

Rural Development Programme (RDP) of Veneto, Italy

Programma di sviluppo rurale per il Veneto 2007 - 13 – 2007IT06RPO014¹
(Rural Development Programme for Veneto 2007-2013)

Relevant Contact Details

Address: Direzione Piani e Programmi Settore Primario, Via Torino 110 - 30172 Mestre-Venezia, Italy

Telephone number: + 39 041 2795404

Managing Authority Website:

<http://www.regione.veneto.it>

Other useful links:

Rural Development Programme (RDP):

http://ec.europa.eu/agriculture/rurdev/enrd/countryinformation/programming/index_en.htm

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 Veneto
(© European Commission)

General socio-economic situation in rural areas in the Veneto region

The Veneto region, located in Northern Italy, occupies 18,399 km² (95% classified "rural" as proposed by NSP) and has a population of 5,287,700 inhabitants. According to the RDP of December 2008, Gross Domestic Product (GDP)/capita in 2000-2003 was €25,000, higher than the EU-25 average. Agriculture contributes 2.8% of GDP (52-53% arable crops, 5-6% fruit-vegetables, 8-10% vines, 8-9% milk, 28-30% meat). Nearly 150,000 farms with 8,320 Km² of Utilised Agricultural Area (UAA) employ approximately 80,400 persons.

The RDP further highlights that the agri-food industry is important (2% Value Added (VA)), but extremely fragmented (6,600 units), while forestry is very limited. Agriculture has high quality products, but suffers loss of UAA (-8% in 1982-2003), limited innovation and inadequate generation turnover; environmental compatibility (350,000 ha of Nitrate Vulnerable Zones (NVZs), Ammonia and Greenhouse Gas (GHG) emissions, declining biodiversity, only 7% of the UAA in Natura 2000 areas). "Disadvantaged" areas make up 46% of the territory, 2/3 located in mountains, with an aging population, limited off-farm activities, low diffusion of innovation; declining basic services. Forestry with high environmental value and possibility of a forest-wood-energy chain development suffers from low size of properties and weak forestry enterprises.

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

RDP strategic objectives

The regional strategy defined by the programme comes from the contextualisation of EU and National objectives, with specific reference made to local needs, strengths and weaknesses identified in the regional context analysis. Main strategic objectives are: a) improving competitiveness by increasing professional skills of farmers and forestry operators, supporting generation turnover, entrepreneurial capacities of young farmers, promoting innovation and economic growth of agri-food and forestry enterprises, developing integrated systems involving farmers, processing industry and traders; increasing high quality standard products well identified and appreciated by consumers; b) improving the environment by enhancing water quality, protecting soils from degradation, safeguarding biodiversity, improving animal welfare; c) improving the quality of life in rural areas by supporting sustainable development and environmental effects of agro-forestry activities in mountain areas; promoting diversification and multi-task enterprise with tourist services; developing renewable energy from local resources; improving access to basic services, also through ICTs.

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

Taking into account the additional financing provided by the CAP Health Check, the European Economic Recovery Package and Modulation/CMO Wine, greater strategic priority is given to initiatives that contribute to climate change (which received 22.03% of the additional funds), water management (17.50%), the restructuring of the dairy sector (40.24%), renewable energy (11.94%) and broadband infrastructure in rural areas (8.29%).

Expected impact / outcomes of the policies

Economic growth: Net additional VA: €126.4 million (€81.2 million from agriculture, €43.0 million from the agri-food and beverage industry, €1.5 million from forestry).

Employment creation: Net additional Full Time Equivalent (FTE) jobs created: +2,246 (1,489 of them in agriculture, 733 in agri-food industry).

Labour productivity: Change in gross value added per annual work unit (GVA/FTE): 0 (compared to 2013 without RDP; +1.5% in agriculture, +0.4% in agri-food industry; + 17.9% in forestry compared to 2007 data).

Reversing Biodiversity decline: mitigation of the downward trend of “Farmland bird index”.

