

Rural Development Programme (RDP) of Sardinia, Italy

Programma di sviluppo rurale 2007 – 2013 - Regione Autonoma della Sardegna – (May 2010)¹
(*Rural Development Programme for Sardinia 2007-2013*)

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Other useful links:

Rural Development Programme (RDP):

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

[information/italy/en/italy_home_en.cfm](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:

<http://www.reterurale.it>



Map of Sardinia
(© European Commission)

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

Sardinia, located west of the Italian peninsula, has a surface of 24,000 km² and a population of 1,632,000 inhabitants (population density of 68 inhabitants / km²). According to the RDP of December 2008, the Gross Domestic Product/capita is 78% of EU-25 average, and the unemployment rate is 13.9%. Rural areas cover 99.6% of the territory and include 90% of the population, and rural areas D with Complex Problems of Development 81.4% and 51.6% respectively. Utilised Agricultural Area (UAA) amounts to 1,053,304 ha with a sharp reduction over the past 10 years. The agricultural sector accounts for 4.3% of Value Added. Crops, sheep, goat meat, and milk are the main products. Forests and natural areas occupy 53% of the regional surface.

The RDP indicates that the main issues affecting the region include small economic scale of farms, fragmentation of the agri-food sector, supply not fully integrated, scarce financial resources, high levels of debt, widespread areas vulnerable to desertification (over 50%) and erosion, forest vulnerability to fire, isolation and limited provision of infrastructure, significant depopulation, and aging of farmers.

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 RDP includes the strategic priorities defined at Community and National level and further defines the objectives taking into account strengths and weaknesses identified in the baseline analysis. The result of this process has led to the definition of three levels of objectives for every axis: overall objectives, connected to Article 4 of the Reg.(EC) 1698/2005; priority objectives from the NSP, and several specific objectives defined by the RDP, that take into account the problems and potentialities that characterise the regional rural areas. The main specific objectives are: development of agricultural production by aggregating supply and improvement of production processes and modernization of forest enterprises, preserving natural resources, landscape and socio-economic fabric of rural areas (axis 1); promoting agricultural and forestry systems with high natural value able to preserve biodiversity and landscape and to improve water, soil, air quality and animal well-being (axis 2); creating job opportunities and improving the attractiveness of rural areas (axes 3 and 4).

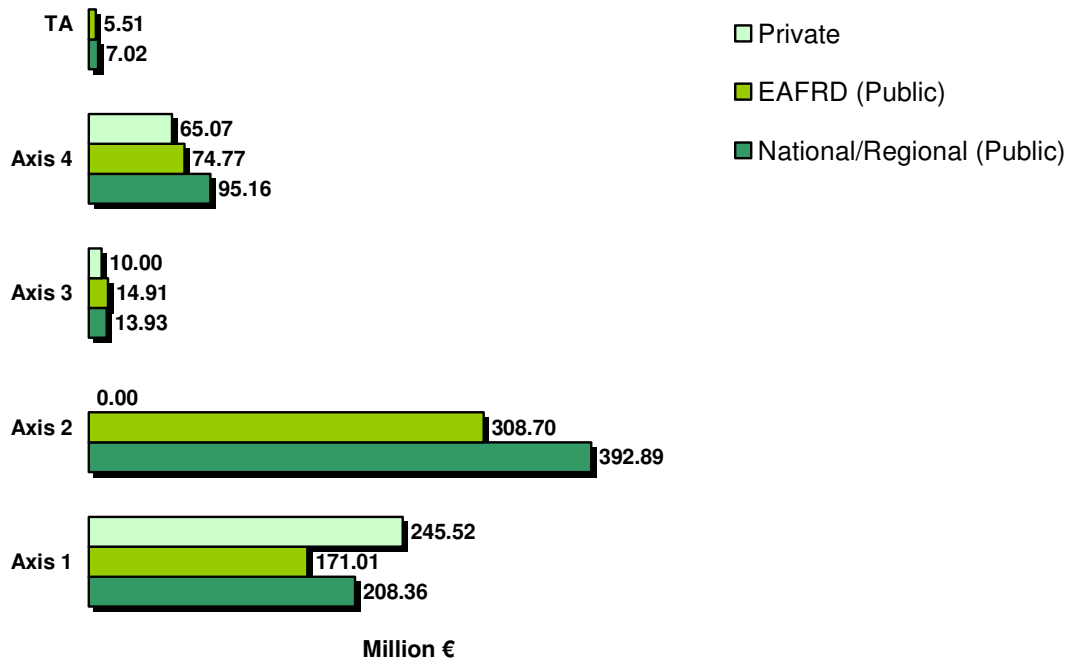
Following the CAP Health Check, in recognition of the greater emphasis now being given to the issues facing agriculture and rural areas, the RDP was revised in 2009 to place further emphasis on the dairy sector, the environmental situation and the availability of broadband infrastructure in rural areas. The modifications do not concern the introduction of actions or operations (with the exception of broadband), but the reinforcement and/or the alteration of existing ones.

