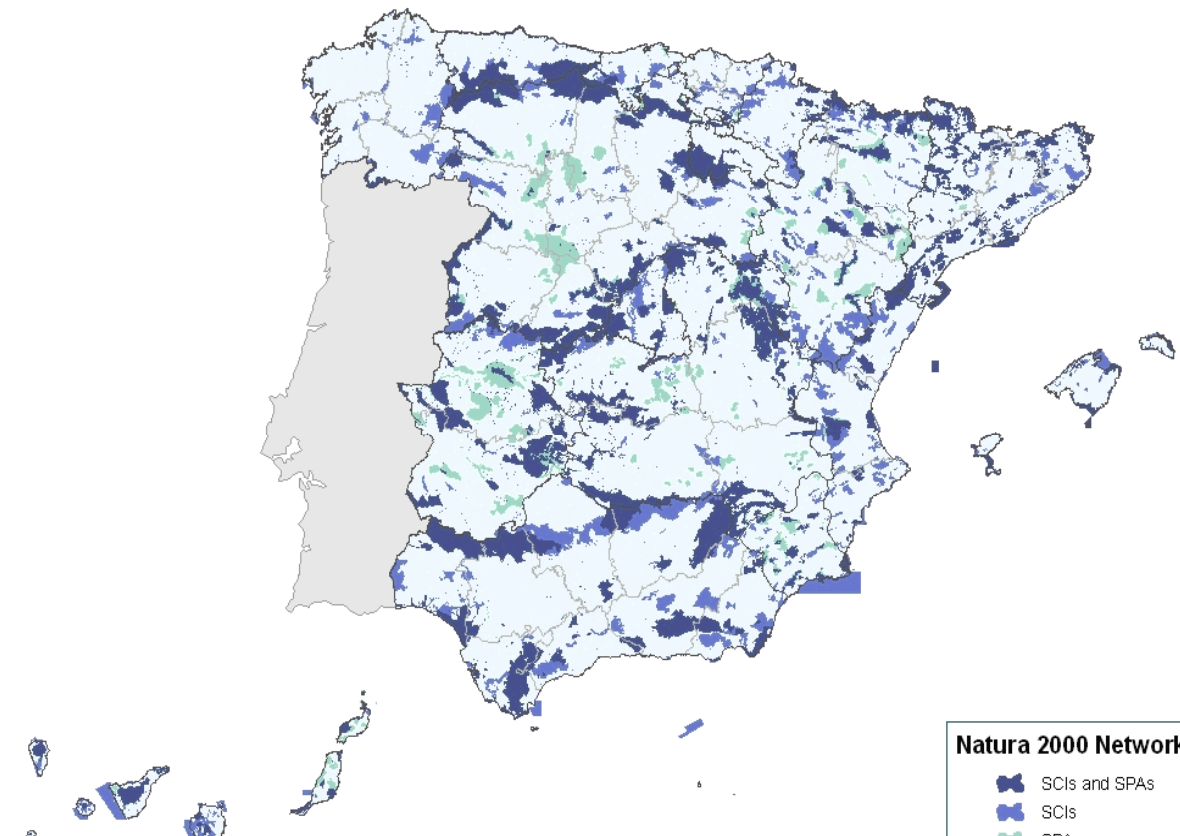


B. IDs in rural settings in all types of areas



Last but not least, Spain rural areas host a vast and  
 (4) unique natural heritage, with more than 100 000  
 km<sup>2</sup> of protected areas, the largest in Europe...

