

ITALY

Basic Information:

The Italian Rural Development Programmes (RDPs) have budgeted for 2007-2013 a total public expenditure of €17.7 billion (European Agricultural Fund for Rural Development and Member State contribution). At the end of 2013, €11.7 billion were spent out of the allocated budget (see figure 1).

Axis 1 – (Improving the competitiveness of the agricultural and forestry sector) has utilised nearly 63% of its allocated budget.

Axis 2 – (Improving the environment and the countryside) has used 80% of its budget.

Axis 3 – (Improving the quality of life in rural areas) has utilised 46% of its budget.

Axis 4 – (Leader) has spent approximately 28% of the allocated budget.



Figure 1: Total Public Expenditure from 2007 to 2013 in Italy & expenditure per Axis



Axis 1 - Improving the competitiveness of the agricultural and forestry sector

Figure 2: Axis 1 - Total Public expenditure per measure in million EURO (2007-2013)

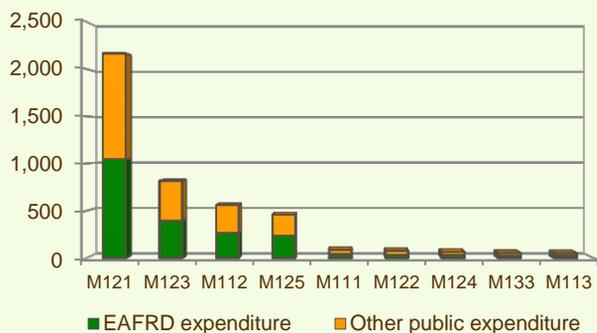
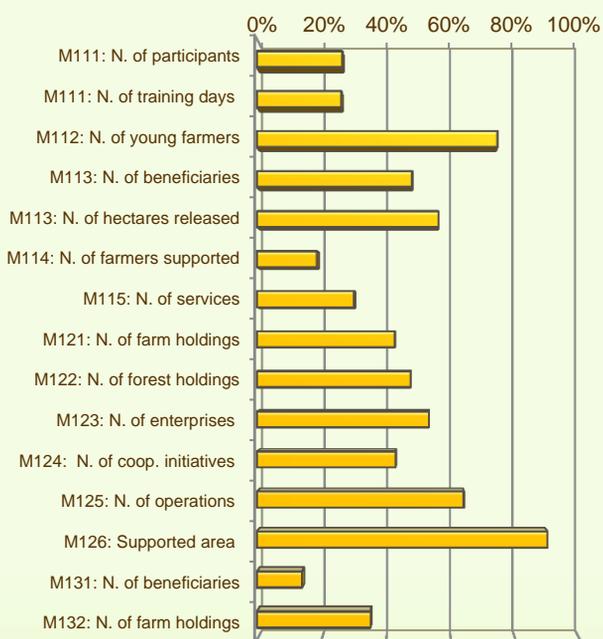


Figure 3: Axis 1 - Progress against 2007-2013 output targets in Italy (2007-2012)



The sum of programmed total public expenditure of the Italian RDPs on Axis 1 places an emphasis on Modernisation of agricultural holdings (Measure 121) and Adding value to agricultural and forestry products (Measure 123), allocating to these two measures 63% of the overall budgeted funds for Axis 1. Analysis of the expenditure rates per measure up to 2013 shows that:

- ❖ Five measures have spent more than 70% of their allocated budgets:
 - Holdings undergoing restructuring due to a reform of a common market organisation (M144), 83%
 - Setting up of young farmers (M112), 79%
 - Early retirement (M113), 70%
 - Meeting standards based on EU legislation (M131), 70% and
 - Modernisation of agricultural holdings (M121), 69%.
- ❖ Three measures have spent 50-65% of their programmed expenditure:
 - Adding value to agricultural and forestry products (M123), 63%
 - Infrastructure related to the development and adaptation of agriculture (M125), 59% and
 - Improvement of the economic value of forests (M122), 53%.
- ❖ Vocational training and information actions (M111) has spent 46% of its allocated budget.
- ❖ Six measures (M114, M115, M124, M126, M132, M133) have spent between 19% and 41% their allocated expenditure.

Figure 3 provides an indication of the achieved outputs up to 2012 in comparison to the output targets for 2007-2013.