Maintenance of agricultural and forestry habitats of high natural value: conservation of 75,000 ha; increase of +5,000 ha.

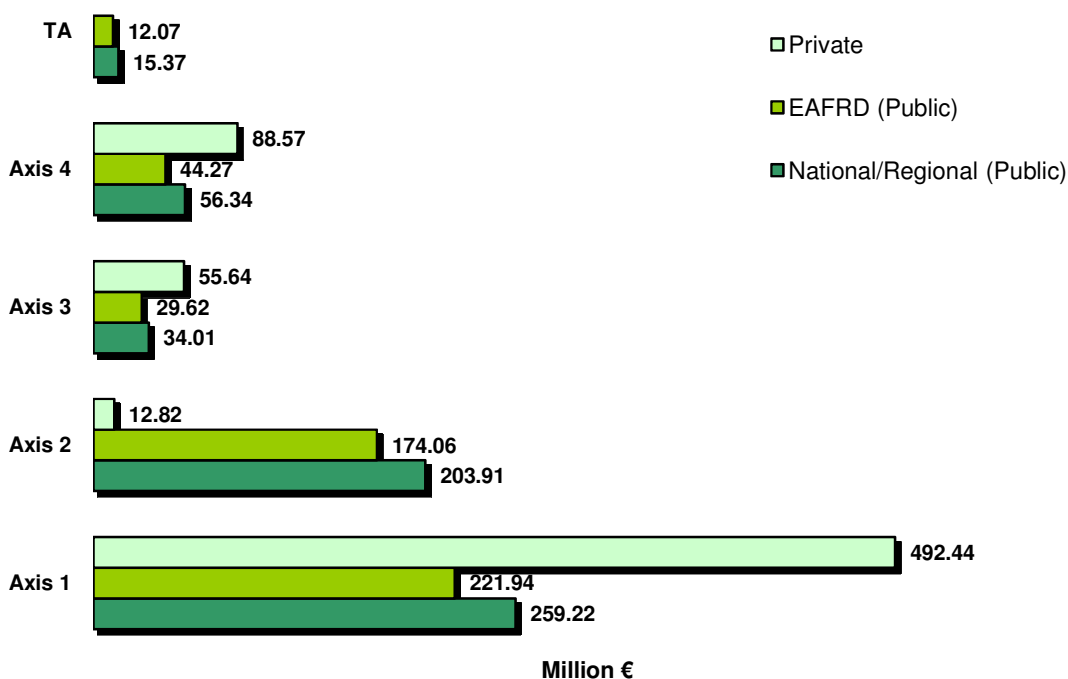
Improvement in water quality: Change in gross nutrient balance: -80% in nitrogen and -70% in phosphate in areas under commitment; -14% in nitrogen and -12% in phosphate at regional level

Contribution to combating climate change: Increase in production of renewable energy (not quantified).

Specific modifications to impact indicators have been made to take account of the RDP’s 2009 alterations. These include new targets for actions such as: targeting the dairy sector to modernise, innovate and improve working methods for farms located in plane areas and hence make the sector more competitive; improving the quality of water by reinforcing technological advancements with regards to irrigation through improved water saving methods; supporting investments to improve the processing of forestry biomass and to transform forestry biomass into energy to meet the

needs in the forestry sector; aiming at increasing the carbon sink to better meet climate change effects; and, targeting the completion of a single regional scheme to improve regional Internet connectivity, where priority is given to C and D rural areas. Finally, actions that promote innovation in the field of environmental challenges are reinforced. 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 €1,700,294,723



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 57% of the updated RDP budget in Veneto is allocated to axis 1 (€973.61 million); approximately 23% is allocated to axis 2 (€390.79 million), 7% to axis 3 (€119.27 million) and 11% to axis 4 (€189.19 million), and with almost 2% available to fund technical assistance (€27.44 million).

Within axis 1, National/Regional public funding represents approximately 27% share of the axis funding; EAFRD 23%; and private funds 50%.

