

# Law on Economic, Social and Tax Measures against Depopulation in Castilla-La Mancha: Governance model

---

Leticia Abarca Velencoso

*Government of Castilla-La Mancha*

*Fundão, 15 May 2024*



Castilla-La Mancha



# Lei de Medidas Econômicas, Sociais e Tributárias contra o Despovoamento em Castilla-La Mancha: Modelo de Governança

---

Leticia Abarca Velencoso

*Governo de Castilla-La Mancha*

*Fundão, 15 Maio 2024*



Castilla-La Mancha

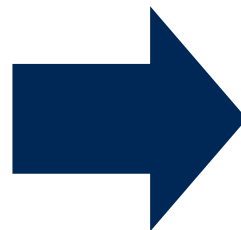


# The challenge of depopulation

Castilla-La Mancha is a region with a **large territorial area** (79.360 km<sup>2</sup>), bigger than the entire BENELUX extension.

It has an eminently **rural profile**:

- **68% of municipalities** have a population density of **less than 12.5 hab/Km<sup>2</sup>**.
- More than 50% **have less than 500 inhabitants**.






Therefore, one of the **STRUCTURAL PROBLEMS** that has Castilla-La Mancha in large rural areas is the

**PHENOMENON OF DEPOPULATION AND TERRITORIAL DISPERSION**



# Main features of the Law on Economic, Social and Tax Measures against Depopulation

-  **Castilla-La Mancha is a reference in Spain and Europe** when it comes to addressing the demographic challenge, thanks to its **pioneering Law on Economic, Social and Tax Measures against Depopulation** that entered into force in **2021**.
-  This law achieved **social and political consensus**, and it was approved unanimously in the Regional Parliament.
-  With a **cross-cutting approach**, the Law aims to ensure **territorial equality in access to opportunities and essential services** for the entire population, regardless of the place of residence.



# Demarcation of areas affected by depopulation

The first mandate of the Law has been to **delimit the sparsely populated rural areas** of the region to effectively implement measures on the ground. To achieve this objective, our efforts have been concentrated **under the provincial level (NUTS 3)**, identifying and selecting the sparsely populated areas.

According to the degree of depopulation, the areas have been classified into **extreme** and **intense depopulation**, and at **risk of depopulation**.