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Measure 132 project example: Latteria Sociale Valtellina / Italy

Latteria Sociale Valtellina is an agricultural cooperative of mainly professional farmers, considered as the main dairy production centre in Valtellina Valley.

It requested EAFRD support to increasing the added value of the cooperative's products - two types of PDO cow and goat milk cheese. Funds were used for purchasing the equipment for heat treatment of milk (allowing re-using the heating produced during the processing), for creating a production line for goat and cow milk yogurt, and for updating the IT management system of the equipment, to improve the milk control procedures.

The cooperative reinforced its position through the new production lines (fresh ricotta and yogurt), and makes use of technologies that allow energy saving. Good economic results increased the social capital of the cooperative.

The total cost of the project was €230,000, out of which €31,777 was EAFRD contribution, and €165.020 private contribution.

Link: http://enrd.ec.europa.eu/policy-in-action/rdp_view/en/view_projects_en.cfm?action=detail&backfuse=jsview&postcard_id=3221

Axis 2 - Improving the environment and the countryside

The sum of programmed total public expenditure of the Italian RDPs on Axis 2 focuses on Agri-environment payments (M214) and Natural handicap payments to farmers in mountain areas (M211). The two measures represent the majority of the Axis 2 expenditure (see figure 4). Together they have been allocated 28% of the total public budget programmed in the Italian RDPs for 2007-2013.

- ❖ The Natural handicap payments to farmers in mountain areas (M211) and Payments to farmers in areas with handicaps, other than mountain areas (M212) measures have spent 91% of their allocated budgets.
- ❖ Three measures have utilised between 70% and 85% of their planned budgets:
 - Agri-environment payments (M214), 84%
 - Animal welfare payments (M215), 81% and
 - First afforestation of agricultural land (M221), 73%
- ❖ Restoring forestry potential and introducing prevention actions (M226) and Non-productive investments (M216) have spent 65% and 67% of their allocated budgets.
- ❖ Non-productive investments (M227) and Forest environment payments (M225) have realised in that order 50% and 38% of their allocated funds.
- ❖ Four measures (M213, M222, M223, M224) have spent less than 35% or none of their allocated expenditure.

Figure 5 provides an indication of the achieved outputs up to 2012 in comparison to the output targets for 2007-2013.

Figure 4: Axis 2 - Total Public expenditure per measure in million EURO (2007-2013)

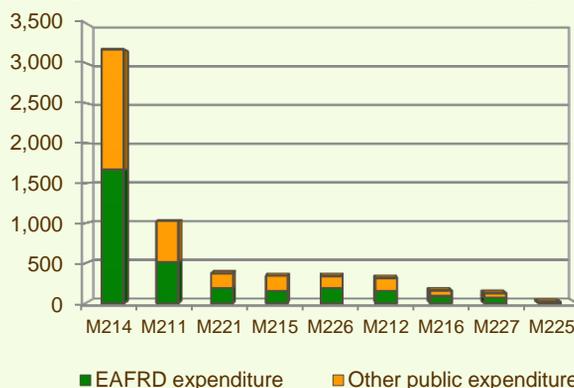
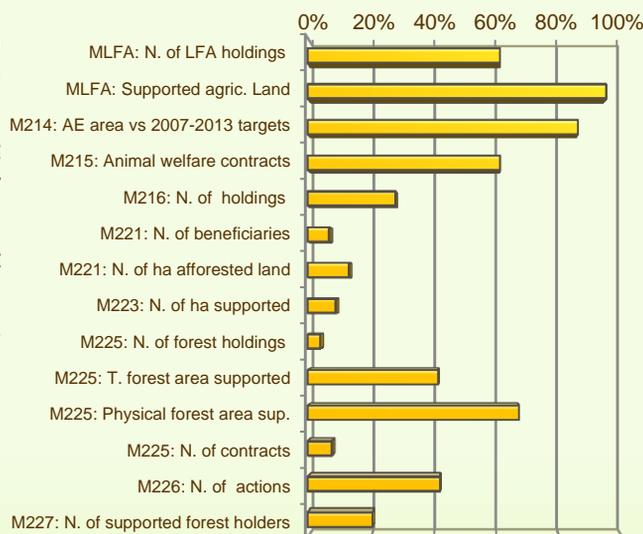


