



## **Factsheet on 2014-2020 Rural Development Programme for Emilia-Romagna**

The Rural Development Programme (RDP) for Emilia-Romagna was formally adopted by the European Commission on 26 May 2015, outlining the priorities of Emilia-Romagna for using the nearly € 1.19 billion of public money that is available for the 7-year period 2014-2020 (nearly € 513 million from the EU budget and € 676 million of national co-funding).

Emilia Romagna's RDP is putting almost equal emphasis on the four priorities related to competitiveness, food chain organisation, restoring, preserving and enhancing ecosystems and resource efficiency and climate. The region will support 870 investment projects to restructure or modernise farms and over 1 500 young farmers will be granted business start-up aid. Over 19 000 places will be made available in training courses. In the food chain, more than 1 500 projects will receive support to increase and stabilise the profitability of primary producers as well as modernise production processes and support quality production. Nearly 21 % of the agricultural land will be under management contracts supporting biodiversity, 16% for water management and 15% for soil management. Almost 75 000 ha will receive support related to organic farming and around 6.5% of all farmland and forest will come under management contracts targeting reduction of greenhouse gas and ammonia emissions

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. The Partnership Agreement for Italy was approved on 29 October 2014.

This document provides a brief overview of how the challenges and opportunities that Emilia-Romagna 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.

Emilia-Romagna is categorised as a "more developed" region. It covers an area of 22 446 km<sup>2</sup>, of which 90 % is rural.

The utilized agricultural area (UAA) is just above 1 million ha (approximately 47% of the territory; one of the largest shares in Italy); 78% of farmland is used for arable crops. Organic farming covers just 3.3% of the farmland (below the 5% Italian average). The number of livestock units is just above 1.2 million (12% of the Italian total and third in Italy after Lombardy and Veneto). Moreover, more than 42 % of the total Italian turnover from quality agricultural products (PDO and PGI) is generated in this region.

One of the better performing Italian regions, Emilia-Romagna has an employment rate of 67.6 % while unemployment is at 7.1 % (2012). However, youth unemployment is at 26.4 %. Female participation to the work force is approximately 10% lower than figures for male population, with a gap of almost 15% in rural areas.

Areas classified as less-favoured mountain areas cover 36.7 % of the territory and forests cover 28% of the total land area. There are around 74 000 farms, with an average of 15.4 ha and 15.5 livestock units per farm.

The main environmental issues relate to the externalities of intensive farming in the plain areas and of animal husbandry (75% of all farming in the region is high and medium intensity). The chief environmental challenges are the high concentration of nitrates and phosphorus in freshwater and groundwater and soil erosion.

## **2. HOW THE EMILIA-ROMAGNA RDP WILL ADDRESS THESE CHALLENGES**

In addressing these challenges, Emilia Romagna's RDP will fund action under all six Rural Development priorities with an almost equal emphasis on the four priorities related to competitiveness, food chain organisation, restoring, preserving and enhancing ecosystems and resource efficiency and climate. The focus of each priority is explained briefly below.

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

Knowledge transfer and innovation actions will be put in place to increase the economic and environmental performance of agricultural holdings, as well as for the development of rural areas.

Over 19 000 places will be made available in training courses and the programme will give farmers access to advisory services on topics related to the RDP priorities. The region is planning to help launch more than 360 co-operation projects of which 116 will be Operational Groups under the European Innovation Partnership.

### Competitiveness of agri sector and sustainable forestry

Support will be targeted process and product innovation in farms as well as 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 reinforcement of environmental sustainability, energy efficiency and corporate ethical responsibility in the supported holdings. For the forestry sector, investments will mainly go to infrastructure projects to facilitate the use of harvested wood products. The RDP will support the diversification of farms in order to create new income opportunities, for instance through the valorisation of agricultural by-products and waste. Opportunities for social farming are also available, in particular in peri-urban areas.

To reach these objectives, the region will support 870 investment projects to restructure or modernise farms and over 1 500 young farmers will be granted business start-up aid.

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

Under this priority, the region wishes to grant support to integrated projects in the supply chain. The objective is to increase and stabilise the profitability of primary producers but the modernisation of production processes and support for quality production are also given priority. The region wants to encourage "from farm to fork" approaches and various forms of association in agriculture in order to reduce costs and improve the marketing of products. To reach these objectives, around 1 500 investment projects will be supported for total public cost of 200 million euros.

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

Under this priority, Emilia Romagna wants to safeguard water quality through the promotion of agricultural production techniques that reduce pressure on the environment, combating erosion in hills and mountain areas and enhancing soil organic matter. The programme also proposes actions for the sustainable management of ecosystems and habitats, for preventing agricultural land abandonment and preserving plant and animal agricultural biodiversity. In order to achieve these objectives, the region also aims at strengthening collective approaches at local level.

Nearly 21 % of the agricultural land will be under management contracts supporting biodiversity, 16% under management contracts supporting water management and 15% of the agricultural land will be under management contracts supporting soil management. Over 7 000 hectares will receive support to convert to organic farming and another 67 500 ha to maintain organic production.

### Resource efficiency and climate

The actions proposed for climate change mitigation and adaptation refer to promoting the rational use of water resources, the development of bioenergy and the use of agricultural and agro-industrial by-products, reducing emissions from agro-industrial activities and increasing carbon sequestration through forestry actions.

Investments in agricultural holdings with environmental purposes will amount to € 58.4 million of public expenditure. Farmers will receive support to switch to a more efficient irrigation system, covering more than 3 700 ha. The region also expects that by investing € 20 million of public money in renewable energy production, it will raise another € 23 million of private funding. Finally, around 6.5% of all farmland and forest will come under management contracts targeting reduction of greenhouse gas and ammonia emissions.