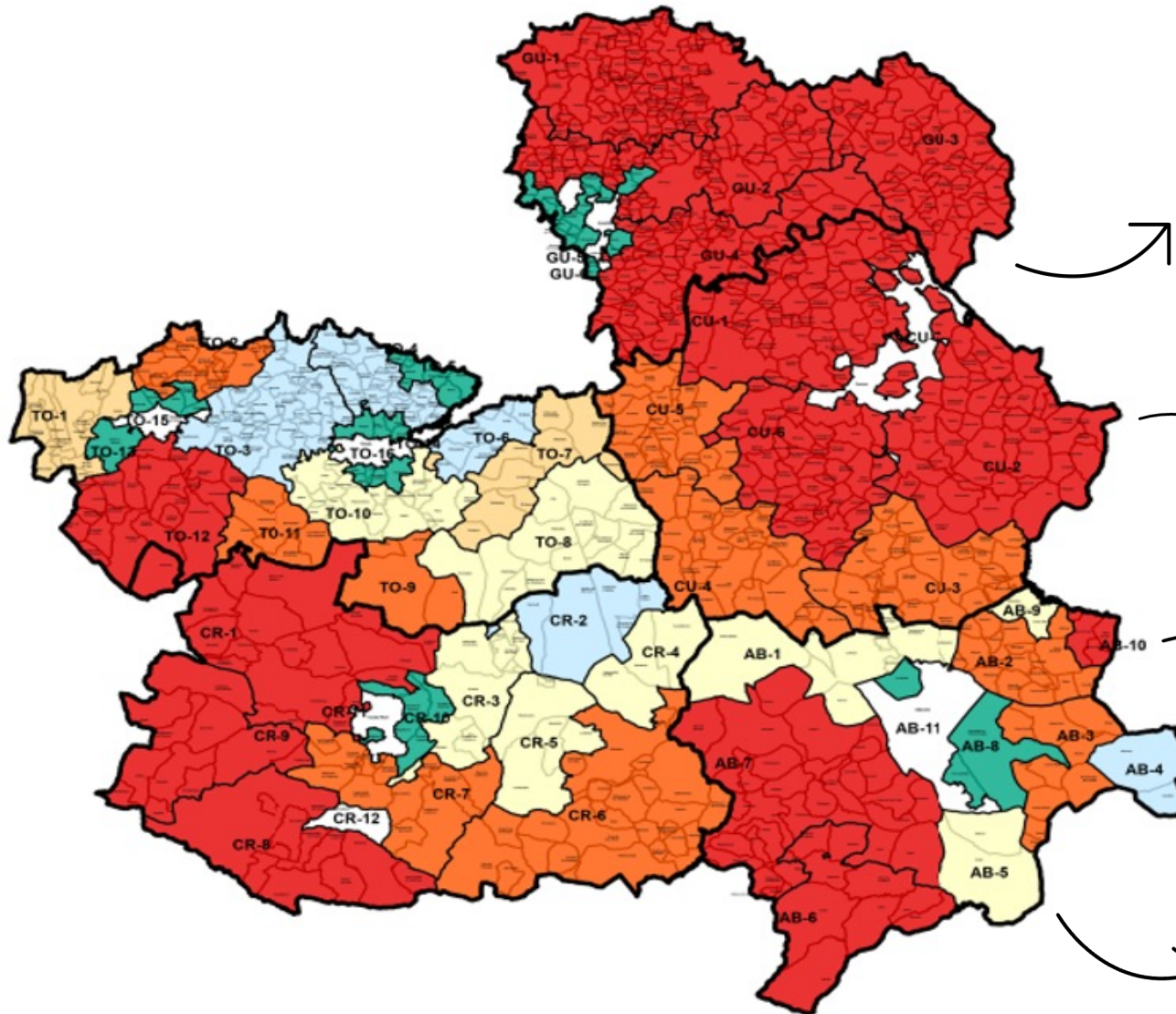
**And look what we found out!**



## LEGEND

### Classification of areas

- Extreme depopulation
- Intense depopulation
- At risk of depopulation
- Intermediate – agrarian
- Intermediate – diversified
- Periurban
- Urban



There are **26 rural** areas under extreme or intense depopulation

Covering the **80% of the municipalities**

They occupy **73% of the territory**

Where **21% of our population lives**



# Differentiated taxation

Depending on the area and size of the municipality where you reside...

## MUNICIPALITY IN AN AREA OF INTENSE DEPOPULATION

**20%**

of the full regional quota

Less than 2,000  
inhabitants

**15%**

of the full regional quota

From 2,000 to  
5,000 inhabitants

## MUNICIPALITY IN AN AREA OF EXTREME DEPOPULATION

**25%**

of the full regional quota

Less than 2,000  
inhabitants

**20%**

of the full regional quota

From 2,000 to  
5,000 inhabitants

**15%**  
of expenses

Acquisition, construction  
or rehabilitation of  
habitual residence

**500€**

Transfer of habitual  
residence for work  
purposes



## **And more!**

**In total: 3.322.055.590€ in 10 years**

**We are opening schools with 4 students in rural áreas.**

**We lauched the pilot Project “Erasmus Rural” and now university students make their interships in villages.**

**Create an alliance for ecosystem services by which habitants from cities contribute with 1€ a year to take care of our forest.**

**Invest more on health in rural áreas and buy highly medicalized helicopters that work 24h a day.**

**And 200 actions more!**



**Change our entire model of transportation so now it goes on-demand and the routes change daily to be greener, faster and cheaper.**