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 improved water management (which received 39% of the additional funds), renewable energies (26%), and broadband (35%).

Expected impact / outcomes of the policies

Programme results and impact targets were revised to take account of 2009's RDP amendments and new targets were set. These included e.g.: increasing economic growth outputs from €43 million to €44 million; creating Full Time Equivalent jobs (from 1,340 to 1,346); increasing labour productivity in GVA per full time equivalent (from €160 to €173); and, strengthening of climate change actions by decreasing greenhouse gas emissions from -32.5 to -36.5. Other targets remain the same, i.e. preserving agricultural and forestry land with high natural value (163,500-365,000 ha), and improving water quality by changing the gross nutrient balance of nitrogen(-25.3% in the supported area and -1.5% at regional level).

RDP budget breakdown by axis: Total expenditure (including national/regional + EAFRD + private funding) of €1,612,846,752



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 39% of the updated RDP budget in Sardinia is allocated to axis 1 (€624.88 million); approximately 43% is allocated to axis 2 (€701.59 million), 2% to axis 3 (€38.84 million) and 15% to axis 4 (€235.00 million), with almost 1% available to fund Technical Assistance (€12.53 million).

Within axis 1, National/Regional public funding represents approximately 33% share of the axis funding; EAFRD 28%; and private funds 39%.

Within axis 2, National/Regional public funding represents approximately 56% share of the axis funding; EAFRD 44%; and private funds 0%.

Within axis 3, National/Regional public funding represents approximately 36% share of the axis funding; EAFRD 38% and private funds 26%.

Within axis 4, National/Regional public funding represents approximately 40% share of the axis funding; EAFRD 32%; and private funds 28%.

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

As a consequence of the 2009 RDP amendments, Sardinia has been assigned a total of €39,415,000

(including €23,649,000 EAFRD and €15,766,000 of national/regional public funds). Out of the additional EAFRD contribution, €19,845,000 is aimed at addressing new challenges and broadband in rural areas, whereas €3,804,000 stem from Modulation/CMO wine.

Axis Information²

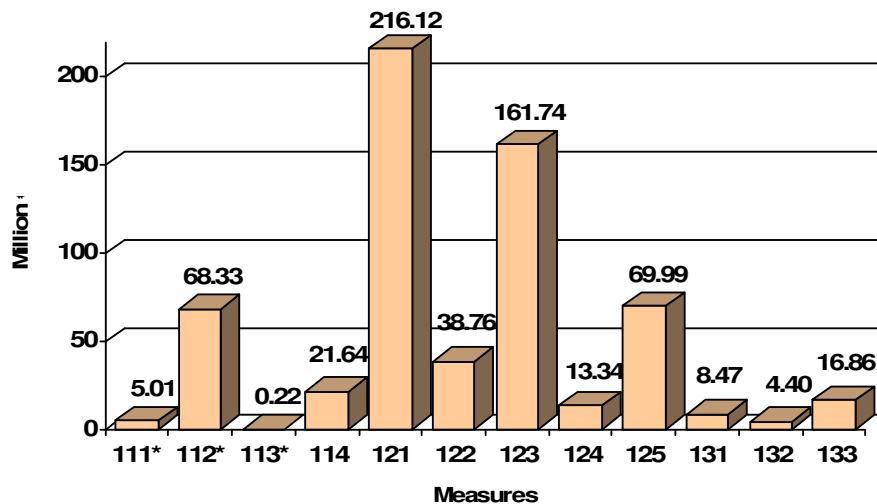
Axis 1 objectives: Improving the competitiveness of the agricultural and forestry sector

