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Rural Development Programme of Region Campania

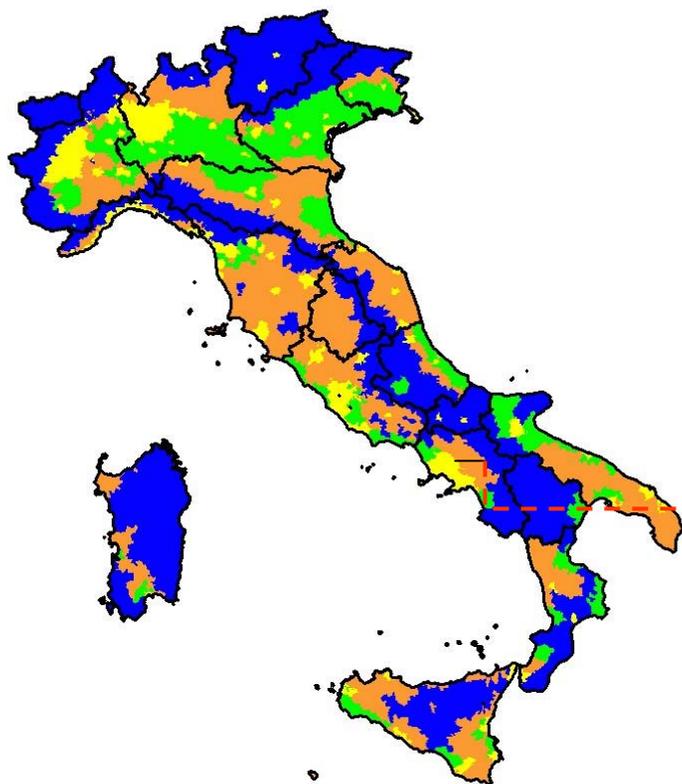
AGRI E.I.4, Bruxelles, 24 october 2007



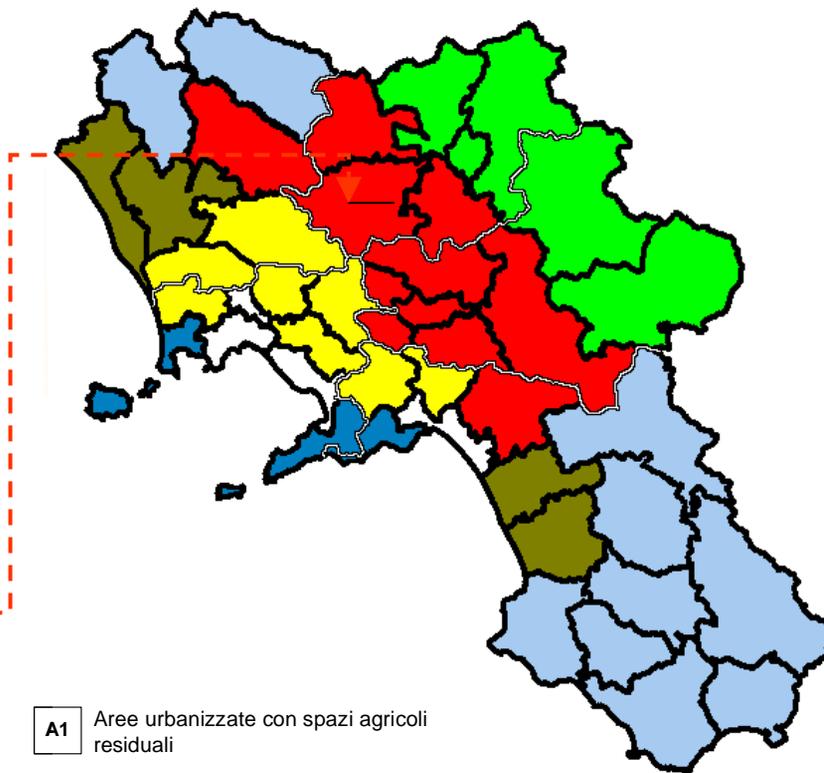
General overview



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- Poli Urbani
- Aree rurali ad agricoltura intensiva specializzata
- Aree rurali intermedie
- Aree rurali con problemi complessivi di sviluppo



- A1 Aree urbanizzate con spazi agricoli residuali
- A2 Aree urbanizzate con forti preesistenze agricole e diffuse situazioni di degrado ambientale
- C Aree con specializzazione agricola ed agroalimentare e processi di riqualificazione dell'offerta
- A3 Aree a forte valenza paesaggistico-naturalistica con forte pressione antropica
- D1 Aree a forte valenza paesaggistico-naturalistica, con potenzialità di sviluppo integrato
- B Aree ad agricoltura intensiva e con filiere produttive integrate
- D2 Aree caratterizzate da ritardo di sviluppo



Rural areas.....