Figure 1.32 Natura 2000 Network in Spain



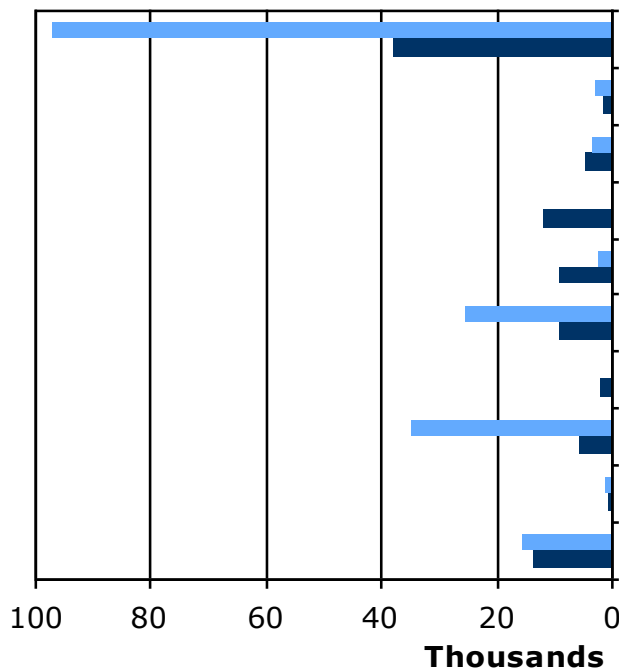


...and rural areas in Spain are already involved significantly in the production of renewable energy

Figure 1.34. Renewable energy new capacity growth and associated employment generation

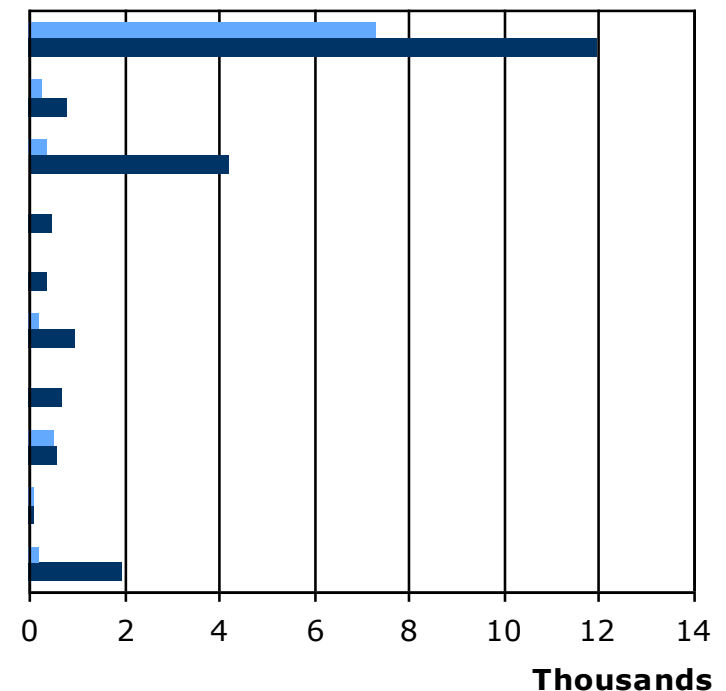
### Employment

■ 1999-2004 (Est. workload in man-year)  
■ 2005-2010 (Est. net job creation)