Within axis 2, National/Regional public funding represents approximately 52% share of the axis funding; EAFRD 45%; and private funds 3%.

Within axis 3, National/Regional public funding represents approximately 28% share of the axis funding; EAFRD 25% and private funds 47%.

Within axis 4, National/Regional public funding represents approximately 30% share of the axis

funding; EAFRD 23%; and private funds 47%.

Within technical assistance, National/Regional public funding represents approximately 56% share of the technical assistance funding and EAFRD 44%.

In terms of financial weight of the axis, the additional resources have been allocated to axes I, II and III. This does result in a modification of the overall balance, which is as follows: Axis I, with 46,05% of the total budget. Axis II represents 36,11% of the total programme's budget and axis III 6,15%. Leader accounts for 9, 19%. Finally, 2, 50% of the resources will be devoted to technical assistance.

As a consequence of the 2009 RDP amendments, the Veneto region has been assigned a total of €132,513,333 (including €79,508,000 EAFRD and €53,005,333 of national/regional public funds). Out of the additional EAFRD contribution, €47,432,000 is aimed at addressing new challenges and broadband in rural areas. Furthermore, €32,076,000 stems from Modulation/CMO Wine.

Axis Information²

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

The main objective is the structural reinforcement of farms and agri-food industry, and attention is given to updating and improving farmers' skills, and to the diffusion of quality schemes. Priority is given to measures that emphasise "modernisation of holdings" and "adding value to agriculture and forestry products"; setting-up of young farmers: participation in "quality schemes" and related activities; Training, capacity building and advisory services; and finally, the forestry sector to improve the economic value of forests.

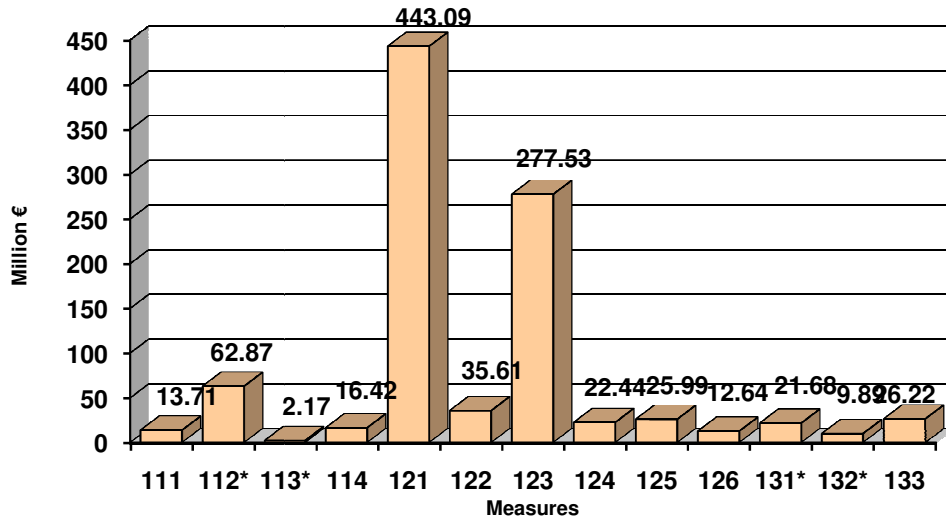
Results expected are: 5,925 participants that successfully ended a training activity; 7,650 farmers and 1,441 forestry operators utilising advisory services; setting-up young farmers 2,339; Increase in gross VA supported farms €94.2 million; Number of holdings introducing new productions and/or techniques, 1,612 farms, plus 82 food and 58 forestry enterprises; Value of agricultural production under recognized quality label/standard €466 million (measure 131), €0.99 million (measures 132 and 133).

