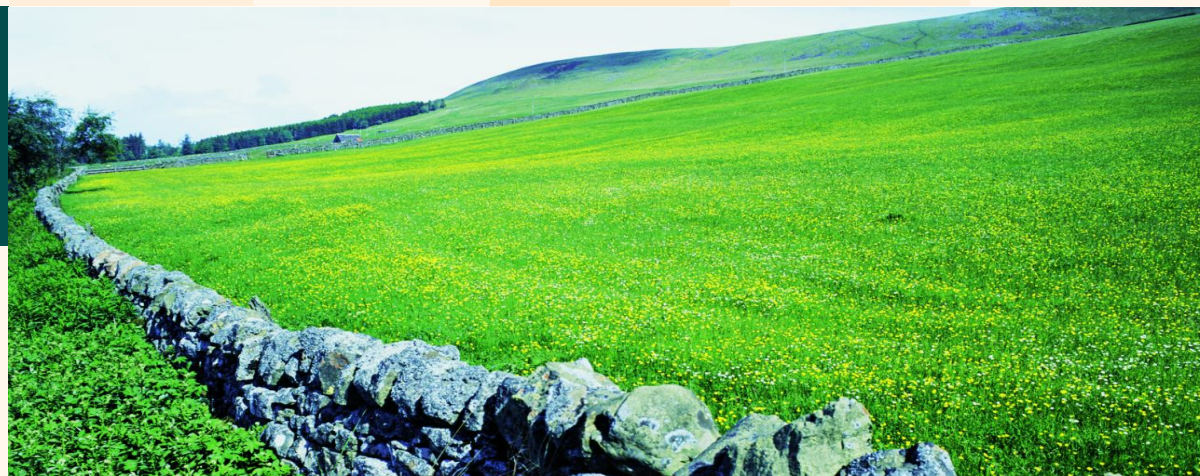




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Rural Development Programme of the Region Molise (Italy)

