



Factsheet on 2014-2020 Rural Development Programme for Friuli Venezia Giulia

The Rural Development Programme (RDP) for Friuli Venezia Giulia was formally adopted by the European Commission on September 24th 2015, outlining the Region's priorities for using the € 348,5 millions of public money that is available for the 7-year period 2014-2020 (€ 126,1 million from the EU budget, € 166,2 million of national co-funding and 56,2 million of additional regional resources).

The RDP for Friuli Venezia Giulia puts particular emphasis on improving the competitiveness of agriculture and primary producers, as well as on restoring, preserving and enhancing ecosystems. Over 900 agricultural holdings will receive investment support to restructure and modernise their farms. Apart from improving competitiveness, these investments will also contribute to enhancing the environmental performance and mitigating climate change. The level of investments will also get a boost thanks to the introduction of two specific financial instruments, a loan-fund supporting projects for farm restructuring/modernisation and for processing/marketing of agricultural products; and a multi-regional guarantee fund with the aim of promoting and increasing access to credit and investment by farmers. Over 22 000 hectares of agricultural land will be under agri-environment-climate contracts supporting biodiversity, soil and water management. The region will reduce the administrative burden on beneficiaries by using a simplified system of standard costs for declaring expenses under certain investment measures.

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.

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.

This document provides a brief overview of how the challenges and opportunities that Friuli Venezia Giulia 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

Friuli Venezia Giulia is situated in the north-east of the country and bordering Veneto, Austria, Slovenia and the Adriatic Sea. It covers a total area of 7 858 km² and has a population of 1.2 million people. The region is mostly rural and Utilised Agricultural Area (UAA) covers 28% of the territory. Despite the general good level of economic indicators in terms of employment rate and revenue per-capita, rural areas and especially mountain areas are affected by increasing depopulation and an ageing population as well as by an increasing need for basic services and social services.

22 320 agricultural holdings operate in the region, covering a UAA of 218 443 ha. The average farm size is 10 ha (national average 8 ha). Farm structure is fragmented, with 62% of farm holders practicing agricultures only part-time. Agriculture represents 1.2% of the total regional added value. Average farming revenues are 2 426 €/ha. Agriculture employs 3.26% of total employed people (national average 3.8%). Only 4% of farm holders are less than 35 years old and only 4% have a high school degree in agronomics. The UAA is mainly used for arable crops and pasture. 29% of the UAA is irrigated. Only 0.92% of the UAA is under organic production (9% in Italy). Forests cover 41% of the territory and tend to expand due to the abandonment of agriculture. 60% of forests are used for wood production.

The region is characterised by intensive farming, which results in relatively high levels of nitrates and ammonia emissions. More than 45% of farm land is cultivated with high input intensity (especially fertilisers). 44% of the UAA is in Nitrate Vulnerable Zones. Natural conditions as well as farming practices are responsible for a high risk of soil compaction and erosion. Natural disasters such as landslide and flooding are increasingly frequent.

Intensive agriculture and animal husbandry have a significant impact on the region's natural resources and air quality. The Farmland Bird Index has decreased by 54% in the last 12 years. HNV farming is also below the national average. 18% of water bodies have a bad quality status also due to nitrate pollution from agriculture. The agriculture and animal husbandry sectors are responsible for 98% of the ammonia emissions in the region. A forth of the regional territory is concerned by a high level of hydrogeological risk.

2. HOW THE RDP OF FRIULI VENEZIA GIULIA WILL ADDRESS THESE CHALLENGES

In addressing the challenges, the RDP of Friuli Venezia Giulia will fund operations under all six Rural Development priorities, – with a particular emphasis on improving the competitiveness of agriculture, as well as on restoring, preserving and enhancing ecosystems. The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

€ 5 million will be used for advisory services to improve farmers' management skills from a technical, economic and environmental point of view, allowing them to become more innovative. 2 300 farmers will also benefit from training and information activities with the same objective. 29 cooperation projects, 9 of which under the European Innovation Partnership, will strengthen the link between research and the agriculture, food and forestry sectors.

Competitiveness of agri sector and sustainable forestry

900 farmers will receive support for investments in farm restructuring/modernisation,, Such investments will also contribute to the environment and climate change mitigation. The region will also establish a loan-fund to further support investments in farm restructuring/modernisation. In addition, the RDP will support the start-up of 250 young farmers.

