

Rural Development Programme (RDP) of Campania, Italy

Programma di Sviluppo Rurale della Regione Campania – 2007IT06RPO019¹

(Rural Development Programme for Campania 2007-2013)

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<http://www.sito.regione.campania.it/agricoltura>

Other useful links:

Rural Development Programme (RDP):

http://enrd.ec.europa.eu/rural-development-policy/country-information/italy/en/italy_home_en.cfm

National Strategy Plan (NSP):

<http://www.reterurale.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/1145>

Italian National Rural Network (NRN):

<http://www.reterurale.it>



Map of Campania
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General socio-economic situation in rural areas in the Campania region

Campania, located in Southern Italy, has a territory of 13,590 km² and 5.8 million habitants with an average density of 425.8 in/km² with 75% of the population concentrated in large urban areas with an extremely high density and only 9.3% in half of the regional territory (internal areas). According to the RDP of 2008 (version 3.1), in 2004, regional GDP was at €90,552 million and per-capita GDP was about 72% of the EU-25 average (2003). The employment rate is low (44.4%) with a strong gender bias (female, 28.7%); unemployment is about 12.8%, reaching 17.7% of the female population. The agri-food sector accounts for 5.6% of regional Value Added and for 9.5% of the employment (3% and 120.000 workers in agriculture, 2.6% and 41,000 in agri-food industry).

The RDP further highlights that the agricultural production system is highly fragmented: there are about 250,000 farms with an average of 2.4 ha of Utilised Agricultural Area (UAA) and only 10% of farms with more than 5 ha. The low level of integration in the main regional production hinders the increase in VA, and there is a need to improve human capital potential, to boost valorisation of a wide range of quality agricultural products and to improve production and utilisation of wood material. Protected areas represent 35% of the regional territory including Natura 2000 areas with about 346,500 ha, but there are also serious environmental problems such as chemical and biological pollution and decrease in several farmland bird populations in agricultural intensive areas; soil erosion and land consolidation problems in mountainous areas.

¹ Latest updated RDP, following the adoption of the Health Check and European Economic Recovery Package and additional funds from Modulation.

RDP strategic objectives

According to the NSP, the overall objectives of the programme are to promote competitiveness of the agri-food and forestry sectors in a sustainable way and to improve the socio-economic context in rural areas. Farms are divided into two categories: 1) Competitive – located in lowlands, productive and market oriented. 2) Multifunctional – located in mountain areas, protected areas or peri-urban zones, more oriented to the supply of services. For Competitive farms, the objectives are food chain integration and modernisation/innovation, enhancement of human capital, quality (including food safety and respect of standards). For Multifunctional farms the objectives are maintenance/enhancement of the environment/territory, direct marketing and niche/quality production, services supply. In Rural areas A, the priorities are competitiveness and environmental performance; in Rural areas B, improvement of agriculture's sustainability (reduction of nitrates pollution and water consumption), together with renewal of products and processes and industry integration; in Rural areas C, quality products, local industry integration and diversification; and in Rural areas D, maintain agricultural and forestry activities and enhance integrated rural development.

Following the CAP Health Check, in recognition of the greater emphasis now being given to the issues facing agriculture and rural areas, the RDP was revised in 2009 to place further importance on all "new challenges", including the availability of broadband infrastructure in rural areas. The modifications do not imply the introduction of new priorities but the reinforcement and/or the alteration of existing ones as well as the introduction of new operations to meet such challenges.

Taking into account the additional financing provided by the CAP Health Check, the European Economic Recovery Package and Modulation/CMO Wine, strategic priority is given to initiatives that address climate change (which received 12.83% of the additional funds), water management (19.25%), the restructuring of the dairy sector (32.08%) and broadband (35.84%).