The priorities are:

- Modernization and innovation in farms and chain integration, aimed at improving production processes with attention to natural resources preservation, developing supply aggregation, and strengthening the economic forestry management.
- Consolidating the quality of agricultural and forestry production.
- Strengthening the infrastructure endowment aimed at reducing the fragmentation of property, infrastructure provision and sustainable management of water resources.
- Increasing the level of professional and entrepreneurial skills and supporting the establishment of young farmers.

A number of key axis 1 targets were amended in 2009 to reflect the new funds and this led to higher anticipated outputs for increase in gross value added in supported holdings/enterprises from €76.69 million to €77.08 million; and, in the number of holdings/enterprises introducing new products and/or new techniques from 1,860 to 1,955. Other specific result indicators remain the same after the 2009 RDP update, i.e. the number of participants that successfully ended training activities related to agriculture and/or forestry 22,200; and the value of agricultural production under recognized quality label/standards €366.3 million (23.3%). For further information on specific result and output indicators please refer to the indicator tables in the RDP.

Axis 1 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €624,884,023³



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

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

Following the 2009 RDP update, the total axis 1 budget is €624,884,023, including an additional €19,924,031 (€12,851,000 EAFRD plus €7,073,031 national/regional public). Alterations to funding under the axis include €2.57 million of further EAFRD support for the modernisation of agricultural holdings (measure 121); €2.57 million of EAFRD for adding value to agricultural and forestry products (measure 123); and, €7.71 million of additional EAFRD support for infrastructure related to the development and adaptation of agriculture and forestry (measure 125).

Axis 2 objectives: Improving the environment and the countryside

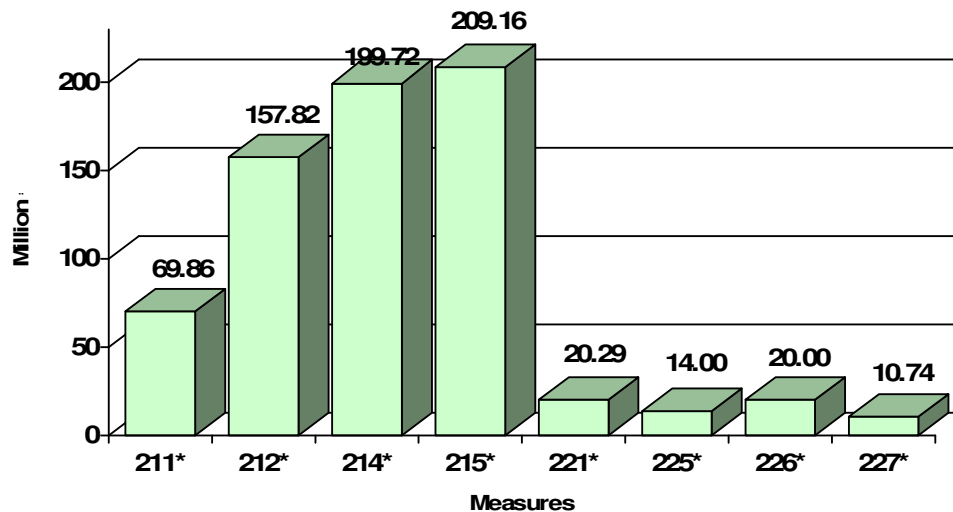
Priority objectives are:

- a) Conservation of biodiversity by strengthening agri-forestry and livestock systems with high natural value and by preserving the genetic diversity of animals and plants;
- b) Safeguarding water quality and quantity, supporting agricultural systems and practices saving water and reducing farm sources of pollution;
- c) Reducing GHG emissions from farming and animal husbandry;
- d) Promoting maintenance of agriculture in Less Favoured Areas (LFAs), preservation of landscape features and agri-forestry systems by safeguarding land from erosion and desertification;
- e) Enhancing animals' well-being.