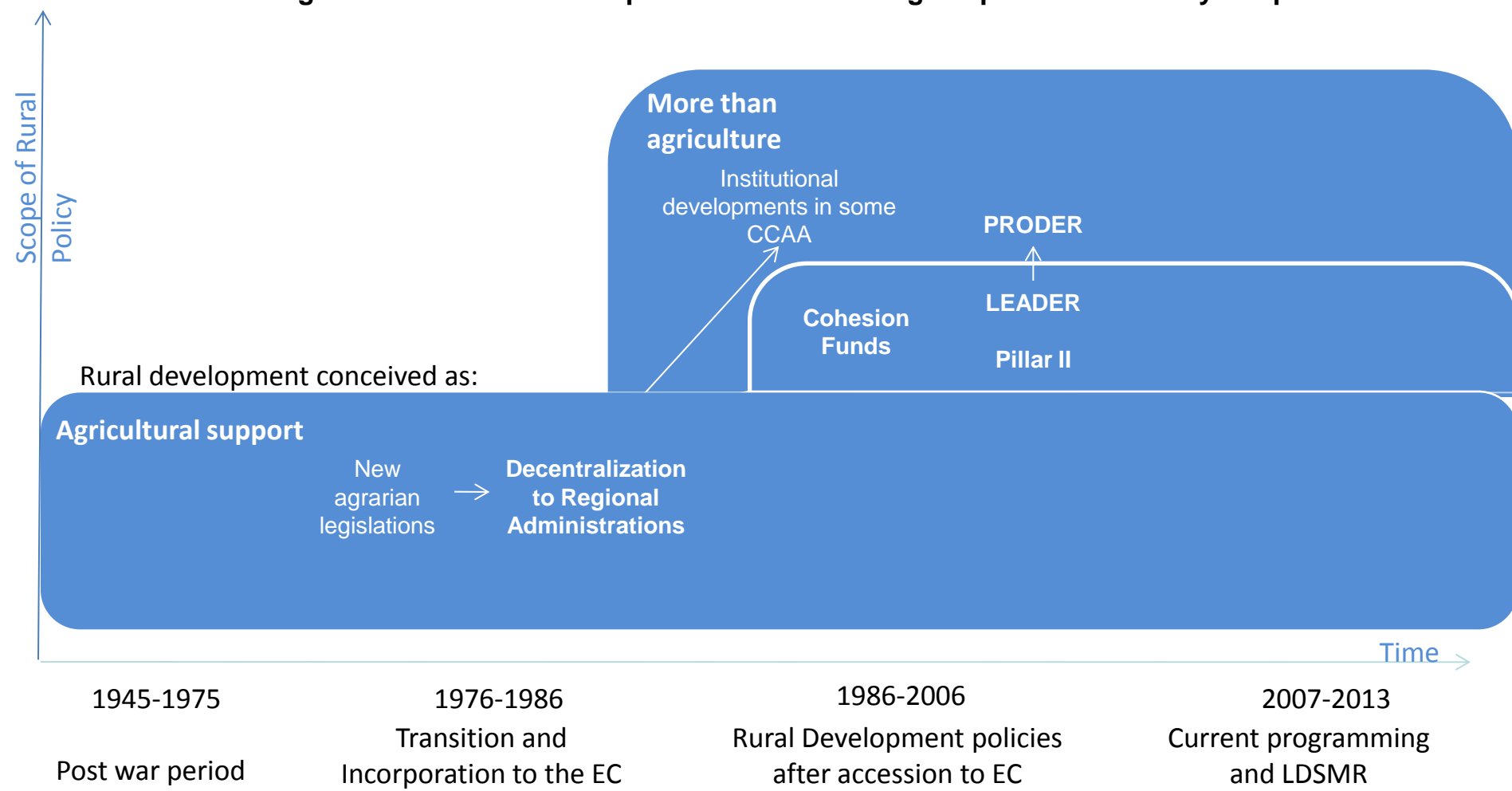
### Capacity

■ 1999-2004 (New Capacity Installed)  
■ 2005-2010 (Est. New Capacity)