Expected impact / outcomes of the policies

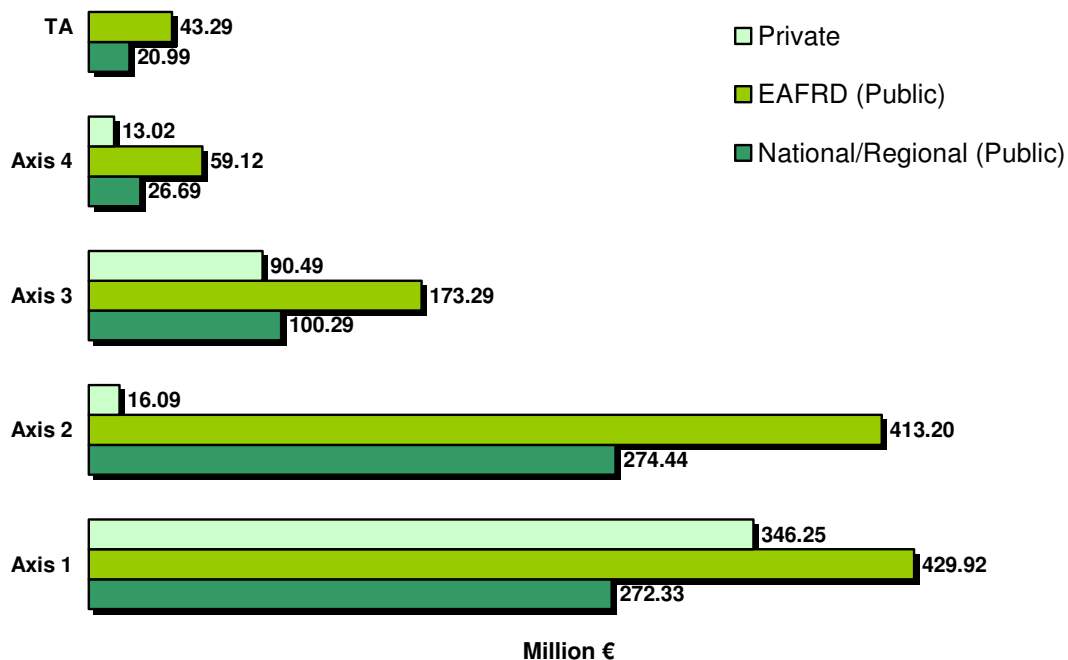
Expected results and impacts of the Campania RDP include an increase in regional economic growth by €248 million (Net added value); an increase in employment creation by 15,778 net additional jobs created; an increase in labour productivity by 10.2%. (Change in gross added value per labour unit in full time equivalent); reversing biodiversity decline by 2% (% of farmland bird species population), mainly as a result of maintenance of the initial Farmland Birds Index (FBI); level and growth in the Utilised Agricultural Area (UAA) from 5.77 to 8% percentage of organic or integrated agriculture in municipalities with the presence of Special Protection Areas (SPAs), variable describing "trends in Important bird areas (IBAs), considered as threatened by agricultural intensification".

Other expected impacts include: Preserving agricultural and forestry land with high natural value by raising by +1.5% in area of high nature value (index from different variables); an improvement of water quality by reducing gross nutrient balance Nitrogen: (-20%), Phosphorus (-20%); contributing to combating climate change by an Increase in energy production from renewable energies (KTOE 130).

Specific modifications to impact indicators have been made to take account of the RDP's 2009 update. These include new targets for actions such as: targeting the dairy sector to increase innovation to meet the increasing environmental challenges that the sector faces; reinforcing technological water saving methods in order to respond to adverse climate change impacts; targeting the reduction of carbon dioxide by modernising farm holdings; and, creating broadband infrastructures, especially in C and D rural areas. Detailed information on impact indicators for

individual measures is provided in the RDP indicator tables.

RDP budget breakdown by axis: Total expenditure (including national/regional + EAFRD + private funding) of €2,279,452,137



The RDP budget allocations are broadly divided into four main areas of expenditure, known as axes (namely: Improving the competitiveness of the agricultural and forestry sector; Improving the environment and the countryside; Quality of life in rural areas and diversification of the rural economy; and Leader). Approximately 46% of the updated RDP budget in Campania is allocated to axis 1 (€1,048.51 million); approximately 31% is allocated to axis 2 (€703.74 million), 16% to axis 3 (€364.08 million) and 4% to axis 4 (€98.83 million), and with almost 3% available to fund technical assistance (€64.29). In terms of EAFRD contribution the ratio is the following: Axis I: 38,43%, Axis II 36,93%, Axis III 15,49, Axis IV 5,28 % TA 3,87%.(WD modification HC and RP).

Within axis 1, National/Regional public funding represents approximately 26% share of the axis funding; EAFRD 41%; and private funds 33%.

Within axis 2, National/Regional public funding represents approximately 39% share of the axis funding; EAFRD 59%; and private funds 2%.

Within axis 3, National/Regional public funding represents approximately 28% share of the axis funding; EAFRD 48% and private funds 24%.

