



## **Factsheet on 2014-2020 Rural Development Programme for Trento**

The Rural Development Programme (RDP) for Trento was formally adopted by the European Commission on 3<sup>rd</sup> August 2015, outlining Trento's priorities for using the € 297.5 million of public money that is available for the 7-year period 2014-2020 (€ 127.9 million from the EU budget and € 169.6 million of national co-funding).

Trento's RDP is putting particular emphasis on actions related to restoring, preserving and enhancing ecosystems, improving the competitiveness of the farm and forestry sectors and promoting social inclusion and economic development in rural areas. Nearly 41% of the agricultural land will be under contracts to improve soil management and 38% of the agricultural land will come under management contracts supporting biodiversity. To improve the competitiveness of farmers, over 1100 farms will receive support to restructure or modernise their farms and 300 young farmers will be granted business start-up aid. Finally, Trento's RDP will contribute to social inclusion and economic development in rural areas with over 43% of the rural population covered by local development strategies, and new or improved broadband infrastructure over 78% of the rural population in rural area.

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 Trento are 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.

The Autonomous Province of Trento, located in Northern Italy, forms part of the Trentino-Alto Adige/South-Tyrol Region.

Trento covers an area of 620 700km<sup>2</sup>, of which 97 % is classified as rural areas with a number of complex development problems. Of the total area, agricultural land covers 22 %, while forests cover 66 %. Trento has 536 240 inhabitants and most people live in rural areas. The employment rate is 68.6%, while the unemployment rate is 6.2 %. Agriculture employs 3.4% of all people employed. Only 8% of the utilized agricultural

area (UAA) is used for fruit and wine production (around 21 000 ha out of a total UAA of 137 220 ha), however it has a strategic importance in the province's economy. More than 50% of the gross marketable production in the province comes from this sector.

Trento's main challenges derive from its geographical situation. With the whole territory classified as mountainous, farming is taking place under very difficult conditions, mainly in areas with natural constraints. Further environmental challenges in Trento are related to the need for a shift towards an innovative and sustainable agriculture and in particular the adaptation of agriculture and forestry to climate change.

## **2. HOW TRENTO'S RDP WILL ADDRESS THESE CHALLENGES**

In addressing the challenges, Trento's RDP will fund operations under all six Rural Development priorities, – with a particular emphasis on Restoring, preserving and enhancing ecosystems related to agriculture and forestry as well as improving the competitiveness of the farm and forestry sectors and 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 system (workshops, demonstration activities, information actions and farm exchanges) will be developed through specific training courses addressed to farmers, focusing on topics such as climate change and sustainable agriculture. The programme pays particular attention to the training of new entrepreneurs, especially young farmers. Innovation is considered important and it is promoted via co-operation projects and information and knowledge transfer between the agri-food sector, researchers and other stakeholders. 80 co-operation projects will be established, including support for Operational Groups under the European Innovation Partnership, while there will be around 2 000 places in training courses.

### Competitiveness of agri sector and sustainable forestry

With regard to support to farm investments and modernisation, priority is given to undertakings with innovative potential, projects of young farmers and sustainable forest management. RDP will support the start-up of 300 young farmers and investments and modernisation in over 1 100 farms, with a specific emphasis on innovation as a means to increase competitiveness.

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

Primary producers will receive support for investments in products that are linked to approved quality schemes from the Province's own resources; however the RDP will support investment projects in farms engaged in processing and marketing of agricultural products. In this regard, 10 % of agricultural holdings will receive support.

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

Under this priority, Trento will focus on environment-friendly farm investments and management procedures, with a particular emphasis on biodiversity: almost 38% of agricultural land will be under management contracts supporting biodiversity. Moreover over 40% of agricultural land will be under management contracts combating soil erosion. More than 40% 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 to areas facing natural constraints.

### Resource efficiency and climate

Under this priority Trento aims to support the shift towards a low carbon and climate-resilient economy in agriculture and it will be supported mainly indirectly through the knowledge transfer system, advisory services, as well as the cooperation projects. 50%

of cooperation projects will address energy efficiency. The RDP will also pursue the water efficiency with 4.3% of irrigated land switching to more efficient irrigation system.

