

Member State/Region

Italy - Veneto Region

## I. DESCRIPTION OF THE RURAL DEVELOPMENT PROGRAM

### 1. TITLE OF RURAL DEVELOPMENT PROGRAM

"Programma di sviluppo rurale per il Veneto 2007-2013".

### 2. MEMBER STATE AND ADMINISTRATIVE REGION

The proposed rural development program covers the Veneto Region, which is not a convergence region.

### 3. CURRENT SITUATION, STRATEGY CHOSEN AND EX-ANTE EVALUATION

#### 3.1.1 The general socio-economic context of the geographical area:

##### (1) Territorial description and rural areas<sup>1</sup>

Veneto is located in the northern part of Italy; it stretches from the Alps to the Adriatic sea having a coastal strip of about 150 Km in length. The regional territory occupies 18.399 Km<sup>2</sup> (6% of Italian territory). The territory is 56% flat, 29% mountainous and 15% hilly. The flat area is located in the central part of the region and occupies a large amount of the Po Valley, which is one of the most intensively farmed areas.

**Soil occupation** gives the highest share to rural areas (95% of the territory) which are being classified according to the methodology set up in the national strategy. The four types of rural areas, described in the NSP, are present in the region:

- **rural areas with development difficulties (D rural areas) and intermediate rural areas (C rural areas)** include the vast majority of protected areas (Natura2000 and HNVs zones/sites), mountainous and hilly areas, 80% of forests, 17% of regional population, and 44% of the regional territory. The differentiation between these types of rural areas is mainly based on the higher degree of natural disadvantages (mountains) and wider forest cover in D rural areas.

- **specialized and intensive agricultural areas (B rural areas)** include 62.5% of population and 51.4% of the regional territory. The territory occupies the flat area and also part of the hilly areas.

Five out of seven major towns in the region accounts for 916.518 inhabitants and occupy 8 48Km<sup>2</sup> (1.385 inhab/km<sup>2</sup>). This is the only part of the territory which is **not being classified as rural** with only 2.4% of UAA.

##### (2) Demography<sup>2</sup>

**Population** is of 5.287.700 inhabitants. Taking into account the density of population and the regional territory, part of the region features as "an extensive and sparsely distributed town", having a large amount of urbanised and industrialised settlements intermingling with agricultural land. This special feature characterises the B and C (partially) rural areas. Population density varies from 70 inhabitants/Km<sup>2</sup> in D rural areas, to 176 inhabitants/Km<sup>2</sup>

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<sup>1</sup> **Context indicators:** n.1 (Designation of rural areas), n.2 (Importance of rural areas)

<sup>2</sup> **Context indicators:** n.17 (Population density), n.18 (Age structure)

in C rural areas and to 333 inhabitants/Km<sup>2</sup> in B rural areas. In the latter, population density can be even higher due to the special feature described above, reaching, in some areas, the population density of about 631 inhabitants/Km<sup>2</sup>. **Demographic trend** is being positive for the last 30 years. **Out-migration** is strong mainly in mountain areas and high-density populated cities..

**Growing aging** of population is relevant phenomenon in the region. 18.8% of population is over 65yrs and 67% of citizens are between 15 and 64 yrs. Low **dependency index** in B rural areas explain the presence of high proportion of population in working age in these areas. **Delocalisation** towards less congested areas with high economic/employment opportunities is being recorded (mainly of young people). Delocalisation contributes to depopulation and abandonment in more disadvantaged areas and to increasing population rate in peri-urban areas.

### (3) Economy and labour market<sup>3</sup>

Veneto is one of the richest Italian regions. The richness of the region, expressed by the **Gross Domestic Product (GDP)** amount at is €billion95 (9,1% of national GDP) **GDP per-capite**: €25.000 (2000-2003) which is 10% and 27% higher respectively of national and EU-25 average. (National GDP: 22.692pps; EU25:€20.478pps)

Regional **added value** is shared as follows: 2.8% agriculture, 33,7% secondary sector and 63.5% tertiary sector (mainly tourism). The non agriculture economic sectors contributes with 86.4billion€to the regional richness.

**Jobs**: 2.04 millions workers (8.3% total national; 1.9 millions of workers in secondary and tertiary sectors with an increasing trend), negative trend in agriculture (-1,3% a year).

**Labour productivity**: increasing in secondary and tertiary sectors but decreasing in primary (agriculture) sector. **Added value per TLU** (Total Labour Unit): €40.500 and it is quite similar to national average.

Veneto is amongst the Italian regions with the lower **education level**, having the population with secondary and tertiary degree of education below the national average. Primary education is quite extended.

**Self-employment** is decreasing with the lost of 26.000 jobs (in 2000-2004 yrs), balanced by an increase of 46 000 employees. A positive trend has been recorded insofar as the **female jobs** and **immigrants workers** are concerned. **Unemployment** rate is low (4.2% at national and 8% at EU levels). The strongest contribution to job creation comes from non agricultural sectors.

### 3.1.2 Performance of the agricultural, forestry and food sectors

#### (1) Agriculture<sup>4</sup>

52% of regional territory is occupied by agricultural land. Of the 1.171.600ha of Total Agricultural Area (TAA), 832.000ha (Utilized Agriculture Area - UAA) are being farmed to grow a variety of crops. Shares between the main types of agricultural products did not change significantly over the last years despite various market problems and the new CAP reform in 2003 introducing the Single Payment Scheme:

Year 2003 - Land utilisation (hectars)						
Arable land(1)	Grassland(2)	Permanent crops(3)	Total(4) (1,2,3)	Forests(5)	Others(6)	Total(4,5,6)

<sup>3</sup> **Objective indicators**: n. 1 (Economic development), n.2 (Employment), n. 3 (Unemployment), n. 28 (Employment development in non agricultural sector), n. 29 (Economic development in non agricultural sector), n. 30 (Self-employment development), n. 33 (Development of tertiary sector), n. 35 (Lifelong learning in rural areas) - **Context indicators**: n. 19 (Structure of Economy ), n. 20 (Structure of Employment), n. 21 (Long-term unemployment), n.22 (Education attainment)

<sup>4</sup> **Objective indicators**: n.4 (Training and education in agriculture), n. 5 (Age structure in agriculture), n. 6 (Labour productivity in agriculture), n. 7 (Gross fixed capital formation in agriculture), n. 8 (Employment development of primary sector), n. 9 (Economic development of primary sector), - **Context indicators**: n.3 (Agriculture land use)

548.195	164.954	119.027	832.176	207.537	127.487	1.171.603
Arable land: <i>cereals, oil seeds, fodder, tobacco</i>						

There are about 147.880 farms with an average farm size of roughly 5.7ha (national average: 6.7ha). However the regional **farm size** is twofold: there are of small sized farms (farms with less of 5ha of UAA are 76% of the total; of those 26% are on plot of less then 1ha of UAA) and large sized (more then 20ha of UAA) farms that are representing 4,5% of the total farm number farming 47% of the regional UAA. **Farms at the edge of viability** (€10.000=8ESU) are 26% of the total on about 76% of the UAA; farm with €20.000 (16 ESU) of on-farm income are approximately 15.4% of the total on 62% of UAA.

**Richness deriving from agriculture** amounts at 2.9€billion (2000-2006), which is 9.7% of national share. It amounts at 2.8% of the regional added value with a trend towards a decrease; that witnesses for an erosion of agricultural sector from other economic sectors. The **share of the agriculture produce** is 53% arable (cereals, oil seeds, fodder) crops, 5-6% permanent crops (fruits and vegetables), 8-10% viticulture, tobacco. Animal husbandry accounts for 38-40% of the agriculture produce. The analysis of **main productive sectors** gives an insight of the factors that influence the competitiveness of the regional agriculture. Amongst **arable crops, cereals** are being grown for food and feeding stuffs production in specialised farms or in farms applying rotation with cereals for agronomic purposes. Logistic deficiencies (transportation, distribution, storage) are being identified as the main problems interfering with a proper industrial utilisation of cereals. Moreover a high number of processing industries does not stimulate the concentration of cereal production. Out of date technology applied in some steps of the production chains and a sparsely distributed production give reason for rural development interventions. **Oil seeds** production is performed mainly (50%) in medium sized farms. Seeds production is linked to the demand for protein meals to be used as animal feed. **Sugar beet** production is under reorganisation by effect of the CMO reform in 2006. The main sugar industry (“zuccherificio”) is being reorganised to produce bio-ethanol from cereals. **Fruits and vegetables** production is well developed and oriented towards quality. The lack of concentration of the production and the weaknesses in the distribution (wholesale markets) system are limiting the competitiveness of this sector. A need for skills improvement and setting up of young farmers are to be satisfied in order to boost the competitiveness of the production. **Viticulture** is based on high quality production and on a wide variety of wines. Wine and territory are strictly linked and rural tourism is well developed in production areas. A sparse production system, lack of management skills and poor logistic system are to be addressed in order to boost competitiveness in this well performing agricultural sector. One-fifth (7.357ha) of national **tobacco** production is taking place in the region. Tobacco production is dual-folded. A competitive and well integrated production in an area traditionally oriented towards tobacco is besided by a less competitive production represented by a number of small-sized holdings producing a variety of tobacco less demanded by the market. Due to the tobacco OCM reform a reorganisation .of the production sector is envisaged. **Animal products** include in milk and meet. Despite an increased concentration of milk production in competitive units, producing more then 500tons/year each, the **dairy sector** still counts a number of underperforming farms which need to be improved and reorganised in order to face the market demand. Compliance to higher standards by farmers impacts on the economic performance of the dairy holdings. Only 5% of the milk produced is traded as fresh milk; the bulk of milk is being processed into a wide range of quality products (cheeses). **Meet sectors** (beef, poultry, and pigs) have to afford greater competitiveness from EU and non-EU producers, especially in the **beef sector**. Efforts to concentrate the outputs are needed to increase economic returns to farmers Investments are needed in order to modernize structures and to reduce impacts on the environment and to comply with EU standards. Moreover investments are needed in order to respond to consumer demands on animal welfare, work safety and public health.