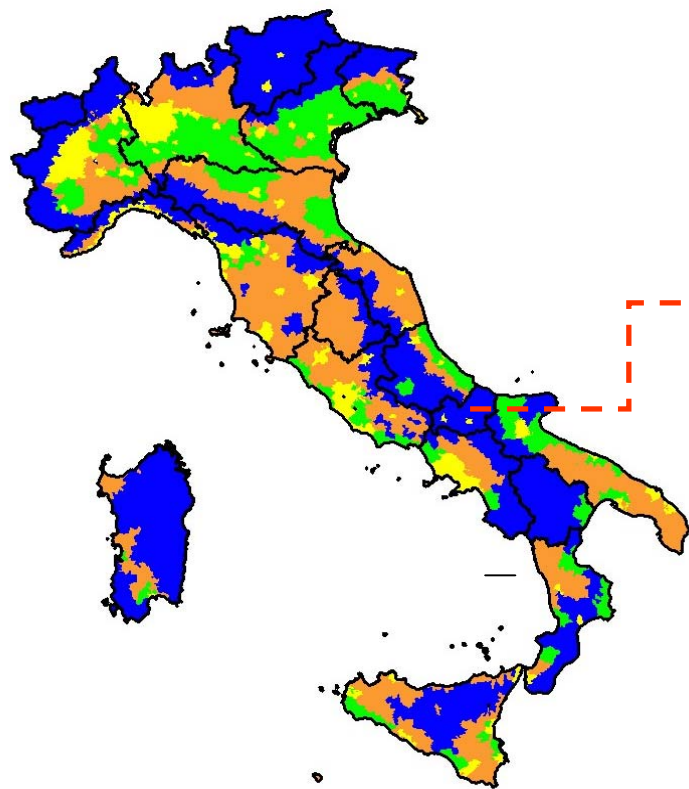
AGRI E.I.4, Brussels, 20 February 2008



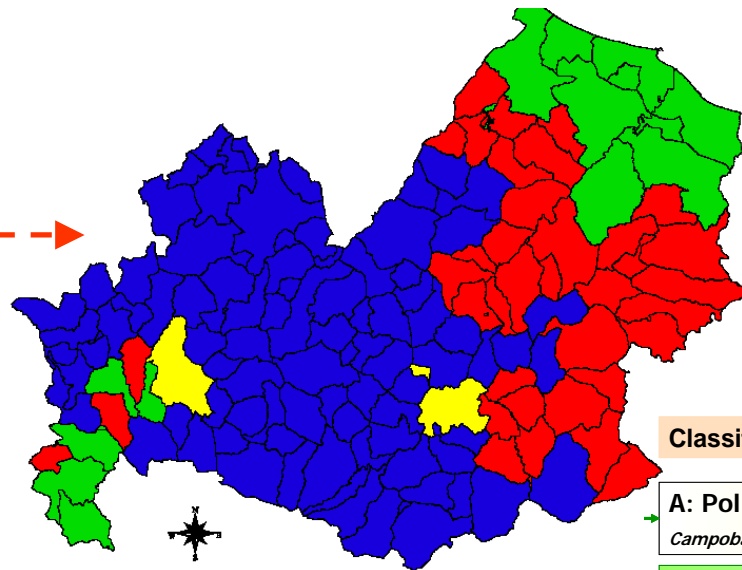
General overview



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



Classificazione PSR Molise

A: Poli urbani

Campobasso, Isernia

D1: Collina irrigua

Colline litoranee di Termoli, Piana di Larino, Colline del Volturno (parte)

D2: Collina rurale

Colline del Molise sud-orientale, Colline del Molise nord-orientale, Medio Biferno, Colline del Volturno (parte)

D3: Aree montane

Montagna Alto Trigno - Sannio Settentrionale, Alto Molise, Montagna Medio Trigno e Biferno, Alto Volturno, Montagna di Campobasso, Matese settentrionale

D areas

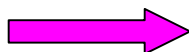


EAFRD allocation Italy (MEuro)



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Programmes 2007 - 2013		Feader (Euro)	%
1	Abruzzo	168.911.000	2,0%
2	Bolzano	137.575.000	1,7%
3	Emilia Romagna	411.251.000	5,0%
4	Friuli V. Giulia	108.773.000	1,3%
5	Lazio	288.384.000	3,5%
6	Liguria	106.047.000	1,3%
7	Lombardia	395.949.000	4,8%
8	Marche	202.320.000	2,4%
9	Piemonte	394.500.000	4,8%
10	Toscana	369.210.000	4,5%
11	Trento	100.652.000	1,2%
12	Umbria	334.430.000	4,0%
13	Valle d'Aosta	52.221.000	0,6%
14	Veneto	402.457.000	4,9%
15	Molise	85.790.000	1,0%
16	Sardegna	551.250.000	6,6%
Total Compétitivité		4.109.720.000	49,6%
17	Basilicata	372.650.000	4,5%
18	Calabria	623.341.000	7,5%
19	Campania	1.082.349.000	13,1%
20	Puglia	851.327.000	10,3%
21	Sicilia	1.211.163.000	14,6%
Total Convergence		4.140.830.000	49,9%
Total PDR		8.250.550.000	99,5%
Réseau Rural National		41.459.883	0,5%
Total Italie		8.292.009.883	100%





Main features (1)



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Socio-economic context:

- Total population = approx. 322,000 inhabitants
- Density = 72.6 inhabitants/km² (Italy: 195 inhabitants/km²)
- Per capita GDP (pps) = 84.4% of the EU 25 average (Italy: 110% EU 25)

Rural areas:

- 81% of the population and 95% of the regional territory.
- Density = 69.7 inhabitants/km²
- According to rural areas as defined by the NSP only “Rural areas with complex development problems” (D areas) are present divided into 3 sub-areas (D1 – D2 – D3).