Specific modifications to results indicators have been made to take account of the amendments to the RDP including activities related to the dairy sector, such as those supporting between 9 and 371 holdings to improve processing and marketing (measures 121 and 123); and, introducing operations related to the production of renewable energy by supporting between 39 and 109 holdings to substitute fossil fuels (measures 122 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 € 83 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 national/regional public funds + EAFRD + private funds) of €973,606,623³



Following the 2009 RDP update, the total budget allocation under axis 1 is €973,606,623, including an additional €33,001,333 (€24,751,000 EAFRD plus €8,250,333 of national/regional public funds). The additional EAFRD contribution supports measures 121 (€18,113,250), 122 (€2,940,250) and 123 (€3,697,500) in strengthening the restructuring of the dairy sector and renewable energy priorities.

Axis 2 objectives: Improving the environment and the countryside

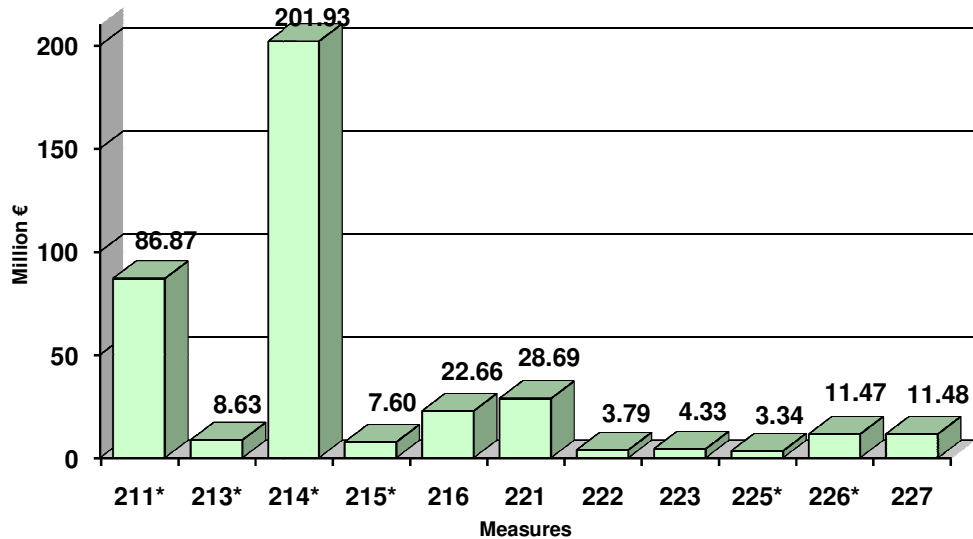
Main objectives are: to improve water quality; to protect soils from degradation; to safeguard biodiversity; to protect natural resources and landscape through agro-forestry activities; to improve animal welfare; to preserve and increase agro-forestry areas with high nature value; to strengthen the effects of agro-forestry activities that reduce climate change and improve air quality.

Results expected are defined by the area under successful land management contributing to: biodiversity and high nature value farming/forestry 132,445 ha; water quality improvement 128,668 ha; climate change mitigation 111,129 ha; soil quality 128,668 ha; avoidance of marginalisation and land abandonment 80,977.

Specific modifications to result and output indicators have been made to take account of the amendments to the RDP. In addressing the climate change priority, these include under measure 214: supporting up to 2,424 farmers over 6,060 ha to improve soil management practices in order to reduce nitrous oxide and increase carbon sequestration. Furthermore, in responding to the water management priority, measures 214, 221, 222 and 223 supports between 20 beneficiaries and 1,655 farmers in reducing losses of different compounds to water, converting agricultural land into forest/agro-forestry systems and reduce nitrous oxide emissions and hence improve water quality. For further information on specific result and output indicators please refer to the indicator tables in the RDP.

³ Please note that for measures 112, 113, 131, and 132 no private spending has been allocated.

Axis 2 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €390,791,497⁴



Following the 2009 RDP update, the total budget allocation under axis 2 is €390,791,497, including an additional €25,000,000 (€18,750,000 EAFRD plus €6,250,000 of national/regional public funds). The additional EAFRD contribution supports measures 214 (€13,200,000), 221 (€2,175,000), 222 (€1,575,000) and 223 (€1,800,000) in improving water management operations and reinforcing climate change adaptation and mitigation activities.