Figure 5: Axis 2 - Progress against 2007-2013 output targets in Italy (2007-2012)



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

Figure 6: Axis 3 - Total Public expenditure per measure in million EURO (2007-2013)

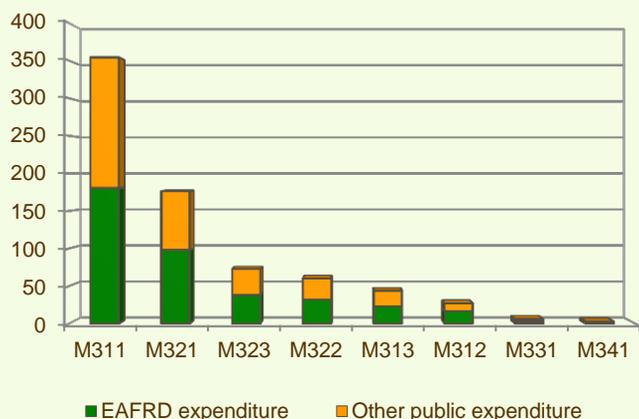
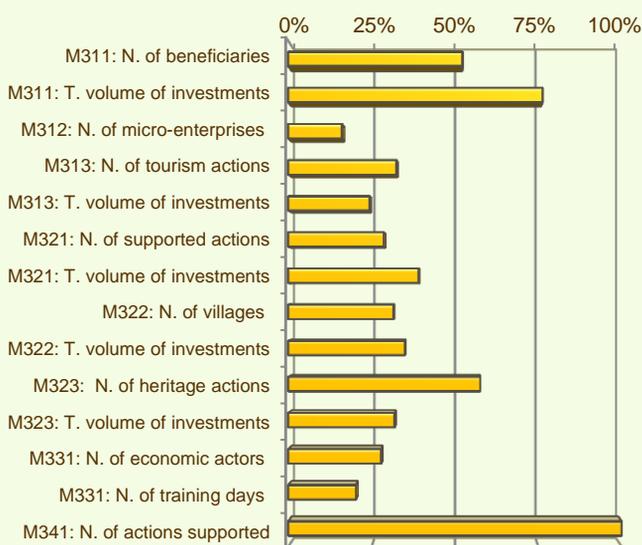


Figure 7: Axis 3 - Progress against 2007-2013 output targets in Italy (2007-2012)



The sum of programmed total public expenditure of the Italian RDPs on Axis 3 focuses in general on Diversification into non-agricultural activities (M311) and Basic services for the economy and rural population (M321), which together represent more than 63% of the Axis budget and 72% of the total public expenditure (see figure 6). When comparing the expenditure rates per measure up to 2013 it is observed that:

- ❖ Three measures have spent between 45% and 55% of their programmed budgets:
 - Diversification into non-agricultural activities (M311), 54%
 - Basic services for the economy and rural population (M321), 51% and
 - Conservation and upgrading of the rural heritage (M323), 46%.
- ❖ The following measures have spend approximately 30-40% of their planned allocation:
 - Skills-acquisition and animation measure with a view to preparing and implementing a local development strategy (M341), 39%
 - Support for business creation and development (M312), 34%
 - Encouragement of tourism activities (M313), 33%, and
 - Village renewal and development (M322), 31%.
- ❖ Finally, the Training and information (M331) measure has so far used 18% of its programmed budget.

Figure 7 provides an indication of the achieved outputs up to 2012 in comparison to the output targets for 2007-2013.

Axis 4 - Leader

The Leader Axis in the Italian RDPs has allocated budget of €1.3 billion, out of which €269 million have been spent by 2013. Within the Axis, emphasis has been given to the Quality of life and diversification measure (M413) which has been allocated the largest share of funds (66%).

- ❖ When comparing expenditure per measure up to 2013 (figure 8) it is observed that Running the LAG, skills acquisition, animation (M431) has the largest total public expenditure rate (almost 60%).
- ❖ For the remaining four measures (M411, M412, M413, M421), less than 30% of their allocated budgets has been spent up to the end of 2013.

Figure 9 provides an indication of the achieved outputs up to 2012 in comparison to the output targets for 2007-2013.