Main features (2)



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Importance of the agricultural, forestry and food sector:

- The Utilised Agricultural Area covers almost 48% of the regional territory and forests 32.8% of the territory

Land utilisation

- UAA (214,941 Ha)

arable crops (72.4%)

permanent crops (10%)

grasslands and pastures (17.6%)

Holding dimension

- The average surface of the agricultural holdings is 6.4 Ha in terms of UAA (IT: 6.7 Ha; EU: 16 Ha)

Value added

- The primary sector represents 4% of the total regional added value and the food industry represents 2.7%

Employment

- The primary sector represents 10.1% and the food industry 3.8% of employment.



Financial weight



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Axis	Public expenditure		EAFRD rate		EAFRD amount	
	EUR	(%)	EUR	(%)	EUR	(%)
I. Competitiveness	85,939,773	44	37,813,500	44.1%		
II. Environment and countryside	65,942,045	44	29,014,500	33.8%		
III. Quality of life and diversification	27,502,136	44	12,100,940	14.1%		
IV. Leader	9,744,000	44	4,287,360	5.0%		
V. Technical assistance	5,849,318	44	2,573,700	3.0%		
Total	194,977,272		85,790,000	100%		
Spending rates (including Leader)						
I. Competitiveness			37,813,500	45.4%		
II. Environment and countryside			30,519,893	36.7%		
III. Quality of life and diversification			14,882,907	17.9%		
Total - TA			83,216,300	100%		



Axis 1 – Measures (44.1%)



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Axis/Measure	Public Expenditure	
	EUR	share
111. Vocational training and information actions	1,500,000	1.7%
112. Setting up of young farmers	6,000,000	7.0%
113. Early retirement of farmers and farm workers	8,422,427	9.8%
114. Use of farm and forestry advisory services	2,000,000	2.3%
<i>human capital</i>	17,922,427	20.9%
121. Modernisation of agricultural holdings	26,226,902	30.5%
122. Improvement of the economic value of forests	1,500,000	1.7%
123. Adding value to agricultural and forestry products	19,875,225	23.1%
124. Cooperation for development of new products	1,500,000	1.7%
125. Infrastructure	13,415,219	15.6%
126. Restoring agricultural production potential	2,000,000	2.3%
<i>Physical capital</i>	64,517,345	75.1%
132 Participation in food quality schemes	2,000,000	2.3%
133 Information and promotion activities	1,500,000	1.7%
<i>Quality</i>	3,500,000	4.1%
Total Axis I	85,939,773	100%



Measure 121



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- **Objectives:** to increase competitiveness and income of agricultural holdings by supporting investments for modernisation, through the introduction of new technologies, targeting quality, organic products and farm diversification.
- **Actions:** a) investments for on-farm processing; b) investments for machinery & equipment; c) investments for renewable energy production for self consumption; d) investments to improve animal welfare and improve standards for protection of the environment and pollution prevention.
- **Targeted Areas & Sectors:** Livestock farming, meat, fruit and vegetables, honey, flowers, olives and olive oil, grapes and wine, cereal, milk and dairy products. Specific sectoral and territorial priorities and objectives have been identified.
- **Aid intensity:** 40% of eligible expenses; 50% for young farmers. +10% for disadvantaged and mountain areas.

Axis 2 – Measures (33.8%)



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Axis/Measure	Public Expenditure	
	EUR	share
211. Natural handicap payments (mountain)	11,500,000	17.4%
212. Payments to farmers (other areas)	4,000,000	6.1%
214. Agri-environment payments	23,500,000	35.6%
216. Non-productive investments	1,000,000	1.5%
<i>total agricultural land</i>	40,000,000	60.7%
221. First afforestation of agricultural land	17,442,045	26.5%
223. First afforestation of non-agricultural land	3,000,000	4.5%
226. Restoring forestry potential, and introducing preventive actions	4,000,000	6.1%
227. Non-productive investments	1,500,000	2.3%
<i>total forestry land</i>	25,942,045	39.3%
Total Axis II	65,942,045	100%



Measure 214 (1)



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4 Actions

- **Integrated farming techniques:** provides a support for farmers who adopt integrated farming in order to improve the quality of water, air and biodiversity, and to counter erosion.
Targeted areas: priority to Nitrate vulnerable areas, Natura 2000 areas, and areas subject to erosion.
- **Introduction or maintenance of organic farming:** provides a support for farmers who convert/maintain their holding to organic farming in conformity with Reg. (EC) 2092/91.
Targeted areas: priority to Nitrate vulnerable areas, Natura 2000 areas, and areas subject to erosion.



