

Rural Development Programme (RDP) of Emilia Romagna, Italy

Programma di Sviluppo Rurale dell'Emilia Romagna 2007/2013 – version 20/11/2009¹

(Rural Development Programme for Emilia Romagna 2007 / 2013)

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<http://www.ermesagricoltura.it>

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/ServeBL](http://www.reterurale.it/flex/cm/pages/ServeBlob.php/L/IT/IDPagina/1145)

[OB.php/L/IT/IDPagina/1145](http://www.reterurale.it/flex/cm/pages/ServeBlob.php/L/IT/IDPagina/1145)

Italian National Rural Network (NRN):

<http://www.reterurale.it>



Map of Emilia Romagna
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General socio-economic situation in rural areas in Emilia Romagna

In Emilia Romagna, located in the Northern part of Italy, there were approximately 4.2 million inhabitants in 2005 according to the RDP (2008), an increase of 1.2% from the previous year due to higher life expectancy and inward migration to the region. The increasingly aging population is mostly to be found in mountain areas. The employment rate in 2004 was 68.4%, and in the period 1999-2005 there was a notable decrease in employment in the agricultural sector (from 6.7% to 4.4%). Emilia Romagna is one of the most important regions in Italy within the agricultural and food sectors. In fact, it is the number one region for production of EU brands (14 Protected Designation of Origin, and 11 Guarantee of Origin for foods produced in specific areas). Meat products, fruit, vegetables and dairy products are the main agricultural products. The tourism sector has shown a remarkable increase, and in 2005 there were 654 farm holiday businesses in 230 municipalities within the region.

The RDP of Emilia-Romagna lists several competitive advantages of the region: a dynamic economy with high workforce participation and low unemployment (3.8%); a positive trend in terms of the increasing resident population; strong levels of economic activity and low overall unemployment; and a highly qualified workforce, including a larger ratio of skilled females than males.

The structural weaknesses of the Region, as identified in the 2007-2013 RDP are: the continuing

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

marginalization of mountain areas; the over-representation of women among the unemployed (5.3% of women are unemployed, as opposed to 2.7% of men); and high youth unemployment (11%). Moreover, the number of female owners or managers of agricultural holdings is low.

RDP strategic objectives

The overall objective of the RDP is to support environmentally sustainable economic development that guarantees improved competitiveness and social cohesion. All financial resources must favour partnerships concerning production, commercial and supply chain processes. In all sectors the objectives focus on encouraging labour values, skills, qualifications and professional competences within the workforce, including integration of immigrant workers, by respecting labour legislation in terms of social security and collective labour contracts. There are three strategic objectives for Emilia Romagna which correspond to those of the Italian National Strategic Plan, namely: to improve competitiveness in the agricultural and forestry sectors; improve the environment and rural landscape; and, promote diversification of the rural economy and quality of life in rural areas.

Taking into account the additional funding provided by the CAP Health Check, the European Economic Recovery Package and Modulation/CMO Wine, the RDP was revised in 2009 to reflect the 'new challenges' facing EU rural areas. RDP amendments included: reinforced efforts in activities contributing to water management (which receives 46% of the additional finance), restructuring of the dairy sector (29%), improved broadband internet infrastructure in rural areas (16%), biodiversity (8%), climate change mitigation and adaptation (1%). Funds previously allocated to support the Common Market Organisation (CMO) for the wine sector, are being re-allocated to support renewable energies, in order to reduce emissions-based pollution and gradually decrease fossil fuel dependencies.

Expected impact / outcomes of the policies

The economic and social outcomes of the RDP are in line with those established at EU level on knowledge transfer, modernisation, innovation and quality in the food chain, diversification of the rural economy and improvement of quality of life in rural areas - by creating employment opportunities and related conditions to enhance growth. Following the aforementioned RDP amendments, impact targets were modified for the RDP to include an increase in economic growth by €108.8 million, creating 2,524 new full-time employment opportunities, boosting labour productivity (16.7%), impeding the decline of biodiversity and increasing the number of bird species, maintaining and increasing High Nature Value (HNV) areas (66,504 ha), and contributing to combating climate change by increasing the production of renewable energy by 6.9% and reducing GHG emissions (-0.9%).