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

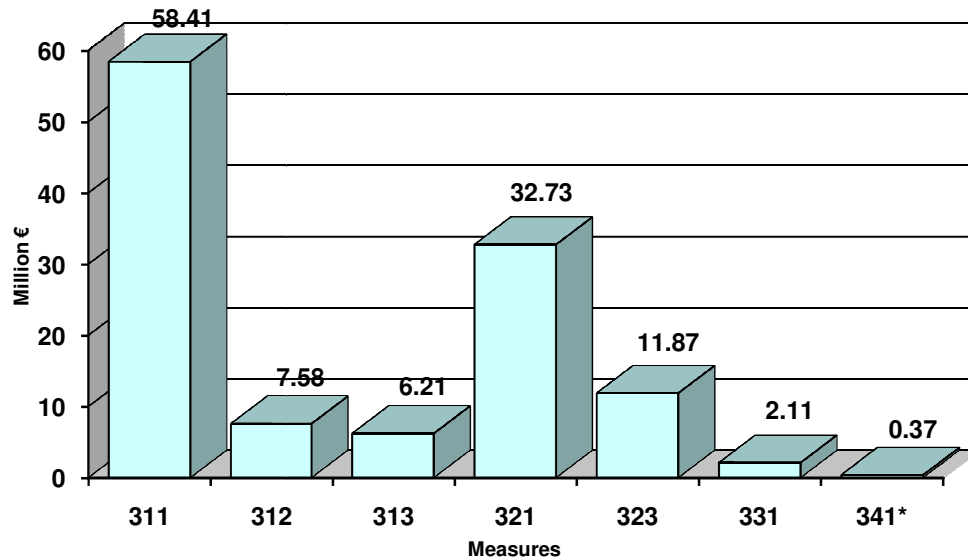
Diversification in non-agriculture activities (provision of tourism facilities, social services, energy production from renewable sources, development of agri-tourism, farm shops/handcrafts activities) represents the major objective of axis 3.

The main result targets are: increase in non-agricultural gross value added in supported businesses by €4.6 million; gross number of jobs created: 52; additional number of tourists: 52,680; population in rural areas with improved services 1,035,621; increase in internet penetration in rural areas (N/A); number of participants that successfully concluded one training activity 2,222.

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: supporting up to 24 projects to create new broadband infrastructure, including backhaul infrastructure; improve existing broadband infrastructure; and, installing 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, 213, 214, 215, 225, and 226 no private spending has been allocated.

Axis 3 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €119,268,208⁵



Following the 2009 RDP update, the new total budget allocation for axis 3 is €119,268,208, including an additional €5,241,333 (€3,931,000 EAFRD plus €1,310,333 of national/regional public funds). The additional EAFRD contribution supports measure 321 (€3,931,000) in improving regional Internet connectivity.

Axis 4 objectives: Leader

Specific objectives of axis 4 are: to support participatory approaches and integrated management of development projects, to strengthen local partnerships; to promote strategies and innovative models of harmonious growth and endogenous development, by improving the quality of life, economic diversification and integration between different sectors.

