



Factsheet on 2014-2020 Rural Development Programme for Calabria

The Rural Development Programme (RDP) for Calabria was formally adopted by the European Commission on 20th November 2015, outlining Calabria's priorities for using about € 1.09 billion of public money that is available for the 7-year period 2014-2020 (about € 660 million from the EU budget and €430 million of national co-funding).

Calabria's RDP is putting particular emphasis on actions related to restoring, preserving and enhancing ecosystems as well as improving the competitiveness of the farm and forestry sectors. Over 27% of the agricultural land is expected to come under management contracts supporting biodiversity and the same percentage applies to the agricultural land expected to be under contracts to improve soil management, while almost 23% of the agricultural land will come under management contracts supporting better water management. To improve the competitiveness of farmers, almost 1 700 farms are expected to receive support to restructure or modernise their farms and 950 young farmers will be granted business start-up aid. Calabria's RDP will contribute to social inclusion and economic development in rural areas by bringing improved broadband infrastructure to about 48% of the rural population in rural area and by creating 450 new jobs, while almost 70% of the rural population will be concerned by participatory local development strategies.

Furthermore, Calabria's RPD has adopted a multi-regional fund as a financial instrument to support investments which are expected to be financially viable and do not give rise to sufficient funding from market sources.

Support for Rural Development is the 2nd 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, 118 programmes are foreseen in all 28 Member States. The new 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 Calabria 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 Italy, rural development is implemented through 22 separate RDPs – one at national level and 21 regional RDPs (including "less developed", "transition" and "more developed" regions). In addition, the National Rural Network Programme provides the funding for the networking of rural development actors in Italy.

Calabria is a region of the south of Italy, classified as a less developed region. It covers a total area of 15 222 km² (with over 740 km of coastline) of which agricultural land covers 49%. There are about 2 million inhabitants in the region which translates into a population density of roughly 128 inhabitants per km². The region is classified 96% as rural area (rural and intermediate) and over 93% of the total regional Utilised Agricultural Area is currently classified as Less Favoured Areas (mountain area and area with natural constraints in equal share). The regional unemployment rate is almost 20% and youth unemployment reaches almost 54%.

The average size of the almost 138 000 Calabria farms is 4 hectares and 42% of the farms are below 1 hectare (actually, 43% of farms produce just for self-consumption) and 5.5% of the head of the agricultural holdings are below 35 years old. The regional Utilised Agricultural Area (UAA) is around 549 250 hectares. Main agricultural crops are tree crops covering almost 46% of the regional UAA, arable crops (mainly cereals for the production of grain and vegetables), permanent grass and pasture. Olive trees represent the most important tree crop: Calabria is the second olive oil producing region in Italy after Puglia, representing 28% of the Italian olive oil and 26.6% of the total Italian productions of olives. The production of citrus fruit is also important in Calabria, with PGI clementine, high quality citron and a particular kind of bergamot orange only grown in the Region. Vineyards cover 4% of the tree crops. There are around 6 800 organic agricultural holdings in Calabria, i.e. 5% of the total regional agricultural holdings and 17.7% of the regional UAA is dedicated to organic production (in particular olive oil).

Calabria is 41% covered by forests and woods, (65% is private) and is the third timber producing region in Italy. Renewable energy sources represent 35% of the energy produced by the region. Data on the use of fertilisers in Calabria show far lower use than the national average (high input concerns only 12.1% of UAA). Calabria has 3 national parks, 1 regional park, 6 Special Protection Areas (SPAs) within 179 Sites of Community Importance.

Heavy erosive rain and steep slopes are causes of landslides and floods, a serious threat in the region, which ranks in the highest category for population at risks of landslides. Wood fires constitute also a serious threat: Calabria has one of the highest incidences of fires in wooded land among the Italian regions. Tackling this set of critical issues is the main environmental challenge for Calabria.