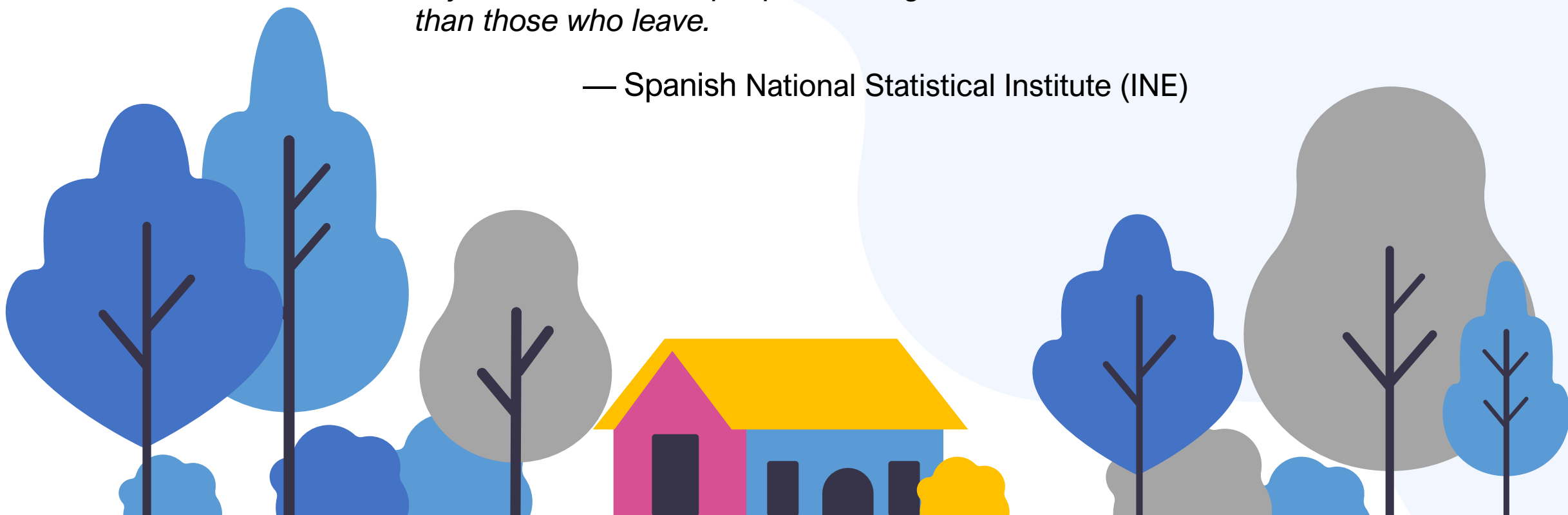


## In numbers...

In five years of application of the Law on Measures to curb depopulation, Castilla-La Mancha has achieved a **positive migratory balance of 15,423 people in rural areas affected by depopulation.**

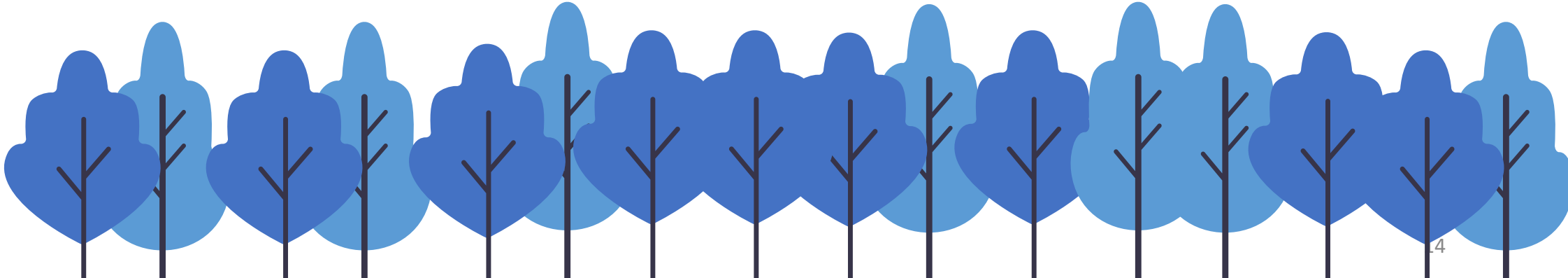
*Today there are more people coming to these territories than those who leave.*