**Leasing** of land is wide spread in the region due to high cost of land. Leasing is used for restructuring purposes, in medium-large size farms, in order to increase economic viability. However, depending on CAP reform effects, the viability per ha could decrease making less convenient for farmers leasing land due to higher renting fees.

Number of **employees** (80.400 in 2003) in agriculture tends to diminished over the yeas of about -1.4% each year. 51% of farmers are owners, 36.7% are owner's relatives and only 7.7% are employees (farm workers). The tendency to substitute farmers getting out from the work with new (young farmers) entrants is low. This is most linked to permanence of factors which impacts negatively on attractiveness of the primary sector.

50.7% of farmers are **aged** over 60 and only 2% of farmers is below 30.

A wide range of **quality products** officially recognised at EU level is being produced. Moreover organic, traditional and specific products witness for a high vocation in the region to produce quality products mainly in the fruits and vegetables, wine, dairy and meat sectors.

A significant proportion of regional **agricultural** produce is **exported**.

Agricultural **labour productivity** is increasing due to the combination of decreasing trend on working units and increasing on value added. Higher labour productivity has been recorded in poultry and livestock (ruminants) production sectors with respectively €39.300/ALU and €28.500/ALU. However the analysis highlights that this economic performance is not widespread in the entire region, as a regional differentiation exists in relation to areas and structure holdings. Increased added value in agriculture is also link to **quality products**.

**Gross fix capital formation** is low; that witnesses for low tendency to make investments for modernisation and innovation in small-medium sized farms.

Amongst farmers vocational **training level** is not satisfactory having only 8% of farmers received vocational training. 92% of farmers have not received basic/technical training. Although training level is higher compared to the national average there is still need for great effort to improve farmer's skills.

## (2) **Agro-food industry**<sup>5</sup>

**The richness** (expressed in VA) produced in 2003 amounts at 2.2 €billions with a trend toward a decrease (-1.1% a year) over the years since. The **agro-food sector** contributes for 2% to regional GDP.

6.600 **food industry units** (including beverages and tobacco industries) are present and the trend is towards an increased number. Industry units and farms are evenly distributed in the rural areas with a satisfactory degree of integration in the food chain. **Employees/ jobs** in food industry: 49.300 workers (trend towards an increase in the last yrs).

Main **industrial sectors**: meat and dairy products. Industry size is toward an increase 12.7 per unit average

**Labour productivity**: €45.300/worker in 2003 (Italy: €2.600; EU25: 50.500);

**Investments increased** of about 2.5% a year over the last years. In average each industry has invested €1.000 (€300 of investments for €1.000 of VA in 2002).

### AGRIFOOD IN RURAL AREAS

In *D rural areas* there are 9% of farms, 12% of the regional UAA and 9.8% of rural employees. Agriculture is important to safeguard the territory/environment that has a number of assets that need to be maintained/enhanced. Therefore multifunctionality in agriculture is playing an important role here. Forests and permanent pasture characterize the environment and are the basis for rural economic activities. The average farm size is quite low. Food industry is not significantly represented; only 4.5% regional food industry employees are at work. Structural and economic weakness undermines productivity. Livestock production (for dairy) taking place extensively in mountains pasture. Fruit, horticulture are sectors represented at a lesser extent.

In *C rural areas* there are 12% of regional farms, 18 % of UAA and 12.6% of the rural employees. The average farm size is larger then in D and an extensive type of agriculture exists due to a lower productivity of the land. Fruit and vegetable, tobacco are being produced here. Dairy production is well developed and is carried out in large sized holdings. Multifunctionality in agriculture is also playing an important role here in relation to the need of preservation of the environment (forests and protected areas are still significantly present) and of the

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<sup>5</sup> **Objective indicators**: n. 10 (Labour productivity in food industry), n. 11 (Gross fix capital formation in food industry), n.13 (Economic development of food industry)

natural/cultural heritage. Food industry is performing well and a wide range of quality products nationally/EU recognised is traded locally, nationally and on abroad markets. 10.4% of the regional food industry are at work. Food production is significantly oriented towards food quality production.

In *B rural areas* the agriculture feature is complex and can be described as follows. In the so called "*rural – urbanised areas (B1 rural areas)*" agriculture is significantly important due the large amount of land occupied by agricultural activities. Here more then 2/3 of the territory is farmed: 52% of the regional farms are being farming 54 % of the regional UAA. Farm size is rarely exceeding 5ha each holding. Characteristic of the areas is a high human pressure and a low share of natural areas (Natura2000 and other protected areas). Agriculture has a dual fold feature: it is providing the major source of income to the local population and is serving to environmental and landscaping purposes mainly linked to the farm management and activities. Off-farm income for member of the farm family derives from employment in the local industry and services. A significant share of agricultural activities is also present in the "*urbanised areas (B2 rural areas)*", being 55% of the areas occupied by agricultural land. 25% of the regional farms are settled here and 14% of the UAA is being farmed by large amount of micro-enterprises. This rural area has a vocation to cereals and other intensively produced crops due to the good availability of water and irrigation infrastructures and. Meat production is concentrated in feedlots (beef) and in large pig and poultry holdings. Huge environmental pressure comes from human and intensive farming activities in the high density populated B rural areas.

#### NEEDS:

- Modernise and integrate the agriculture and forestry sectors present in the region with a good potential to become more competitive.
- Concentrate the offer of agricultural outputs to give higher benefit to producers.
- Take profit from the quality of the products present increasing participation to quality schemes.
- Reduce the number of small and non viable farms transferring land from elder to younger farmers able to enlarge farm size, modernise them and make farming more competitive.
- Improve innovation/transfer of knowledge in the farms.
- Training of farmers in order to raise awareness on respecting compulsory standards and to improve skills on management.

### (3) Forestry<sup>6</sup>

23% of the regional territory (438.940ha) is covered by forest. The trend is towards an increase of the forest cover on abandoned land in mountainous areas and on non productive land. Even if forestry is an expanding sector showing a good growing potential, the sector still accounts for a small percentage (0.5%) of regional GDP and 0.6% of the added value (AV) in agriculture. This is due to low prices of wood and wood products. Labour cost is increasing shrinking the margin of profit for foresters. This partially compensated by an increased labour productivity in the sector which is about €29.200 per forester (year 2003). Low tendency to co-operation between foresters and depopulation in mountainous areas contribute to increase the sectoral problems. Other structural weaknesses like de-fragmentation, forestry plot size and lack of co-op represent the major critical aspects of a sector that shows overall development opportunity like the presence of important number outlets (31% of national wood industry are in the region). The wood enterprises are structurally weak with an average number of 6.8 workers/units. However the lake of active management of the forests is resulting in low profit for local population deriving from forestry. Where management program are being introduced in productive forests, an increase per hectare of 5.7 cubic meter of wood is being recorded.

Wooden biomass provided a relevant amount of material (2.4 millions of tons/yea) that is not sufficiently utilized.

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<sup>6</sup> **Context indicators:** n. 5 (Forestry structure), n. 6 (Forest productivity), n. 12 (Development of forest area) - **Objective indicators:** n. 14 (Labour productivity in the forests sector)

## FORESTS IN RURAL AREAS

In *D rural areas* there is an extensive presence of forest. The higher demand of high quality wood for construction and biomass are economic opportunities for these areas. In the context of multifunctionality of forests an increased attractiveness of the areas, tourism valorisation, and educational/recreational activities will be providing economic advantages by increasing opportunities for diversification of rural activities. Environmental services are being also provided in consideration of water quality and land consolidation and maintenance/enhancement of biodiversity.

In C and B rural areas is much less significant. The environmental considerations are limited to the improvement of surface and ground water quality, to the provision of green areas for educational/recreational/amenities purposes and landscaping consideration.

Wherever in the region carbon sink is provided by forests.

### NEEDS:

- To overcome the major structural and infrastructural problems to boost the economic relevance of the sector and to bring increased profits to foresters and regional economy.
- To introduce innovation in different sector of wood production/processing
- To improve multifunctionality of forests in relation to social benefits deriving from forest
- To increase biomass production from wood. This viable source of renewable energy would deserve attention for types of intervention targeted at proper utilisation of wood products for energy production.

### 3.1.3 Environment and land management<sup>7</sup>

Agriculture and forestry cover 75% of the territory. During the last few years there was a tendency to reduction of UAA and forest areas. 8% of the UAA has been lost (-75.000ha) during 1982-2003 giving place to industrial and lodging settlements, infrastructures, etc. Pasture and meadows extension also shrunk. Land abandonment is partially due to unproductive land not being replaced by economic viable farming activities. These **territorial changes** would have possible environmental and biodiversity impacts.

46% (850.000ha) of the territory is currently classified as **disadvantaged**; of them 2/3 are in mountainous areas. 47.000 farms receiving Compensatory Allowances payments are located in areas classified as disadvantaged; that corresponds to 1/3 of the UAA.

**Protected areas** represent 23% of the regional territory with about 416.000ha. Natura2000 and other protected areas overlapping. Most of the protected zones are in mountainous areas and only 7% of the regional UAA is in Natura2000 (49.400ha). Forests cover 45% of Natura2000 areas.