2. HOW CALABRIA'S RDP WILL ADDRESS THESE CHALLENGES

In addressing the challenges, Calabria's RDP will fund operations under all six Rural Development priorities, with a particular emphasis on Restoring, preserving and enhancing ecosystems related to agriculture and forestry as well as improving the competitiveness of the farm and forestry sectors. The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

The region is allocating almost 4% of the financial resources for actions related to this priority, with particular focus on advisory services. Knowledge transfer will address the training, information and advisory needs of the agricultural, food and forestry sectors as well other land holder and SMEs in rural areas as concerns a number of topics related to the 3 cross-cutting objectives of innovation, environment and climate change mitigation and adaptation, agro-climate environment and animal welfare commitments, organic farming as well as the start-up for young farmers and for non-agricultural activities in rural areas and digital literacy. Over 10 360 places are expected to be made available in training courses.

As concerns innovation, 130 projects will be supported to strengthen the link between agriculture, food and forestry sectors and research and innovation, 9 of which will be under the European Innovation Partnership.

Competitiveness of agri sector and sustainable forestry

Given the ageing farmer population and the small size of agricultural holdings in the region, the RDP will support the start-up of 950 young farmers and investments and modernisation in almost 1 700 farms. The RDP will also support the diversification of farms in order to create new income opportunities, for instance through the development of holiday, social and school farms and small processing plants. . Finally the forest sector will also be supported through investments in forestry technologies and infrastructures for the handling, first processing ("prior-industrial" level) and marketing of forest products.

Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture

Under this priority, Calabria will promote quality products also through the participation of over 1 200 agricultural holdings in quality schemes, local markets and short supply chain and the support of about 12% of the Calabria agro-food holdings for development, processing and marketing of agricultural products. The RDP will also support prevention actions against floods, which are expected to cover 100 000 hectares.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Under this priority, Calabria will focus on environmentally friendly operations and practices, with a particular emphasis on soil erosion and biodiversity: over 25 % of agricultural land will be under contracts to combat soil erosion (0.88 % for forest/other wooded area), a serious threat for the Region, and over 27% to support biodiversity (0.88 % for forest/other wooded area). Moreover around 23% of agricultural land will be under contracts to improve water management (0.88 % for forest/other wooded area). Land preservation and safeguard of natural resources (in particular, water and soil) will be pursued through actions geared to coping with environmental problems and challenges in the different rural areas.

Around 22% of the total allocated EAFRD amount to the RDP will be granted to farmers for organic farming commitments, 7% for using environment/climate-friendly land management practices and 7% to support to areas facing natural constraints. Over 115 000 hectares of farmland will receive support to either convert or maintain organic farming.

Resource efficiency and climate

Under this priority, RDP Calabria will pursue water efficiency in agriculture through investments in irrigation targeting 6.7% of the irrigated land and the supply and use of renewable sources of energy through a total public and private investment of almost €27 million.

The RDP will also pursue carbon conservation and sequestration mainly by supporting afforestation, the improvement of the resilience and environmental value of forest ecosystems, the increase in organic content of the soil through environment/climate-friendly commitments. In this regard, the Region targets almost 13% of farm and forest land to be under management contracts contributing to carbon sequestration or conservation.

Social inclusion and local development in rural areas

The main actions of RDP Calabria under this priority refer to create basic services in rural areas. This concerns first of all broadband infrastructure with around € 18 million allocated public expenditure in order to allow around half of the rural population to benefit from new or improved broadband services/infrastructures (this amount increases to about € 25 million when including also other ICT services, investments in alternative public transport, active ageing and welfare/social care services). It also includes support to the start-up of non agricultural activities with particular focus on their innovation content, and to support for Local Development Strategies through LEADER Local Action Groups, which should cover 70% of the rural population.

Thanks to the operations programmed under this priority, 450 additional jobs will be created (250 through LEADER).

The four **biggest RDP measures** in budgetary terms (total public funding) are:

- € 315 million allocated to measure 4 (Investments in physical assets)
- € 240 million allocated to measure 11 (Organic)
- € 84.7 million allocated to measure 13 (Payments to areas facing natural or other specific constraints)
- € 77.7 million allocated to measure 10 (Agro-environment climate)

Annex 1: Indicative public support for the Rural Development Programme in Calabria