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Budget



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EAFRD allocation Italy mEUR

| | | | |
|----|-----------------------|---------------|--------|
| 1 | Valle d'Aosta | 52,221,000 | 0.6% |
| 2 | Molise | 85,790,000 | 1.0% |
| 3 | Trento | 100,652,000 | 1.2% |
| 4 | Liguria | 106,047,000 | 1.3% |
| 5 | Friuli-Venezia Giulia | 108,773,000 | 1.3% |
| 6 | Bolzano | 137,575,000 | 1.7% |
| 7 | Abruzzo | 168,911,000 | 2.0% |
| 8 | Marche | 202,320,000 | 2.4% |
| 9 | Lazio | 288,384,000 | 3.5% |
| 10 | Umbria | 334,430,000 | 4.0% |
| 11 | Toscana | 369,210,000 | 4.5% |
| 12 | Basilicata | 372,650,000 | 4.5% |
| 13 | Piemonte | 394,500,000 | 4.8% |
| 14 | Lombardia | 395,949,000 | 4.8% |
| 15 | Veneto | 402,457,000 | 4.9% |
| 16 | Emilia-Romagna | 411,251,000 | 5.0% |
| 17 | Sardegna | 551,250,000 | 6.6% |
| 18 | Calabria | 623,341,000 | 7.5% |
| 19 | Puglia | 851,327,000 | 10.3% |
| 20 | Campania | 1,082,349,000 | 13.1% |
| 21 | Sicilia | 1,211,163,000 | 14.6% |
| | network | 41,459,883 | 0.5% |
| | total Italy | 8,292,009,883 | 100.0% |





Main features (1)



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Socio-economic context:

- Total population = approx. 5.800.000 inhabitants
- Density = 425.8 habitants/km².
- Per capita GDP (pps) = 72% of the EU-25 average

Rural areas:

- 25% of the population and 76,9% of the territory.
- Density = 139.4 habitants/km²
- 3 type of rural areas indentified in the NSP are present



Main features (2)



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Importance of the agricultural, forestry and food sector:

Land utilisation

- The utilised agricultural area covers 44% of the regional territory and forests 27,7% of the regional territory
- UAA (600.000 ha)

| | |
|---|---------------------------|
| } | arable land (28.34%) |
| | permanent crops (17.5%) |
| | permanent pastures (3.5%) |

Holding dimension

- The average surface of the agricultural holdings is 2,4 ha (IT: 6.7 ha; EU: 16 ha)

Value added

- The primary sector represents 3% of the regional value added and food industry represents 2,6%

Employment

- The employment of the primary sector and the food industry are respectively 6,7% and 2,7% of the regional total



Financial weight



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| Axis | Public expenditure | EAFRD rate | EAFRD amount | |
|--|----------------------|-------------|---------------------|-------------|
| | EUR | (%) | EUR | (%) |
| I. Competitiveness | 752.938.435 | 57.5 | 432.939.600 | 40% |
| II. Environment and countryside | 677.644.591 | 57.5 | 389.645.640 | 36% |
| III. Quality of life and diversification | 282.351.914 | 57.5 | 162.352.350 | 15% |
| IV. Leader | 94.117.304 | 57.5 | 54.117.450 | 5% |
| V. Technical assistance | 75.293.843 | 57.5 | 43.293.960 | 4% |
| Total | 1.882.346.087 | 57.5 | 1082.349.000 | 100% |

Spending rates (including Leader)

| | | |
|--|----------------------|-------------|
| I. Competitiveness | 752.938.435 | 41,7 % |
| II. Environment and countryside | 677.644.591 | 37.5 % |
| III. Quality of life and diversification | 376.496.218 | 20.8% |
| Total - TA | 1.807.052.244 | 100% |