# (1) Rural policy in Spain has evolved...

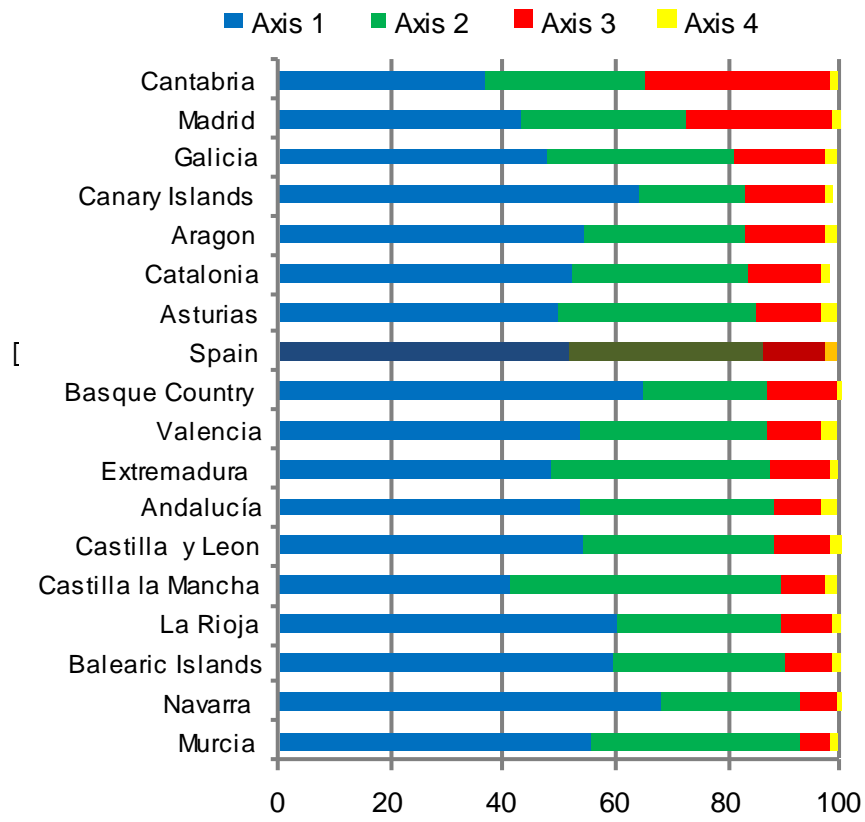
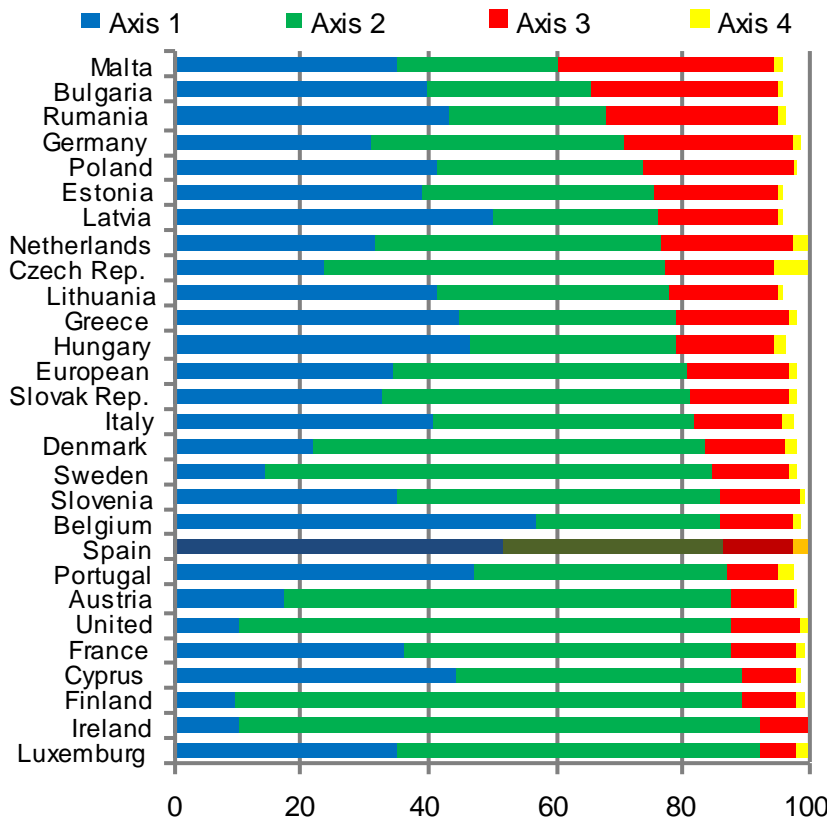
Part of Figure 0.10. Evolution and process of broadening scope of Rural Policy in Spain





In the last two decades “rural policy” in Spain has relied fundamentally on EU programmes, implemented in a decentralized fashion...

Figure 0.8. Distribution of Total Public Expenses by Axes Objectives in EU countries and Spanish ACs



Despite regional differences, in general, Total Public Expenditure (EU+National+Regional) by objective shows a significant agrarian bias

Table 2.1. Rural Development Total Public Expenses in Spain and EU 2007-13\*

	Agrarian sector competitiveness improvements Axis 1 objective	Environmental and rural landscape improvements Axis 2 objective	Quality of life and rural economic diversification Axis 3 objective	Leader Initiative Axis 4
European Union	34.7%	46.3%	16.1%	1.2%
Spain	52.3%	34.6%	11.0%	2.0%