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Axis 4 - Leader

Figure 8: Axis 4 - Total Public expenditure per measure in million EURO (2007-2013)

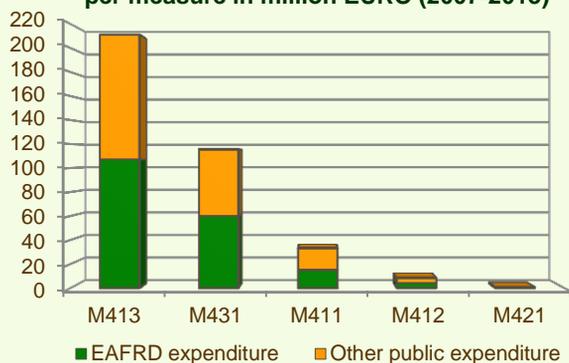
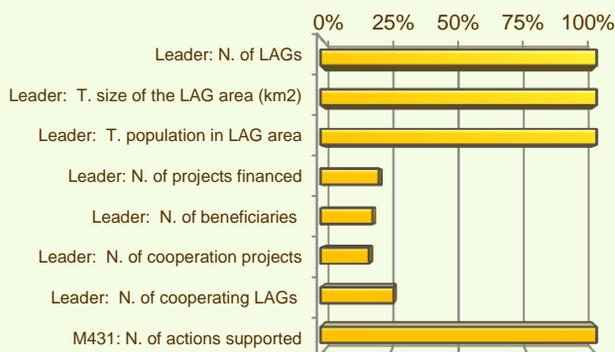


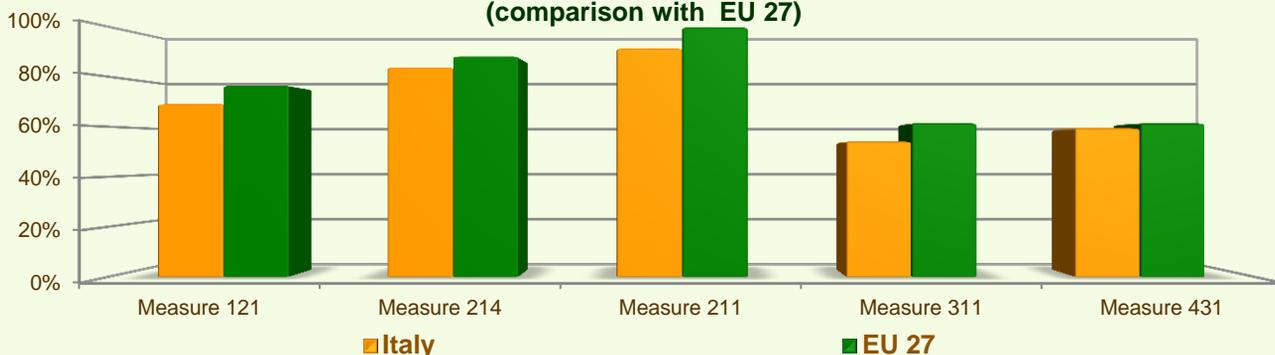
Figure 9: Axis 4 - Progress against 2007-2013 output targets in Italy (2007-2012)



Summary

- ✓ Within seven years of implementation, the Italian RDPs have spent about 66% (see figure 10) of the total budget planned for the current Programming Period (including post Health Check and the European Economic Recovery Package modifications).
- ✓ Agri-environment payments (M214) is the measure with the highest allocated budget in the Italian RDPs. Up to 2013, it has utilised 84% of its available budget and represents 27% of the total public expenditure of the programme.
- ✓ Modernisation of agricultural holdings (M121) has the second largest budget in the Italian RDPs and the utilised expenditure is 69% of its allocated funds. M121 represents 19% 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 63% of its programmed total public expenditure and represents 7% of the total public expenditure of the programme.

Figure 10: Progress of total public expenditure up to 2013, main measures (comparison with EU 27)



Source of the data: 1) Programmed expenditures 2007-2013: RDP budget allocation following Health Check revision (December 2013); 2) Expenditures 2007-2013: DG AGRI; 3) Output indicators: monitoring tables submitted by Managing Authorities along with the 2008, 2009, 2010, 2011, 2012 and 2013 Annual Progress Reports. Data referring to programming years 2007 to 2012. Only commitments made from year 2007 onwards are considered.; 4) Output targets 2007-2013: DG AGRI

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