— Spanish National Statistical Institute (INE)



# On-demand sensitive transport

- Demand-sensitive transport is a new model of shared transport without fixed timetable or itinerary (full flex), whose **routes are created by an optimization algorithm** according to the demands of each moment, the vehicles used are **minibuses or have fewer than 9 seats** and also the price of tickets is very affordable, with important bonuses for the elderly and young people.
- **Reservation:** mobile application or through a call centre.
- **Budget:** we finance the operating deficit between the revenues and costs of the service. This new model is more efficient than including numerous daily regular transport expeditions. If there are no demands, the service is not provided, although the fixed costs of availability are maintained.
- **Advantages:** maximizes the supply of transport services and supposes a paradigm shift in transport, since it is the supply that adapts to the demand.



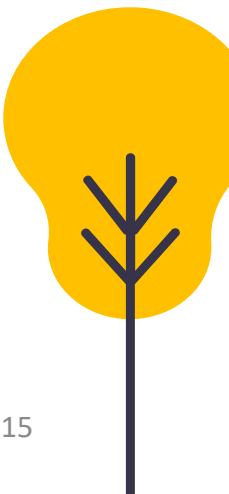


# Our policy in numbers

AÑOS DE VIGENCIA DE LA ESTRATEGIA	Número de habitantes beneficiados	Número de billetes vendidos	Recaudación del servicio	Número de kilómetros recorridos	Número de viajes
2022	15.585	534	963,05 €	11.379	367
2023	46.680	39.551	63.388,85 €	739.176	26.965
2024	46.680	51.802	81.099,80 €	1.049.149	38.993

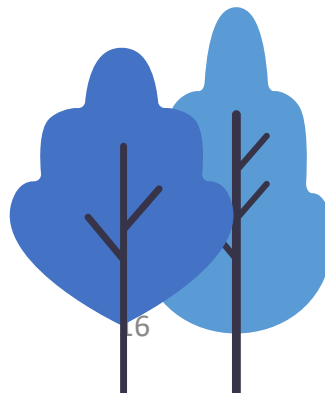
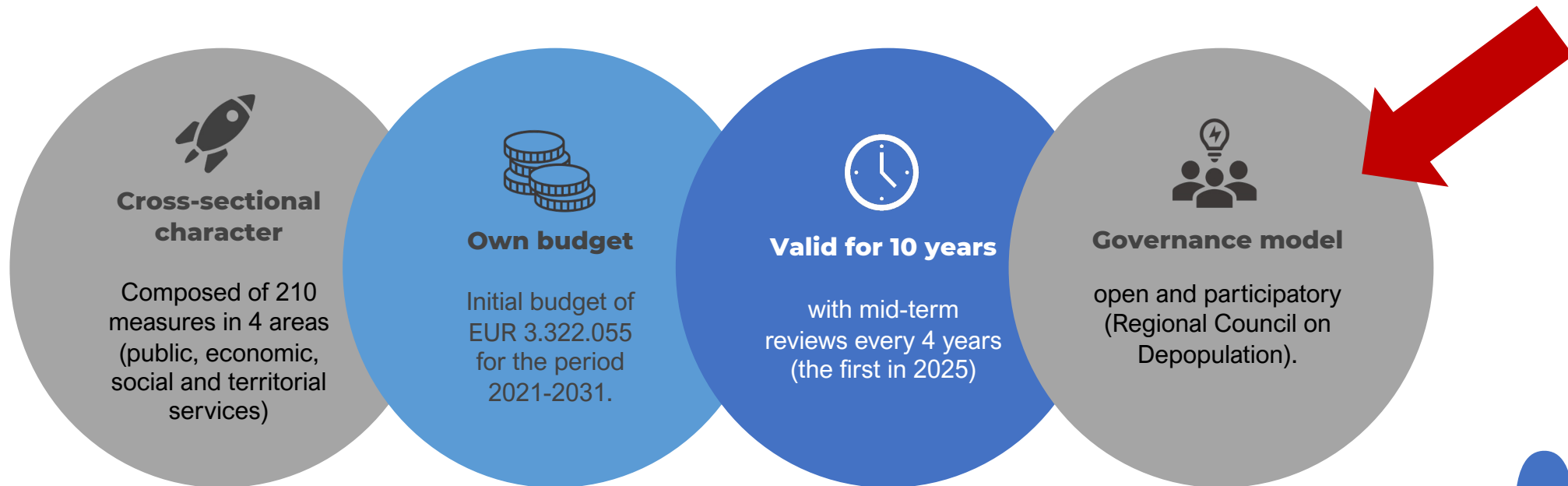
COSTES	2022	2023	2024	TOTAL
Serranía Alta - Alcarria	336.585,44 €	320.055,26 €	285.106,14 €	941.746,84 €
Campo de Montiel	0,00 €	843.686,19 €	1.012.026,42 €	1.855.712,61 €
Sierra Norte I	0,00 €	190.054,37 €	387.766,56 €	577.820,93 €
Sierra Norte II	0,00 €	134.486,86 €	284.581,27 €	419.068,13 €
TOTAL	336.585,44 €	1.488.282,68 €	1.969.480,39 €	3.794.348,51 €