Estimated **High Natural Value (HNVs) farmland** areas are about 211.000ha, 11.5% of the regional territory. These areas can be fund mainly on agricultural land with presence natural spaces, wetland, pasture and grassland in mountainous areas.

**Biodiversity** is being analysed in a twofold manner. Insofar as the *diversity of species* is concerned the analysis clearly indicated a satisfactory presence of fauna on 38% of the territory getting higher (60% in mountainous areas

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<sup>7</sup> **Context indicators:** n.7 (Land cover), n. 8 (LFA), n. 9 (Areas of extensive agriculture), n.10 (Natura2000 sites), n. 14 (Water quality), n. 15 (Water use) – **Objective indicators:** n.17 (Biodiversity: Population of farmland birds), n.18 (Biodiversity: High nature value farmland and forestry), n. 19 (Biodiversity: Tree species composition), n. 20 (Water quality: Gross nutrient balances), n. 21 (Water quality: Pollution by nitrates and pesticides), n. 22 (Soil: Area at risk of soil erosion), n.23 (Soil: organic farming), n. 24 (Climate change: Production of renewable energy from agriculture and forestry), n. 25 (Climate change: UAA devoted to renewable energy), n. 26 (Climate change/air quality: gas emission from agriculture)

and lower in flat areas (19%). Significant presence of species is concentrated on mountainous areas, hilly areas and along rivers, and even (to a less extent) on agricultural land.. Insofar as the *diversity intra species* is concerned the analysis highlights there is still scope for continuation on actions in the old period, for farmed animals in danger of being lost aiming at increasing the stock of breeding animals of those species. Farmland bird index is being calculated for Veneto. *Tree species* (broadleaf, conifers) composition is satisfactory.

The analysis **also** takes into accounts elements affecting **water quality** in the framework of the *Nitrate Directive* and the *Water Framework Directive (WFD)*. Overall 680.000ha, of which 345.000ha (45%) of UAA, have been classified as **Nitrate Vulnerable Zone (NVZs)** which are mostly occupied by arable land. Livestock density is far beyond the environmentally sustainable limit (4.8BEU/ha). However, the effective density stays within 1-1.5 BEU/ha due the practice, on the basis of contract signed by the farmers, of spreading livestock manure (bovine) on fields. This practise is aiming at improving the soil structure in intensively farmed (arable land) areas limiting the release of nutrients to underground water.

As far as **fertilizers** are concerned these chemical contribute significantly to nutrients surplus. Concentration of nutrients like Phosphorus (Ph) and Nitrogen is high. Nitrogen (N) reached, in 2000, 103 kg/ha (national 40kg/ha) and phosphorus 62kg/ha (national 28 kg/ha). Figures are steadily increasing. Use of **Pesticides** tends to decrease by influence of innovative practices like organic farming. Quantification of pollution deriving from the use of fertilizers, pesticide and livestock manure give reason for actions to be taken. There is an intensive use of water being the farming activities widespread on about 50% of the territory. **Water management** is being analysed explaining also the extension of the irrigation system (583.000 ha) and anticipating the necessary steps to improve the current situation.

Problems of **soil erosion** are mainly in hilly and mountainous areas due to climate conditions, type of soil, steeped sloops. Overall evaluation on soil lost in the region about 2.16 t/ha/yrs, which are lower then the national average of 3.11 t/h/yrs.

**Air quality** is affected by ammonia which is causing acid rains with negative effect on forest, biodiversity (aquatic animals) and soil quality. It derives deriving from livestock manure and agricultural activities (fertilizers). As far as **Green House Gases (GHG)** is concerned the analysis underlines that methane and nitrous oxide levels stayed stable whilst the contribution to CO<sub>2</sub> emission increased in agriculture sector less then in others sectors/activities that are realising the gas in the air. Forest provides the best carbon sink in the region with 22% of the territory covered by forests.

Finally the analysis highlights that the regional consumption of renewable energies is about 5.6%, which is lower then the national average of 7%. Amongst the bio-energy from renewable sources the use of biomass from wooden material, bio-fuel and biogas could contribute to decreased dependence on fossil fuel to produce energy.

#### *ENVIRONMENT and LAND MANAGEMENT IN RURAL AREAS*

In D and C rural areas, extensive agriculture and high natural value farmland are present. Here, natural areas and forests are playing an important role for the protection of biodiversity. In rural area D, in particular, protected areas are important, because they cover more then 22% of the total regional territory.

In B rural area, intensive agriculture is widespread. Water management and water pollution by nitrates and pesticides are relevant issues, and the emission of greenhouse gases is significant. Protected areas are less spread than elsewhere. Forestry is not economically significant.

Agriculture activities in A rural areas are not significant.

#### NEEDS:

- To protect water resources by improving proper water management to save water and preventing water quality deterioration. That should be achieved putting in place actions to reduce pollution (nutrients, manure and pesticides).

- To preserve biodiversity by consolidating actions undertaken in previous programming period oriented towards improvement of ecological infrastructures in rural areas and by completing the preparation of conservation and/or management plans for all sites. Natura2000 sites in flat and urbanised areas should be preserved from high pressure deriving from human and high intensive farming activities which are undermining conservation and biodiversity in these areas.
- To intervene to preserve/increase forest and use of biomass for energy in order to tackle the air problems related to agriculture.
- To halt/prevent problems by way of agricultural methods in areas at risk due to types of soil/cover applied.

### 3.1.4 Rural economy/quality of life and Leader

**Demographic problems** are being identified in the D and C and in rural areas with an increasing aging population, a higher dependency on rural activities, low tendency to off-farm activities and lower tendency to introduce innovation. There is a need to ensure some basic services and promote improvement of mobility services. Most of the farms are not viable and there is a need for diversification in order to balance a low income deriving from agriculture.

The presence of natural, cultural, gastronomic heritage represents an opportunity for improving competitiveness in the areas creating new jobs (micro-enterprises) and providing an alternative source of income for farmers.

The main focus is given to **alternative employment opportunities** and **quality of life** taking into account the following economic areas which are deemed more relevant for rural development actions: **diversification, rural tourism, renewable energies, basic services** and **regional quality products**.

The variety of *Regional quality products* can be a key element for diversification of rural activities mainly in marginalised areas like hilly or mountainous areas. It should be encouraged the creation of micro-enterprises to support the local economy. In these areas the rural population can also take advantages from the valorisation of natural and cultural heritage locally available.

*Basic services* to the population in remote/marginalized areas could serve employability to local population providing a range of social services to elderly people, youth and women. Internet connection is still quite low in rural areas. Broadband connection is still lagging behind mostly in rural areas with development problems and intermediate rural areas.

*Rural tourism* is not yet well developed in Veneto. It accounts for 0.4% of tourism in the region. It could contribute to employability (female), to valorisation and promotion of local quality products and link the farm activity to the environment in a sustainable way. The richness of natural-cultural heritage is not only limited to disadvantaged areas; nevertheless it is deemed more appropriate to intervene where the risk of out-migration abandonment is higher; therefore promoting economic activities in such areas will serve to maintain rural population to preserve the natural assets locally available and to give the necessary support for living.

*Renewable energies* represent a policy area established at regional level in order to provide an alternative source of income to rural population.

Finally, the analysis of Axis 3 underlines the participation of the region to the previous **Leader** programs; good lessons for local development have been learnt from the implementation of those programs. Thus significant experience has been made in this area on which to build in the future.

#### WIDER RURAL ECONOMY IN RURAL AREAS

In D and C (partially) rural areas demographic problems are being identified with an increasing aging population, a higher dependency on rural activities, low tendency to off-farm activities and lower tendency to introduce innovation. There is a need to ensure some basic services and promote improvement of mobility services. Most of the farms are not viable and there is a need for diversification in order to balance a low income deriving from agriculture.



The presence of natural, cultural heritage represents an opportunity for improving competitiveness in the areas creating new jobs (micro-enterprises) and providing an alternative source of income for farmers. Eno-gastronomic assets are also an opportunity for diversification.

In B rural areas the delocalisation from highly-congested urbanised areas has created conditions for young people to settle here and to get into work. Employment opportunities can be found in agricultural and non agricultural sectors. Support for setting up of young farmers would increase jobs in agriculture. Job opportunities can be found in the SME which are highly represented. Environment is under constraints deriving also from agriculture; therefore environmental friendly agricultural methods are crucial to improve environmental conditions. Agricultural holdings are quite small (2.8/ha average) and the need for land consolidation is quite high. Moreover alternative opportunity for job creation can be found in the tertiary sector in order to avail local of basic services.

In the A rural areas agriculture is playing a very limited role. The plots are very small and overall they are conducted by over 60 farmers. The high competition from sector using land (housing, infrastructures) will lead to abandonment of the remaining farming activities.

#### NEEDS:

- To create employment in rural areas
- To qualify and consolidate existing employment in rural areas
- To improve the attractiveness of rural areas for residents, enterprises and tourists
- To improve tourism in rural areas
- To promote the utilisation of energy potentialities, located in rural areas, in order to develop multi-functionality and diversification of agricultural holdings
- To promote and increase broadband coverage in rural areas

### 3.2 Strategy chosen

In the framework of community and national priority objectives the strategy designed in the program is centred on strengthening competitiveness of the agro-food and forestry sectors, increasing the valorisation of natural assets, introducing environmental friendly types/methods productive methods, and ensuring higher quality of life in rural areas. That is in the shake of responding to the needs identified in the analysis.

Priority objectives are being identified in the four axes foreseen in the Regulation (EC) 1698/2005 in order to ensure a proper use of the resources available and meet the general objectives set down in the program.