Within axis 4, National/Regional public funding represents approximately 27% share of the axis funding; EAFRD 60%; and private funds 13%.

Within technical assistance, National/Regional public funding represents approximately 33% share of the technical assistance funding and EAFRD 67%.

As a consequence of the 2009 RDP amendments, the Campania region was allocated a total of €60,803,333 (including €36,482,000 EAFRD and €24,321,333 of regional/national public funds). Out of the additional EAFRD contribution, €30,530,000 is aimed at addressing new challenges and broadband in rural areas. Furthermore, €5,952,000 stems from Modulation/CMO Wine.

Axis Information²

Axis 1 objectives: Improving the competitiveness of the agricultural and forestry sector

Axis 1 aims to improve/consolidate economic profitability in agri-food and forestry sectors, to facilitate/improve employability in agriculture especially for young farmers and women, to foster a more market and consumer-oriented production, to reduce negative impacts on the environment.

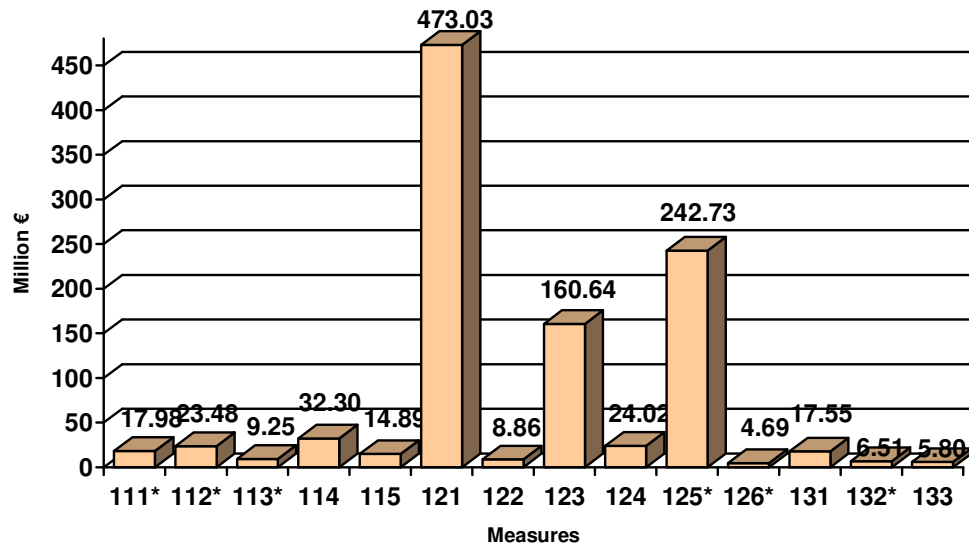
Result targets include the number of participants that successfully ended training activities related to agriculture and/or forestry (7,144); increase in agricultural gross value added in supported holdings (3.56% for measure 121, 7.31% for 123); number of holdings/enterprises introducing new products and/or new techniques (494); value of agricultural production under recognized quality label/standards (0.5%) for each of the measures 131, 132, 133.

Specific modifications to results indicators have been made to take account of the amendments to the RDP including the modernisation of farm holdings in order to reduce carbon dioxide emissions (measures 121 and 123); improving technological water saving methods and irrigations systems (measures 121, 123 and 124); and, increasing innovative actions within the dairy sector to make it more competitive (measures 121, 123 and 124). More specifically, between 7 and 59 farm holdings are supported to address the climate change priority in reducing carbon dioxide emissions (measures 121 and 123); between 6 and 39 farm holdings are supported to improve water usage efficiency (measures 121 and 123); and, between 5 and 10 farm holdings are supported to introduce innovative measures to make the dairy sector more competitive (measures 121 and 123). For further information on specific result and output indicators please refer to the indicator tables in the RDP.

A new measure 144 giving support to farms after CMO reforms has been added to the RDP in 2009 within the modification to the programme following the HC and RP. The measure will be used for reconverting/restructuring/ diversifying tobacco production and is complementary to the relevant interventions for tobacco reform already included in measures 111, 121, 123, 124, 131 etc. A total amount of € 215.22 million has been transferred from pillar 1 (tobacco CMO) to the pillar 2 (rural development) budget of the region to be spent for interventions in favour to tobacco growers facing problems due to the tobacco CMO reform.

² A full list of the RDP measures can be found in Annex I.