Target	Measure	€ Total public	%
Priority1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹			
1A: Fostering innovation, cooperation, knowledge base 3.86 % of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 130 cooperation projects	16 cooperation		
1C: Training 10 365 participants trained	01 knowledge		
Priority 2: Farm viability, competitiveness and sustainable forest management		265 936 020	24.41%
2A: Economic performance, restructuring & modernisation 1.23 % of holdings with RDP support	01 knowledge	1 740 000	0.16%
	02 advisory	1 068 600	0.10%
	04 investments	130 777 033	12.01%
	06 farm / business development	9 000 000	0.83%
	08 forest	8 167 470	0.75%
	16 cooperation	7 700 000	0.71%
2B: Generational renewal 0.69 % of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	1 260 000	0.12%
	02 advisory	1 284 294	0.12%
	04 investments	65 506 243	6.01%
	06 farm / business development	39 432 380	3.62%
Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		156 751 960	14.39%
3A: Improving competitiveness of primary producers 0.42 % of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations 11.68% of the total regional food sector holdings receiving support for investment for the development, processing and marketing of agricultural products	01 knowledge	1 020 000	0.09%
	02 advisory	123 142	0.01%
	03 quality schemes	18 461 158	1.69%
	04 investments	90 560 550	8.31%
	09 Producer groups/ organisations	4 000 000	0.37%
	14 animal welfare	28 347 110	2.60%
	16 cooperation	4 000 000	0.37%
3B: Farm risk prevention and management	01 knowledge	240 000	0.02%

¹ No financial allocation shown for Priority 1 as the expenditure is distributed across other focus areas.

Agricultural area benefiting from investment for the prevention of floods: 100 000 ha	05 restoring agric. potential	10 000 000	0.92%
Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry²		434 567 970	39.89%
4A Biodiversity 27.73 % of agricultural land under contracts 0.88 % of forest/other wooded area under contracts	01 knowledge	3 300 000	0.12%
	02 advisory	6 990 080	0.64%
4B Water management 22.91 % of agricultural land under contracts 0.88 % of forest/other wooded area under contracts	04 investments	3 200 000	0.29%
	07 basic services	1 000 000	0.09%
	08 forest	21 857 230	2.01%
4C Soil erosion and management 25.72 % of agricultural land under contracts 0.88 % of forest/other wooded area under contracts	10 AEC	72 685 950	6.67%
	11 organic farming	239 834 710	22.02%
	13 ANC	84 700 000	7.78%
	16 cooperation	1 000 000	0.09%
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		88 879 530	8.16%
5A Water efficiency 6.74% of irrigated land switching to more efficient irrigation systems	01 knowledge	340 000	0.03%
	02 advisory	1 100 826	0.10%
	04 investments	19 000 334	1.74%
5C Renewable energy Total investment in renewable energy production: € 26 874 490.00	01 knowledge	340 000	0.03%
	02 advisory	550 410	0.05%
	04 investments	5 816 020	0.53%
	06 farm / business development	3 000 000	0.28%
	07 basic services	7 950 000	0.73%
5D Reducing GHG and NH3 25.12 % of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions	01 knowledge	400 000	0.04%
	02 advisory	550 410	0.05%
5E Carbon conservation and sequestration 12.86 % of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	01 knowledge	360 000	0.03%
	02 advisory	1 284 300	0.12%
	08 Forests	43 187 230	3.96%
	10 AEC	5 000 000	0.46%
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		113 183 880	10.39%
6A Diversification, creation of small enterprises and jobs 200 jobs created in supported projects	01 knowledge	560 000	0.05%
	02 advisory	733 880	0.07%

² Expenditure under Priority 4 is programmed for the priority as a whole, not for individual focus areas

	06 farm / business development	5 000 000	0.46%
	07 basic services	11 500 000	1.06%
	16 cooperation	5 000 000	0.46%
6B Fostering local development <u>69.99 %</u> rural population under local development strategies <u>250 jobs</u> created (via LEADER)	19 LEADER and CLLD	66 350 000	6.09%
6C Access to and quality of ICT 47.82 % of rural population benefiting from new or improved services/infrastructures (ICT)	01 knowledge	440 000	0.04%
	07 basic services	23 600 000	2.17%
Technical Assistance		29 793 388	2.74 %
Discontinued measures (measure 113)		198 000	0.02%
Total public expenditure €		1 089 310 748	100%