#### *Axis 1 Improving competitiveness in agricultural and forestry sectors*

The main accent is being put on farm investments, adding value to agricultural and forestry products, rejuvenation, higher participation by farmers in quality schemes and spread knowledge, increase skill capacity amongst farmers. Within Axis 1 the reconversion of the tobacco sector<sup>8</sup> is being taken into account.

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<sup>8</sup> The analysis highlights the needs in term of reconversion of the tobacco sector. Tobacco sector in the region is two folded.

Producers in certain regional areas will not be in the position to afford the market reorganisation and they will not be in the position to maintain their economic viability. The common organisation of the market of raw tobacco (Council Regulation n°2075/1992) contains provision on the Community Tobacco Fund (CTF), with which reconversion measures to help tobacco growers to switch to other crops or other economic activities are financed. Council Regulation n° 2182/2002 foresees that those who apply for assistance from the CTF shall not apply for funding for the same project under another assistance scheme, to prevent double financing. The Fund will be utilized to pay intervention up to first half of 2010 at the latest. Afterwards the allocation will be made available to Rural Development to abandon tobacco production and to support an <sup>9</sup>“exit strategy” to be defined and implemented under the rural

**46.7%** of resources are given to **Axis 1**. The repartition of axis resources gives the highest rate to **physical (investments) capital** (64.0%) followed by **human capital resources** (23.8%) and **quality** (12.2%).

Amongst the measures "modernisation of holdings" and "adding value to agriculture and forestry products" measures will absorb 52.7%.

Rejuvenation actions will receive robust support (17.0%) to set up of young farmers.

Participation by farmers in "quality schemes" and related promotion activities will receive 6.6%. Training /capacity building will receive 7.1% of allocation. 3.2% will be allocated to the forestry sector to improve the economic value of forests.

### ***Axis 2 – Improving the environment and the country side***

The main emphasis in axis 2 is being put on agro-environmental measures, followed by the increase and sustainable management of forest resources.

**39.1%** of resources is given to **Axis 2**. The repartition of resources gives the highest rate to **environmental actions on agricultural land** (88.2% share) followed by **environmental actions on forestry land** (11.8% share).

The high consideration given in the analysis to the environmental concerns related to various issues asks for strong support on "agro-environmental measures" fixed at 53.7% followed by "payments on natural handicaps measure" fixed at 24% in environmental actions on agricultural land section.

"First Afforestation of agricultural land" deserves the 5.8% share under environmental actions on forestry land section in order to satisfy the needs for increasing forests extension and to encourage an alternative use of agricultural land, as highlighted in the analysis.

### ***Axis 3 – The quality of life I rural areas and diversification of the rural economy***

Support for diversification, micro-businesses and tourism will represent the major component of axis 3, closely linked with job creation/maintenance, followed by measures for the quality of life. In order to ensure a proper repartition of resources to finance interventions in favour to rural areas suffering for development problems and to fulfil orientations set down in NSP in relation to such areas, at least 60% of the allocations of axis 3 will be spent for projects in C and D rural areas.

**14.2%** of resources is given to **Axis 3**. The repartition of resources gives the highest rate to **economic development** (62.1% share) followed by **quality of life** (15.2%) and **human capital** (5.2%).

The "diversification and creation of employment measures" in rural areas are absorbing the total of the budget (62.1%) under economic development section. "Basic services" measure to provide basic services in disadvantaged rural areas shares the 15.2% of the budget.

### ***Axis 4- LEADER***

**11%** of resources allocated to Leader would mainly serve the objectives of axis 3. In order to ensure a proper balance between sub axis "diversification" and "quality of life" in rural areas, it has been decided to allocate at least 30% to the latter one. This is being in line with the needs identified in rural areas on the basis of the regional context where the policies to improve jobs and occupation is being considered more relevant compared to the needs for

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development policy. The program analyses the reconversion needs in rural areas where production could not be economically sustainable and offered strategies to be implemented in order to facilitate diversification towards other productive sectors.

Reorganisation of the competitive tobacco growers will be supported by the rural development in order to facilitate producers to afford the new challenges deriving from the Tobacco sector reform.

creation/improvement of basic services to rural population. This minimum spending rate for sub-axis "quality of life" will ensure, however, the interventions in favour to population suffering for inadequate basic services.

The estimated impacts for the RDP are:

<b>Indicator</b>	<b>Measurement/unit</b>	<b>Target (2013)</b>
Economic growth	Net added value (EUR Million in PPS)	181
Employment creation	Net jobs created	1658
Labour productivity	Change in gross added value per labour unit in full time equivalent	-0.1%
Reversing biodiversity decline	Change of biodiversity trend (% of selected farm birds species index)	Reverse of decline
Preserving agricultural and forestry land with high natural value	Change in area of high nature area (thousand hectares)	5000
Improvement of water quality	Change in nutrient balance (N)	-66%
Fighting climate change	Increase in energy production from renewable energies (kt/oil equivalent)	nihil <sup>9</sup>

### 3.3 Ex-ante evaluation

The ex-ante evaluation concludes that the draft rural development plan conforms to the relevant EC regulatory requirements and that it meets the various priorities identified in the NSP for rural development and related strategy documents. It is also deemed to complement actions under the 1<sup>st</sup> pillar of the CAP and to respond to the broad policy concerns outlined in the Lisbon and Göteborg Council conclusions.

According to the Evaluator the draft rural development plan provides significant background analysis and problem identification is well informed and reasoned. Measures are based around the three core objectives of Regulation (EC) 1698/2005 and will contribute to overall balanced rural development.

### 3.4 Impact from the previous programming period

Veneto, as Objective 2 region, benefited from EAGGF-Guarantee and Leader+ support during the 2000-2006. EAGGF-Guarantee funded 19 measures, shared between 3 axes (competitiveness, environment and multifunctionality/diversification in agriculture). EU credits were €297,35m. Overall 41% of EAGGF-Guarantee funds went to axis 1, 18% to axis 2 and 39% to axis 3. Notable achievements under individual axis included the following:

- Axis 1

Stronger competitiveness in the agro-food sectors thought, improvement of quality production improvement of human resources, modernisation, creation stronger synergies along sectoral food chain. Measures like "Processing and marketing", "Investments", "Training", "Installation aids" contributed to these major achievements.

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<sup>9</sup> There no actions in the program in favour of energy production from renewable energy.

- Axis 2

Emphasis was given on the environmental aspects of agriculture promoting participation of farmers to the agro-environment scheme, Compensatory Allowances, forestation and other schemes for the environmental protection in Natura2000 areas.

- Axis 3

Thought small financial allocation to this axis, a substantial contribution to diversification of economic activities in rural areas has been given by the implementation of Article 33 measures.

- Leader

Leader+ program fully reflected and delivered both EU and national objectives in this respect. Under the program good results has been obtained in term of promotion of products/territory, improvement of skills, job creation by applying an integrated approach in rural development. A good lesson for the future has been provided by the implementation of the Leader concept in 2000-2006.

## 4 AXES AND MEASURES

### 4.1. Description of the general requirements and requirements for several measures

**Cross-compliance** is implemented according to provisions set down in Reg. (EC) 1782/03 which are implemented, at national level, according to provisions set down in Ministerial Decree n° 12541/2006. By Regional Decree n° 339/2007 the provisions in national decree have been adapted to the regional conditions in order to specify the commitments to be undertaken by farmers. By the same regional decree the **GAEC** (Annex 4 of Reg. 1782/03) have been set down.

The **methodology for calculations** of income forgone and extra costs is guaranteed. Validation of calculation was made by the University of Agriculture in Padoa.

**Carryover of resources** from the 2000-2006 period amounts to €29.548.281 (public costs); the transfer concerns to following measures: codes 111, 113, 114, 123, and 125 in axes 1; codes 211, 214, 221 in axis 2 and code 321 in axis 3 and technical assistance.

### 4.2. Axis 1- Improving the competitiveness of the agricultural and forestry sectors

#### 4.2.1 Training and information (article 21 of R. 1698/2005-code 111):

**Objectives:** The measure aims at equipping farmers, foresters and people dealing with food with skills necessary for career in farming, forestry activities and agro-food and to improve competitiveness and environmental sustainability of agrifood and forestry sectors through range of actions focusing on training and information.

**Activities:** action 1): Group training and information activities: courses (including e-learning courses) and on-the-field classes, seminars, conferences addressed farmers, foresters, farm workers. *Beneficiaries:* accredited training bodies; action 2): Information: information meeting, seminars on specific topics. *Beneficiaries:* operators, technicians working in farming forestry, rural development, agro-food sectors; action 3): individual training (to be developed according a specific program): to facilitate acquisition skills on specific topics. *Beneficiaries:* farmers, foresters; action 4): Supporting regional information system with the aim of transferring knowledge to agriculture, agro-industry and forestry operators. *Beneficiaries:* the Region.

**Aid intensity:** actions 1), 2) and 4): 100%; action 3): 80% of admissible expenditure.

**Synergies with other measures:** with other human resources development measures (codes 112 and 114), "Progetti Integrati" package and with other measures like measures 131, 214, 215.

**Outputs:** 23.321 participants, 159.890 training days

**Budget:** 6.19 Meuro (14.06 Meuro total public).

#### 4.2.2 Setting up of Young Farmers (YF) - (article 22 of R. 1698/2005-code 112):

**Objectives:** The aim of the measure is to facilitate structural changes in the farming sector, improve farm structure, modernise farms managed by young farmers, boost economic efficiency of farming.