Measure 214 (2)



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- **Conservation of landscape and environmental resources:** 3 sub-actions: a) diversification of land use for improvement of rural landscape; b) creation of buffer belts with green cover along the river network; c) crops to feed wild fauna. Prohibition of use of fertilizers, pesticides, of chemical weed control, of grazing.

Targeted areas: action a) Natura 2000 areas; actions b)&c): Nitrate vulnerable areas, Natura 2000 areas.

- **Green cover of arable land and permanent crops on the surfaces with inclination above 20%:** aims to limit water erosion in farmland subject to high erosion levels and improves biodiversity (flora and fauna). Prohibition of Nitrogen fertilisation, of chemical weed control, of grazing, and plant protection products.

Targeted areas: Natura 2000 areas and Nitrate vulnerable areas

Axis 3 – Measures (14.1%)



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Axis/Measure	Public Expenditure	
	EUR	share
311 Diversification into non-agricultural activities	9,800,000	35.6%
312 Support for creation and development of microenterprises	3,700,000	13.5%
<i>economic development</i>	<i>13,500,00</i>	<i>49.1%</i>
321. Basic services for the economy and rural population	5,700,000	20.7%
322. Village renewal and development	4,500,000	16.4%
323. Conservation and upgrading of the rural heritage	3,802,136	13.8%
<i>quality of life</i>	<i>14,002,136</i>	<i>50.9%</i>
<i>Total Axis III</i>	<i>27,502,136</i>	<i>100%</i>



Measure 311



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- **Objective:** to create new employment opportunities within agricultural holdings by supporting initiatives which allow for the diversification of income.
- **Actions:** 1) Investments in facilities for rural tourism activities; 2) Investments for realisation of services for small trade and local crafts (restructuring of rural buildings, purchase of equipment and machinery for craft activities); 3) Investments for carrying out assistance activities and social activities within the farm for disabled people, preschool children, elderly.
- **Targeted areas:** hill and mountain areas (D areas)
- **Aid intensity:** Actions 1&2: 50% of eligible expenses (*de minimis Reg.*). Action 3: 60% of eligible expenses (*de minimis Reg.*)

Axis 4 – Measures (5%)



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Axis/Measure	Public Expenditure	
	EUR	share
412 Environment/land	2,500,000	25.7%
413 Quality of life	4,620,000	47.4%
421 Implementing cooperation projects	1,200,000	12.3%
431 Running the local action group, acquiring skills, animation	1,424,000	14.6%
Total Axis IV	9,744,000	100%



LEADER



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- Max 3 LAGs
- 84% of the whole territory and 50.6% of the total population of the Region.
- Targeted areas: rural (D) areas
- Selection based on: characteristics of the territory, of partnership, strategy, arrangements of the local development plan, innovation and cooperation with other territories (priority).
- Interventions will cover objectives of axis 2 and axis 3 actions.

Complementarity (1)



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CMO fruit & vegetables: demarcation ensured by investment amount and type.

CMO wine: planting and replanting of vines / restructuring and conversion of vines, are excluded from RDP support.

CMO olives/oil: demarcation by investment amount, and by investment type.

Complementarity (2)



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Beekeeping: demarcation is based on type of investment / action.

CMO milk: respect of milk quota.

Axis 3: demarcation criteria with other Community Funds have been identified for each measure based on type of investment, type of beneficiary, sector, and area of intervention.

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.