Axis 1 indicative budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €1,048,506,475³



Following the 2009 RDP update, the total budget allocation under axis 1 is €1,048,506,475, including an additional €32,648,333 (€19,589,000 EAFRD plus €13,059,333 of national/regional public funds). The additional EAFRD contribution supports measures 121 (€5,876,700), 123 (€7,835,600) and 124 (€5,876,700) in strengthening the climate change, water management and the restructuring of the dairy sector priorities.

Axis 2 objectives: Improving the environment and the countryside

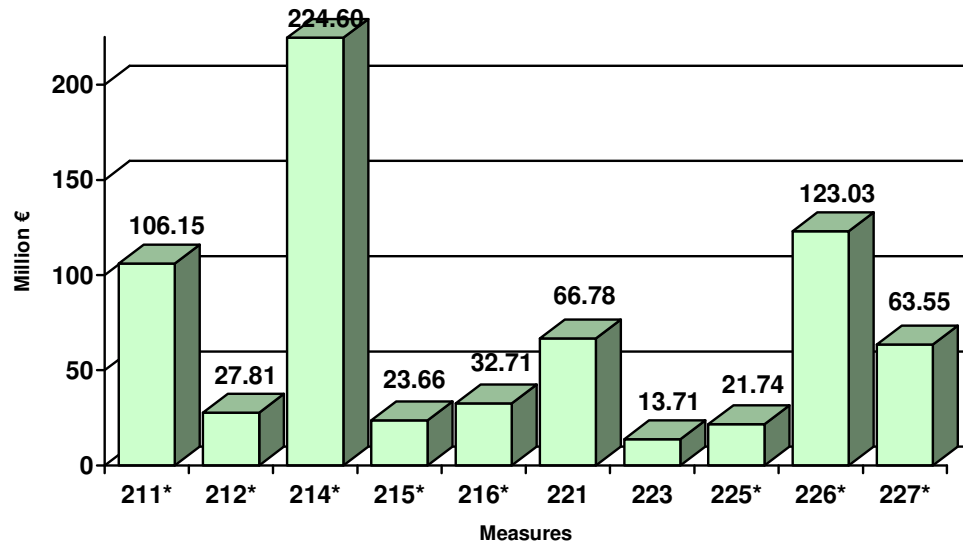
Axis 2 aims to safeguard/improve environmental conditions and attractiveness of the territory and preserve natural resources. Priority objectives are: to promote sustainable agricultural and forestry production for biodiversity; to add value to the countryside, produce renewable energy, safeguard soils characterized by landslides and erosion problems, and also by non-productive investments.

Result targets include: supported surface contributing to biodiversity and high nature value farming/forestry, water quality, mitigating climate change, improving soil quality 7.1% (57,000 Ha) for measure 214; and avoidance of marginalisation and land abandonment on 14.6% (50,000 Ha) for measure 211, 35% (27,600 Ha) for measure 212.

No modifications were made to axis 2 during the 2009 RDP update.

³ Please note that for measures 111, 112, 113, 125, 126 and 132 no private spending has been allocated.

Axis 2 indicative budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €703,738,576⁴



Following the 2009 RDP update, the total budget allocation under axis 2 is €703,738,576.

Axis 3 objectives: Quality of life in rural areas and diversification of the rural economy

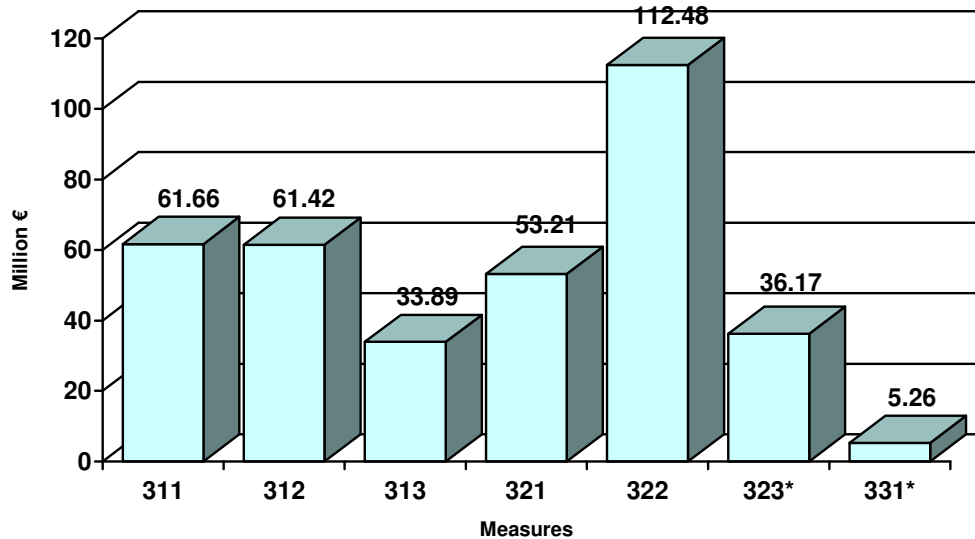
Priority objectives are: to guarantee the permanence of population in less favoured areas, to reinvigorate the socio-economic fabric, to diversify rural economy in order to create employment and, in synergy with these objectives, to increase attractiveness of rural areas, through the regeneration of villages relevant from a historical and cultural point of view and the preservation of cultural heritage.