**Activities:** single premium to finance costs born by eligible applicants for setting up and implementing a business plan.

**Definition of setting-up:** to get responsibility of a farm; establishing a business plan to be implemented during 36 months from setting up.

**Summary of business plan:** description of current situation, milestones and targets for development, needs for training, details of necessary investments, final situation expected in relation to the economic situation, quality of production and environmental aspects. Review carried out in fifth year after setting-up.

**Use of period of grace:** 3 years to reach adequate skills/competence.

**Beneficiaries:** farmers aged 18 to 40 yrs who possess adequate skills/competence, present a business plan and are setting up for the first time as head of the holding.

**Amount of support:** maximum €30.000 (min €10.000) in one instalment paid after completion of the business plan. This amount can be paid in advance under given guarantees.

**Target areas:** the whole regional territory

**Synergies with other measures:** the measure is implemented exclusively in an integrated manner (*pacchetto giovani*), with measures (codes 113, 114, 121) through the business plan.

**Budget:** 29 Meuro (65.9 Meuro total public)

**Outputs:** 2.339 settings-up, 65.9 Meuro total investments

#### 4.2.3 Early retirement (ERS) from Farming (article 23 of R. 1698/2005-code 113):

**Objectives:** the measure, in conjunction to "Setting up of young farmer", is aiming at rejuvenating agricultural sector keeping young farmers in agriculture, restructuring farm sectors and allowing established farmers to expand their holdings.

**Actions:** payment of annual pension.

**Definition of beneficiaries:** *Transferors:* farmer aged 55 yrs (at least) without being entitled to get a national pension, farming for 10 yrs before application for ERS, and ceasing all commercial farming. *Transferees:* to be supported under YF scheme or be less than 50yrs, succeed as head of holding. *Farm worker* must be 55-65 (60 for women), at least half time has been spent in farming in previous 5yrs, have been working in transferor's holding for equivalent of at least 2 yrs full-time, belong to Social Security Scheme.

**Description of links with national retirement scheme:** 60yrs for women, 65 for men. **Link with YF:** approved YF eligible as transferee.

**Duration:** ERS is given for maximum 10 years and it is payable up to 70<sup>th</sup> birthday for the transferor and the normal pension age for the farm worker.

**Targeted areas:** the whole region.

**Amount:** flat rate payment of max €18.000pa, €18.0000 in total; €4.000pa for farm workers, €40.000 total. Payment is being modulated according to specified criteria (typology of production, farm size).

**Budget:** 1.0 Meuro (2.2 Meuro total public).

**Outputs indicators:** 49 transferor, 3 retired farm workers, 625 Ha transferred

#### 4.2.4 Use of advisory services (article 24 of R. 1698/2005-code 114):

**Objectives:** The measure aims at promoting the participation of farmers and foresters in the advisory system, covering at least GAEC and Cross compliance issues. Support will be also given to issues related to farm management in order to increase competitiveness in the farming and forestry sectors

**Activities:** action 1) cover topics related to compulsory standards in articles 4 and 5 and annexes III and IV of Reg.(EC) 1782/2003 and safety at work and it being addressed to farmers; action 2) covers topics relevant to foresters..

**Beneficiaries:** farmers and foresters.

**Advisory body's selection procedure: advisories services** will be selected by the Region on the basis of the following requirements: availability of qualified staff and administrative/technical facilities and, advisory experience and reliability, no involvement in the management/control of the agricultural subsidies. The list of the selected bodies will kept updated regularly by the Region.

**Targeted areas:** the whole Region. Priority for support will be given to mountainous areas.

**Level of support:** 80% of a maximum admissible cost of €1.875.

**Budget:** 6.0 Meuro (13.63 Meuro total public).

**Output indicators:** 7.650 farmers and 1.441 foresters supported

**Synergies:** with measures codes 111, 112, 121, 131, 214 integrated” package measures”

#### 4.2.5 On-farm investment (article 26 of R. 1698/2005-code 121):

**Objectives:** With the ultimate objective to boost competitiveness in the agricultural, forestry and agri-food sectors, the measure aims at modernisation/improvement of productive sectors with chance of improving income, reducing production costs, guiding production in line with foreseeable market trends, encouraging new outlets for agricultural products; improving production, handling & preparation of agricultural produce, facilitating adoption and application of new technologies and diversification (bio-energy), improving qualitative standards.

**Scope:** production, processing and marketing of the products (animal, vegetable) in the Annex I of the Treaty and respecting the compatibility/demarcation line for actions with the COMs.

**Actions (non exhaustive list):** action 1): *structural improvement* (land consolidation and improvement, buildings and technological structures construction/improvement, biomass production from pluri-annual plantations; action 2): *technological improvement* (machineries, technological equipment; active defence of cultivations, acquisition of new machineries/equipment leading to reduction of costs, saving energy, improve quality, improving sanitary/health/environmental conditions as demanded by consumers, investments for the improvement of irrigation efficiency, investments for renewable energy); action 3): *strategic management improvement* (logistics in order to improve marketing, investment to facilitate direct marketing, hardware, software, in relation improvement of communication/e-commerce, 4) *overhead costs* up to 5% of the admissible investment, participation to the Guarantee Fund.

**Beneficiaries:** eligible farmers who present a business plan and respecting fixed viability conditions.

**Type of investment:** Business plan should details all types of investments specifying the added value expected from the implementation of actions. No investments are admissible for aiding farmers (including young farmers) to comply with existing compulsory standards.

**Priorities:** priority is being given to strategic interventions identified for each production sectors on the basis of the actual needs identified in the analysis. The interventions will operate in prioritized areas (i.e. mountains areas). Intervention in favour to tobacco restructuring is being prioritized too.

**Newly introduced Community standards** (standards to be met within 36 months from date of adoption of provision making standard compulsory) are being indicated: **Type of aid:** based on eligible expenditure; max. € 600.000 (€1.200.000 in case of co-ops) in 5yrs/beneficiary. The minimum is being fixed in €25.000 (in low land)

and €15.000 (in mountainous areas); if aid is given within an integrated measure package (i.e. Young Farmers), the minimum is reduced.

**Intensity aid:** *young farmers*: 55% in mountainous areas, 40% in other areas; *other farmers*: 45% in mountainous areas, 30% in other areas. 20% advanced payment is admissible under strict conditions.

**Targeted areas:** the whole Region.

**Budget:** 62.17 Meuro (141.30 Meuro total public).

**Output indicators:** 3.495 holding supported, 384.3 Meuro of total investments

**Coherence with first pillar:** applicants for this scheme are ineligible for grant aids under any other EU or nationally funded schemes and will be a condition in the scheme that any such applications would be withdrawn.

#### 4.2.6 Improvement of the economic value of forests (article 27 of R. 1698/2005-code 122):

**Objectives** The measure aims at increasing the economic value of forests by boosting productivity of forests, improving accessibility (forest roads) and equipment to be used by forest owners and forest enterprises to work wood in the forest.

**Scope & actions:** action 1): construction/improvement of forest roads; action 2) restructuring of forests in order to improve the quality of wooden material; action 3) investments linked to the forestry holdings for first processing (harvesting); 4) overhead costs.

**Beneficiaries:** private and public forestry holders and forests enterprises linked by contracts to forests owners (privates, communes).

**Requirements & targets:** the forests, above 30 hectares size, must have a forest management plan.

**Types of investment:** forest roads, investments linked to forest productivity improvement, machinery and infrastructures intended for wood processing in the forest.

**Type of support:** grant payment. **Aid intensity:** action 1) “Forest roads” and action 2) “improvement of forests productivity”: 50% (60% in mountainous areas and Natura2000 sites); action 3): 40% for acquisition of machinery, improvement of infrastructures (50% in case of innovative and specialized machinery).

**Targeted areas:** the whole Region. Priority is being given to mountainous areas for actions 1 and 3

**Costs:** action 1) and 2): max €100.000, min €10.000; action 3): max €400.000 (€500.000, if aid intensity is at 40%), min. €30.000.

**Budget:** 5.7 Meuro (12.9 Meuro total public).

**Output indicator:** 359 beneficiaries, 25.91 Meuro of investments

**Synergy** with measure 123.

#### 4.2.7 Adding value to:

##### a) Agricultural products (article 28 of R. 1698/2005-code 123)

**Objectives:** With the ultimate objective to boost competitiveness in the agricultural and agri-food sectors, the measure aims at increasing added value of agricultural products by means of investments intended to boost integration between actors (producers, processors and traders/sellers) in the main food chains, to rationalize and improve the processing and marketing conditions as well as to improve quality, to reduce negative environmental impacts, to introduce innovation and utilization of renewable energy and to fulfil environmental, hygiene and safety standards. In order to ensure economic benefits to farmers, the measure is envisaging increasing added value of the primary production.

**Scope & actions:** action a) introduction of new technologies, action b) improvement of quality, environment, animal welfare and safety conditions, saving energy, utilize energy from renewable sources, action c) re-orientation of production, action d) promotion of new market outlets, action e) improvement of processing and marketing, action f) introduction of new technologies for the utilisation or disposal of by-products and waste, action g) enhancement of environmental performances. 15

**Targeted areas:** the whole Region. Priority for support will be given to mountainous areas.

**Targeted productive sectors:** viticulture, dairy, meat, arable crops, tobacco, fruit and vegetable, olive oil.

**Priorities:** priority is being given to strategic interventions identified for each production sectors on the basis of the actual needs identified in the analysis. The interventions will operate in prioritized areas (i.e. .mountains areas).