Measure 411

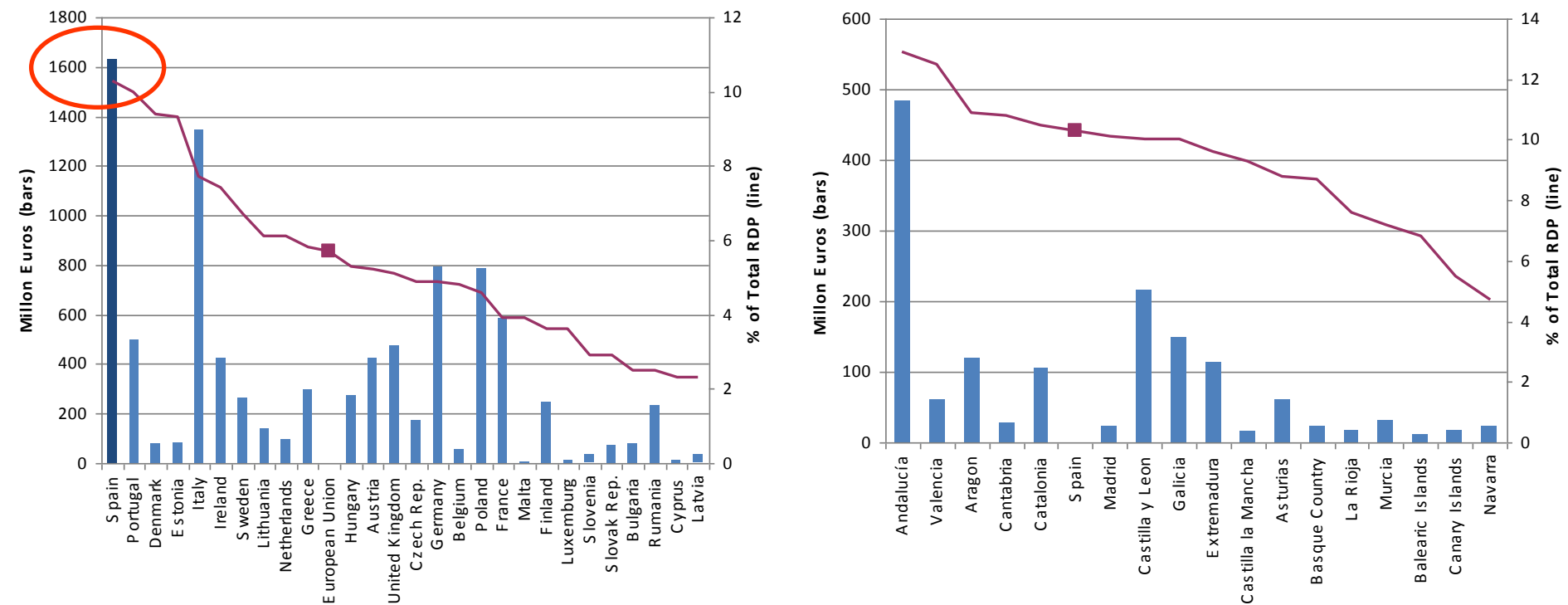
Measure 412

Measure 413

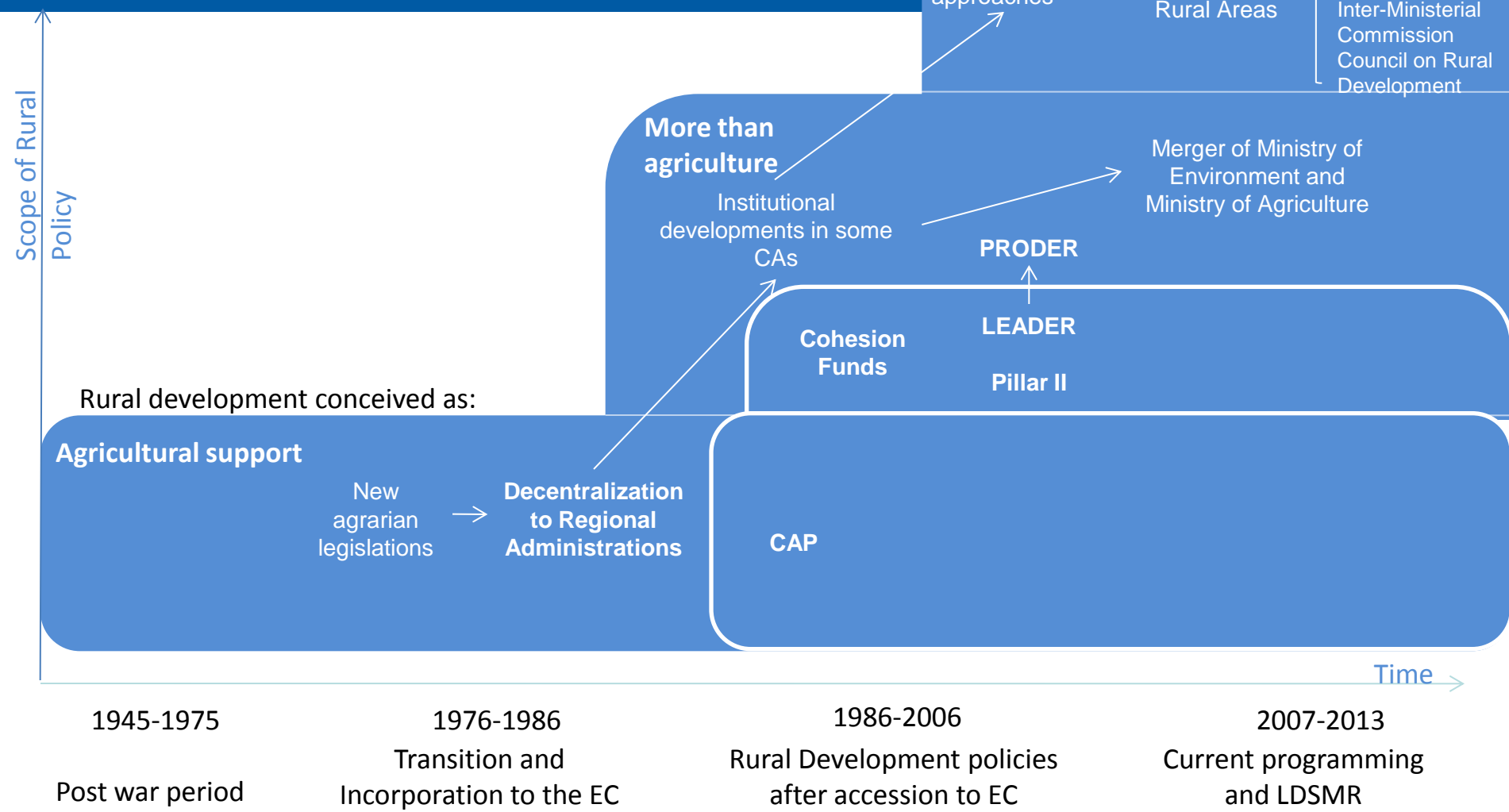
\* Expenses oriented towards technical assistance (511, 611) not included  
Source : European Commission (2008)

Spain has embraced the EU LEADER from the beginning, extended it to its own version (PRODER) and is currently the country with highest absolute and relative expenditure under this methodology

Figure 0.9. Total public budgetary allowance made to Axis 4 (LEADER) in Europe and in Spanish ACs



## An important shift is occurring (2) in the Spanish approach to rural policy...



...originated at the regional level, as many ACs launched initiatives such as:

<i>Conforming Inter-ministerial commissions</i>	Spain's ACs (before 2007)  Castilla y Leon Castilla la Mancha Extremadura Basque Country Galicia	Some other OECD examples  Finland (1981), Mexico (2001), Spain (2008)
<i>Launching "Broad" rural policy programmes</i>	Andalusia Castilla la Mancha Castilla y Leon	Finland (1991), Ireland (1999), Mexico (2001), Netherlands (2004), UK (2004), Spain (2008),
<i>Adopting new* or reforming** legislation on rural policy</i>	Basque Country* (1998)	France* (2005), Mexico* (2001), Germany** (2003), UK* (2006), Spain* (2007),
<i>Merging Ministries* or new Ministries** for rural development</i>	Extremadura**, Navarre*, Galicia*, Castilla la Mancha**	UK* (2001), Ireland** (2002), Spain* (2008)