The main result targets include: increase in non-agricultural gross value added in supported businesses +1.31%; gross number of jobs created: 500; additional number of tourists: +2%; population in rural areas with improved services +15% for each measure 321, 322, 323; increase in internet penetration in rural areas: 2,000; number of participants that successfully ended a training activity 70%.

Specific modifications to result and output indicators have been made to take account of the amendments to the RDP. In addressing the broadband priority, these include under measure 321: access to fast broadband for all citizens, especially in C and D rural areas. Between 5 and 60 additional projects are supported to create new broadband infrastructure, including backhaul infrastructure; improve existing broadband infrastructure; and, install passive broadband infrastructure. For further information on specific result and output indicators please refer to the indicators table in the RDP.

⁴ For measures 211, 212, 214, 215, 216, 225, 226 and 227 no private spending has been allocated.

Axis 3 indicative budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €364,082,610⁵



Following the 2009 RDP update, the new total budget allocation for axis 3 is €364,082,610, including an additional €18,235,000 (€10,941,000 EAFRD plus €7,294,000 of national/regional public funds). The additional EAFRD contribution supports measure 321 (€10,941,000) in improving regional Internet connectivity, especially in C and D rural areas.

Axis 4 objectives: Leader

The main objective is to support the implementation of local development strategies based on the valorisation of endogenous resources in the rural areas. The strategy focuses on the integration of agriculture in local development and the strengthening of local partnerships.

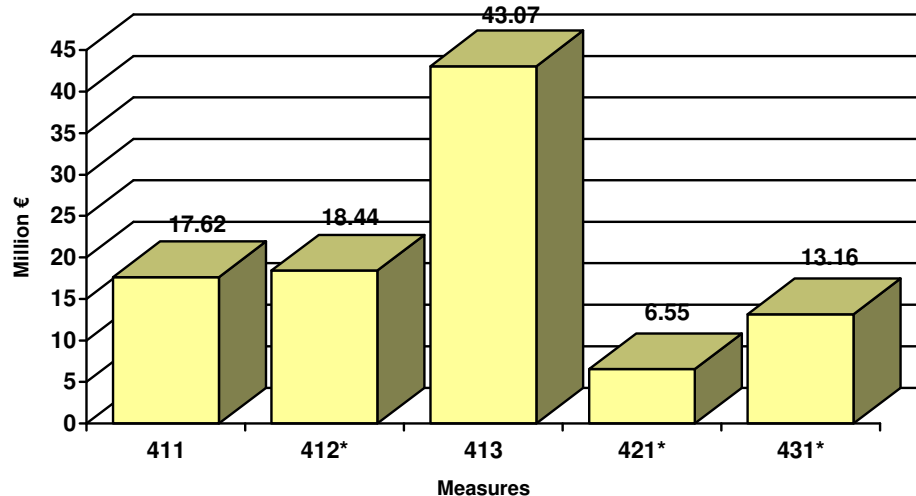
Leader measures serve the objectives of all RDP axes, mainly Axis 3. Local Action Groups (LAGs) cover around 71.5% (9,711 Km²) of the region and 17% of total population (1,023,844 inhabitants). Rural areas C and D are targeted. In contrast with the regional average, in these areas there is a constant decrease in the population (-1.5% since 1991). The main territorial features are the following: 81.9% of the territory is disadvantaged (mountains), mainly dedicated to agriculture, with 30% of the land covered by forests and protected areas represent 41.7% of the territory. It is expected to have 8-12 LAGs supported, 450 projects financed for measure 412 and 420 beneficiaries for measure 413.