**Types of (material and immaterial) investments:** a) construction, acquisition or improvement of immovable property; b) purchasing of land not exceeding 10% of the investment costs, c) purchasing of new machinery, equipment and means of transport to be used for a number of agricultural holdings; d) overhead costs, participation to the financial engineering actions (Guarantee Fund).

**Beneficiaries:** micro-enterprises, small/medium enterprises (SME) and less than 750 employees (or less €200 million/year) enterprises processing and marketing products of Annex I of the Treaty, with a limitation for agricultural holdings.

**Type of support:** grant payment. **Aid intensity:** 30% (40% for micro-enterprises in mountainous areas processing products produced in these areas), 20% for enterprises with less than 750 employees) of eligible expenditure up to €m.

**Coherence with first pillar:** applicants for this scheme are ineligible for grant aids under any other EU or nationally funded schemes and will be a condition in the scheme that any such applications would be withdrawn.

**Output indicator:** 213 beneficiaries, 227.5 Meuro of investments

#### ***b) Adding value to forestry products (article 28 of R. 1698/2005-code 123)***

**Objectives:** the measure aims at increasing added value of forestry products by means of investments intended to encourage innovation (especially in the view of renewable energy production), support modernisation and output diversification, integrate production chain by linking first processing of wood with the second processing steps.

**Scope & actions:** acquisition of machinery even in the view of output diversification, creation of small storage and draying facilities, implementation of traceability systems, means of transport to be used within the forestry chain, overhead costs.

**Types of investment:** machineries intended for processing of raw material and to diversify wood products, storage facilities; shipping vehicles (for transportation within the wood production chain), energy production from wood.

**Targeted areas:** the whole Region. Priority for support will be given to mountainous areas.

**Beneficiaries:** Forestry micro-enterprises.

**Type of support:** grant payment. **Aid intensity:** 40% of eligible expenditure up to €500.000/project (min. €25.000). **"De minimis" State aid regime is being applied.**

**Budget (measure 123 and 123F):** 31.8 Meuro (72.27 Meuro total public).

**Output indicator:** 133 beneficiaries, 9.03 Meuro of investments

Sinergies: with measure 122 and with axis 2 forestry measures

#### **4.2.8 Co-operation for development of new products processes & technologies in the agriculture and food sector and in the forestry sector (article 29 of R. 1698/2005-code 124):**

**Objectives:** The measure is aiming to the diffusion of product/process technological innovation. This general objective should be pursued enhancing the cooperation within different subjects. Operations should be targeted on the testing and introduction of innovative management systems (supply concentration), new processes and products and innovative procedures.

**Scope& actions:** a) acquisition of technical/scientific material/equipment, b) acquisition of patent rights and licenses (products), software; c) consultancies/expertises, researches; d) overhead costs and costs related to staff (project manager) and information.



**Beneficiaries:** consortium/associations including agricultural and forestry holdings, food enterprises, producer organisations, research institutes.

**Priorities:** cooperation projects in the field of renewable source of energy, nitrate directive integrated projects, and tobacco will be prioritized.

**Eligible costs:** costs related the cooperation like technical and scientific equipment/machinery, patent acquisition, software, advisory services, overhead costs.

**Aid intensity:** max. 50% up to a maximum of €200.000/project. "De minimis" State aid regime is being applied.

**Budget:** 4.12 Meuro (9.3 Meuro total public).

**Output indicator:** 47 beneficiaries

#### **4.2.9 Infrastructure of importance to the development and adaptation of agriculture and forestry (article 30 of R. 1698/2005-code 125):**

**Objectives:** The measure is aiming at promoting/maintaining multifunctionality (production, landscape, biodiversity and socio-cultural heritage) of mountainous pasture areas, named "*malghe*"<sup>10</sup>, improving accessibility to and avoiding abandonment of these areas..

**Scope& actions:** action 1): improvement of accessibility to the *malghe*; action 2): land consolidation and improvement taking into account infrastructural needs in the *malghe*. Actions are to be taken in agreement with the communes.

**Eligible expenditure:** improvement of accessibility to the *malghe*, improvement of infrastructures (water, drains, energy supply, telephone); overhead costs.

**Operations** are to be implemented in line with forest management plan or other study demonstrating the usefulness of the creation/improvement of the infrastructure. In particular the enhancement of the multifunctional role of the "*malghe*" given by the interventions should be demonstrated.

**Beneficiaries:** action 1): communes; action 2): communes or other public ownership of *malghe*; (private) common ownership of *malghe*.

**Type of support:** costs based grant dependent on nature of project.

**Aids intensity:** action 1): 70% (max. €200.000, min. €40.000); action 2): 75% (max. €200.000, min. €15.000) for public bodies (65% common ownership)

**Budget:** 10.12 Meuro (23.0 Meuro total public).

**Output indicators:** 385 actions, 32.3 Meuro of total investments.

**Synergies** with on-farm investments, young farmers setting-up aid, agro-environment and axis 3 measures (rural tourism).

#### **4.2.10 Meeting standards (article 31 of R. 1698/2005-code 131)**

**Objectives:** The measure aims at facilitating the implementation of newly introduced standards, based on Community legislation, in the national /regional legislation in order to protect the environment from pollution deriving from agriculture and facilitate farmers to comply with national/regional administrative provisions related

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<sup>10</sup> Malghe: It is the name given to specific parcels, located in the mountains, where productive activities (livestock husbandry, grazing areas, and milk processing) are being carried out especially in spring and summer time. These areas are being owned by the communes and they are being farmed "in common" by farmers. The attractiveness of these areas is linked to the scenery landscape and the beauty of the nature in conjunction with typical food (especially dairy products) production in these places. By and large the importance of the "malghe" is growing in relation to tourism attractiveness linked to the before mentioned conditions.

to the implementation of directives 91/676 (Nitrate directive) and 96/61 (integrated environmental protection in relation negative effects deriving from animal husbandry).

**Scope:** support to management costs related obligation set down by the national legislation implementing directives 91/676 and 96/61.

**Actions:** action 1): collection of information/data, all review, analysis/studies, performed at farm level, proving the correctness of the slurry/manure management plans respecting the environment and improving the soil fertility, elaborate innovative farming practices (like animal feeding practices) that can contribute to reduce negative impact deriving from agricultural activities on the environment; action 2): setting down studies to define the Best Technology available to be adapted/implemented in the livestock holdings in order to reduce pollution.

**Description of operations:** immaterial investments, preparation of the plans, preliminary studies/evaluation/review.

**Beneficiaries:** farmers and public entities involved in farming activities.

**Type of support:** cost based grant dependent on nature of project. **Aids:** 5yrs digressive payments not exceeding the maximum €10.000/holding (Dir. 91/676) and € 5.500/holding (Dir. 1996/61). If action 1 and 2 are being implemented in the same holding, cumulative payment will not exceed €10.000.

**Targeted areas:** the whole territory with priority given to NVZs

**Budget:** 10 Meuro (22.7 Meuro total public).

**Output indicators:** 8.500 holdings supported

#### 4.2.11 Food quality schemes (article 32 of R. 1698/2005-code 132)

**Objectives:** The measure aims at boosting the production of high quality agricultural products, developing new certification schemes according to Reg. 1783/2003, giving an incentive to the producers to adhere to officially recognised food quality schemes and stimulating the participation to certification and control systems.

**Scope&Actions:** products officially recognised at Community level, food quality systems approved at national level; to finance fixed costs for farmers deriving from entering to/participating in a quality scheme.

**Eligible operations:** products to undergo certification should be officially recognised by specific provisions referring to this type of product.

**Beneficiaries:** farmers who participate in the quality schemes listed below:

- Geographical indications and designations of origin for agricultural products and foodstuffs (Council Regulation 510/2006) – 20 products
- Traditional specialities guaranteed (Council Regulation 509/2006) – 1 product
- Organic production of agricultural products (Council Regulation 2092/91, in process of recasting)
- Quality wine produced in specified regions (Title VI of Council Regulation 1493/1999 on the common organisation of the market in wine) – 6 wines.
- Products with quality labels officially recognised by the Region (Regional Law 12/2001) and respecting the conditions set down in article 22(2) of R.(EC) 1974/2006.

The region will update the list of products participating in the abovementioned schemes. All the products are for human consumption.

**Requirements:** the supervision of the schemes is ensured by the Ministry of Agriculture and Forests according to specific decrees.

**Targeted areas:** the whole regional territory

**Type of support:** cost based grant. **Aids:** maximum €3.000 beneficiary/year.

**Budget:** 10.36 Meuro total public.

**Output indicators:** 3.282 farmers supported

**Synergies:** with promotion of quality, integrated measures for setting-up of farmers, agro-environment.

#### 4.2.12 Information & Promotion (article 33 of R. 1698/2005-code 133)

**Objectives:** The general objective of the measure is to inform consumers and market operators about the existence and the characteristics of quality products.

**Scope&actions:** support to the realisation of information/promotion programs, such as: a) information activities consumers, b) promotion, advertising and public relation exercises towards other market operators, c) participation in fairs and exhibitions both national and international.

**Admissible expenditure** will be represented by all the cost incurred in the realisation of the information/promotion program, with the exception of administrative and personnel costs. Information or promotion activities, supported by Reg. (EC) N. 2826/2000, will not be eligible.

**Beneficiaries:** producers groups participating in a food quality scheme (EU, national, regional).

**Targeted areas:** the whole regional territory

**Type of support:** cost based grant. **Aids intensity:** 70%, 50% and 60% of the eligible costs. respectively for information, publicity and promotion actions.

