



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 € 1.09 billion of public money that is available for the 7-year period 2014-2020 (€ 471 million from the EU budget and € 622 million of national co-funding).

Piemonte's RDP is putting particular emphasis on actions related to restoring, preserving and enhancing agriculture and forestry ecosystems as well as on improving the competitiveness of agriculture. Over 3 900 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). 21 000 hectares of land and 30 000 livestock units will be interested by actions to reduce emissions of greenhouse gases and ammonia, while 45% of the rural population will be concerned by participatory local development strategies.

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 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. 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, while 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, they remain substantially below the averages of most EU countries. A major challenge in terms of competitiveness of agriculture faced by the Piemonte is represented by the pursuit of a higher degree of efficiency either through increasing farm size or through cooperation between farms.

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 animal husbandry sector counts 1 030 400 livestock units (LU) and is concentrated mainly in the intensive farms of the plain. Nitrate pollution impacts significantly on natural resources 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 the *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 to 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 on 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 2 500 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 RDP will support cooperation 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 project.

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.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Under this priority, the RDP aims to support environment-friendly farm practices. 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 (12 000 ha) and the payments to farmers in mountain areas to avoid the risk of land abandonment.

Resource efficiency and climate

Under this priority, the RDP includes the following actions: investments in animal husbandry to reduce emissions of GHG and ammonia; investments for improving the efficiency of irrigation systems (on around 1% of the irrigated land) ; 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 EUR 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:

- o € 291 million allocated to measure 4 (Investments in physical assets)
- o € 263 million allocated to measure 10 (Agri-environment-climate)
- o € 89 million allocated to measure 7 (Basic services and village renewal in rural areas)
- o € 66 million allocated to measure 19 (Local development strategies).

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

Target	Measure	EUR Total Audience	%
Priority 1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹			
1A: Fostering innovation, cooperation and knowledge base in rural areas 10.4% 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		269 998 539	24.7%
2A: Economic performance, restructuring & modernization 3.72% of holdings with RDP support for modernisation and restructuring	01 knowledge	3 708 256	0.3%
	02 advisory	3 090 910	0.3%
	04 investments	128 500 000	11.8%
	06 business development	10 500 000	0.0%
	08 forests	8 000 000	1.0%
	16 cooperation	6 900 209	0.7%
2B: Generational renewal 1.79% of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	3 708 256	0.6%
	02 advisory	3 090 909	0.3%
	04 investments	52 000 000	0.3%
	06 business development	50 500 000	4.8%

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

Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		162 828 641	14.9%
3 A: Improving competitiveness of primary producers 3.48% of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations 4.45% of agro-food holdings receiving funding under Measure 4.2 (investments related to the processing and marketing of agro-food products)	01 knowledge	3 708 256	0.3%
	02 advisory	3 090 909	0.3%
	03 quality schemes	30 700 000	2.8%
	04 investments	86 000 000	7.9%
	16 cooperation	9 567 533	0.9%
3B: Farm risk prevention and management 1.19% of farms participating in schemes risk management	01 knowledge	3 708 256	0.3%
	02 advisory	3 090 909	0.3%
	05 restoring agricultural potential	10 500 000	1.0%
	08 forests	12 000 000	1.1%
	16 cooperation	462 778	0.0%
Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry²		360 221 438	33.0%
4A Biodiversity 2.29% of agricultural land under contracts 6.60% of forest / other wooded land under contracts	01 knowledge	11 124 768	1.0%
	02 advisory	9 272 727	0.8%
4B Water management 9.40% of agricultural land under contracts	04 investments	5 800 000	0.5%
	07 basic services	1 170 000	0.1%
4C Soil erosion and management 6.13% of agricultural land under contracts	08 forests	6 550 000	0.6%
	10 AEC	226 253 618	20.7%
	11 organic farming	25 500 000	2.3%
	12 NATURA 2000	4 800 000	0.4%
	13 ANCs	60 000 000	5.5%
	15 forestry-environment-climate	3 250 000	0.3%
	16 cooperation	6 500 325	0.6%

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		100 897 240	9.2%
5 A Water efficiency 1.10% of irrigated land switching to more efficient irrigation systems	01 knowledge	3 708 256	0.3%
	02 advisory	3 090 909	0.3%
	04 investments	6 700 000	0.6%
	16 cooperation	750 058	0.1%
5C Renewable energy 5 000 t of mobilized biomass	01 knowledge	3 708 256	0.3%
	02 advisory	3 090 909	0.3%
	16 cooperation	3 750 058	0.3%
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. 2.91% of LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions	01 knowledge	3 708 256	0.3%
	02 advisory	3 090 909	0.3%
	04 investments	12 000 000	1.1%
	10 AEC	15 000 000	1.4%
	16 cooperation	750 058	0.1%
	5E Carbon conservation and sequestration 0.63% of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	01 knowledge	3 708 604
	02 advisory	3 090 909	0.3%
	08 forests	12 000 000	1.1%
	10 AEC	22 000 000	2.0%
	16 cooperation	750 058	0.1%
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		163 707 760	15.0%
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	3 708 836	0.3%
	07 basic services	42 380 000	3.9%
	16 cooperation	5 487 013	0.5%
	19 LEADER	66 320 000	6.1%
6C Access to and quality of ICT 9.27% of rural population benefiting from new or improved services/infrastructure (ICT)	07 basic services	45 580 000	4.2%
	16 cooperation	231 911	0.0%
Technical assistance		34 800 000	3.2%
Measures suppressed (measure 113)		600 649	0.1%
Total public expenditure (€)		1 093 054 267	100%