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

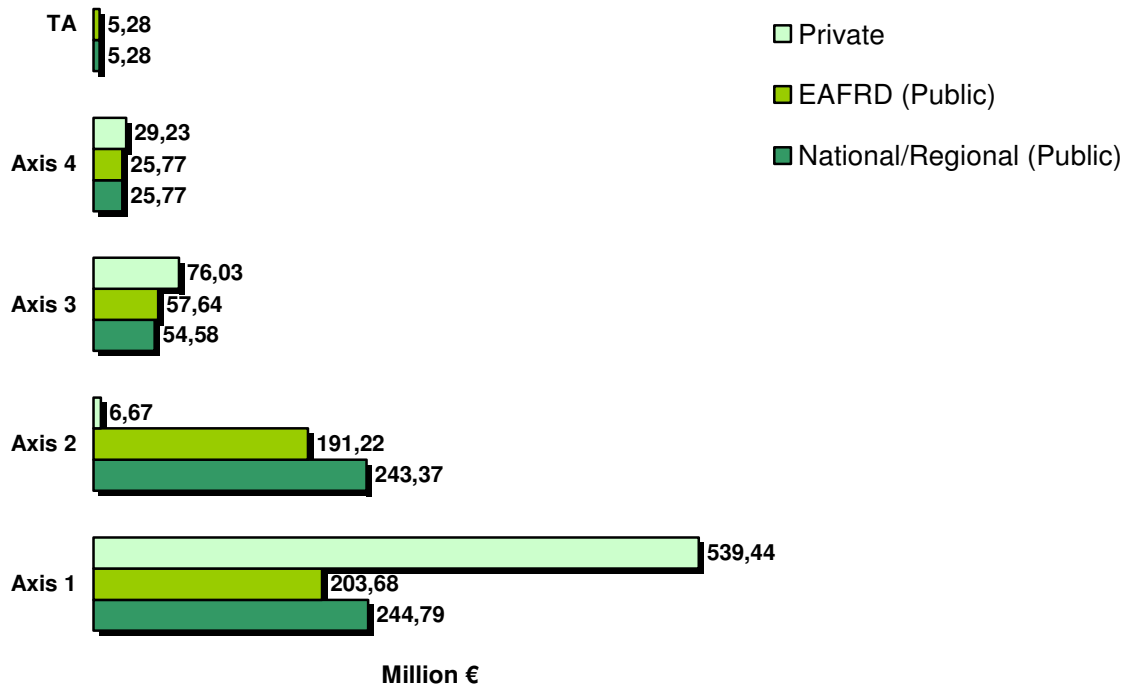
³ Please note that no private spending has been allocated for measures 112 and 113.

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

⁵ No private spending has been allocated for measures 323 and 341.

⁶ No private spending has been allocated for measure 431.

RDP budget breakdown by axis: total expenditure (including national/regional + EAFRD + private funding) of € 1,708,725,264



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 58% of the overall RDP budget in Emilia Romagna is allocated to axis 1 (€987.91 million); approximately 26% is allocated to axis 2 (€441.25 million), 11% to axis 3 (€188.25 million) and 5% to axis 4 (€80.77 million), with just under 1% available to fund technical assistance (€ 10.56 million).

Within axis 1, National/Regional public funding represents an approximate 25% share of the axis funding, EAFRD 21%, and private funds 55%.

Within axis 2, National/Regional public funding represents an approximate 55% share of the total axis funding; EAFRD 43%; and private funds 2%.

Within axis 3, National/Regional public funding represents an approximate 29% share of the total axis funding; EAFRD 31% and private funds 40%.

Within axis 4, National/Regional public funding represents an approximate 32% share of the total axis funding; EAFRD 32%; and private funds 36%.

Within 'technical assistance', National/Regional public funding represents an approximate 50% share of the technical assistance funding and EAFRD 50%.