### Social inclusion and local development in rural areas

The main actions refer to fostering local development in rural areas and broadband internet deployment (including the development of ICT-services). The grassroots action of Local Action Groups (LAGs) is vital for social inclusion and the availability of care services in less developed rural areas.

More than 110 beneficiaries will receive support for investments in non-agricultural activities in rural areas, while basic services will be improved for more than 6% of the rural population. Around 5.4 % of the rural population will also benefit from new or improved broadband infrastructure thanks to investments under this priority, which will focus on areas of sparse population density.

Local Development Strategies, which cover 17 % of the rural population, will create 111 additional jobs.

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

- € 150 million allocated to Measure 4 (Investments in physical assets)
- € 75 million allocated to Measure 10 (Agri-environment-climate)
- € 45 million allocated to Measure 6 (Farm and business development)
- € 43 million allocated to Measure 11 (Organic farming)

## Annex 1: Indicative public support for the Rural Development Programme in Emilia-Romagna

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 7.85 % of RDP expenditure	01 knowledge		
1B: Strengthening links (with research etc.) 363 cooperation projects	16 cooperation		
1C: Training 19 245 participants trained	01 knowledge		
<b>Priority 2: Farm viability, competitiveness and sustainable forest management</b>		<b>229 815 434</b>	<b>19.32%</b>
2A: Economic performance, restructuring & modernisation  1.18% of holdings with RDP support	01 knowledge	4 047 141	0.34%
	02 advisory	1 291 348	0.11%
	04 investments	54 382 319	4.57%
	06 farm / business development	19 605 417	1.65%
	08 forest investments	9 961 830	0.84%
	16 cooperation	11 982 916	1.01%
2B: Generational renewal  2.16% of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	2 042 678	0.17%
	02 advisory	215 225	0.02%
	04 investments	62 762 133	5.28%
	06 farm / business development	63 524 426	5.34%
<b>Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management</b>		<b>285 932 042</b>	<b>24.03%</b>
3A: Improving competitiveness of primary producers  0.81% of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations	01 knowledge	2 269 643	0.19%
	02 advisory	2 152 247	0.18%
	03 quality schemes	8 065 767	0.68%
	04 investments	191 005 860	16.06%
	14 ANIM-WELF	10 500 000	0.88%
	16 cooperation	21 463 196	1.80%
3B: Farm risk prevention and management  2.32% of farms participating in risk management schemes	01 knowledge	500 000	0.04%
	02 advisory	172 180	0.01%
	05 restoring agric. potential	39 842 520	3.35%

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

	08 forest investments	9 960 630	0.84%
<b>Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry<sup>2</sup></b>		<b>421 471 249</b>	<b>35.43%</b>
4A Biodiversity 0.20% of forest/other wooded area under contracts 21.14% of agricultural land under contracts	01 knowledge	8 808 926	0.74%
	02 advisory	3 486 640	0.29%
	04 investments	7 005 180	0.59%
4B Water management 16.36% of agricultural land under contracts 0% of forestry land under contracts	07 basic services	700 000	0.06%
	08 forest investments	10 928 939	0.92%
	10 AEC	174 365 950	14.66%
4C Soil erosion and management 15.74% of agricultural land under contracts 0% of forestry land under contracts	11 organic farming	100 559 342	8.45%
	12 NAT-WFD	8 356 554	0.70%
	13 ANC	89 872 378	7.55%
	16 cooperation	17 387 340	1.46%
<b>Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors</b>		<b>87 826 745</b>	<b>7.38%</b>
5A Water efficiency 1.45% of irrigated land switching to more efficient irrigation systems	01 knowledge	907 857	0.08%
	02 advisory	258 270	0.02%
	04 investments	18 000 000	1.51%
	16 cooperation	1 700 000	0.14%
5C Renewable energy Total investment in renewable energy production= 42 838 656	01 knowledge	680 893	0.06%
	02 advisory	172 180	0.01%
	04 investments	19 924 956	1.67%
	16 cooperation	2 583 265	0.22%
5D Reducing GHG and NH3 1.13% of LU (Live-stock Unit) concerned by investments in live-stock management in view of reducing GHG (Green House Gas) and/or ammonia emissions 7.45% of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions	01 knowledge	907 857	0.08%
	02 advisory	602 629	0.05%
	04 investments	13 555 445	1.14%
	10 AEC	1 558 097	0.13%
	16 cooperation	2 822 031	0.24%
5E Carbon conservation and sequestration 6.53% of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	01 knowledge	680 893	0.06%
	02 advisory	86 090	0.01%
	8 Forests	20 296 600	1.71%
	10 AEC	3 089 682	0.26%
<b>Priority 6: Social inclusion, poverty reduction and economic development in rural areas</b>		<b>139 783 146</b>	<b>11.75%</b>
6A Diversification, creation of small enterprises and jobs	06 farm / business	1 693 985	0.14%

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

113 jobs created in supported projects	development		
6B LEADER	01 knowledge	600 000	0.05%
17.44 % rural population under local development strategies	07 basic services	17 002 518	1.43%
6.33 % rural population with improved services/infrastructure	16 cooperation	2 179 220	0.18%
111 jobs created (via LEADER)	19 LEADER and CLLD	66 397 798	5.58%
6C Access to and quality of ICT	01 knowledge	300 000	0.03%
5.38 % of rural population benefiting from new or improved services/infrastructures (ICT)	07 basic services	51 609 625	4.34%
<b>Technical Assistance</b>		24 851 347	2.09%
<b>Total public expenditure €</b>		<b>1 189 679 963</b>	<b>100.00%</b>