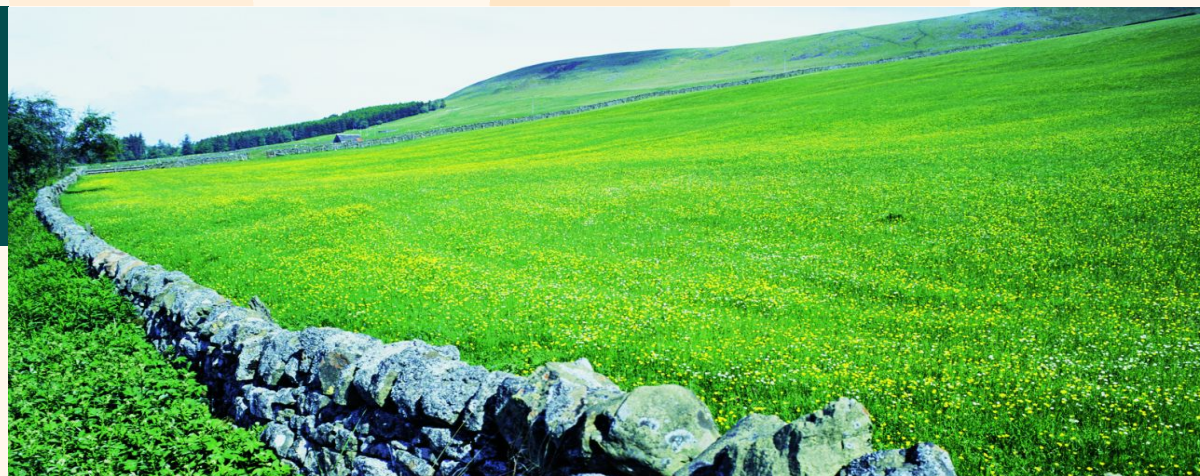




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Rural Development Programme of Region Umbria