**Presupuesto inicial:  
5 millones de euros  
por año!**



# The Regional Strategy Against Depopulation

The main tool of the Law for the development of sparsely populated areas is the **Strategy against Depopulation in Castilla-La Mancha 2021-2031**, which was adopted at a high participatory level in December 2021:



# Multi-level governance model: Key characteristics

**Coordinated institutional support:** strong link to legislative and planning frameworks;

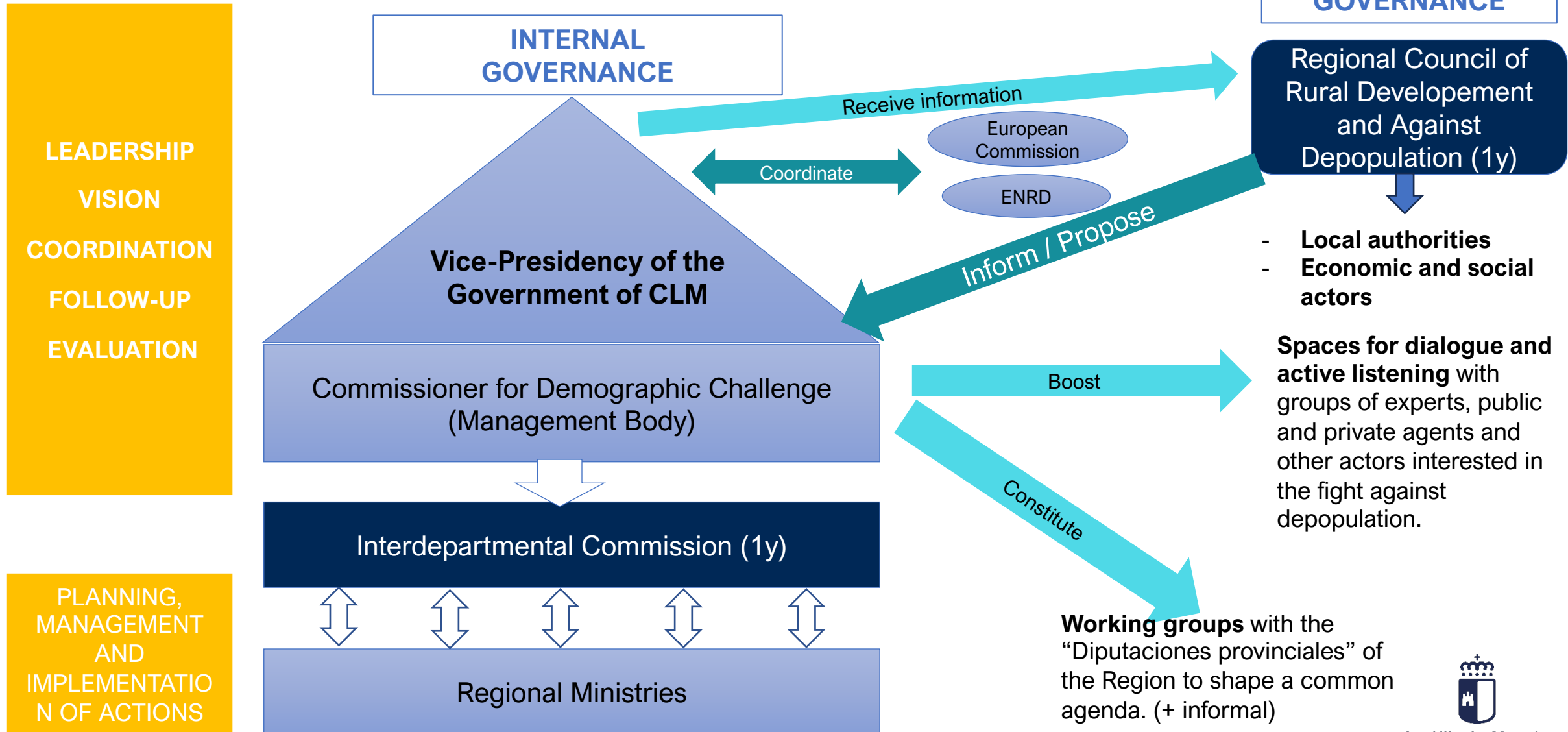
**Five-phase participatory process:** Interactive validation through multiple working groups, territorial subcommittees, and integration with formal political recommendations.