As a consequence of the CAP Health Check and the European Economic Recovery Package,

together with the additional money from Modulation/CMO Wine, the Emilia Romagna RDP was allocated an additional €120,556,666, which includes €72,334,000 of EAFRD, plus €48,222,666 of Regional/National public funds. Out of the additional EAFRD contribution, €30,827,000 goes towards addressing new challenges in rural areas (e.g. climate change mitigation and adaptation measures) and improving broadband infrastructure. €41,507,000 of the new EAFRD stems from Modulation/CMO Wine and is earmarked for renewable energies. Much of the budget increase aims to reinforce existing RDP actions in Emilia Romagna, with the exceptions of - introducing measure 125 as a new measure in the RDP to address the water management priority, and a new action under measure 321 to deal with the broadband priority.

Axis Information²

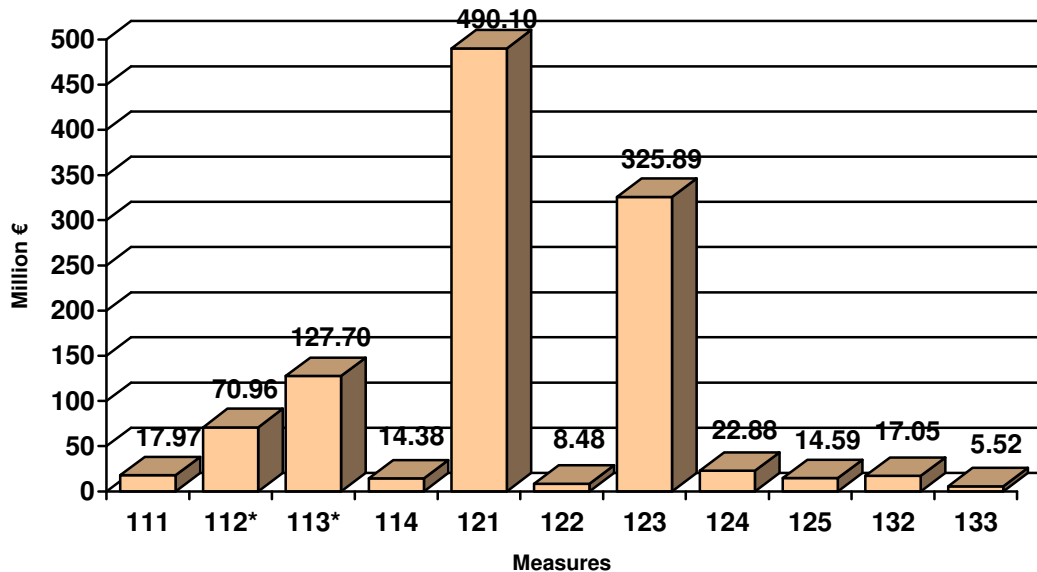
Axis 1 objectives: Improving the competitiveness of the agricultural and forestry sector

Axis 1 measures address the need to avoid fragmentation of public support and to concentrate resources on priority actions; and will prioritise agricultural businesses by favouring actions that have a direct and measurable benefit or advantage.

Areas with set result targets include: the number of participants that successfully completed a training activity related to agriculture and/or forestry (target of 18,317 participants); increasing the total 'gross value added' GVA in supported holdings/enterprises (c. €178.4 up from €154.9 following RDP amendments); the number of holdings/enterprises introducing new products and/or new techniques (4,785 holdings/enterprises up from 3,326 and a total of 28 projects); and the value of agricultural production under recognised quality label/standards (€582.9 million).

| Strategic objectives | Specific objectives |
|--|---|
| Promotion of modernisation, business innovation and integration of production chains | - Increase professionalism in agriculture and by farmers themselves |
| Consolidation and development of the quality of agricultural and forestry products | - Consolidate and stabilise productivity in agricultural and forestry sector |
| Improvement of entrepreneurial and professional skills for those operating in the agricultural and forestry sectors. | - Improve age structure in the agricultural workforce |
| | - Increase and strengthen the degree of integration and innovation of production chains |
| | - Promote the development of new products, processes and technologies |
| | - Encourage the participation of farmers in food quality systems |
| | - Sustainable process rationalisation and innovation |
| | - Promote the restructuring of less competitive sectors |