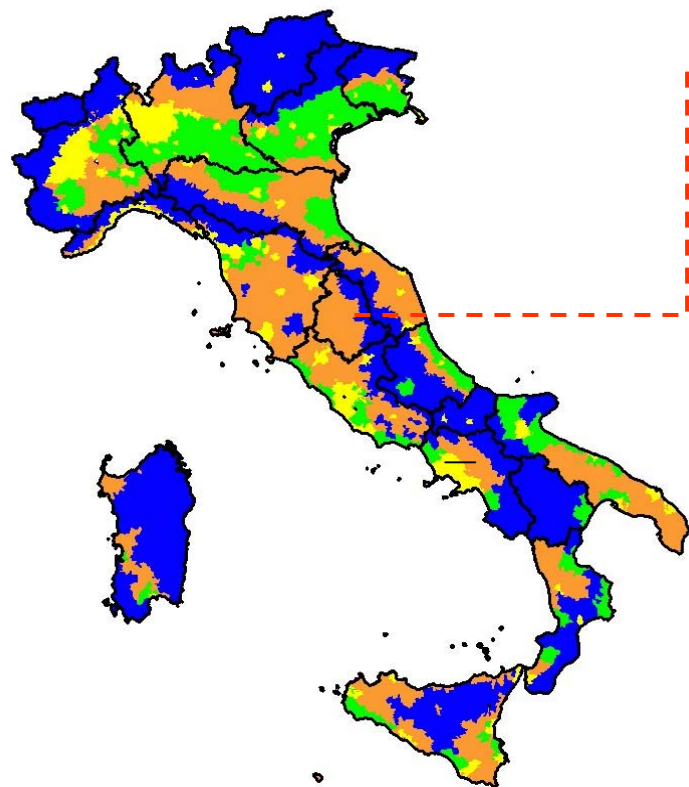
AGRI E.I.4, Bruxelles, 20 november 2007



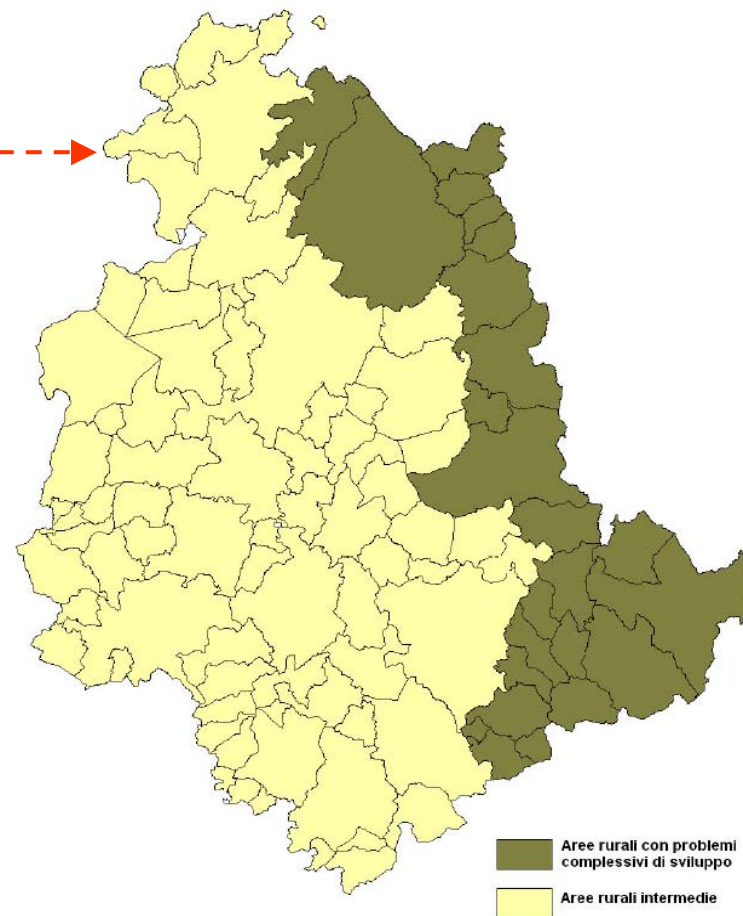
General overview



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



- Aree rurali con problemi complessivi di sviluppo
- Aree rurali intermedie

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. 867.000 inhabitants
- Density = 115.6 habitants/km² (C rural areas).
- Per capita GDP (pps) = 107.5% of the EU-25 average

Rural areas:

- 94% of the population and 99% of the regional territory.
- Density = 85 habitants/km²
- Only 2 type of rural areas indentified in the NSP are present (C and D)



Main features (2)



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Importance of the agricultural, forestry and food sector:

Land utilisation

- The utilised agricultural area covers 43.42% of the regional territory and forests 29.3% of the regional territory
- UAA (367.141 ha)

}	arable land (64%)
	permanent crops (13.5%)
	permanent pastures (22.6%)

Holding dimension

- The average surface of the agricultural holdings is 7.7 ha (IT: 6.7 ha; EU: 16 ha)

Value added

- The primary sector represents 3% of the regional value added and food industry represents 2,75%

Employment

- The employment rate of the primary sector is 3.6%



Financial weight



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Axis	Public expenditure		EAFRD rate		EAFRD amount	
	EUR	(%)	EUR	(%)	EUR	(%)
I. Competitiveness	304.027.272	44.4	133.772.000	40%		
II. Environment and countryside	326.829.318	44.4	143.804.900	43%		
III. Quality of life and diversification	68.406.136	44.4	30.098.700	9%		
IV. Leader	38.003.409	44.4	16.721.500	5%		
V. Technical assistance	22.802.045	44.4	10.032.900	3%		
Total	760.068.181	44.4	334.430.000	100%		
Spending rates (including Leader)						
I. Competitiveness			137.785.160	41,2 %		
II. Environment and countryside			148.152.490	44.3 %		
III. Quality of life and diversification			48.492.350	14.5%		
Total - TA			334.430.000	100%		



Axis 1 – Measures (40%)



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Axis/Measure	Public Expenditure	
	EUR	share
111. Vocational training and information actions	6.378.159	1,7%
112. Setting up of young farmers	19.746.818	5,3%
114. Use of advisory services	9.418.431	2,5%
115. Setting up of advisory services	76.920.727	20,6%
<i>human capital</i>	112.464.135	30,1%
121. Modernisation of agricultural holdings	66.833.659	17,9%
122. Improvement of the economic value of forests	13.978.840	3,7%
123. Adding value to agricultural and forestry	74.956.613	20,1%
124. Cooperation for development of new products	19.174.023	5,1%
125. Infrastructures	23.122.091	6,2%
126. Restoring agricultural production potential	22.339.591	6,0%
<i>Physical capital</i>	220.404.817	59,1%
131 Meeting standards	13.846.068	3,7%
132 Food quality schemes	13.100.955	3,5%
133 Information and promotion activities	13.211.295	3,5%
<i>Quality</i>	40.158.318	10,8%



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, facilities for processing and marketing agricultural (including wine) products on the farm, plantation (short rotation coppice) acquisition/improvement of technological structures, machineries, technological equipment; intervention for saving water and energy, investments to produce energy-less than 1 MW, intangible investments (i.e. general costs)
- Aid intensity: 50% in disadvantaged areas, 60% for young farmers in disadvantaged areas, 40% and 50% for young farmers any where else.



