



## **Factsheet on 2014-2020 Rural Development Programme for Valle d'Aosta**

The Rural Development Programme (RDP) for Valle d'Aosta was formally adopted by the European Commission on 11 November 2015, outlining Valle d'Aosta's priorities for using the € 138.7 million of public money that is available for the 7-year period 2014-2020 (€ 59.8 million from the EU budget and € 78.9 million of national co-funding).

Valle d'Aosta'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 90% of the agricultural land will be under management contracts supporting better water management, improving soil management and supporting biodiversity. To improve the competitiveness of farmers, over 360 farms will receive support to restructure or modernise their farms and 100 young farmers will be granted business start-up aid. Valle d'Aosta's RDP will also contribute to social inclusion and economic development in rural areas with over 98% of the rural population covered by local development strategies, and new or improved broadband infrastructure to 10.6% 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 Valle d'Aosta 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 Region of Valle d'Aosta is the smallest of the Italian regions, located in the Alps, in the north-western part of the country.

Valle d'Aosta covers an area of 3 263 km<sup>2</sup>, of which 99.3 % is classified as rural areas with a number of complex development problems (mountain area). Of the total area, agricultural land covers 17 %, while forests cover 30 %. Valle d'Aosta has 128 672

inhabitants and most people live in rural areas. The employment rate is 66.3%, while the unemployment rate is 7.1 %. Agriculture employs 3.9% of all people employed.

97.7% of the utilized agricultural area (UAA) is used for permanent grassland and meadows (about 54 321 ha out of a total UAA of 55 600 ha). Consequently the predominant agricultural sectors are animal husbandry (mainly bovines) and dairy production (milk, Fontina cheese).

Valle d'Aosta'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. Moreover, competitiveness of agricultural holdings is affected by an ageing farmer population and the small size of farms.

## **2. HOW VALLE D'AOSTA'S RDP WILL ADDRESS THESE CHALLENGES**

In addressing the challenges, Valle d'Aosta'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 (training courses, coaching, workshops, demonstration activities, information actions and farm exchanges) will be developed through specific training courses addressed to persons engaged in the agricultural, food and forestry sector, land managers and other economic actors which are SMEs operating in rural areas farmers. The focus will be on topics such as farm management and competitiveness, diversification of activity, innovation, climate change and sustainable agriculture. The programme pays particular attention to the training of new entrepreneurs, especially young farmers. Almost 500 places will be made available in training courses.

Regarding innovation, 20 co-operation projects will be supported to strengthen the link between agriculture, food and forestry sectors and research.

### Competitiveness of agri sector and sustainable forestry

Given the ageing farmer population and the small size of farms, the RDP will support the start-up of 100 young farmers and investments and modernisation on more than 360 farms. The agricultural production is also rendered more sustainable by promoting a better use of water resources and developing an efficient use of renewable energy resources through investments.

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

Under this priority, Valle d'Aosta will support the promotion of quality products and the participation of farmers in quality schemes: the RDP is expected to support 20 new participations by farmers and groups of farmers in quality schemes. Information and promotion activities concerning products covered by quality schemes will also be supported.

Support for animal welfare is also available for farmers who adopt high standards of animal welfare which go beyond the mandatory standards (nearly 650 farms will be supported).

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

Nearly 90% of the agricultural land will be under management contracts supporting better water management, improving soil management and supporting biodiversity. Almost 57% 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, support to areas facing natural constraints and support to areas under Natura2000 management.

#### Resource efficiency and climate

Under this priority Valle d'Aosta aims to support the shift towards a low carbon and climate-resilient economy in agriculture and it will be supported through cooperation projects, mainly for the sustainable provision of biomass for use in energy production.

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

RDP Valle d'Aosta 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 and co-operation. Moreover, Local Development Strategies will be implemented through a LEADER Local Action Group which will cover over 98 % of the rural population. Thanks to the operations programmed under this priority, 30 additional jobs will be created, and 10 % 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:

- € 43 million allocated to measure 13 (Payments to areas facing natural or other constraints)
- € 28 million allocated to measure 10 (AEC)
- € 26 million allocated to measure 4 (Investments in physical assets)
- € 8 million allocated to measure 14 (Animal Welfare)

## Annex 1: Indicative public support for the Rural Development Programme in Valle d'Aosta

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 0.91 % of RDP expenditure	01 knowledge		
	16 cooperation		
1B: Strengthening links (with research etc.) 20 cooperation projects	16 cooperation		
1C: Training 500 participants trained	01 knowledge		
<b>Priority 2: Farm viability, competitiveness and sustainable forest management</b>		<b>29 271 949</b>	<b>21.10</b>
2A: Economic performance, restructuring & modernisation 10.08 % of holdings with RDP support	01 knowledge	40 005	0.03
	04 investments	18 001 197	12.98
	06 farm / business development	1 500 100	1.08
	08 forest	1 000 067	0.72
	16 cooperation	150 009	0.11
2B: Generational renewal 2.80 % of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	280 019	0.20
	04 investments	5 500 366	3.97
	06 farm / business development	2 800 186	2.02
<b>Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management</b>		<b>12 400 823</b>	<b>8.94</b>
3A: Improving competitiveness of primary producers 0.56 % of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations	03 quality schemes	2 000 132	1.44
	04 investments	2 200 146	1.59
	14 animal welfare	8 000 531	5.77
	16 cooperation	200 014	0.14
<b>Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry<sup>2</sup></b>		<b>79 461 280</b>	<b>57.28</b>

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

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

4A Biodiversity 91.56 % of agricultural land under contracts 1.02 % of forest/other wooded area under contracts	01 knowledge	80 007	0.06
	04 investments	900 060	0.65
	08 forest	3 800 253	2.74
4B Water management 90.05 % of agricultural land under contracts 0.00 % of forestry land under contracts	10 AEC	28 301 878	20.40
	11 organic farming	2 276 153	1.64
4C Soil erosion and management 89.41 % of agricultural land under contracts 0.10 % of forestry land under contracts	12 NAT 2000 and WFD	800 053	0.58
	13 ANC	43 202 869	31.15
	16 cooperation	100 007	0.07
<b>Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors</b>		<b>100 007</b>	<b>0.07</b>
5C Renewable energy 2 cooperation projects for sustainable provision of biomass for use in energy production	01 knowledge	100 007	0.07
<b>Priority 6: Social inclusion, poverty reduction and economic development in rural areas</b>		<b>15 601 030</b>	<b>11.25</b>
6A Diversification, SMEs and job creation 10 Jobs created in supported projects	07 basic services	1 816 078	1.31
	16 cooperation	300 019	0.22
6B Fostering local development 98.44 % of rural population covered by local development strategies 20 jobs created (via LEADER)	19 LEADER and CLLD	7 700 508	5.55
6C Access to and quality of ICT 10.63 % of rural population benefiting from new or improved services/infrastructures (ICT)	07 basic services	5 784 425	4.17
<b>Technical Assistance</b>		<b>1 130 074</b>	<b>0.81</b>
<b>Measure 113</b>		<b>750 051</b>	<b>0.54</b>
<b>Total public expenditure €</b>		<b>138 715 13</b>	<b>100</b>