Axis 1 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of € 987,909,511³



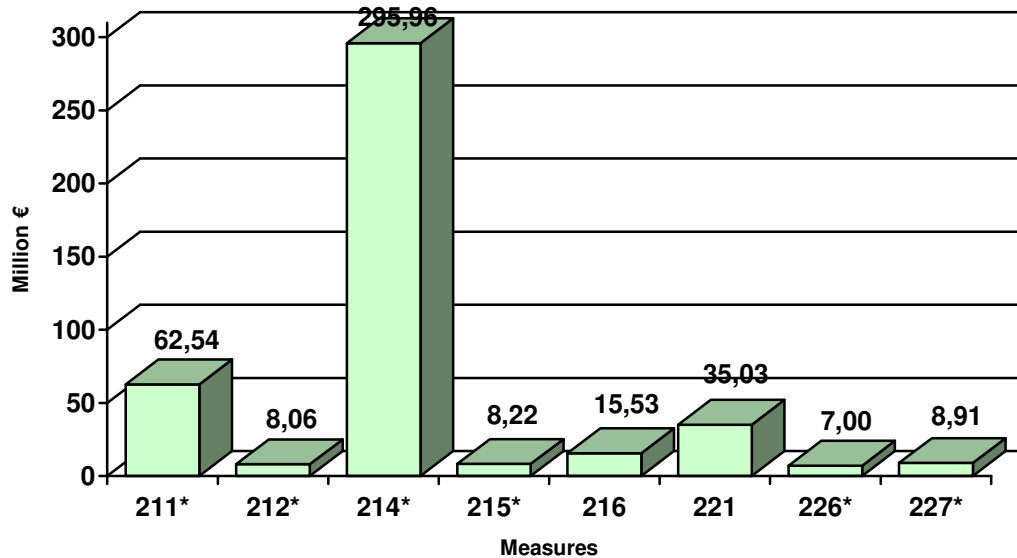
Following the latest RDP update, the total axis 1 budget is €987,909,511, including an additional €22,702,361 (made up of €16,345,700 EAFRD plus €6,356,661 National/Regional public). The additional EAFRD contribution is divided between existing operations under measure 121 and the introduction of measure 125. Under Action 1 (measure 121), the sum of €8,990,135 targets the restructuring of the dairy sector; while the activation of measure 125 contributes to achieving the objectives of the new challenge for water management (€7,355,565).

Axis 2 objectives: Improving the environment and the countryside

Areas with set result targets which were modified in line with the amended RDP include areas under successful land management contributing to: biodiversity and HNV farming/forestry (239,854 ha up from 160,718 ha); improving water quality (207,567 ha up from 135,539 ha); improving soil quality (208,017 ha up from 135,539 ha); mitigating climate change (201,214 ha up from 131,835 ha); and avoiding marginalisation and land abandonment (83,208 ha up from 66,500 – 77,000 ha).

| Strategic objectives | Specific objectives |
|--|---|
| Conserve biodiversity, protect and diffuse HNV agro-forestry systems | - Maintain sustainable agricultural activities in disadvantaged areas |
| Protect the quality and quantity of water resources | - Strengthen animal welfare standards |
| Reduce GHG emissions | - Address climate change and air quality |
| Protect the territory | - Conserve biodiversity and habitats |
| | - Preserve genetic biodiversity |
| | - Conserve soil resources |
| | - Protect water resources |