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.
- **Actions:** 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.
- **Aid intensity:** action a): 40% (20% for enterprises with less than 750 employees); action b) 40% (“de minimis”)

Axis 2 – Measures (43%)



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Axis/Measure

Public Expenditure

EUR

share

211 Natural handicap payments (mountain)	16.996.682	5,2%
212. Payments to farmers (other areas)	10.618.523	3,2%
213 Natura 2000 payments and payments linked to Directive...	462.455	0,1%
214 Agri-environment payments	209.726.477	64,2%
215 Animal welfare payments	6.840.614	2,1%
216 Non-productive investments	3.040.273	0,9%
<i>total agricultural land</i>	<i>247.685.024</i>	<i>75,8%</i>
221. First afforestation of agricultural land	45.701.295	14,0%
222. First establishment of agroforestry system on...	760.068	0,2%
223. First afforestation of non-agricultural land	760.068	0,2%
224. Natura 2000 payments	3.800.341	1,2%
225. Forest-environment payments	5.320.477	1,6%
226. Restoring forestry potential and ...	3.800.341	1,2%
227. Non-productive investments	19.001.704	5,8%
<i>total forestry land</i>	<i>79.144.294</i>	<i>24,2%</i>



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.
- Maintenance of landscape features aims at maintaining buffer zones and hedgerows, in order to improve landscape, biodiversity. The commitment provides for creation and maintenance of such special landscape features.



Measure 214 (2)



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- Creation/maintenance of areas intended to raise crops intended for feeding wild animals aims to maintain/improve biodiversity. The commitment provides for banning the use of any chemical inputs leaving crops on the field until 30/11.
- The support to endangered breeds will contribute to the protection of biodiversity (coral animal breeds and local plant varieties) reducing the risk of genetic erosion.
- Maintenance of local endangered varieties of plant/vegetation aims to the protection of biodiversity of locally cultivated plant varieties. It provides a support for conservation of local endangered varieties of plant/vegetation (27 Apples, 20 pears, 5 peach, 1 olive, 7 berry, 1 grape)



Measure 214 (3)



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- Reconversion of arable land into permanent pasture/grassland aims at boosting extensive livestock farming, limiting soil erosion problems and improving air and water quality limiting pollution deriving from farming activities. Chemical inputs are banned.
- Green cover aims at ensuring proper cover during the year on arable land and permanent crops.
- Biodiversity aims at enhancing protection of endangered varieties by conservation of genetic material

Axis 3 – Measures (9%)



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Axis/Measure

Public Expenditure

EUR

share

311 Diversification into non-agricultural activities	28.905.023	39,2%
312 Business creation and development	9.880.886	13,4%
313 Encouragement of tourism activities	9.105.864	12,4%
<i>economic development</i>	47.891.773	65,0%
321. Basic services for the economy and rural population	5.320.477	7,2%
322. Village renewal and development	9.873.409	13,4%
323. Conservation and upgrading of the rural heritage	5.320.477	7,2%
<i>quality of life</i>	20.514.363	27,8%
331 Training and information	5.320.477	7,2%
341 Skills acquisition, animation and implementation of ...	-	0,0%
<i>human capital</i>	5.320.477	7,2%



Measure 311



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- **Objectives:** The aim of the measure is to promote farm diversification towards non agricultural activities such as rural tourism, social and recreational activities, craft and energy supply in the farm.

Actions: action A): investments in the farm in relation to tourism and agro-tourism, creation of social/educational/recreational activities; action B): marketing of local products and starting up of ancient local/traditional jobs (crafts); action C): energy production in the farm (less than 1Mw output) from renewable sources to be supplied outside the farm.

Priorities is given to territories in D.

- **Aid intensity:** up to 60% of eligible costs within the limit fixed in the "de minimis" State aid.

Axis 4 – Measures (5%)



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Axis/Measure

Public Expenditure

EUR

share

411 Competitiveness

-

0,0%

412 Environment/land

-

0,0%

413 Quality of life and diversification

26.602.386

70,0%

421 Implementing cooperation projects

3.800.341

10,0%

431 Running the local action group, acquiring skills, ..

7.600.682

20,0%

LEADER



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- 5 LAGs
- 95% of regional territory (8.299Km²) and all regional population except the population living in the main cities.
- 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
- LAGs who integrate cooperation in the strategy will have a priority
- The axis will contribute to the achievement of the Axis 3 objectives.

Complementarity (1)



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Axis 1 – CMOs

CMO Fruits and Vegetables: exception in article 5&6 of Reg. 1698/2005

CMO wine: no support similar to the ones in the CMO will be financed under RDP. Some actions will operate in synergy with the CMO (“integrated actions”)

CMO olive: no support for investment will be given in relation to producers groups under CMO. Investments for individual producer 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.