Result targets include: supported surface 542,300-629,650 ha contributing to biodiversity and high nature value farming/forestry; 60,200 ha improved water quality; 87,800 – 147,000 ha mitigated climate change; 542,300-689,300 ha improved soil quality, and avoidance of marginalisation and land abandonment on 523,000 ha.

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

Axis 2 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €701,590,909⁴



Following the 2009 update of the RDP, the total budget allocation under axis 2 is €701,590,909.

⁴ For measures 211, 212, 214, 215, 221, 225, 226 and 227 no private spending has been allocated.

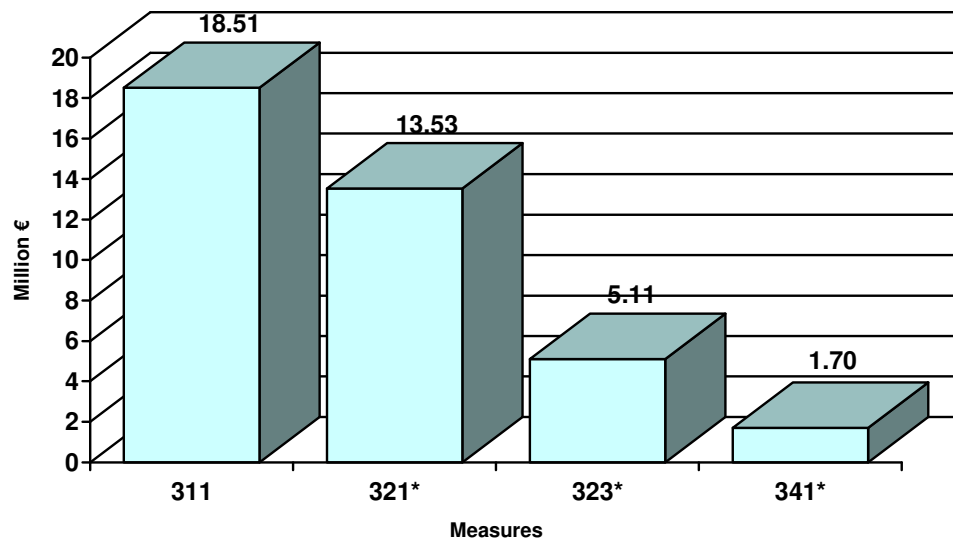
Axis 3 objectives: Quality of life in rural areas and diversification of the rural economy

There are two main objectives:

- a) Maintaining and creating opportunities for employment and income by increasing diversification in farm families, supporting creation of non-agricultural business and local microcircuits; introducing innovative services and promote networking systems for rural tourism, and supporting access of young people and women in the labour market;
- b) Improving attractiveness of rural areas for businesses and people, improving essential services for the population and the productive system (also Information and Communication Technology (ICT)), regenerating villages and rural heritage, promoting landscape conservation and enhancement of cultural heritage.

Several axis 3 targets were amended in 2009 to reflect the new overall RDP priorities and this led to an increase in the number of persons connected to the Internet in rural areas (94,147). Other specific impact indicators remain the same, i.e. an increase in non-agricultural gross value added in supported businesses by €1.0 million; creation of 1,050 jobs; increasing the additional number of tourists to 11,438; population in rural areas with improved services (195,164); and, increasing the number of participants that successfully ended a training activity by 1,796. For further information on specific result and output indicators please refer to the indicator tables in the RDP.

Axis 3 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €38,843,410⁵



Following the 2009 update of the RDP, the new total budget allocation for axis 3 is €38,843,410, including an additional €10,843,411 (€6,994,000 EAFRD plus €3,849,811 national/regional public). Alterations to funding under the axis include further support for measure 321 (basic services for the economy and rural population), which received €6.99 million of new EAFRD contributions to meet the broadband priority.

⁵ For measures 321, 323 and 341 no private spending has been allocated.

