

LOMBARDIA - ITALY

Basic Information:

The Rural Development Programme (RDP) of the Lombardy region has budgeted for 2007-2013 a total public expenditure of €1 billion (European Agricultural Fund for Rural Development and Member State contribution). At the end of 2013, €803 million were spent out of the allocated budget (see figure 1).

Axis 1 – (Improving the competitiveness of the agricultural and forestry sector) has utilised 76% of its allocated budget.

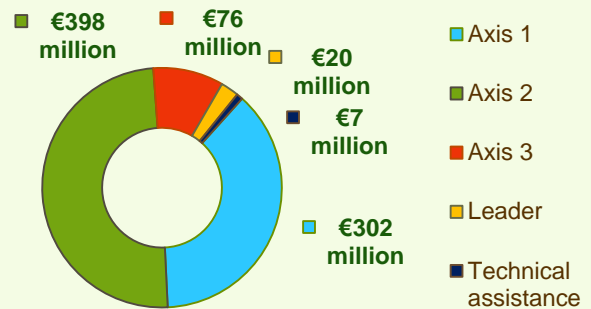
Axis 2 – (Improving the environment and the countryside) has used 85% of its programmed expenditure.

Axis 3 – (Improving the quality of life in rural areas) has spent nearly 74% of its budget.

Axis 4 – (Leader) has utilised around 42% of its programmed expenditure.



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



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

Axis 1 places an emphasis on the Modernisation of agricultural holdings (M121), allocating to this measure almost 54% of the overall budgeted funds for Axis 1. Analysis of the expenditure rates per measure up to 2013 shows that:

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

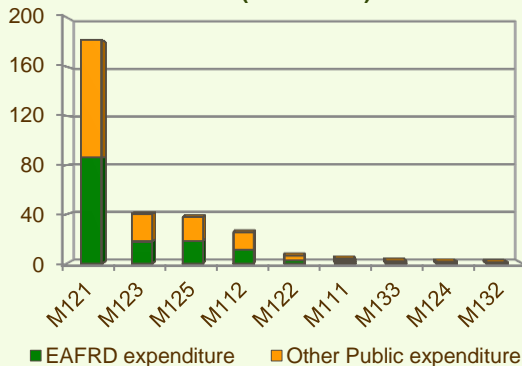


Figure 3: Axis 1 – Total public expenditure (2007-2013) against 2007-13 targets, main measures



❖ Four measures have utilised 85% or more of their allocated expenditure, namely:

- Setting up of young farmers (M112), 100%
- Restoring agricultural production potential (M126), 100%
- Information and promotion activities (M133), 100% and Modernisation of agricultural holdings (M121), 85%.

❖ Three measures have realised 60-75% of their planned budgets:

- Improvement of the economic value of forests (M122), 75%
- Setting up of management, relief and advisory services (M115), 67% and
- Adding value to agricultural and forestry products (M123), 63%.

❖ Five measures have realised 25-60% of their planned budgets:

- Infrastructure related to the development and adaptation of agriculture (M125), 57%
- Participation of farmers in food quality schemes (M132), 50%.
- Vocational training and information actions (M111), 47%
- Cooperation for development of new products, tec. (M124), 37% and
- Early retirement (M113), 28%.

❖ Up to 2013, minimal expenditure has been recorded for Use of advisory services (M114).

Figure 3 indicates the progress of the total public expenditure of the most important measures of Axis 1 against the 2007-2013 targets, in comparison to the National level.

LOMBARDIA - ITALY

Measure 121 project example: Organic Food Processing Business / Italy - Lombardia

EAFRD assistance has been used by the Cascina Caremma farm in Lombardia to diversify its agricultural activity. The project consisted in the construction of a multipurpose plant for processing fruit, pasta, bread and cheese. It helped shortening the chain of processing local products within the farm and increasing the local produce and its sales. The farm also runs a SPA and a shop selling the products of the farm, offers educational programmes to schools, and produces renewable energy.

As the farm is located within a protected area and the farmer is a committed ecologist he uses resources in an environmentally friendly way, leading to growth of the income growth and of employment (10 permanent employees).

The total cost of the project was €260,000, out of which €91,000 was EAFRD contribution, and €169,000 private contribution.

Link: http://enrd.ec.europa.eu/policy-in-action/rdp_view/en/view_projects_en.cfm?action=detail&backfuse=jsview&postcard_id=3040

Axis 2 - Improving the environment and the countryside

Axis 2 focuses on Agri-environment payments (M214) and First afforestation of agricultural land (M221). The two measures represent the majority of the Axis 2 expenditure (see figure 4). Together they have been allocated nearly 34% of the total budget programmed in the Lombardia RDP for 2007-2013.