**Budget:** 7.12 Meuro (16.18 Meuro total public).

**Output indicators:** 40 actions supported

**Synergies:** with measure “Food quality schemes” (code 132).

### 4.3 Axis 2: Improving the environment and the countryside

#### 4.3.1 Less Favoured Areas Compensatory Allowances Scheme in mountainous areas (article 37 of R. 1698/2005-code 212):

**Objective:** The aim of the measure is to avoid land abandonment & ensure viability in mountainous areas.

**Requirements:** farmers must undertake to farm in LFA for min. 5 years from 1<sup>st</sup> payment, adhere to requirements of cross-compliance, have a minimum stocking level of 0.5 LU/ha, to farm grass land at least 3 months/year, comply with GAEC and compulsory standards.

**Beneficiaries:** farmers who commit to maintain a minimum livestock density.

**Target area:** mountainous areas as specified in the program; current LFA designation is being modified in order to include areas which are excluded from current classification (selection criteria are unchanged).

**Level of support:** €250ha in low produce grassland with minimum stock density 0,5 BEU; €200ha in other grassland with a minimum stock density of 1 BEU. A 20% payment reduction is applied (for the exceeding part) to parcels of more then 50 Ha up to a maximum of 75 Ha.

**Budget:** 35.6 Meuro (80.90 Meuro total public).

**Output indicators:** (not defined) agricultural holdings and 47.227 Ha supported

**Synergies** with agro-environmental measures

#### 4.3.2 Natura2000 payments (article 38 of R. 1698/2005-code 213):

**Objectives:** The aim of the measure is to compensate farmers for incurred additional costs and income foregone resulting from the implementation of Natura2000 and to contribute to positive environmental management of farmed Natura2000, sites in relation to the implementation of the directives 79/409 and 92/43.

**Scope&Actions:** compensate additional cost to farming agricultural land deriving from obligations and active management obligation in relation to pasture and grazing land.

**Commitments:** grass mowing from 15/6, parcels rotation, mowing grass from inside to outside, chemicals (pesticides, fertilizers) banned, special mowing equipment to be used, take mowed grass out from the parcel.

**Beneficiaries:** farmers fulfilling cross-compliance and GAEC requirements.

**Level of support (year):** NVZ: pasture €98/ha, grazing land €133/ha; non-NVZ: pasture €98/ha; grazing land €163/ha.

**Methodology of calculation** of payments is provided in Annex to the program.

**Budget:** 3.9 Meuro (9.03 Meuro total public)

**Output indicators:** (not defined) agricultural holdings and 9.036 Ha supported

**Synergies** with agro-environmental measures. Cumulative payments with similar actions in agro-environment measures are not allowed.

#### **4.3.3 Agro-environment (article 39 of R. 1698/2005-code 214):**

**Objectives:** the aim of the measure is to promote environmentally sustainable farming systems, conservation of HNVs, upkeep of heritage features on farmland, ways of using agricultural land which are compatible with the protection and improvement of the environment, biodiversity, the landscape and its features, climate change, natural resources, water quality, the soil and genetic diversity, to protect against land abandonment, sustain the social fabric in rural communities & promote conversion to organic production standards.

**Detailed costing:** provided in the annex of the RDP. These have been verified by specialists working in different departments in the University of Padua.

**Level of aids:** varying according to actions (see below) within the amount fixed in annex to Reg. 1698/2005.

**Budget:** 79.7.3 Meuro (181.3 Meuro total public).

**Cumulative aid** between similar interventions foreseen within the agro-environmental measures is not being allowed

**Sub-measures:** 7 sub-measures are applied to differentiate the type of actions and level of payments:

##### **Sub-measure a) Buffer areas, hedgerows and small woods**

**Objectives:** maintenance of buffer areas, hedgerows and trees to improve biodiversity, avoid soil erosion, increase carbon sink capacity

**Commitments** (non exhaustive list): keep min. 0.25 ha of buffer areas, hedgerows and trees, trees minimum 0.05 ha (max. 1ha), keep grass area of min 5m (max 6m) width beside hedgerows and trees, cut the grass in the buffer areas in period of time compatible with wild fauna breeding habits, pruning of trees, chemical (fertilizers pesticides) banned.

**Beneficiaries:** farmers, local public administration/bodies if they are engaged in farming activities eligible to agro-environmental payments.

**Support:** annual payment for maintenance of buffer zones/hedgerows": € 430/ha for commitments undertaken in 2000-2006 programming period, € 266/ha for new commitments; action "maintenance of trees": €120/ha for commitments undertaken in 2000-2006 programming period.

**Targeted areas:** the whole regional territory with priority given to low land and hilly areas

**Output indicator:** 14.700 Ha supported

##### **Sub-measure b): improving the quality of soil**

**Objective:** improve the content of organic matter and nutrient in the soil, reduce nutrients like nitrogen and phosphorus; decrease the usage of inorganic fertilizers will lead to environmental benefits (i.e. halting erosion) deriving from a better soil structure.

**Commitments:** utilisation of organic matter (manure and other organic matters) within the following limits (5yrs period): 30tons (120Kg of nitrogen in the field) in the NVZs, 57.7tons (230Kg of nitrogen in the field) in non-NVZs; partial substitution of inorganic fertilizers by means of organic by-products deriving from livestock production (manure), burying of manure

**Beneficiaries:** farmers, local public administration/bodies if they are engaged in farming activities eligible to agro-environmental payments.

**Annual support (5yrs):** €195/ha.

**Targeted areas:** the regional territory with identified erosion problems

**Output indicator:** 14.700 Ha supported

**Sub-measure c): organic farming**

**Objective:** environmental protection by reducing inputs and undertaking commitments foreseen in Reg. 2092/91 that would benefit to biodiversity and water quality.

**Scope&Actions:** provides a support for farmers who convert/maintain their holding to organic farming according to Reg.2092/1991 by action 1) converting to organic farming and action 2): maintaining organic farming.

**Commitments:** two yrs of production with organic methods before qualifying crops as “organic”, utilisation of natural fertilisation (mineral fertilisation allowed within the limits imposed by Reg. 2092/91, utilisation of organic seeds, min. 1 Ha/UAA under organic farming (exceptions are being allowed for N2000 areas and areas under commitments foreseen in measure 214 - actions a/d/g, measure 216 and measure 221), fodder crops eligible for support if utilised for feeding livestock under organic methods.

**Beneficiaries:** farmers, local public administration/bodies if they are engaged in farming activities eligible to agro-environmental payments.

**Conditions:** The farmer must inscribe of the organic producer regional register and convert/maintain the entire UAA to organic farming.

**Targeted areas:** the regional territory with priorities given to NVZs, protected areas

**Annual support:** action 1): a) €180/ha for arable crops, b) €440/ha for vegetable crops, c) €630/ha for permanent crops, d) €400/ha for vineyard, e) €220/ha for fodder and f) €100/ha for meadows and pastures; action 2):80% of the amount calculated for action 1 (certification costs under Reg. 2092/91 are not included).

**Output indicator:** 16.700 Ha supported

**Sub-measure d) - protection of semi-natural habitats and biodiversity**

**Objective:** valorise wet land and high natural value pasture/grassland; maintain/improve biodiversity mainly in areas covered by permanent pasture.

**Scope& Actions:** Action 1): maintenance of biotopes and wet areas to keep habitats characterized by submerged agricultural land; action 2): to improve/valorise wild fauna; action 3): maintain high natural value grassland/meadow in order to improve vegetal biodiversity.

**Commitments:** action 1): banning of fertilizers and pesticides, keep adequate water level and depth (from 30/11 to June) to ensure proper habitats to wild fauna and vegetation, maintenance of the edges of the ponds, keep endogenous flora and vegetation, keep pedestrians out of the wet areas during the breeding periods of endogenous fauna; action 2): improve field edges to ensure proper space and feeding opportunities to wild fauna, ensure cultivation of crops to be used exclusively for nutrition purposes of wild animal, conversion of arable land into green areas; action 3): all commitments intended to preserve/improve endogenous vegetation in pasture and meadow characterised by natural/historical value, ban of fertilizers and pesticides.

**Beneficiaries:** farmers, local public administration/bodies if they are engaged in farming activities eligible to agro-environmental payments.

**Annual support:** Action 1): €270/ha; action 2): €600/ha for not-utilized crops, €400/ha for conversion to pasture, €300/ha for valorisation of field hedges; action 3): €285/ha.

**Targeted areas:** action 1): the regional territory with priorities given to NVZs, wet areas; action 2); the whole regional territory except Natura2000 sites; action 3): green areas in protected sites, meadows/green land in low laying zones traditionally used for productive purposes.

**Output indicator:** 3.500 Ha supported

#### **Sub-measure e) - grass/pasture management**

**Objective:** preserve, maintain, and improve pasture areas, grassland and meadows in the view of productive, ecological environmental benefits.

**Scope&Actions:** action 1) maintenance of meadows outside NVZs located in lowlands, hills and mountains, action 2): maintenance of meadows within NVZs located in lowlands and hills, action 3): maintenance of pastures located in mountain in the aims a better management.

**Commitments:** actions 1 and 2): mowing/cutting grass compatible with meadows productivity and preservation of fauna (wild birds) organic fertilisation of permanent meadows and stamping out of vegetation infesting the grass, ,; action 3) ensure proper livestock grazing in the view of preservation/enhancement of the green cover proper manure spreading on the field to avoid piling up of manure in certain areas (i.e. drinking zones), ban of chemicals (fertilizers, pesticides), stamping out of vegetation infesting the grass.

**Cumulative aid** between similar interventions foreseen within Natura2000 measure is not allowed.

**Beneficiaries:** farmers, local public administration/bodies if they are engaged in farming activities eligible to agro-environmental payments.