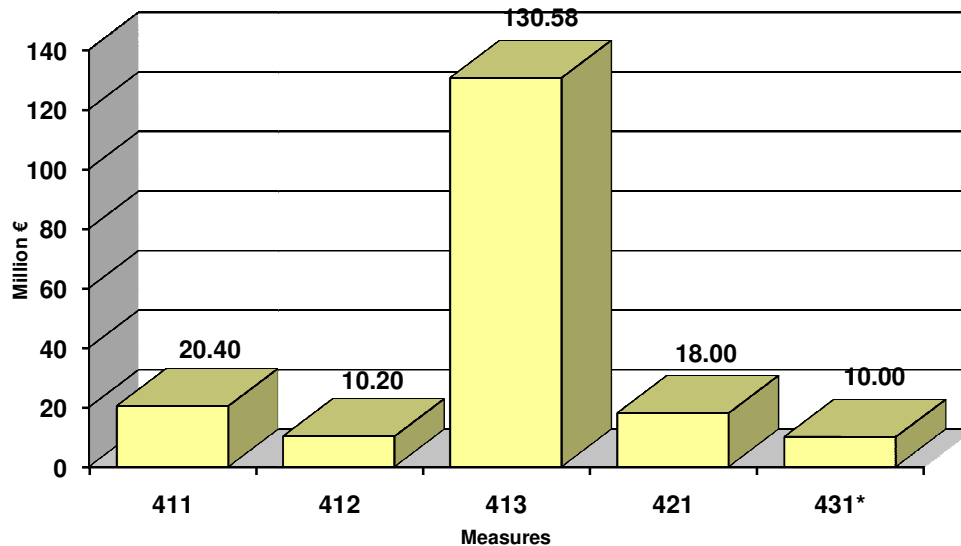
The RDP estimates to activate 14 LAGs, 8 of them already experienced the Leader+ programmes 2000-2006. The projects activated by LAGs are expected to cover 60% of total rural areas (about 11,400 km²) and benefit approximately 40% of the rural population (1.7 million inhabitants).

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

Number of LAGs operational in the RDP areas as of March 2010 was 14.

⁵For measure 341 no private spending has been allocated.

Axis 4 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €189,188,144⁶



Following the 2009 RDP update, the total budget amount for axis 4 is €189,188,144.

Monitoring and evaluation strategy

The CMEF set of common indicators has been adopted by applying a more detailed disaggregation for each indicator, with the purpose of better monitoring territorial priorities and specific local measures; in addition Veneto RDP has defined some additional indicators. For example regional impact indicators are:

- Increase of gross value of agricultural products under food quality label: increase in value +8.2%;
- Change in gross nutrient inputs: -66% in nitrogen and -56% in phosphate in areas under commitments; -11% in nitrogen and -9.8% in phosphate at regional level.
- Contribution to combating climate change: -1.77% annual GHG emissions from agriculture;
- Economic growth: Change in Net VA from tobacco sector (not quantified).

Ex-ante evaluation has been assigned to an advisor company, Agriconsulting spa, and has been integrated with the Strategic Environmental Assessment carried out by regional agency for environmental protection (ARPAV).

Communication and publicity

A Communication Plan has been specifically worked out for Veneto RDP 2007-2013, having as target groups: all potential beneficiaries, LAGs, regional and local government units, professional associations, universities and research institutes, NGOs, citizens, media. Main tools are: RDP website (containing all documents related to the programme, updates, and links with main related websites); Help desk (aimed to promote technical meetings on specific RDP actions); advertising campaign on local radios and TVs; press conferences; congress and workshops; newsletters; DVD-videos for local meetings; special exhibition area in trade fairs; internal network to update all staff

⁶For measure 431 no private spending has been allocated.

involved in RDP implementation. All communication activities and numbers of subjects reached are recorded and reported to the Monitoring Committee every six months. All projects with total costs exceeding €500,000 have to expose a long-lasting poster mentioning RDP and EU participation. Similarly, all actions whose total cost is over €50,000 and all LAGs houses/offices have to expose a memorial plaque with RDP and EU reference.

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
		126	Restoring agricultural production potential
	<i>Quality of agricultural production and products</i>	131	Meeting standards based on Community legislation
		132	Participation of farmers in food quality schemes
		133	Information and promotion activities
<i>Transitional measures</i>	144	Support to farms following 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
<i>Non-productive investments</i>	226	Restoring forestry potential and introducing prevention actions	
	227	Non-productive investments	
	<i>Diversify the rural economy</i>	311	Diversification into non-agricultural activities
		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	
Axis 4 - Leader	<i>Implementing local development strategies</i>	341	Skills-acquisition and animation measure with a view to preparing and implementing a local development strategy
		411	Competitiveness
		412	Environment/land management
	413	Quality of life/diversification	
	421	Implementing cooperation projects	
431	Running the local action group, skills acquisition, animation		