- ❖ Three measures have utilised 80% or more of their allocated expenditure, namely:
 - Natural handicap payments to farmers in mountain areas (M211), 96%
 - First afforestation of agricultural land (M221), 91% and
 - Agri-environment payments (M214), 84%
- ❖ Non-productive investments – agriculture (M216) has used 76% of its allocated budget.
- ❖ Restoring forestry potential and introducing prevention actions (M226) has used 65% of its budget.
- ❖ Finally, First afforestation of non-agricultural land (M223) has utilised 49% of its allocated budget up to the end of 2013.

Figure 5 indicates the progress of the total public expenditure of the most important measures of Axis 2 against the 2007-2013 targets, in comparison to the National level.

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

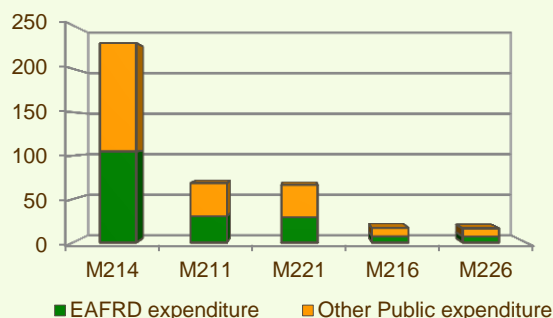
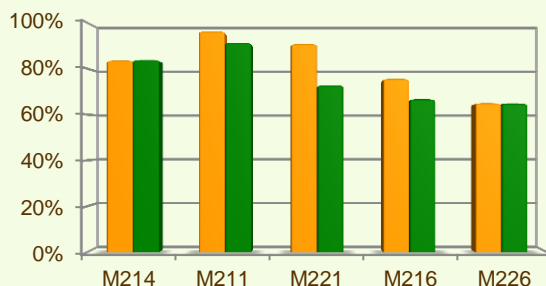


Figure 5: Axis 2 – Total public expenditure (2007-2013) against 2007-13 targets, main measures



■ Total Public expenditure (%) against 2007-2013 targets / Regional level
 ■ Total Public expenditure (%) against 2007-2013 targets / National level

LOMBARDIA - ITALY

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)

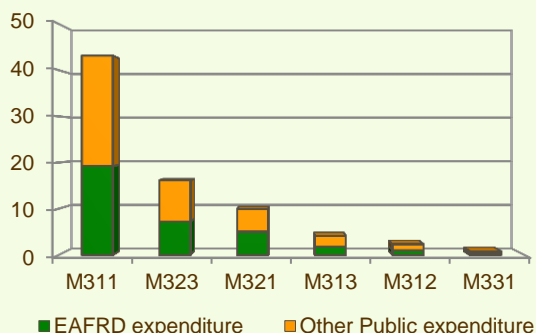
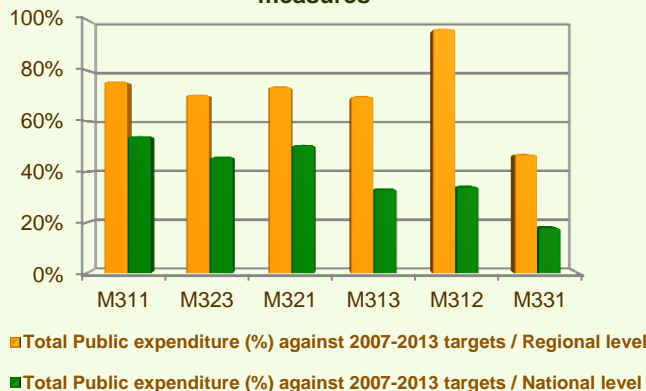


Figure 7: Axis 3 – Total public expenditure (2007-2013) against 2007-13 targets, main measures



Axis 3 of the Lombardia RDP focuses on Diversification into non-agricultural activities (M311) and Conservation and upgrading of the rural heritage (M323), which together represent nearly 77% of the Axis budget.

When comparing the expenditure rates per measure up to 2013 it is observed that:

- ❖ The Support for business creation and development (M312) has utilised 97% of its allocated budget up to the end of 2013.
- ❖ The following measures have spent between 70-80% of their programmed budgets:
 - Diversification into non-agricultural activities (M311), 76%
 - Basic services for the economy and rural population (M321), 74%
 - Conservation and upgrading of the rural heritage (M323), 71% and
 - Encouragement of tourism activities (M313) 70%.
- ❖ Training and information (M331) has spent 47% of its allocated budget.

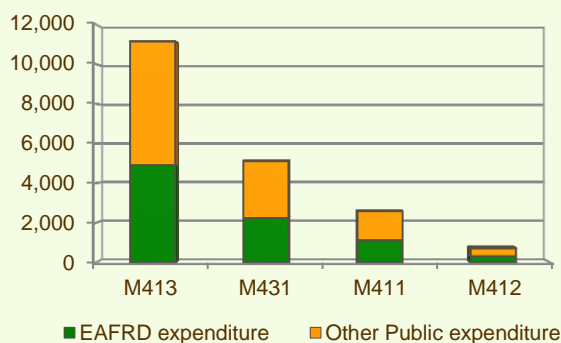
Figure 7 indicates the progress of the total public expenditure of the most important measures of Axis 3 against the 2007-2013 targets, in comparison to the National level.