Axis 1



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| Axis/Measure | Public Expenditure | |
|---|--------------------|--------------|
| | EUR | share |
| 111. Vocational training and information actions | 19.146.557,00 | 2,5% |
| 112. Setting up of young farmers | 24.997.628,00 | 3,3% |
| 113. Early retirement | 4.849.021,00 | 0,6% |
| 114. Use of advisory services | 32.513.230,00 | 4,3% |
| 115. Setting up of management, relief and advisory services | 9.514.466,00 | 1,3% |
| <i>human capital</i> | 91.020.902 | 12,1% |
| 121. Modernisation of agricultural holdings | 258.260.713,00 | 34,3% |
| 122. Improvement of the economic value of forests | 12.928.544,00 | 1,7% |
| 123. Adding value to agricultural and forestry products | 86.573.264,00 | 11,5% |
| 124. Cooperation for development of new products | 3.230.506,00 | 0,4% |
| 125. Infrastructure related to the development and adaptation ... | 258.434.925,00 | 34,3% |
| 126. Restoring agricultural production potential | | 0,0% |
| <i>Physical capital</i> | 619.427.952 | 82,3% |
| 131 Meeting standards based on Community legislation | 13.076.426,00 | 1,7% |
| 132 Participation of farmers in food quality schemes | 19.610.238,00 | 2,6% |
| 133 Information and promotion activities | 9.802.917,00 | 1,3% |
| <i>Quality</i> | 42.489.581 | 5,6% |



Measure 121



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- Objectives: modernisation of productive sectors, reducing production costs improving farm income, encouraging new outlets for agricultural products, facilitate the adoption and application of new technologies, diversification (tobacco, biomass).
- Investments: creation/improvement of buildings/premises (animal husbandry, greenhouses), facilities for processing and marketing agricultural (including wine, honey) products on the farm, plantation (permanent crops, short rotation coppice) acquisition/improvement of technological structures, machineries, technological equipment, land improvement; land purchasing (intended to land consolidation and improvement), intervention for saving water and energy, investments to produce energy-less than 1 MW, intangible investments (i.e. general costs)
- Aid intensity: Disadvantaged areas in A3, C, D, and protected sites: 60% for young farmers, 50% other farmers. In others 50% young farmers, 40% for other farmers.



Measure 125



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- Objectives: optimize the utilisation of water for irrigation purposes, to improve accessibility (roads) to agricultural land and forests and to facilitate the utilisation of energy (power).
- Investments: action 1): improvement of the water management (saving water oriented) system for irrigation proposes; action 2): creation/improvement of roads to upgrade accessibility between agricultural/forestry holdings, implementation of innovative transportation systems; action 3): improvement of the power distribution network to ensure permanent energy supply to farmers
- Targeted areas: action 1): areas which are being managed by water management consortiums, action 2): C, D1, D2 rural areas, action 3): the whole regional territory (mainly C and D rural areas).
- Aid intensity: up to 100% of costs



Measure 123



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- Objectives: improvement of processing and marketing of agricultural and forestry products, better integration in the food chains, promote quality, increase added value to agricultural products, encouraging utilisation of wood for energy production, innovation.
- Investments: construction, acquisition or improvement of immovable property/installations for processing, marketing and storage of agricultural and forestry products; purchasing of new installations, machinery, and equipment to implement certification systems, traceability, and forestry certification link to the investment.
- Priorities for interventions in targeted productive sectors () in order to respond to sectoral weaknesses highlighted in the analysis
- Aid intensity: 50% of eligible costs



| Axis/Measure | Public Expenditure | |
|--|--------------------|--------------|
| | EUR | share |
| 211 Natural handicap payments to farmers in mountain areas | 87.198.219 | 12,9% |
| 212. Payments to farmers in areas with handicaps, other than ... | 29.066.073 | 4,3% |
| 213 Natura 2000 payments and payments linked to Directive ... | | 0,0% |
| 214 Agri-environment payments | 217.483.111 | 32,1% |
| 215 Animal welfare payments | 24.727.506 | 3,6% |
| 216 Non-productive investments | 34.179.438 | 5,0% |
| <i>total agricultural land</i> | 392.654.347 | 57,9% |
| 221. First afforestation of agricultural land | 55.834.169 | 8,2% |
| 222. First establishment of agroforestry systems on ... | | 0,0% |
| 223. First afforestation of non-agricultural land | 11.462.320 | 1,7% |
| 224. Natura 2000 payments | | 0,0% |
| 225. Forest-environment payments | 22.714.049 | 3,4% |
| 226. Restoring forestry potential and introducing prevention ... | 128.571.337 | 19,0% |
| 227. Non-productive investments | 66.408.369 | 9,8% |
| <i>total forestry land</i> | 284.990.244 | 42,1% |



Measure 214 (1)



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- The integrated production consists of supporting low environmental impact agricultural methods in a variety of vegetable crops (at least 30% reduction compared to the ordinary input administration in "normal" agricultural methods). It will contribute to the improvement of quality of soil, the increase of quality of surface and underground water, and biodiversity enhancement.

