PIEMONTE - ITALY

Basic Information:
The Rural Development Programme (RDP) of the Piemonte region has budgeted for 2007-2013 a total public expenditure of €974 million (European Agricultural Fund for Rural Development and Member State contribution). During the period 2007 to 2012 the total public expenditure was €515 million (see figure 1).

Axis 1 – (Improving the competitiveness of the agricultural and forestry sector) has utilised 52% of its allocated budget.

Axis 2 – (Improving the environment and the countryside) has used 66% of its programmed expenditure.

Axis 3 – (Improving the quality of life in rural areas) has spent nearly 21% of its budget.

Axis 4 – (Leader) has utilised around 15% of its programmed expenditure.

Figure 1: Total Public Expenditure from 2007 to 2012 in Piemonte & expenditure per Axis

Axis 1 places an emphasis on the Modernisation of agricultural holdings (M121) and Adding value to agricultural and forestry products (M123), allocating to these two measures over 53% of the overall budgeted funds for Axis 1. Analysis of the expenditure rates per measure up to 2012 shows that:

- The following measures have utilised 60-85% of their allocated budgets:
  - Setting up of young farmers (M112), 60%.
  - Modernisation of agricultural holdings (M121), 66%.
  - Early retirement (M113), 71%.
  - Improvement of the economic value of forests (M122), 84%.

- Adding value to agricultural and forestry products (M123) and Vocational training and information actions (M111) have utilised respectively 46% and 55% of their programmed expenditure.

- Information and promotion activities (M133) has utilised around 36% of its budget.

- Infrastructure related to the development and adaptation of agriculture (M125) and Participation of farmers in food quality schemes (M132) have spent respectively 21% and 24% of their budgets.

- Use of advisory services (M114), and Cooperation for development of new products, etc. (M124) have utilised in that order 10% and 7% of their panned funds.

- Finally, no expenditure has been recorded up to the end of 2012 for Setting up of management, relief and advisory services (M115).

Figure 3 provides an indication of the progress of the total public expenditure on the most important measures of Axis 1 against the 2007-2013 budgets, in comparison to the National level.
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Axis 1 - Improving the competitiveness of the agricultural and forestry sector

Measure 121 & 214 project example: Co-operation, Diversity, Quality and Sustainability (Valli Unite) / Italy - Piemonte

The project used EAFRD funds to enhance the principles of product quality, farm multi-functionality, and organic management of the farmland. The beneficiary cooperative of about 15 members and 15 employees, aimed at adopting more sustainable approaches that contribute to the preservation of the landscape and at increasing its products’ added value. Diversification was also a priority through agri-tourism, setting up a restaurant and camping facilities and a shop for direct sales.

It integrated two RDP measures: 121 (farm modernisation) and 214 (agri-environment). New wine storehouse was build, together with wine production plant allowing the traceability of the product. Pig breeding activity improved by building new paddocks and a manure yard. The project increased the competitiveness of the cooperative and its visibility in other Italian regions, securing the economic viability of the area.

Project budget was less than €20,000.


Axis 2 - Improving the environment and the countryside

Axis 2 focuses on Agri-environment payments (M214). The measure represents the majority of Axis 2 expenditure (see figure 4) and has been allocated nearly 29% of the total public budget programmed in the Piemonte RDP for 2007-2013.

- Two out of the seven measures offered by the Axis have utilised 65-75% of their programmed expenditure, namely:
  - Natural handicap payments to farmers in mountain areas (M211), 66%
  - Agri-environment payments (M214), 75%.
- First afforestation of agricultural land (M221) has spent almost 48% of its budget.
- Animal welfare payments (M215) has utilised 33% of its allocated budget.
- Restoring forestry potential and introducing prevention actions (M226) has utilised 21% of its programmed expenditure.
- Finally, for Non-productive investments – agriculture (M216), Forest environment payments (M225) and Non-productive investments – forestry (M227), no expenditure has been recorded up to the end 2012.

Figure 5 provides an indication of the progress of the total public expenditure on the most important measures of Axis 2 against the 2007-2013 budgets, in comparison to the National level.
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Axis 3 - Quality of life in rural areas and diversification of the rural economy

Axis 3 of the Piemonte RDP focuses on Village renewal and development (M322), Encouragement of tourism activities (M313) and Diversification into non-agricultural activities (M311), which together represent nearly 83% of the Axix budget.

When comparing the expenditure rates per measure up to 2012 it is observed that:

- Support for business creation and development (M312) has utilised 100% of its very small budget.
- Diversification into non-agricultural activities (M311), and Basic services for the economy and rural population (M321) have spent accordingly 51% and 54% of their planned funds.
- Skills acquisition and animation (M341) has utilised 30% of its allocated budget.
- Conservation and upgrading of the rural heritage (M323) and Encouragement of tourism activities (M313) have spent 22% and 25% of their budgets.
- Finally, for the measure Village renewal and development (M322) no expenditure has been recorded up to the end of 2012.

Figure 7 provides an indication of the progress of the total public expenditure on the most important measures of Axis 3 against the 2007-2013 budgets, in comparison to the National level.

Axis 4 - Leader

The Leader Axis in the Piemonte RDP has allocated budget of €53 million out of which €8 million was spent by 2012. Within the Axis emphasis has been given to Quality of life/diversification (M413), which has been allocated the largest share of funds.

- Competitiveness (M411) has spent 43% of its allocated budget.
- Running the LAG, skills acquisition, animation (M431) has used 25% of its programmed expenditure.
- Quality of life/diversification (M413), Environment/land management (M412) and Implementing cooperation projects (M421) have utilised less than 5% or none of their budget.
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Axis 4 - Leader

Figure 9 provides an indication of the progress of the total public expenditure on the most important measures of Axis 4 against the 2007-2013 budgets, in comparison to the National level.

Summary

- Within the first six years of its implementation, the Piemonte RDP has utilised nearly 53% (see figure 10) of the total public expenditure planned for the current Programming Period (post Health Check and the European Economic Recovery Package modification).
- Agri-environment payments (M214) is the measure with the highest allocated budget in the Piemonte RDP. Up to 2012, it has utilised 75% of its available budget and represents 41% of the total public expenditure of the programme.
- Modernisation of agricultural holdings (M121) has the second largest measure budget in the Piemonte RDP and the utilised expenditure is 66% of its allocated funds. M121 represents 18% of the total public expenditure of the programme.
- The third largest measure budget is for Adding value to agricultural and forestry products (M123) which has used almost 46% of its programmed total public expenditure and represents 7% of the total public expenditure of the programme.

Figure 10: Regional and National Rural Development Programmes total public expenditure (2007-2012) against 2007-13 budgets

Source of the data: 1) Programmed expenditures 2007-2013: RDP budget allocation following Health Check revision (December 2012); 2) Expenditures 2007-2012: DG AGRI 3) Output indicators data are available only at National level; therefore at regional level a comparison of financial implementation progress is provided between the regional RDPs.

For further detailed information on financial / physical and output indicators data please refer to the dedicated ENRD website section on Monitoring Indicators.