



Factsheet on 2014-2020 Rural Development Programme for Piemonte

The Rural Development Programme (RDP) for Piemonte was formally adopted by the European Commission on 28 October 2015, outlining Piemonte's priorities for using the € 1.08 billion of public money that is available for the 7-year period 2014-2020 (€ 465 million from the EU budget and € 613 million of national co-funding).

Piemonte's RDP is putting particular emphasis on actions related to restoring, preserving and enhancing agriculture and forestry ecosystems (1/3 of financial resources) as well as on improving the competitiveness of agriculture (1/4 of financial resources). Over 1 750 farmers will receive support to restructure or modernise their farms and around 1 200 young farmers will be granted business start-up aid. About 20% of agricultural land is expected to come under management contracts supporting the environment (biodiversity, water management and soil). 10 000 hectares of land and 30 000 livestock units will be interested by actions to reduce emissions of greenhouse gases (GHG) and ammonia, while 45% of the rural population will be concerned by participatory local development strategies.

Furthermore, Piemonte activated a multi-regional guarantee fund in order to foster the investments and the access to credit for the farmers.

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 [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 Piemonte 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.

Piemonte is a north-west region classified as "more developed". It covers an area of 25 403 km² and has a population of 4.5 million inhabitants. The incidence of less developed rural areas is 55.4% in terms of area and 32.2% in terms of population; for the intermediate areas the incidence is of 17.8% in terms of area and 16.2% in terms of population, while the incidence of urban land is 26.9% in terms of area and 51.7% in terms of the population. Employment

rate is 63.8% overall, 70.7% for men and 56.9% for women. The unemployment rate is 9.2% overall but rising to 31.9% for young people.

The Region consists of 44% agricultural land, 36% woodlands or forests, 16% grasslands and 4% is artificial land cover.

There are 67 150 farms in the Region, of which 38% with a standard output (SO) of less than € 8 000 and 37% with a SO of at least € 25 000. The average size of farms is 15 ha of utilised agricultural area (UAA) and the average SO is € 57 659. While these values are higher than the national average (8 ha of UAA and € 30 500), they remain substantially below the averages of most EU countries. A major challenge in terms of competitiveness of agriculture faced by Piemonte is represented by the pursuit of a higher degree of efficiency either through increasing farm size or through aggregation processes.

The UAA is 1 010 780 hectares, of which 54% are arable crops, 37% permanent grassland and 9% permanent crops (mainly vines and fruit). Areas with natural constraints (in Piemonte exclusively mountainous areas) amount to 53% of the region's surface; the UAA in mountain areas is 30% of the total UAA of Piemonte.

The animal husbandry sector counts 1 030 400 livestock units (LU) and is concentrated mainly in the intensive farms of the plain. Nitrate pollution and ammonia emissions impact significantly on natural resources and air quality in the respective areas. Waters are also under stress by the use of pesticides and the extraction of water for agricultural use. One fifth of agricultural areas is also concerned by soil loss due to water erosion. Tackling this set of critical issues is the main environmental challenge for Piemonte.

Another challenge is reversing the trend of marginalisation of mountain areas, including *digital divide*.

2. HOW PIEMONTE' S RDP WILL ADDRESS THESE CHALLENGES

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

Knowledge transfer and innovation in agriculture, forestry and rural areas

The actions under this priority face important needs identified for Piemonte: promoting networks and partnerships between companies and actors in the system of knowledge, adaptation and strengthening networks of advice and information to businesses, qualify professionals. 10% of the RDP budget is allocated to this priority; it is expected to fund 130 cooperation projects (including projects under the European Innovation Partnership) and about 36 000 places for farmers and foresters in training activities.

Competitiveness of agri sector and sustainable forestry

To face the challenge of competitiveness RDP provides funding for actions supported by six different measures. In terms of financing, the most important one are investments in physical assets (concerning over 1 750 farms) and farm and business development (supporting establishment of young farmers and diversification into non-agricultural activities such as rural tourism and production of renewable energy). 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. The selection criteria of all interventions will foster innovative, environmental or climate-oriented projects.

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

Under this priority, Piemonte will support the promotion of quality products and the participation of farmers in quality schemes, as well as investments in the processing and marketing of agricultural products (which will affect 190 agro-industrial companies), also through the development of short supply chains and local markets, focusing on innovative projects and those that contribute to the reduction of impacts on the environment and climate. 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. In this context it is particularly important for Piemonte to support investments for the prevention of damage caused by vine's *flavescence dorée* and other serious biotic adversities. Furthermore, Piemonte's RDP invests in the animal welfare through specific measures and projects.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Under this priority, facing a major challenge to Piemonte, 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, 18% of agricultural land will be under agro-environment-climate contracts.

Piemonte'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 and the payments to farmers in mountain areas to avoid the risk of land abandonment hanging over the mountains of Piemonte.

Resource efficiency and climate

Under this priority, the RDP includes the following actions: investments in animal husbandry to reduce emissions of GHG and ammonia; creation and expansion of reservoirs to improve the management of water resources for irrigation; afforestation of agricultural and non-agricultural land; agro-environment-climate contracts regarding the conversion of arable land into permanent grassland, crop diversification to overcome the maize monoculture and distribution of manure so as to reduce emissions; support to groups operating in the European Innovation Partnership, to supply chain cooperation actions for a sustainable supply of forest biomass used for energy production and for industrial processes.