Axis 4 - Leader

The Leader Axis in the Lombardia RDP has allocated budget of approximately €46.5 million out of which €20 million has been spent by 2013. Within the Axis, emphasis has been given to Quality of life/diversification (M413) which has been allocated the largest share of funds.

- ❖ As shown in figure 8, Running the LAG, skills acquisition, animation (M431) has utilised 97% of its programmed expenditure.
- ❖ Competitiveness (M411), Quality of life/diversification (M413) and Environment/land management (M412) have spent 25-40% of their budgets.
- ❖ Implementing cooperation projects (M421) has utilised 6% of its allocated budget up to the end of 2013.

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

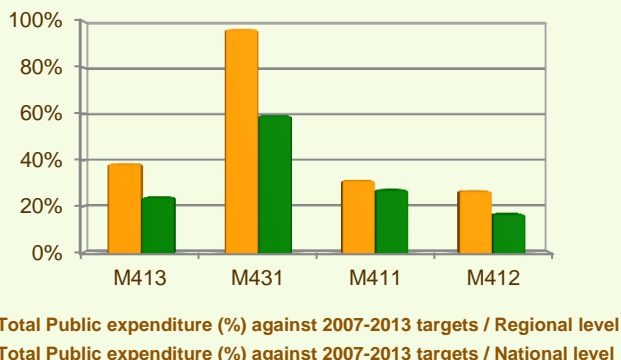


LOMBARDIA - ITALY

Axis 4 - Leader

Figure 9 indicates the progress of the total public expenditure of the most important measures of Axis 4 against the 2007-2013 targets, in comparison to the National level.

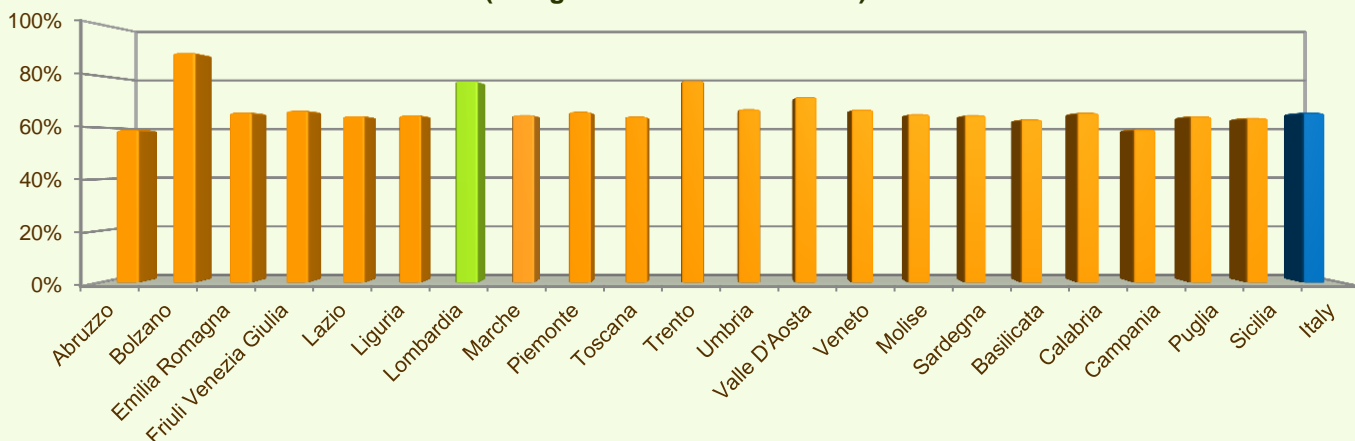
Figure 9: Axis 4 – Total public expenditure (2007-2013) against 2007-13 targets at regional and national level



Summary

- ✓ Within seven years of implementation, The Lombardia RDP has utilised 78% (see figure 10) of the total public expenditure 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 Lombardia RDP. Up to 2013, it has utilised 84% of its available budget and represents 29% of the total public expenditure of the programme.
- ✓ Modernisation of agricultural holdings (M121) has the second largest budget in the Lombardia RDP and the utilised expenditure is 85% of its allocated funds. M121 represents 23% of the total public expenditure of the programme.
- ✓ The third largest measure budget is for First afforestation of agricultural land (M221) which has used almost 91% of its programmed total public expenditure and represents 8% of the total public expenditure of the programme.

Figure 10: Progress of total public expenditure up to 2013 (at regional and national level)



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 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.