



Factsheet on 2014-2020 Rural Development Programme for Lazio

The Rural Development Programme (RDP) for Lazio was formally adopted by the European Commission on 17 November 2015, outlining Lazio's priorities for using the € 804 million of public money that is available for the 7-year period 2014-2020 (€ 336 million from the EU budget, € 444 million of national co-funding and € 24 million of additional national resources).

Lazio's RDP is putting particular emphasis on actions related to improving the competitiveness of the farm and forestry sectors, as well as on actions related to restoring, preserving and enhancing ecosystems and to promoting social inclusion and economic development in rural areas. About 15% of the agricultural land is expected to come under management contracts supporting better water management, nearly 18% of the agricultural land will be under contracts to improve soil management and almost 17% of the agricultural land will come under management contracts supporting biodiversity. To improve the competitiveness of farmers, over 1 300 farms will receive support for investments in restructuring and modernisation and 1 240 young farmers will be granted business start-up aid. Organic farming is also important as a total of almost 15 000 hectares will receive support to convert to organic farming and another 76 000 ha to maintain organic production. Moreover, particular emphasis is put on innovation when selecting the supported operations and almost 6% of RDP public expenditure is earmarked by actions that foster innovation, cooperation and the development of the knowledge base. In this framework Lazio region will implement the European Innovation Partnership to help deliver innovative solutions to the farm sector. Finally, Lazio's RDP will contribute to social inclusion and economic development in rural areas with over 32% of the rural population covered by local development strategies, and with over 16% of the rural population benefiting from new or improved 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 Lazio 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.

Lazio is a region of central Italy, classified as a developed region. It covers a total area of 17 236 km² of which agricultural land covers 57% and forestry 25%. Almost 96% of the total area is classified as rural, and nearly half of it is currently classified as Less Favoured Area. Lazio has about 5.7 million inhabitants – with a high rate of elderly population (20%) – of which only 17% live in rural areas and 9.5% live in areas classified as neither fully rural nor urban. The unemployment rate is 10.8% (2012) but it goes up to 40% among youngsters (age between 15 and 24 years).

The region is facing structural changes: total Utilized Agricultural Area (UAA) and number of active agricultural holdings are decreasing as compared to early 2000. Today there are 98,220 farm holdings (7% of the total national value) with an average size of 6.5 hectares, for a total regional UAA of some 639 000 hectares. However, 97% of farms are conducted by single individuals and families run 99% of them, with a only limited number of additional employees. The level of professional education in agriculture remains low, although basic education is increasing: 67% of farm holders completed the compulsory education cycle. More than 55% of the farms are conducted by farmers in an age between 41 and 64, while only 9% are managed by "under 40" (value that goes down to 4.5% for "under 35").

Due to the favourable climatic conditions, the most important agricultural production is fruit and vegetable. Most important products are: table grapes, olives, olive oil, kiwi, potatoes, cereals, sugar beet and wine. The presence of an important number of quality products (the Region has 59 PDO/PGI; while organic farming covers 7% of total UAA) is a significant point of strength. However the export rate of the regional food industry is extremely low (it accounts for only 2.5% of the total value of the national export).

As it concern the production of energy from renewable sources, the region is lagging behind in terms of energy production from biomass (Lazio produces only 0.68% of the total energy produced by Italy from biomass in the agricultural sector).

Lazio is characterised also by an important naturalistic heritage: the surface covered by protected high value natural areas, parks and reserves, is some 487 000 hectares, including 200 Natura 2000 sites, covering 23% of the total regional surface area. 75% of Natura 2000 sites is already covered by completed management plans, however only 10 management plans have to date been adopted. The main environmental challenges to be tackled concern pollution, plant diseases, landslides and soil erosion.

2. HOW LAZIO'S RDP WILL ADDRESS THESE CHALLENGES

In addressing the challenges, Lazio's RDP will fund operations under all six Rural Development priorities, – with a particular emphasis on "Improving the competitiveness of the farm and forestry sectors", as well as on "Restoring, preserving and enhancing ecosystems" and on "Promoting social inclusion and economic development in rural areas". The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

Knowledge transfer will address the training, coaching, information and advisory needs of the agricultural, food and forestry sectors as well other land holder and SMEs in rural areas, in particular related to sustainable agricultural and forestry practices, regulatory issues, innovation and technology, quality products and diversification. Almost 1 400 places will be made available in training courses. An important element is innovation: 349 projects will be supported to strengthen the link between agriculture, food and forestry sectors and research and innovation.

Competitiveness of agri sector and sustainable forestry

Given the ageing farmer population and the small - and lately further decreasing - size of agricultural holdings in the region, the RDP will support the start-up of 1 240 young farmers and investments and modernisation 1 313 farms, with a specific emphasis on innovation as a means to increase competitiveness. The sustainability of agricultural

production is taken into account also by promoting a reduction of energy consumption and an efficient use of renewable energy sources.

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

Under this priority, Lazio will support the promotion of quality products and the participation of farmers to quality schemes: the RDP is expected to support 495 farms to participate in quality schemes. The RDP will also support the development and strengthening of supply chains, including short supply chains and local markets, in order to enlarge the market of the regional products and ensure a higher added value to the farmer's production resulting in a higher income for the farmer. Cooperation and chain projects will also be supported for this purpose.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Under this priority, Lazio will focus on environment-friendly farm investments and management procedures: 15% of agricultural land will be under contracts to improve water management. The problem of erosion will be tackled by placing almost 18% of the agricultural land under management contracts combating soil erosion. Moreover over 17% of agricultural and forestry will be under management contracts supporting biodiversity. About 26% of the allocated EAFRD amount will be used for area-based payments to farmers for using environment/climate-friendly land management practices, including organic farming and support to areas facing natural constraints. Around 91 000 hectares of farmland will receive support to either convert or maintain organic farming.

