



## **Factsheet on 2014-2020 Rural Development Programme for Region Campania**

The Rural Development Programme (RDP) for Region Campania was formally adopted by the European Commission on 20 November 2015, outlining Campania priorities for using the € 1.81 billion of public money that is available for the 7-year period from 2014-2020 (almost € 1.1 billion from the EU budget, plus € 716 million of national co-funding).

The RDP for Campania focuses on restoring, preserving and enhancing ecosystems as well as on improving the competitiveness of agriculture. Around 43 000 hectares will be protected through environmental land management contracts targeted to specific biodiversity and water objectives and preventing soil erosion. In addition, almost 27 200 hectares of farmland will receive support to either convert to or maintain organic farming. In order to improve the competitiveness and sustainability of the farm sector, nearly 12 000 places in training courses will be created to promote innovation, co-operation and more sustainable farming practices. Furthermore, the activation of a guarantee fund will promote the investment rate for farmers due to a specific financial coverage. Nearly 2700 agricultural holdings (including young farmers) will benefit from support to improve their economic performance, and restructure and modernise their farms. Around 1 500 young farmers will be granted business start-up aid. Finally, local development and economic diversification projects will deliver around 290 new jobs and 6.06% of the rural population will get access to new or improved ICT and broadband infrastructure.

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 Region Campania 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. In addition, the National Rural Network Programme provides the funding for the networking of rural development actors in Italy.

Campania is categorised as a "less developed" region. The region covers an area of 13 590 km<sup>2</sup>, of which 91.5% is rural. Of the total area, utilised agricultural land (UAA) covers 40% and forestland 28%. The total population is near 6 million – of which 5%

lives in rural areas. Campania is one of the most densely populated regions in Europe (424.6 inhabitants per km<sup>2</sup>). The number of livestock units is around 450 000.

Campania has a low employment rate of 43.7% (below the national average), while unemployment is at an extremely high level corresponding to 19.3% and the youth unemployment rate accounts for 48.2%.

The regional GDP is steadily decreasing and the economic results are worse than the overall national average.

About two thirds of the regional territory are characterized by low levels of infrastructure and/or difficulties in the use of basic services. Broadband and information and communication technologies (ICT) are marked by insufficient network coverage and the degree of Internet use in households is below the national average (44.2% versus 54.8%).

In general, the agricultural sector in Campania faces structural changes with many small-size farms disappearing as they are absorbed by medium-size farms, which subsequently become bigger.

Campania's rural areas are challenged by a persistent loss of business activity, migration of labour force, and demographic changes. Ageing of the agricultural population and the low number of young farmers are also issues of concern for rural development in Campania.

Campania also faces environmental challenges, such as an increased and serious pressure of intensive agriculture and breeding on natural resources. However, the Farmland Bird Indicator has increased by nearly 11% between 2000 and 2012, meaning that there are 11% more birds today compared to year 2000. Soil erosion is higher than the Italian average, and it is mainly due to intense laminar erosion. Finally, organic farming is still underdeveloped and covers only 2.6% of the total utilised agricultural land (5% Italian average), despite the good potential in this sector.

Moreover, Campania is characterised by an outstanding naturalistic heritage: the NATURA 2000 network (124 sites) covers 27.5% of the total surface area and more than half of the total forest area. The High Nature Value farmland areas represent 40.6 % of the UAA.

## **2. HOW THE RDP OF REGION CAMPANIA WILL ADDRESS THESE CHALLENGES**

In addressing these challenges, the RDP for Campania will fund action under six Rural Development priorities – with a particular emphasis on restoring, preserving and enhancing ecosystems related to agriculture and forestry as well as competitiveness of agri sector and sustainable forestry. The focus of each priority is explained briefly below.

### Knowledge transfer and innovation in agriculture, forestry and rural areas

Knowledge transfer system (workshops, coaching, demonstration activities, information actions and company visits) will be enhanced through specific training addressed to the farmers with regard notably climate change, sustainable agriculture and food quality. Particular attention will be paid to the training of new entrepreneurs, especially young farmers. An important element is innovation which is facilitated via co-operation, and information and knowledge transfer between the agri-food sector, researchers and other stakeholders. More than 160 different co-operation projects (developing pilot projects) will be financed, there will be support for 40 Operational Groups under the European Innovation Partnership and the region will deliver nearly 12 000 places in training courses.