# ...and recently institutionalized at the national level

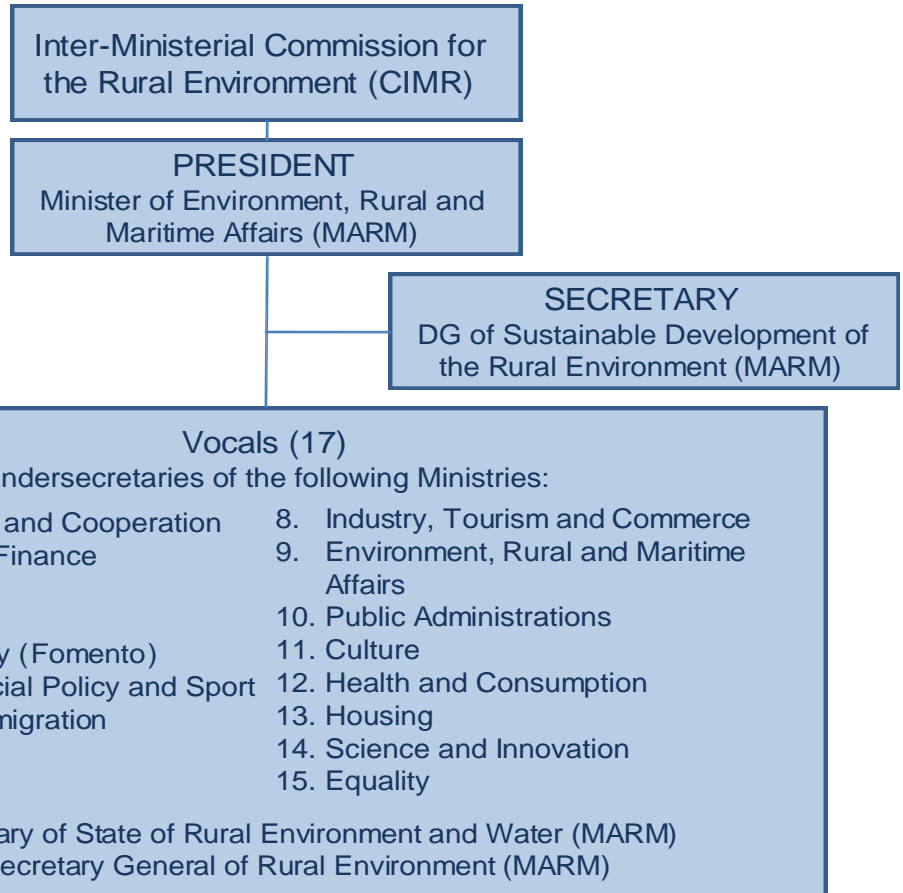
## Box 2.5 Law on Sustainable Development of Rural Areas at a glance

(Aprived. Dec 2007/ Valid since Jan 2008)

- **Defines Rural Development Objectives and Actions**
- **Provides an official definition of rural areas and classification of territories**  
Rural to Revitalize / Rural Intermediate / Rural Periurban
- **Defines RD programming instruments**  
Multi-annual Sustainable Rural Development Programme (PDRS) and Plans by Zones
- **Creates Institutions for governance of Rural Policy**  
Inter-ministerial Commission (CIDRS) / Council (CDRS) / Roundtable of Associations (MADR)
- **Includes a “menu” of possible interventions**  
economic diversification / nature conservation and management of natural resources / creation and maintenance of employment / infrastructure, equipment and basic services / renewable energy / water / ICTs / citizen safety / education / culture / health / public employment / social protection / and urbanism and housing
- **Provisions for budgeting and co-financing**  
Own budget and co-financing provisions

The new framework will face significant governance challenges in terms of horizontal coordination among national authorities...

Figure 2.7. Structure and Members of the Inter-Ministerial Commission for the Rural Environment



### Recommendations

- *Balanced representation and strong leadership*
- *“Rural proofing” tools*
- *Ownership of different participants of the Sustainable Development Programme*
- *Coherence and integration with EU programmes and instruments*