Organic farming will contribute to the improvement of soil quality, reduction of inputs and improvement of biodiversity, preservation of traditional agricultural methods increased quality of surface and underground water.

- The maintenance and increasing of organic matter aims to improve the soil fertility and will contribute to the reduction of erosion and prevention of desertification and mitigation of environmental pollution.



Measure 214 (2)



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- The development of green cover between lines of trees (orchards, olive trees, grape) and prolongation of grazing period will contribute to the improvement of biodiversity and prevention of desertification.
- The support to endangered breeds will contribute to the protection of biodiversity (certain animal breeds and local plant varieties) reducing the risk of genetic erosion.
- The maintenance and preservation of old grape plants aims to reduction of chemical inputs and the preservation of traditional farming and landscape/environmental features .

Axis 3



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| Axis/Measure | Public Expenditure | |
|---|--------------------|--------------|
| | EUR | share |
| 311 Diversification into non-agricultural activities | 33.962.894 | 12,0% |
| 312 Business creation and development | 33.830.275 | 12,0% |
| 313 Encouragement of tourism activities | 33.598.870 | 11,9% |
| <i>economic development</i> | 101.392.039 | 35,9% |
| 321. Basic services for the economy and rural population | 33.727.965 | 11,9% |
| 322. Village renewal and development | 101.602.374 | 36,0% |
| 323. Conservation and upgrading of the rural heritage | 39.839.779 | 14,1% |
| <i>quality of life</i> | 175.170.115 | 62,0% |
| 331 Training and information | 5.789.757 | 2,1% |
| 341 Skills acquisition, animation and implementation of ... | | 0,0% |
| <i>human capital</i> | 5.789.757 | 2,1% |



Measure 322



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- **Objectives:** The measure is supporting investments for the renovation of villages relevant from a historical, cultural point of view.

Actions: investments for the renovation of villages located in areas relevant from the tourist reasons and/or located in protected areas, or relevant for historic, religious and eno-gastronomic point of view.

Priorities is given to territories in D and C areas.

- **Aid intensity:** 65% of eligible costs for private beneficiaries, 100% for public beneficiaries



Axis 4



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| Axis/Measure | Public Expenditure | |
|---|--------------------|-------|
| | EUR | share |
| 411 Implementing local development strategies. Competitiveness | | 0,0% |
| 412 Implementing local development strategies. Environment/land | 26.352.845,00 | 28,0% |
| 413 Implementing local development strategies. Quality of life | 46.117.480,00 | 49,0% |
| 421 Implementing cooperation projects | 3.766.734,00 | 4,0% |
| 431 Running the local action group, acquiring skills and ... | 17.880.245,22 | 19,0% |



LEADER



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- 10 LAGs (min.8, max. 12) foreseen.
- 71.5% of regional territory (9.711Km²) and 17% of population Leader areas: around 1.023.000 inhabitants.
- Main features of Leader territory:
 - 81.9% disadvantaged (mountains)
 - 71.7 is being farmed
 - 30% covered by forests
 - 41.7% under N2000
 - NVZ very limited (4.4%)
- The selection will be based on the characteristics of the area, of the partnership, of the strategy and on its coherence to the financial resources
- The strategy will have to be innovative and be based on the priority themes: environment and quality of life
- LAGs who integrate cooperation in the strategy will have a priority
- The axis will contribute to the achievement of th general objectives of RD policies.

Complementarity (1)



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Axis 1 – CMOs

CMO Fruits and Vegetables: investments under RDP will be financed if they are different to those foreseen by CMO.

CMO wine: no support similar to the ones in the CMO will be financed under RDP

CMO olive: no support similar to the ones in the CMO will be financed under RDP

Complementarity (2)



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- CMO sugar: CMO sugar – the beneficiaries of the measures for restructuring and diversification (R. 320/06) will be excluded from the RDP support
- Axis 3: demarcation criteria with Structural Funds are set down



Conclusions



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- The rural development programme respects the provisions of Council Regulation (EC) n° 1698/2005 and of Commission Regulation (EC) n° 1974/2006 and it is submitted to the Committee for a favourable opinion.