Axis 2 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €441,246,909⁴



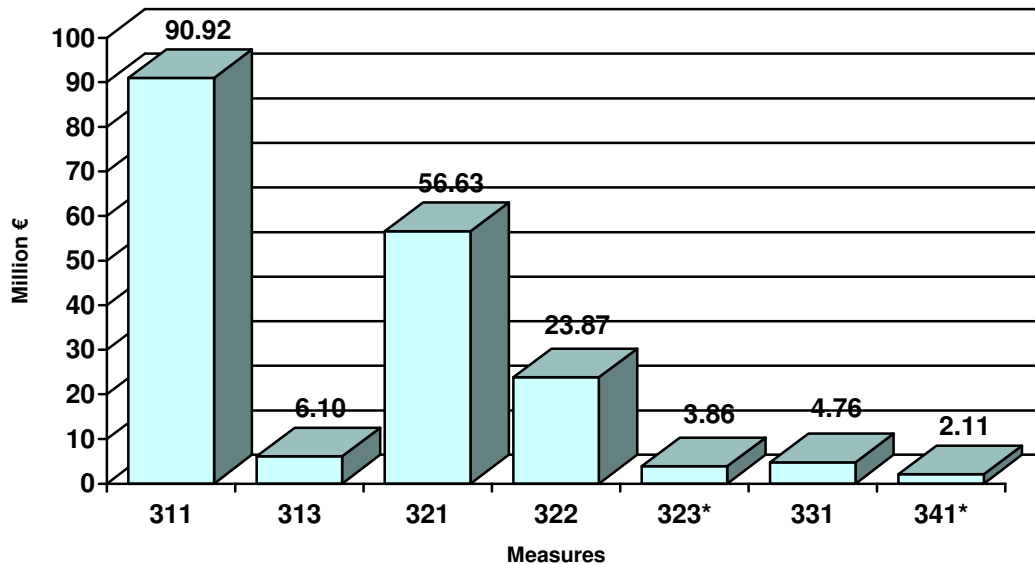
The amended RDP budget for axis 2 is €441,246,909. Alterations to funding under the axis include €9,472,300 of further EAFRD support for measure 214 (agri-environmental payments), incorporating support for strengthening existing operations associated with climate change, biodiversity and water management priorities.

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

Axis 3 result indicators and targets following RDP amendments include: an increase in non-agricultural total GVA in supported businesses of €7.9 million; an increase in the total number of jobs created by up to 248 new positions; an increase the number of tourists by 122,827; improved services in rural areas benefiting 232,287 inhabitants; an increase in the number of participants to successfully complete a training activity (5,767 participants) and **an increase in the number of persons connected to the Internet in rural areas (28,640).**

| Strategic objectives | Specific objectives |
|---|--|
| Improve the attractiveness of rural areas for business and the population | - Integration of agricultural entrepreneurial income - Increase rural environmental activities to attract residents and investments |
| Maintain and/or create new employment opportunities in rural areas | - Value and develop human resources with respect to local programming and organisation |

Axis 3 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €188,245,944⁵



Following the latest revision of the RDP the new total budget allocation for axis 3 is €188,245,944, including additional funds for measure 311 (diversification into non-agricultural activities - €231,217 of Modulation/CMO Wine funds), which will concentrate efforts on increasing the production of renewable energies. In addition, measure 321 (€5,009,000 of EAFRD) will provide support for enhanced broadband infrastructure.

Axis 4 objectives: Leader

The RDP's strategic objective for environmentally sustainable economic development requires regional stakeholders to adopt new ideas and approaches. This involves encouraging people to develop innovation and entrepreneurship, promoting the inclusion and supply of local services, spreading knowledge and exchanging good practices. The anticipated impact will be measured through various qualitative indicators such as the strengthening of local governance structures and capacity, as well as changed perceptions and outlook among local public and private sector stakeholders in terms of relational capacities and social capital.

The number of LAGs operational in the RDP areas as of March 2010 was 5.