### Competitiveness of agri sector and sustainable forestry

Support will be targeted at process and product innovation in farms, in agro-industrial and forestry holdings. The objective is to improve output and product quality, combined with a reduction of production costs. Similarly important are the improvement in the productive powers of labour, equipment modernisation (including ICT systems) and diversification of production. Another important strategy choice is to promote the creation and development of non-agricultural activities in order to create new income opportunities.

Moreover, the progressive ageing of the workforce makes necessary to accelerate the entry of young skilled people into the agricultural sector to ensure the future of farming, innovation, and improving productivity and competitiveness.

Almost 1 200 investment projects will be supported for investments in restructuring or modernisation, plus 1 500 young farmers will be granted business start-up aid for implementing their business plans. Almost 2 400 places in training courses are foreseen for these topics.

In addition, the "Cooperation" measure will fund further projects in social agriculture and forestry. The forest sector will also be supported through investments in forestry technologies and in processing of forest products.

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

Support is granted for new participants in quality schemes by groups of farmers, and for information and promotion activities. The objective is to improve logistic and commercial channels, and to raise consumer awareness about quality products on the market. Farmers are also encouraged to participate in cooperation projects with a view to develop short supply chains with focus on innovative projects and those that contribute to the reduction of impacts on the environment and climate.

The region estimates that around 600 farmers will receive support to participate in quality schemes and short supply chain. The RDP also provides support for actions to prevent and repair damage caused by natural disasters, in synergy with specific actions under the national RDP.

Moreover, 20.5 million EUR are invested in projects related to animal welfare.

### Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Under this priority, the RDP aims to support environmental-friendly farm practices going beyond the obligations imposed by environmental legislation and the greening of the CAP. In particular, nearly 11 % of the agricultural land will be under management contracts supporting biodiversity, water and soil management.

Campania's RDP will also support environmental investments in agriculture and forestry as well as actions supporting biodiversity in Natura 2000 areas and other areas of high natural value. Other important actions concern the support of organic farming (about 15 600 hectares will receive support to convert to organic farming and another 11 600 ha to maintain) and the payments to farmers in mountain areas to avoid the risk of land abandonment in the mountains of Campania.

### Resource efficiency and climate

The actions proposed for climate change mitigation and adaptation refer to promoting the rational use of water resources (inter alia, through modernisation of equipment and

conversion of irrigation systems, technologies and distribution systems), the development of bioenergy as well as the use of agricultural and agro-industrial by-products.

Another important area of action is the reduction of greenhouse gas, particulate matter (PM 10) and ammonia emissions from agro-industrial activities, and increasing carbon sequestration through forestry actions. Additionally, the co-operation measure supports enhanced sustainability through the European Innovation Partnership and through co-operation for climate change adaptation and mitigation.

Investments in agricultural holdings with environmental purposes will receive € 42 million of public support. More specifically, 528 projects will receive support targeting more efficient irrigations systems. In other words, a total of more than 1 500 ha of irrigated land will be switching to more efficient irrigation systems. € 8 million will be invested in renewable energy production. Finally, 417 hectares of agricultural land will be under management contracts to foster carbon sequestration/conservation.

#### Social inclusion and local development in rural areas

The main actions of the RDP Campania focus on fostering local development in rural areas by creating basic services (first of all, concerning ultra-broadband infrastructure EUR 20.5 million will be allocated in order to cover 25% more of the rural population) and support for local development strategies (LEADER), which includes the involvement of 1.5 million people in rural areas and the creation of about 130 additional jobs.

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

- € 570 million allocated to measure 4 (Investments in physical assets)
- € 209 million allocated to measure 13 (Payments to area facing natural or other specific constraints)
- € 200 million allocated to measure 10 (Agri-environment-climate)
- € 165 million allocated to measure 6 (Farm and business development)