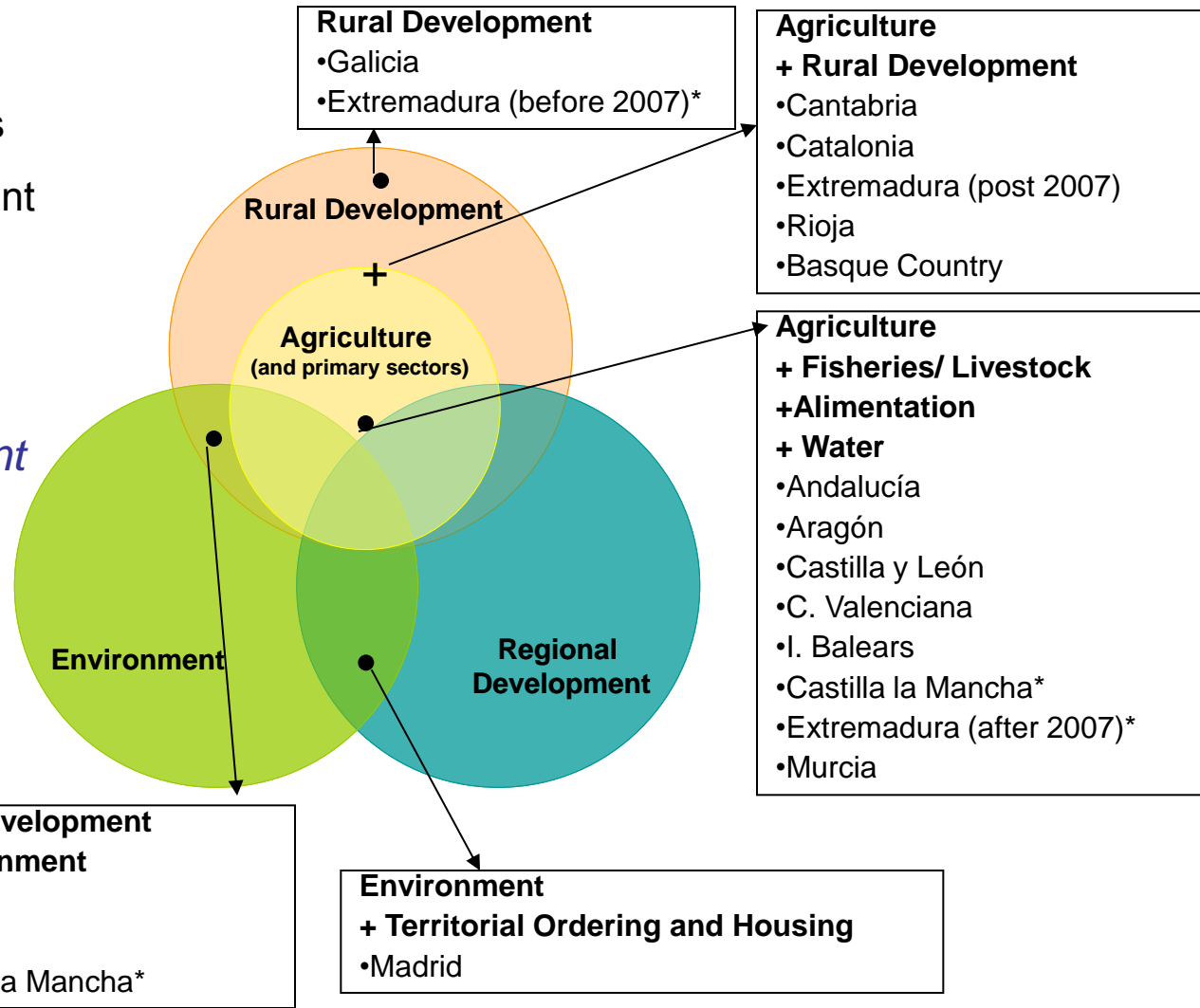
## ...vertical coordination between the national and regional levels (Autonomous Communities, ACs)

Which have constitutional authority on agricultural / rural development / territorial policies

...and each of which has different institutional approaches for dealing with rural development

### Recommendations:

- *Transparent and consistent negotiation of co-funding*
- *Homologation of instruments of diagnosis, planning, monitoring and evaluation*



(Figure 2.9)



The PDRS will for the first time, design multisectoral policies to cope with the challenges of rural areas. In this context, four priorities are:

**(1) Dealing with depopulation, ageing and social challenges in rural areas...**

- *Through innovative approaches of public service delivery*
- *By increasing opportunities for women, youth and migrants in rural areas*

**(2) Diversifying and increasing the competitiveness of the rural economy**

- *Through entrepreneurship support adjusted to the requirements of rural areas*
- *Specific support to sectors of high potential such as rural tourism, manufacturing and knowledge intensive service activities*
- *Involving financial institutions in rural development*

**(3) Fostering rural-urban linkages and balanced development of periurban areas**

- *Placing special attention to land use changes*
- *Covering the growing demand for services in periurban areas*
- *With specific governance frameworks between regions and municipalities*
- *Taking advantage of rural policy instruments*

**(4) Addressing environmental concerns and promoting sustainable development**

- *Biodiversity management and conservation*
- *Natural resource management*
- *An integral policy for renewable energy in rural areas*
- *Reducing the risk related to climate change*



# OECD Rural Policy Reviews: Spain

**For information:**

**José Antonio Ardavín, OECD**

[Jose-Antonio.Ardavin@oecd.org](mailto:Jose-Antonio.Ardavin@oecd.org)