The intervention of the RDP in favour of resource efficiency and the shift towards a low carbon and climate resilient economy is not limited to support for specific actions listed above but will consider also that these issues are taken into account during the phase of selection of projects on all actions financed by the RDP.

Social inclusion and local development in rural areas

The main actions of the RDP Piemonte under this priority refer to create basic services in rural areas (first of all, concerning ultra-broadband infrastructure € 45.6 million will be allocated in order to cover 10% more of the rural population) and support for local development strategies (LEADER) which includes the involvement of almost half of rural areas population and the creation of about 60 additional jobs.

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

- € 280 million allocated to measure 4 (Investments in physical assets)
- € 263 million allocated to measure 10 (Agri-environment-climate)
- € 87 million allocated to measure 7 (Basic services and village renewal in rural areas)
- € 65 million allocated to measure 19 (Local development strategies).

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

Target	Measure	€ total public funding	%
Priority 1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹			
1A: Fostering innovation, cooperation and knowledge base in rural areas 10.07% of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: strengthening links between agriculture, food production and forestry, on the one hand, and research and innovation, on the other hand, in order to improve the management and environmental performance 130 cooperation projects	16 cooperation		
1C: Training 36 000 participants in training actions	01 knowledge		
Priority 2: Competitiveness and farm profitability, sustainable management of forests			
2A: Economic performance, restructuring & modernisation 2.64% of holdings with RDP support	01 knowledge	8 841 250	0.82%
	02 advisory	1 290 000	0.12%
	04 investments	124 500 000	11.54%
	06 business development	8 500 000	0.79%
	08 forests	8 000 000	0.74%
	16 cooperation	3 924 000	0.36%
2B: Generational renewal 1.79% of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	2 346 250	0.22%
	04 investments	52 000 000	4.82%
	06 business development	54 500 000	5.05%

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

Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		158 521 250	14.69%
3 A: Improving competitiveness of primary producers 1.85% of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations	01 knowledge	3 330 000	0.31%
	02 advisory	3 210 000	0.30%
	03 quality schemes	30 700 000	2.85%
	04 investments	86 000 000	7.97%
	14 animal welfare	260 000	0.02%
	16 cooperation	10 795 000	1.00%
3B: Farm risk prevention and management 1.19% of farms participating in schemes risk management	01 knowledge	1 666 250	0.15%
	05 restoring agricultural potential	10 500 000	0.97%
	08 forests	12 000 000	1.11%
	16 cooperation	60 000	0.01%
Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry²		375 466 447	34.80%
4A Biodiversity 2.29% of agriculture land under contracts supporting biodiversity and/or landscapes 6.60% forests / other wooded areas subject to contracts	01 knowledge	16 076 250	1.49%
	02 advisory	7 190 000	0.67%
	04 investments	5 800 000	0.54%
	07 basic services	1 170 000	0.11%
4B Management of water resources 9.40% of agricultural land subject to contracts	08 forests	7 380 000	0.68%
	10 AEC	226 253 618	20.97%
	11 organic farming	40 936 579	3.79%
4C Erosion and soil management 6.13% of agricultural land subject to contracts	12 NATURA 2000	6 570 000	0.61%
	13 LFAs	60 000 000	5.56%
	15 forestry-environment-climate	650 000	0.06%
	16 cooperation	3 440 000	0.32%

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

Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		81 326 250	7.54%
5 A Water efficiency	01 knowledge	3 705 000	0.34%
	02 advisory	1 305 000	0.12%
	16 cooperation	265 000	0.02%
5C Renewable energy 5 000 t of mobilised biomass	01 knowledge	1 228 750	0.11%
	16 cooperation	10 100 000	0.94%
5D Reducing GHG and NH3 30 000 LU concerned by investments in live-stock management in view to reducing GHG emissions and / or ammonia 0.99% of land under management contracts aimed at reducing GHG and/or ammonia emissions.	01 knowledge	770 000	0.07%
	02 advisory	5 000	0.00%
	04 investments	12 000 000	1.11%
	10 AEC	15 000 000	1.39%
	16 cooperation	130 000	0.01%
5E Carbon conservation and sequestration 0.63% of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	01 knowledge	742 500	0.07%
	02 advisory	2 000 000	0.19%
	08 forests	12 000 000	1.11%
	10 AEC	22 000 000	2.04%
	16 cooperation	75 000	0.01%
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		164 321 750	15.23%
6B LEADER 44.48% of rural population under local development strategies 6.95% of rural population with improved services/infrastructure 60 jobs created (via Leader)	01 knowledge	3 773 750	0.35%
	07 basic services	40 698 000	3.77%
	16 cooperation	8 649 000	0.80%
	19 LEADER	65 320 000	6.05%
6C Access to and quality of ICT 9.27% of rural population benefiting from new or improved services/infrastructure (ICT)	07 basic services	45 581 000	4.22%
	16 cooperation	300 000	0.03%
Technical assistance (measure 20)		34 800 000	3.23%
Measures suppressed (measure 113)		600 649	0.06%
Total public expenditure (€)		1 078 937 847	100%