**Broad engagement across government levels and civil society:** consensus through working groups and interviews and full support of all parties in the Regional Parliament.

**Anticipation and political will:** Inclusive, phased participation fosters stronger ownership and better policy outcomes, as well as predesign of roadmap for future modifications.



# Governance structure of the Strategy against depopulation in Castilla-La Mancha 2021-2031 (Art 77. Law)



# Governance model: structure



## INTERNAL GOVERNANCE

### Interdepartmental Commission on Depopulation

Collegiate body responsible for monitoring the actions arising from the Strategy. It propose updates and issues two review reports on the strategy's progress and suggest adjustments.

#### COMPOSITION:

- The First Vice President
- Representatives from regional ministries (who implement and carry out the ERD measures.
- Intermediate bodies
- The managing authority for European funds in the region

## EXTERNAL GOVERNANCE

### Regional Council for Rural Development and the Fight Against Depopulation

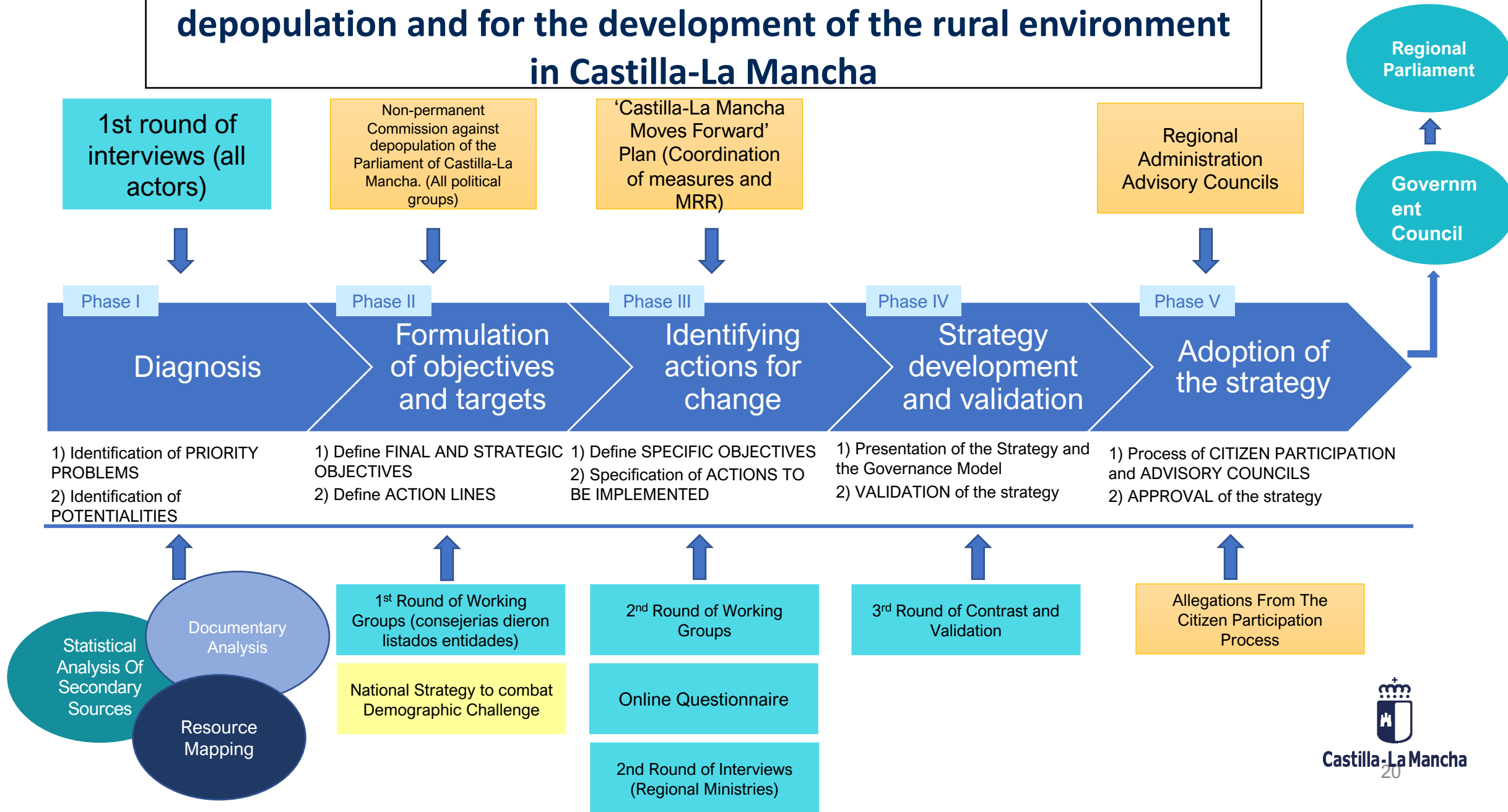
Collegiate body with interdepartmental, inter-administrative, and socially participative structure. Chaired by the Vice President. It reviews and issue reports on the ERD and its revisions before their approval, it is be informed of any matters affecting the ERD and submit proposals of change and new initiatives.

#### COMPOSITION:

- Representatives from each Regional Ministry
- A representative from each Provincial Council