## Annex 1: Indicative public support for the Rural Development Programme in Region Campania

Target	Measure	€ Total public	%
<b>Priority1: Knowledge transfer and innovation in agriculture, forestry and rural areas<sup>1</sup></b>			
1A: Fostering innovation, cooperation, knowledge base 4.56% of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 223 cooperation projects	16 cooperation		
1C: Training 15 468 participants trained	01 knowledge		
<b>Priority 2: Farm viability, competitiveness and sustainable forest management</b>		<b>564 310 552</b>	<b>31.13</b>
2A: Economic performance, restructuring & modernisation 1.37% of holdings with RDP support	01 knowledge	3 220 000	0.18
	02 advisory	2 890 000	0.16
	04 investments	247 000 000	13.63
	06 farm / business development	62 000 000	3.42
	08 forest	2 200 000	0.12
	16 cooperation	8 120 000	0.45
2B: Generational renewal 1.10% of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	3 560 552	0.20
	02 advisory	1 320 000	0.07
	04 investments	159 000 000	8.77
	06 farm / business development	75 000 000	4.14
<b>Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management</b>		<b>139 136 190</b>	<b>7.68</b>
3A: Improving competitiveness of primary producers 1.63% of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations 1.50% of agri-food holdings supported under measure 4.2 (investments in processing/marketing of agricultural products)	01 knowledge	2 246 190	0.12
	02 advisory	1 090 000	0.06
	03 quality schemes	8 000 000	0.44
	04 investments	85 000 000	4.69
	09 producer groups/organisations	2 400 000	0.13
	14 animal welfare	20 500 000	1.13
	16 cooperation	9 400 000	0.52

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

3B: Farm risk prevention and management € 10 500 000 total public expenditure 0.01% of farms participating in risk management schemes	05 restoring agric. potential	10 500 000	0.58
<b>Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry<sup>2</sup></b>		<b>710 159 243</b>	<b>39.18</b>
4A Biodiversity 9.77% of forest/other wooded area under contracts 10.90% of agricultural land under contracts	01 knowledge	9 193 243	0.51
	02 advisory	2 070 000	0.11
	04 investments	37 000 000	2.04
4B Water management 9.77% of forest/other wooded area under contracts 10.90% of agricultural land under contracts	07 basic services	6 000 000	0.33
	08 forest	127 400 000	7.03
	10 AEC	199 580 000	11.01
4C Soil erosion and management 9.77% of forest/other wooded area under contracts 10.90% of agricultural land under contracts	11 organic farming	77 000 000	4.25
	13 ANC	209 416 000	11.55
	15 forest/env	33 000 000	1.82
	16 cooperation	9 500 000	0.52
<b>Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors</b>		<b>79 517 359</b>	<b>4.39</b>
5A Water efficiency 2.15% of irrigated land switching to more efficient irrigation systems	01 knowledge	820 000	0.05
	02 advisory	850 000	0.05
	04 investments	33 000 000	1.82
	16 cooperation	1 500 000	0.08
5C Renewable energy € 8 000 000 investment	01 knowledge	1 147 359	0.06
	02 advisory	100 000	0.01
	07 basic services	8 000 000	0.44
	16 cooperation	2 500 000	0.14
5D Reducing GHG and NH3 6.90% of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions	01 knowledge	335 000	0.02
	02 advisory	50 000	0.00
	04 investments	9 000 000	0.50
	16 cooperation	500 000	0.03
5E Carbon conservation and sequestration 0.82% of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	01 knowledge	675 000	0.04
	02 advisory	540 000	0.03
	08 forest	20 000 000	1.10
	16 cooperation	500 000	0.03

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

<b>Priority 6: Social inclusion, poverty reduction and economic development in rural areas</b>		<b>286 458 817</b>	<b>15.80</b>
6A Diversification, creation of small enterprises and jobs 156 jobs created in supported projects	01 knowledge	1 790 260	0.10
	02 advisory	1 090 000	0.06
	06 farm / business development	28 000 000	1.54
	07 basic services	107 700 000	5.94
	16 cooperation	17 300 000	0.95
6B Fostering local development 50.98% rural population under local development strategies 131 jobs created (via LEADER)	19 LEADER and CLLD	109 778 557	6.06
6C Access to and quality of ICT 6.06% of rural population benefiting from new or improved services/infrastructures (ICT)	01 knowledge	300 000	0.02
	07 basic services	20 500 000	1.13
<b>Technical Assistance</b>		<b>30 000 000</b>	<b>1.66</b>
<b>Measure 113 (in transition)</b>		<b>2 961 641</b>	
<b>Total public expenditure €</b>		<b>1 812 543 802</b>	<b>100</b>