



## **Factsheet on 2014-2020 Rural Development Programme for Region Veneto**

The Rural Development Programme (RDP) for Region Veneto was formally adopted by the European Commission on 26 May 2015, outlining Veneto priorities for using the € 1,194 million of public money that is available for the 7-year period 2014-2020 (nearly € 511 million from the EU budget, plus € 673 million of national co-funding, plus € 10 million of additional funding top-ups).

The RDP for Veneto focuses on restoring, preserving and enhancing ecosystems. More than 82 000 hectares will be protected through environmental land management contracts targeted to specific biodiversity, water objectives and preventing soil erosion. In addition, almost 8 000 hectares of farmland will receive support to either convert to or maintain organic farming. In order to improve the competitiveness and sustainability of the farm sector, nearly 74 000 training places will be created to promote innovation, co-operation and more sustainable farming practices. More than 4 000 agricultural holdings (including young farmers) will benefit from support to improve their economic performance, and restructure and modernise their farms. Finally, local development and economic diversification projects will deliver around 140 new jobs and 11% of the rural population will get access to improved ICT and 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 Region Veneto 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. In addition, the National Rural Network Programme provides the funding for the networking of rural development actors in Italy.

Veneto is categorised as a "more developed" region. The region covers an area of 18 399 km<sup>2</sup>, of which 95% is rural. Of the total area, utilised agricultural land (UAA) covers 44% and forest land 22%. The total population is near 5 million – of which 17% live in rural areas. The number of livestock units is around 1.36 million (second in Italy after Lombardy).

One of the better performing Italian regions, Veneto has an employment rate of 65%, while unemployment is at 6.6% (2012) and the youth unemployment rate accounts for 23.7%.

Veneto is characterised by an outstanding naturalistic heritage: the NATURA 2000 network covers 22.7% of the total surface area and half of the total forest area. The High Nature Value farmland areas represent 32% of the UAA.

Besides farming, the agri-food and the aquaculture sectors also play an important role for agriculture in Veneto.

In general, the agricultural sector in Veneto faces structural changes with many small-size farms disappearing as they are absorbed by medium-size farms, which subsequently become bigger.

In particular, Veneto's rural areas are challenged by a persistent loss of business activity, migration of labour force, and demographic changes. Ageing of the agricultural population and the low proportion of young farmers in the agricultural workforce are also issues of concern for rural development in Veneto.

Veneto also faces environmental challenges, such as an increased and serious pressure of intensive agriculture and breeding on natural resources. Moreover, the Farmland Bird Indicator has decreased by 25% between 2000 and 2012, meaning that there are 25% less birds today compared to year 2000. Soil erosion is lower than the Italian average, but it is an issue for mountain and some hill areas. Finally, organic farming is still underdeveloped and covers only 2.1% of the total farmland (5% Italian average), despite the good potential in this sector.

## **2. HOW THE RDP OF REGION VENETO WILL ADDRESS THESE CHALLENGES**

In addressing these challenges, the RDP for Veneto will fund action under six Rural Development priorities – with a particular emphasis on restoring, preserving and enhancing ecosystems related to agriculture and forestry as well as competitiveness of agri sector and sustainable forestry. The focus of each priority is explained briefly below.

### Knowledge transfer and innovation in agriculture, forestry and rural areas

Knowledge transfer system (workshops, coaching, demonstration activities, information actions and company visits) will be enhanced through specific training addressed to the farmers with regard notably climate change, sustainable agriculture and food quality. Particular attention will be paid to the training of new entrepreneurs, especially young farmers. An important element is innovation which is facilitated via co-operation, and information and knowledge transfer between the agri-food sector, researchers and other stakeholders. Almost 120 different co-operation projects (inter alia developing pilot projects, and creating clusters and networks) will be financed, there will be support for 26 Operational Groups under the European Innovation Partnership and the region will deliver nearly 74 000 places in training courses.