#### Social inclusion and local development in rural areas

RDP Trento pays particular attention to social inclusion and economic development in rural areas. More than 11% of the resources have been allocated to this priority, which are promoted through mainly technological and ITC activities and services, and through provision of basic services and village renewal in rural areas, including welfare and social care services. Moreover, Local Development Strategies will be implemented through a LEADER Local Action Group which will cover over 43 % of the rural population. Thanks to the operations programmed under this priority, 20 additional jobs will be created, and 78 % of rural population in rural areas will benefit from new or improved broadband services/infrastructures.

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

- € 98.2 million allocated to measure 4 (Investments in physical assets)
- € 73.2 million allocated to measure 13 (Payments to areas facing natural or other constraints)
- € 46.9 million allocated to measure 10 (AEC)
- €18 million allocated to measure 19 (Leader)

#### **Annex 1: Indicative public support for the Rural Development Programme in Trento**

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 2.67 % of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 80 cooperation projects	16 cooperation		
1C: Training 1948 participants trained	01 knowledge		
<b>Priority 2: Farm viability, competitiveness and sustainable forest management</b>		<b>75 035 000</b>	<b>25.22</b>
2A: Economic performance, restructuring & modernisation 7.03 % of holdings with RDP support	01 knowledge	595 000	0.20
	04 investments	52 600 000	17.68
	06 farm / business development	5 000 000	1.68

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

	08 forest	3 500 000	1.18
	16 cooperation	800 000	0.27
2B: Generational renewal 1.82 % of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	540 000	0.18
	06 farm / business development	12 000 000	4.03
<b>Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management</b>		<b>15 500 000</b>	<b>5.21</b>
3A: Improving competitiveness of primary producers	01 knowledge	0	0.00
10 % of agricultural holdings receiving support under operation 4.2.1 in comparison with the total number of agri-food processing holdings	02 advisory	87 500	0.03
	04 investments	15 000 000	5.04
	16 cooperation	500 000	0.17

<b>Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry<sup>2</sup></b>		<b>149 169 541</b>	<b>50.13</b>
4A Biodiversity 37.82 % of agricultural land under contracts 0.04 % of forest/other wooded area under contracts	01 knowledge	220 000	0.07
4B Water management 3.03 % of agricultural land under contracts 0.00 % of forestry land under contracts	04 investments	11 600 000	3.90
	07 basic services	500 000	0.17
	08 forest	6 500 000	2.18
4C Soil erosion and management 40.84 % of agricultural land under contracts 0% of forestry land under contracts	10 AEC	46 918 000	15.77
	11 organic farming	7 082 000	2.38
	13 ANC	73 214 451	24.60
	16 cooperation	3 135 000	1.05
<b>Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors</b>		<b>20 300 000</b>	<b>6.38</b>
5A Water efficiency 4.29 % percentage of irrigated land switching to more efficient irrigation system	04 investments	19 000 000	6.41
5B Energy efficiency 50% of projects introduced successfully under operation 16.1.1	01 knowledge	0	0.00
	16 cooperation	450 000	0.15
5C Renewable energy 50 KW produced per plant producing energy from renewable sources per holding benefiting from support	01 knowledge	0	0.00
	16 cooperation	450 000	0.15
5D Reducing GHG and NH3 250 meters of non-productive plant species' lines	01 knowledge	0	0.00
	16 cooperation	200 000	0.07
5E Carbon conservation / sequestration 2000 holdings undertaking conservation and carbon sequestration commitments	01 knowledge	0	0.00
	02 advisory	30 000	0.01
	16 cooperation	200 000	0.07

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

<b>Priority 6: Social inclusion, poverty reduction and economic development in rural areas</b>		<b>34 216 000</b>	<b>11.5</b>
6A Diversification, SMEs and job creation 5% of rural areas subject to investments in comparison with the total rural area in the Province of Trento	01 knowledge	145 000	0.05
	07 basic services	3 400 000	1.14
	16 cooperation	100 000	0.03
6B Fostering local development 43.26 % of rural population covered by local development strategies 20 jobs created (via LEADER)	01 knowledge	0	0.00
	19 LEADER and CLLD	18 000 000	6.05
6C Access to and quality of ICT 78.12 % of rural population benefiting from new or improved services/infrastructures (ICT)	01 knowledge	0	0.00
	07 basic services	12 571 000	4.22
<b>Technical Assistance</b>		3 355 166	1.13
<b>Total public expenditure €</b>		<b>297 575 617</b>	<b>100</b>