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

57 beneficiaries will receive support with the aim to strengthen the food chain organisation, including the processing and marketing of agricultural products. These investments will also contribute indirectly to improve the environmental performance and mitigate climate change. The region will also establish a loan-fund to further support investments in processing/marketing of agricultural products. Furthermore, the RDP will support the entry of some 340 farmers in quality systems.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Over 22 000 ha of agricultural land is expected to come under agri-environment-climate contracts supporting the conservation of biodiversity, soil and water quality. In particular, almost 10 000 ha of farmland will receive support to either convert or maintain organic farming. In addition, farmers will be supported to maintain agricultural activities on 20 000 ha in mountain areas.

Resource efficiency and climate

The RDP will pursue carbon conservation and sequestration by supporting specific agri-environment-climate practices on 1 800 ha of agricultural land as well as through the afforestation of 3 000 ha.

Social inclusion and local development in rural areas

Social and economic development in rural areas will be promoted through support to the preparation and implementation of Local Development Strategies by 5 LEADER Local Action Groups, which will cover over 235 000 people. 40 000 people will also benefit from investments in new or improved broadband infrastructures.

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

- € 97.1 million allocated to measure 4 (Investments in physical assets)
- € 40 million allocated to measure 13 (Areas facing natural constraints)
- € 29 million allocated to measure 10 (Agro-environment-climate)
- € 24 million allocated to measure 8 (Forestry).

Annex 1: Indicative public support for the Rural Development Programme in Friuli Venezia Giulia

Target	Measure	€ Total public	%
Priority1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹			
1A: Fostering innovation, cooperation, knowledge base 6.63 % of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 29 cooperation projects	16 cooperation		
1C: Training 2 300 participants trained	01 knowledge		
Priority 2: Farm viability, competitiveness and sustainable forest management		112 123 469	32.17%
2A: Economic performance, restructuring & modernisation 4.16 % of holdings with RDP support	01 knowledge	950 000	0.27%
	04 investments	89 373 469	25.64%
	06 farm / business development	7 800 000	2.24%
	16 cooperation	1 000 000	0.29%
2B: Generational renewal 1.12 % of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	500 000	0.14%
	06 farm / business development	12 500 000	3.59%
Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		30 400 000	8.72%
3A: Improving competitiveness of primary producers 1.52 % of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations 5% of holdings receiving support for processing/marketing/development of agricultural products	01 knowledge	500 000	0.14%
	02 advisory	0	0%
	03 quality schemes	3 400 000	0.98%
	04 investments	24 000 000	6.89%
	09 producer groups	0	0%
	14 animal welfare	1 000 000	0.43%
	16 cooperation	1 500 000	0.51%

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

Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry²		117 238 500	33.63%
4A Biodiversity 11.24% of agricultural land under contracts 0.12% of forest/other wooded area under contracts	01 knowledge	1 750 000	0.50%
	02 advisory	0	0%
4B Water management 2.70% of agricultural land under contracts	04 investments	2 500 000	0.72%
	07 basic services	500 000	0.14%
	08 forests	3 000 000	0.86%
	10 AEC	40 532 400	11.63%
4C Soil erosion and management 4.46% of agricultural land under contracts 0.12% of forest/other wooded area under contracts	11 organic farming	28 956 100	8.31%
	12 NAT-WFD	1 500 000	0.43%
	13 ANC	36 500 000	10.47%
	16 cooperation	2 000 000	0.57%
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		30 128 000	8.64%
5C Renewable energy 16.5 M € total investment in renewable energy production	01 knowledge	250 000	0.07%
	02 advisory	0	0%
	06 farm / business development	2 000 000	0.57%
	08 forests	5 000 000	1.43%
5E Carbon conservation and sequestration 0.70 % of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	01 knowledge	500 000	0.14%
	02 advisory	0	0%
	08 forests	16 000 000	5.59%
	10 AEC	7 618 000	2.19%
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		48 540 000	13.93%
6A Diversification, creation of small enterprises and jobs 10 jobs created in supported projects	01 knowledge	50 000	0.01%
	02 advisory	0	0%
	06 farm / business development	1 000 000	0.29%
6B Fostering local development 27.44 % rural population under local development strategies; 5.83 % rural population with improved services/infrastructure; 10 jobs created (via LEADER)	01 knowledge	500 000	0.14%
	02 advisory	0	0%
	07 basic services	4 000 000	1.15%
	16 cooperation	9 800 000	2.81%
6C Access to and quality of ICT 4.66 % of rural population benefiting from new or improved services/infrastructures (ICT)	19 LEADER and CLLD	20 840 000	5.98%
	07 basic services	12 350 000	3.54%
Technical Assistance		10 141 725	2.91%
Total public expenditure €		348 571 694	100%

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