### Competitiveness of agri sector and sustainable forestry

Support will be targeted at process and product innovation in farms, in agro-industrial and forestry holdings. The objective is to improve output and product quality, combined with a reduction of production costs. Similarly important are the improvement in the productive powers of labour, equipment modernisation (including ICT systems) and diversification of production. Another important strategy choice is to promote the creation and development of non-agricultural activities in order to create new income opportunities.

Moreover, the progressive ageing of the workforce makes necessary to accelerate the entry of young skilled people into the agricultural sector to ensure the future of farming, innovation, and improving productivity and competitiveness.

More than 2 200 investment projects will be supported for investments in restructuring or modernisation, plus 2 100 young farmers will be granted business start-up aid for implementing their business plans. More than 11 500 participants in training on these topics are foreseen.

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

Support is granted for new participation in quality schemes by groups of farmers, and for information and promotion activities. The objective is to improve logistic and commercial channels, and to raise consumer awareness about quality products on the market. Farmers are also encouraged to participate in cooperation projects with a view to develop short supply chains.

The region estimates that around 640 farmers will receive support to participate in quality schemes and short supply chain, of which around 85% will be for participation in quality schemes and the remaining 15 % short supply chain.

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

The measures proposed are targeted the safeguarding of water quality through the promotion of agricultural production techniques that reduce pressure on the environment, combating erosion in hills and mountain areas and enhancing soil organic matter. The programme also proposes actions for the sustainable management of ecosystems and habitats, for preventing agricultural land abandonment and preserving plant and animal agricultural biodiversity. In order to achieve these objectives, the Region also aims at strengthening collective approaches at local level.

Nearly 10 % of the agricultural land will be under management contracts supporting biodiversity, water and soil management. Almost 1 600 hectares will receive support to convert to organic farming and another 6 300 ha to maintain.

#### Resource efficiency and climate

The actions proposed for climate change mitigation and adaptation refer to promoting (1) the rational use of water resources (inter alia, through modernisation of equipment and conversion of irrigation systems, technologies and distribution systems); (2) the development of bioenergy (which will partially replaces the use of fossil fuels in the agroforestry sector); and (3) the use of agricultural and agro-industrial by-products.

Another important strategy choice is to reduce greenhouse gas and ammonia emissions from agro-industrial activities, and increase carbon sequestration through forestry actions. Additionally, the co-operation measure supports enhanced sustainability through the European Innovation Partnership and through co-operation for climate change adaptation and mitigation.

Investments in agricultural holdings with environmental purposes will receive nearly € 32 million of EU support. More specifically, over 1 000 projects will receive support targeting more efficient irrigations systems. In other words, a total of more than 9 000 ha of irrigated land will be switching to more efficient irrigation systems. € 54 million will be invested in renewable energy production. Finally, 65 000 hectares of agricultural land will be under management contracts targeting reduction of greenhouse gas and ammonia emissions.

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

Under this priority, the region focusses on fostering local development in rural areas and broadband internet deployment (including the development of ICT-services). 8 Local Action Groups (LAGs) will implement their Local Development Strategies, covering more than 1.1 million people in rural areas.

Investments in basic services will be supported within the scope of the Local Development Strategies and will thereby cover nearly 30 % of the rural population. Moreover, additional 138 additional jobs will be created in supported projects. Around 160 farms will benefit from support for investments in non-agricultural activities in rural areas and 11 % of the rural population will benefit from new or improved broadband infrastructure thanks to investments under this priority.