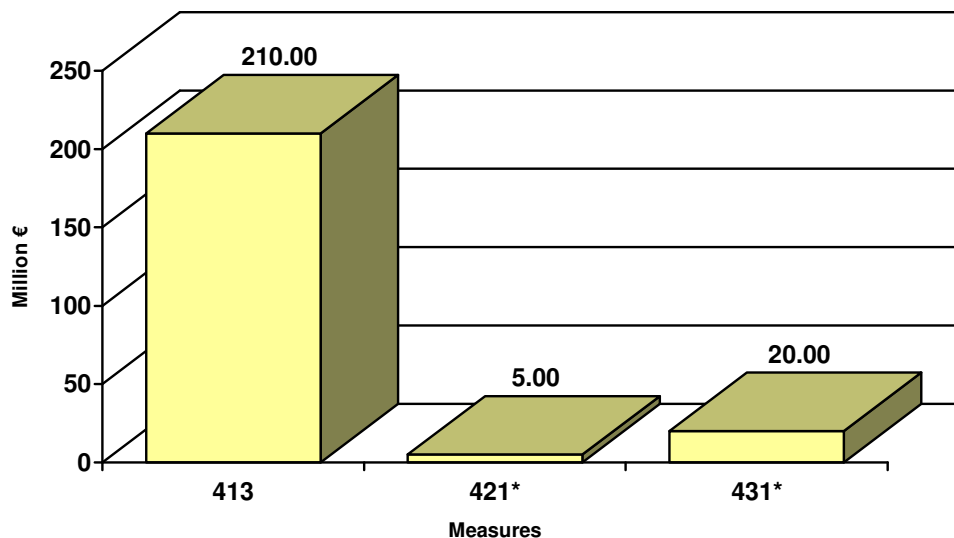
Axis 4 objectives: Leader

The objective of the measure is the implementation of local development strategies able to fully use the endogenous resources of rural areas in a sustainable way, and to maintain and create employment, through the consolidation of existing business and new enterprises, especially those created by women and young people. The strategy of the RDP provides a series of thematic priorities: aggregate production through supply-chain projects submitted by industry or producer groups, product diversification, protection of water and soil, improve the environment and landscape, improve hygiene conditions and animals welfare, improve product quality, improve professional skills of agricultural and forestry operators. With respect to territorial priorities, axis IV will be largely concentrated in more lagging rural areas C1 and D1 (68% territory and 35% of the population). The RDP estimates that approximately 12-15 Local Action Groups (LAGs) in a surface of 16,500 km² and a population of 560,000 will have been created during the programming period, including 7,280 supported projects.

Number of LAGs envisaged in the RDP areas as of March 2010 was 15.

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

Axis 4 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €235,000,000⁶



Following the 2009 revision of the RDP the new total budget allocation for axis 4 is €235,000,000.

Monitoring and evaluation strategy

The monitoring and evaluation system has been established according to the prescribed regulation and taking into account the National Monitoring and Evaluation System. The RDP 2007-2013 makes use of the new Regional Agricultural Information System - SIAR, established in 2006, as a support to all M&E activities. The activities are based on CMEF indicators as well as on additional

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

indicators, specifically designed for the programme. For example, regional result indicators analyse the improved competitiveness of agriculture and forestry (number of farms served by the new physical infrastructure and / or ICT, number of farms served by improved irrigation networks; value of sheep and goats production under quality standards; gross number of jobs created), other effects of environmental measures (improvement of milk hygiene and quality in farms beneficiaries of payments for animal welfare (measure 215), gross number of jobs created) and Leader contribution to employment.

Communication and publicity

Information campaigns and advertising addresses three target groups:

- a) Potential beneficiaries, professional organisations, the economic and social organisations for the promotion of equal opportunities and NGOs, including environmental organisations;
- b) Beneficiaries of EU funds;
- c) The general public. Main communication tools include: the website of the Region of Sardinia, or other thematic websites linked to it; specific documents for the press; seminars, symposia and workshops, meetings where professionals can discuss and organise activities; Conventions for PSR presentation; information material (brochures and other printed matter); Press conferences; Official Bulletin of the Sardinia Region (Buras). The MA involves the subjects that can act as advisers, especially regional and local authorities, professional associations, economic and social bodies and NGOs. The indicative budget for information campaigns and advertising is 15% of resources for technical assistance, concentrated mainly in the first phase of the implementation.

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>	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>	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
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