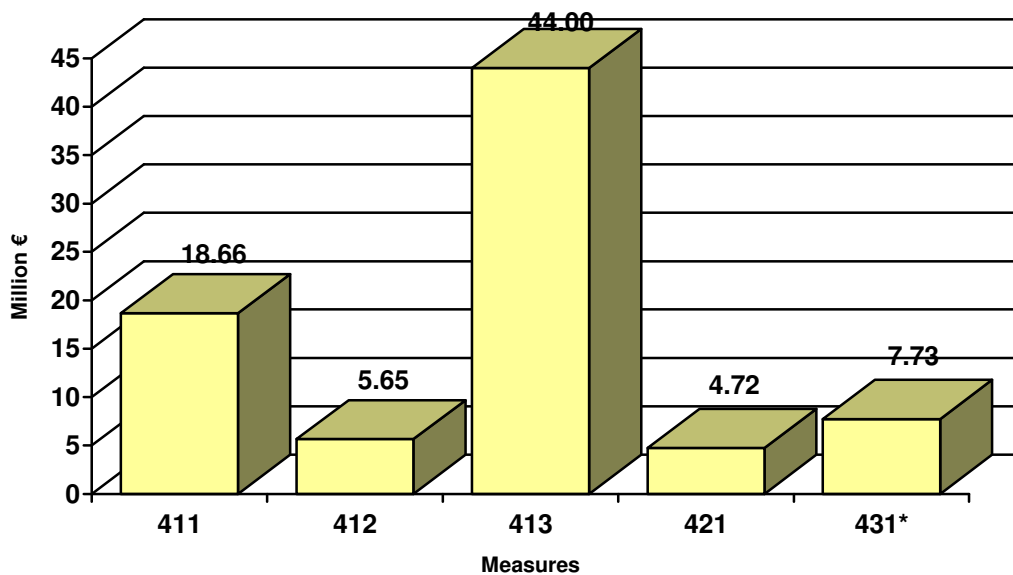
There were no specific target modifications in relation to axis 4 following the RDP update.

| Strategic objectives | Specific objectives |
|--------------------------|--|
| Improve local governance | - Strengthen local governance through Local Action |

and import innovations

- Value and mobilise endogenous regional agricultural and natural potential in order to improve regional competitiveness both nationally and internationally
- Increase the participation of enterprises in the development of regional economic initiatives

Axis 4 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of € 80,767,100⁵



Monitoring and evaluation strategy

A computerised system collects all data for the monitoring system. It shows the amount of resources spent per measure and axis with regards to time and location and with reference to the financial strategies set by the Managing Authority. Collecting different types of requests makes it possible to quantify the requests at all stages. Effective analysis defines the efficiency of procedures and allows for possible corrective measures. Data is transferred to the computerised system to contribute to the exchange of information as per the national strategy. In order to have an overview of the progress, periodicals are published. Finally, information from the monitoring system is spread through, for example, a regional surveillance system and the Communication Plan. As for the evaluation process, the evaluator conducts enquiries with beneficiaries (primary data) and uses data from the monitoring system (secondary data). The evaluation is divided into two phases: on-going, which analyses the results throughout the programming period, and ex-post. There are so-called Supplementary Regional Indicators (ISRs), to give a more accurate picture of the regional situation.

Communication and publicity

The Communication Plan includes, among others, graphics, the European flag, the Emilia Romagna and Leader logos, all employed to: inform and raise awareness in the region, spread the foreseen contents and contribution to potential beneficiaries, and provide specific and thorough information

to beneficiaries. The target groups are the general public, potential beneficiaries, and the beneficiaries of interventions foreseen by the RDP. For the general public, the main tools used are press conferences and releases, newspaper articles in the largest regional newspapers, television and radio transmissions, promotional material, posters in the PR offices of the Provinces, Municipalities, Mountain Communities and other agencies, and websites. In order to reach potential beneficiaries, the Region will operate through the Provinces, Municipalities, Mountain Communities and LAGs, professional agricultural organisations, social and economic partners, NGOs, European information centres, and AGREA. Additional actions include regional meetings and seminars, letters, emails and SMS and other personalised communication, and a free-of-charge hotline.

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 EU legislation |
| | | 132 | Participation of farmers in food quality schemes |
| | <i>Transitional measures</i> | 133 | Information and promotion activities |
| 141 | | Semi-subsistence farming | |
| 142 | | Producer groups | |
| Axis 2 - Improving the environment and the countryside | <i>Sustainable use of agricultural land</i> | 143 | Providing farm advisory and extension services |
| | | 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 |
| | <i>Sustainable use of forestry land</i> | 216 | Non-productive investments |
| | | 221 | First afforestation of agricultural land |
| | | 222 | First establishment of agro-forestry 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 |
| 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 | | |