The number of LAGs envisaged in the RDP areas as of March 2010 was 14.

No modifications were made to axis 4 during the 2009 RDP update.

⁵ For measures 323 and 331 no private spending has been allocated.

Axis 4 indicative budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €98,832,880⁶



Following the 2009 RDP update, the total budget amount for axis 4 is €98,832,880.

Monitoring and evaluation strategy

The evaluation process will be carried out according to the provisions of EU regulation. The system which has been successfully used for monitoring the implementation of the RDP 2000-2006 will be used for monitoring the new programme. The RDP defines the baseline situation - when data are available - as reference for the evaluation process. Many targets are expressed in percentage and not in physical or economic values. A system of additional indicators is set up, taking into account the availability of current monitoring systems and focusing on indicators to capture the development of the phenomena at macro-area level (showing the effects of RDP strategies for every macro-area). The RDP includes additional indicators, coupled with individual measures, which take into account the need to monitor the 'Action' Programme for the tobacco sector.

Communication and publicity

The communication plan will be targeted at: a) potential beneficiaries, professional organizations, economic, social and environmental organizations, NGOs; b) the general public. The main tools include: a) Meetings and seminars to inform administrative bodies involved in the implementation, potential beneficiaries and partners about RDP content and its strategy; b) Website, newsletters, direct mail and FAQ, providing information about measures. The list of the programme's beneficiaries will also be published; c) Advertising to inform the citizens and the beneficiaries about the content and results of the RDP; d) Press releases, press tours and workshops and other instruments to inform the media; e) Participation to fairs and fora with promotional material; f) Front office activities; g) Promotional material; h) Logos and slogans, to ensure consistency of all the information activities. The results will be evaluated through interviews, questionnaires and focus groups with respect to the following groups: citizens, beneficiaries and partners.

⁶ For measures 412, 421 and 431 no private spending has been allocated.

Annex I – Measures

Measures selected by the RDP Measures selected by the updated RDP

Axis 1 - Improving the competitiveness of the agricultural and forestry sector	<i>Promoting knowledge and improving human potential</i>	111	Vocational training and information actions
		112	Setting up of young farmers
		113	Early retirement
		114	Use of advisory services
		115	Setting up of management, relief and advisory services
	<i>Restructuring and developing physical potential and promoting innovation</i>	121	Modernisation of agricultural holdings
		122	Improvement of the economic value of forests
		123	Adding value to agricultural and forestry products
		124	Cooperation for development of new products, processes and technologies in the agriculture and food sector and in the forestry sector
		125	Infrastructure related to the development and adaptation of agriculture and forestry
	<i>Quality of agricultural production and products</i>	126	Restoring agricultural production potential
		131	Meeting standards based on Community legislation
		132	Participation of farmers in food quality schemes
		133	Information and promotion activities
	<i>Transitional measures</i>	134	Support in frames after CMO reforms (Tobacco)
		141	Semi-subsistence farming
142		Producer groups	
143		Providing farm advisory and extension services	
Axis 2 - Improving the environment and the countryside	<i>Sustainable use of agricultural land</i>	211	Natural handicap payments to farmers in mountain areas
		212	Payments to farmers in areas with handicaps, other than mountain areas
		213	Natura 2000 payments and payments linked to Directive 2000/60/EC
		214	Agri-environment payments
		215	Animal welfare payments
		216	Non-productive investments
	<i>Sustainable use of forestry land</i>	221	First afforestation of agricultural land
		222	First establishment of agroforestry systems on agricultural land
		223	First afforestation of non-agricultural land
		224	Natura 2000 payments
		225	Forest-environment payments
		226	Restoring forestry potential and introducing prevention actions
		227	Non-productive investments
		Axis 3 - Quality of life in rural areas and diversification of the rural economy	<i>Diversify the rural economy</i>
312	Support for business creation and development		
313	Encouragement of tourism activities		
<i>Improve the quality of life in rural areas</i>	321		Basic services for the economy and rural population
	322		Village renewal and development
	323		Conservation and upgrading of the rural heritage
	331		Training and information
	341		Skills-acquisition and animation measure with a view to preparing and implementing a local development strategy
Axis 4 - Leader	<i>Implementing local development strategies</i>	411	Competitiveness
		412	Environment/land management
		413	Quality of life/diversification
		421	Implementing cooperation projects
		431	Running the local action group, skills acquisition, animation