Resource efficiency and climate

Under this priority, RDP Lazio will pursue carbon conservation and sequestration mainly by supporting afforestation, agroforestry systems, the prevention and restoration of damage to forest, the improvement of the resilience and environmental value of forest ecosystems, as well as their conservation, also by encouraging environmentally and climate friendly forest conservation services; 3.2% of the regional agricultural land will be under management contracts targeting reduction of GHG and/or ammonia emissions and 2.3% of total regional agricultural and forest land will be under management contracts contributing to carbon sequestration and conservation. The RDP will also pursue energy efficiency through investments for a total of around € 34 million of public and private funds, as well as it will support renewable energy production through investments for a total amount of some € 64 million of public funds.

Social inclusion and local development in rural areas

RDP Lazio pays particular attention to social inclusion and economic development in rural areas (17.1% of the resources have been allocated to this priority), which are promoted through the support to the creation and diversification of SMEs and to farm and business development, including support to technological and ITC activities and services, and to the provision of basic services and village renewal in rural areas, also involving welfare and social care services. Moreover, Local Development Strategies will be implemented through 12 LEADER Local Action Groups and will cover over 32 % of the rural population. Thanks to the operations programmed under this priority, 400 additional jobs will be created, 6.5% of rural population will benefit from the provision of new or improved services and 16.4% of rural population in rural areas will benefit from new or improved broadband services/infrastructures.

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

- € 222.6 million allocated to measure 4 (Investments in physical assets)
- € 114.7 million allocated to measure 6 (Farm / business development)
- € 113.9 million allocated to measure 11 (Organic)
- € 70 million allocated to measure 19 (LEADER)

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

Target	Measure	€ Total public	%
Priority1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹			
1A: Fostering innovation, cooperation, knowledge base 5.81 % of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 349 cooperation projects	16 cooperation		
1C: Training 1 392 participants trained	01 knowledge		
Priority 2: Farm viability, competitiveness and sustainable forest management		232 268 903	28.88
2A: Economic performance, restructuring & modernisation 1.34 % of holdings with RDP support	01 knowledge	553 741	0.07
	02 advisory	1 055 971	0.13
	04 investments	112 941 695	14.05
	06 farm / business development	18 624 693	2.32
	16 cooperation	9 658 257	1.20
2B: Generational renewal 1.26 % of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	553 740	0.07
	02 advisory	2 055 970	0.26
	06 farm / business development	86 824 836	10.80
Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		119 487 116	14.86
3A: Improving competitiveness of primary producers 1.04 % of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations	01 knowledge	553 741	0.07
	02 advisory	1 055 971	0.13
	03 quality schemes	5 439 536	0.68
	04 investments	68 169 524	8.48
	09 producer groups / organisations	2 379 797	0.30
	14 animal welfare	13 003 890	1.62
	16 cooperation	9 658 267	1.20
3B: Farm risk prevention and management 0.10% of farms participating in risk management schemes	01 knowledge	553 741	0.07
	02 advisory	1 055 970	0.13
	05 restoring agric. potential	17 616 679	2.19

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		206 364 968	25.66
4A Biodiversity 16.95 % of agricultural land under contracts	01 knowledge	553 741	0.07
	02 advisory	1 055 971	0.13
4B Water management 15.06 % of agricultural land under contracts	04 investments	5 861 023	0.73
	07 basic services	2 158 700	0.27
4C Soil erosion and management 17.84 % of agricultural land under contracts	10 AEC	39 215 190	4.88
	11 organic farming	113 890 282	14.16
	13 ANC	43 630 061	5.43
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		86 332 028	10.74
5B Energy efficiency Total investment for energy efficiency € 33 481 991	01 knowledge	553 740	0.07
	02 advisory	1 055 970	0.13
	04 investments	15 453 227	1.92
5C Renewable energy Total investment in renewable energy production € 63 551 395	01 knowledge	553 741	0.07
	02 advisory	1 055 970	0.13
	04 investments	20 249 908	2.52
	M06 Farm / business development	4 088 924	0.51
	M07 Basic services	8 112 944	1.01
5D) Reducing GHG and NH3 3.15% of agricultural land under contracts	01 knowledge	553 741	0.07
	02 advisory	1 055 970	0.14
	10 AEC	5 563 162	0.69
	16 Cooperation	1 390 790	0.17
5E Carbon conservation / sequestration 2.26% of agricultural and forest land under contracts	01 knowledge	553 741	0.07
	02 advisory	1 055 971	0.13
	08 Forest	22 480 738	2.80
	16 Cooperation	2 553 491	0.32

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

Priority 6: Social inclusion, poverty reduction and economic development in rural areas		132 891 787	16,53
6A Diversification, SMEs and job creation 100 Jobs created in supported projects	01 knowledge	553 741	0.07
	02 advisory	1 055 970	0.13
	M06 Farm / business development	5 215 464	0.65
	16 Cooperation	1 738 488	0.22
6B Fostering local development 32.69 % of rural population covered by local development strategies 6.54% of rural population benefiting from improved services/infrastructures 300 jobs created (via LEADER)	01 knowledge	553 740	0.07
	02 advisory	1 055 970	0.13
	07 basic services	10 909 082	1.36
	19 LEADER and CLLD	70 021 230	8.71
6C Access to and quality of ICT 16.35 % of rural population benefiting from new or improved services/infrastructures (ICT)	01 knowledge	553 741	0.07
	02 advisory	1 055 971	0.13
	07 basic services	40 178 390	5.00
Technical Assistance		19 316 533	2.40
Disc. Measures		7 459 251	0.93
Total public expenditure €		804 120 586	100