- Five representatives from local authorities in rural areas affected by depopulation
- Representatives of the most prominent economic and social actors: trade unions, business organizations, rural development groups, third sector entities, public universities, and rural women's associations.



# Law on economic, social and tax measures to combat depopulation and for the development of the rural environment in Castilla-La Mancha





# Accountability: governance through *rural proofing*

The Law obliges to apply **rural proofing** to enhance rural revitalisation and multi-level governance, in such a way that:

01

## *Impact Reports*

In the preparation of **laws, plans or programmes**, a **DEMOGRAPHIC IMPACT REPORT is mandatory in order** to assess their possible effects on sparsely populated areas, with the aim of establishing measures to suit rural needs and realities.

02

## *Impact Memories*

A **DEMOGRAPHIC IMPACT MEMORY** is included in the regional budgets, in order to individualise spending on active policies to combat depopulation:

- Regional budgets for 2024 include the investment of EUR 1,922 million, which means:
  - 25% of the region's actual budget (1 out of 4 euros)
  - 3.8 % of regional GDP
  - 5.3 million EUR invested daily



# THANK YOU!

Would you like to have more  
information?

Check our QR code  
or contact us at:  
**[retodemografico.clm@jccm.es](mailto:retodemografico.clm@jccm.es)**



**Castilla-La Mancha**



Credits: This presentation template was created by Slidego, including icons by Flaticon, and infographics and images by Freepik