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

- € 446 million allocated to measure 4 (Investments in physical assets)
- € 166 million allocated to measure 10 (Agri-environment-climate)
- € 131 million allocated to measure 6 (Farm and business development)
- € 120 million allocated to measure 13 (Payments to area facing natural or other specific constraints)

## Annex 1: Indicative public support for the Rural Development Programme in Region Veneto

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 7.42% of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 144 cooperation projects	16 cooperation		
1C: Training 73 701 participants trained	01 knowledge		
<b>Priority 2: Farm viability, competitiveness and sustainable forest management</b>		<b>455 805 657</b>	<b>38.16</b>
2A: Economic performance, restructuring & modernisation 1.86% of holdings with RDP support	01 knowledge	5 658 627	0.47
	02 advisory	11 363 636	0.95
	04 investments	220 764 378	18.48
	06 farm / business development	25 974 026	2.17
	08 forest	8 348 794	0.70
	16 cooperation	3 501 855	0.29
2B: Generational renewal 1.76% of holdings with RDP supported business development plan/investments for young farmers	01 knowledge	3 130 798	0.26
	02 advisory	3 072 820	0.26
	04 investments	84 879 406	7.11
	06 farm / business development	89 111 317	7.46
<b>Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management</b>		<b>134 377 550</b>	<b>11.25</b>
3A: Improving competitiveness of primary producers 0.53% of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations	01 knowledge	834 879	0.07
	02 advisory	602 968	0.05
	03 quality schemes	17 857 143	1.50
	04 investments	100 402 597	8.41
	14 animal welfare	1 159 555	0.10
	16 cooperation	5 403 525	0.45
3B: Farm risk prevention and management € 8 116 883 total public expenditure	05 restoring agric. potential	8 116 883	0.68

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

<b>Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry<sup>2</sup></b>		<b>375 579 778</b>	<b>31.45</b>
4A Biodiversity	01 knowledge	12 871 058	1.08
0.37% of forest/other wooded area under contracts	02 advisory	21 196 661	1.77
9.89% of agricultural land under contracts	04 investments	21 799 629	1.83
4B Water management	08 forest	3 942 486	0.33
9.87% of agricultural land under contracts	10 AEC	166 280 148	13.92
	11 organic farming	21 799 629	1.85
4C Soil erosion and management	13 ANC	120 129 870	10.06
10.41% of agricultural land under contracts	16 cooperation	7 560 297	0.63
0.37% of forestry land under contracts			
<b>Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors</b>		<b>73 798 702</b>	<b>6.18</b>
5A Water efficiency	01 knowledge	122 913	0.01
3.80% of irrigated land switching to more efficient irrigation systems	02 advisory	127 551	0.01
	04 investments	25 046 382	2.10
	16 cooperation	2 272 727	0.19
5C Renewable energy	01 knowledge	122 913	0.01
€ 53 726 036.00 investment	02 advisory	127 551	0.01
	06 farm / business development	9 508 349	0.80
	08 forest	8 812 616	0.74
	16 cooperation	1 774 119	0.15
5D Reducing GHG and NH3	01 knowledge	122 913	0.01
8.08% of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions	02 advisory	127 551	0.01
	16 cooperation	1 774 119	0.15
5E Carbon conservation and sequestration	01 knowledge	122 913	0.01
6.09% of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	02 advisory	127 551	0.01
	08 forest	21 335 807	1.79
	16 cooperation	2 272 727	0.19
<b>Priority 6: Social inclusion, poverty reduction and economic development in rural areas</b>		<b>137 878 015</b>	<b>11.54</b>
6A Diversification, creation of small enterprises and jobs	01 knowledge	204 082	0.02
40 jobs created in supported projects	02 advisory	127 551	0.01
	06 farm / business	11 131 725	0.93

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

	development		
	16 cooperation	3 269 944	0.27
6B Fostering local development	07 basic services	2 319 109	0.19
27.74% rural population under local development strategies			
3.36% rural population with improved services/infrastructure	19 LEADER and CLLD	71 428 572	5.98
98 jobs created (via LEADER)			
6C Access to and quality of ICT	07 basic services	49 397 032	4.14
10.87% of rural population benefiting from new or improved services/infrastructures (ICT)			
<b>Technical Assistance</b>		<b>16 880 797</b>	<b>1.41</b>
<b>Additional national financing</b>		<b>10 000 000</b>	
<b>Total public expenditure €</b>		<b>1 194 320 500</b>	<b>100</b>