**Annual support:** action 1): €168/ha (mountains and hills), €156/ha (low land); action 2): €128/ha (mountains and hills), €110/ha (low land) action 3): €85/ha.

**Targeted areas:** action 1): non-NVZs with priorities being given to mountains areas eligible to Compensatory Allowances; action 2): designated NVZs with priority being given to areas providing water to underground reservoirs; action 3): green areas in mountains areas eligible to Compensatory Allowances.

**Output indicator:** 83.900 Ha supported

#### **Sub-measure f) - biodiversity**

**Objective:** protection of biodiversity of local cultivated plant varieties and domesticated animal breeds.

**Scope&Actions:** support is provided for: action a): on-farm conservation of breeds in danger of being lost (4 cow, 3 horse, 4 sheep, 3 chicken, 1 goose, 1 guinea fowl, 2 turkey); action b): on-farm conservation of varieties endangered by genetic erosion (several varieties of cereals, fruits, vegetables and forage crops).

**Beneficiaries:** farmers, local public administration/bodies if they are engaged in farming activities eligible to agro-environmental payments.

**Annual support** is: action a:) up to €200; action b): €290/ha for arable/vegetable crops. 60 animals (50 females and 10 males) being stocked

**Commitments:** ACTION 1 - *cow breeds*: ensure the stock number (min 5 livestock units) recorded at the beginning of the contract with a possible increase (up to 50%) of suck stock, maintenance of the stock afterwards; *horse breeds*: ensure the stock number (min 2 livestock units) recorded at the beginning of the contract with a possible increase (up to 100%) of suck stock, maintenance of the stock afterwards, ensure breeding of the horse (at least 3 time each) during the programming period, *ovine*: ensure the stock number (min 1.5 livestock units) recorded at the beginning of the contract with a possible increase (up to 100%) of suck stock, maintenance of the stock afterwards; *poultry breeds*: ensure the stock number recorded at the beginning of the contract with a possible increase (up to 100%) of suck stock, maintenance of the stock afterwards. ACTION 2 – use of certified seeds for recognised varieties endangered by genetic erosion, maximum 2ha under contract

**Targeted areas** - action 1): the whole regional territory; action 2): territories where endogenous varieties are developed.

**Output indicator:** 3.700 livestock units under contract, 500 Ha supported

### **Sub-measure g) – water resources protection**

**Objectives:** ground and surface water protection in the perspective of implementation of Directive 2000/60, reduction of GHG emissions due to conversion of arable land to grassland.

**Commitments:** implementation of environmental friendly agricultural practices around water picking up areas and agricultural areas besides rivers by converting of arable land into grassland in these areas, ban of pesticides and chemical fertilizers, controlling undesirable vegetation.

**Beneficiaries:** farmers, local public administration/bodies if they are engaged in farming activities eligible to agro-environmental payments,

**Annual support:** €400/ha for conversion of arable land into grassland.

**Targeted areas** - the whole regional territory in relation to picking up points for fresh water with priority being given to NVZs and areas besides to the rivers.

**Output indicator:** 5.000 Ha supported

### **Sub-measure h) – Network for biodiversity**

**Objective:** action ensuring *ex-situ* conservation and complementing sub-measure g) on protection of biodiversity of domesticated animal breeds in danger of being lost and locally cultivated plant varieties endangered by genetic erosion.

**Scope&Actions:** create a network between centres (gene banks) involved in the protection of endangered species.

**Beneficiaries:** regional public bodies which are involved in the biodiversity conservation.

**Annual support:** up to 40% (max €200.000) and 50% (max €300.000) according to the actions.

## **4.3.4 Animal Welfare (article 40 of R. 1698/2005-code 215):**

**Objectives:** the measure aims to encourage farmers to adopt high standards of animal welfare by supporting farmers whose husbandry practices go beyond usual standards; improve quality of animal production.

**Scope & actions:** action 1):: pig farming in open spaces; action 3) free range chickens.

**Commitments:** action 1 - ruminants: more space available compared to the legal requirements for in-door breeding, extensification; action 2) - pigs: min space available for animals exceeding legal requirements for in-door breeding, extensification; action 3) - laying hens: lower animal density compared to legal requirements, extensification. By and large the measure will be ensuring the fulfilment of the conditions set down in Article 27 (7) of Regulation 1974/2006.

**Beneficiaries:** farmers, public bodies carrying out farming activities.

**Targeted areas** - the whole regional territory

**Calculation of payments** takes into account income losses due to reduction of the number of animals by sqmtr, conversion of arable land into pasture, transaction costs. Calculation is in annex to the RDP.

**Level of aids:** action 1: €380/LU, action 2): €230/LU, action 3): €138/LU.

**Budget:** 3.5 Meuro (7.9 Meuro total public)

**Output indicator:** not defined

**Cumulative aid** compatible with measure 214 f

## **4.2.5 Support for non-productive (agricultural) investments (article 41 of R. 1698/2005-code 216):**

**Objectives:** the measure aims to support investments complementary to actions undertaken under measure 214, beneficial to enhancement of biodiversity, protection of natural resources (water), prevent soil erosion and increase carbon sink capacity, enhance attractiveness of areas of naturalistic interest to public.

**Scope&Actions:** action 1): creation of avian fauna watching points; action 2): creation of facilities to allow fauna deployments; action 3): to promote waste water natural treatment to be performed at farm level, underground water protection, and creation of wet areas; action 4): creation of hay collection facilities in high natural value grassland

in order to collect seeds to be used in new areas; action 5): creation of hedgerows or lines of vegetation, buffer zone, trees.

**Operations to be supported:** creation facilities in wet areas or in naturalized areas in order to facilitate bird watching especially at nesting and breeding time (in conjunction with actions in measures 214 a/d/e), provision of pathways and shelters for wild fauna (in conjunction with actions in measures 214 a/c/d/e), creation of wet areas (in conjunction with actions in measures 214 d) and phyto-depuration system to treat waste water at farm level (in conjunction with actions in measures 214 a), creation of structures finalized to seeds production and collection to be used in HNV hay (in conjunction with actions in measures 214 d-action 3), creation of hedgerows, buffer zones, plantation of small number of trees (in conjunction with actions in measures 214 a).

**Targeted areas** – areas under agro-environmental commitments and Natura2000 and other protected areas.

**Beneficiaries:** farmers, local public administration/bodies engaged in farming activities that will adhere to agro-environmental measures; farmers who intend to ensure public fruition of the land inside Natura2000 areas.

**Level of aids:** max. 80% in disadvantaged areas (70% in other areas), 100% in actions 4) and 5) of the admissible costs up to a max of €10.000 (action 1), €20.000 (actions 2 and 3), and, €250.000 (action 4).

**Budget:** 8.2 Meuro (18.8 Meuro total public)

**Output indicator:** not defined

#### 4.3.6 First Forestation of agricultural land grant and premium scheme (article 43 of R. 1698/2005-code 221):

**Objectives:** the measure aims to increase area (except in mountains) under forestry & contribute to climate change mitigation; provide sustainable source of timber for energy, improve water quality in NVZs, increase biodiversity and create/improve natural environment, soil protection against erosion.

**Scope&Actions:** action 1): keep/improve natural forests; action 2): medium-long term plantations (>15yrs), action 3): short term plantations (<15yrs).

**Operations to be supported:** operation finalized to establishment and maintenance of plantation (analytical checks, ground preparation, scrub clearance, plants, cost of planting, fertilisers, 1<sup>st</sup> cleaning/spraying, fencing), overhead costs.

**Targeted areas:** Territorial priorities in relation to environmental needs are being provided (NVZ, N2000 and other protected areas according to conservation/management plans).

**Conditions:** min. 1ha to 2.5ha to be afforested according to type of wood according

**Definition of agricultural land:** farmed land.

**Definition of farmers:** 50% income deriving from agricultural activities, 50% of time spent in farming.

**Methodology for calculating establishment & maintenance costs:** in annex to the RDP.

**Aid intensity:** 80% in Natura2000 areas and NVZ, 70% in other areas, 80% to public body establishing permanent wood in either area.

	Natural forest	Medium-long term plantation	Short term plantation
Establishment costs	€6.500/ha	€5.000/ha	€4.000/ha
Maintenance costs (5yrs)	€500/ha	€600/ha	



<b>Annual premium (15yrs):</b>			
<b>Farmers</b>	<b>€700/ha</b>	<b>€350/ha</b>	
<b>Non farmers</b>	<b>€150/ha</b>	<b>€150/ha</b>	

**Linkage with national programs:** closely linked to national forest plan and regional forestry plan and EU forestry strategy.

**Budget:** 7.6 Meuro (17.4 Meuro total public)

**Outputs indicators:** 1.154Ha afforested

**Synergies** with measures 111, 114, 121, 214, 311, 312

#### 4.3.7 Forest-environment payments (article 47 of R. 1698/2005-code 225):

**Objectives:** The measure aims to encourage management/enhancement of high natural value forests, protect/enhance wildlife habitat, and yield greater environmental benefits.

**Commitments:** clearing, cutting grass inside the forest (“radure”) in a way to preserve wild avian fauna, improve/maintain biodiversity.

**Beneficiaries:** forest owners and their associations, communes and associations.

**Targeted areas:** mountainous areas

**Duration of commitments:** 7 yrs

**Methodology, assumptions & parameters:** Specified in the measure fiche.

**Aid intensity:** annual premium up to €100/ha.

**Linkage with national forest strategy etc:** Yes

**Reference to forest protection plans:** Yes.

**Budget:** 9.0 Meuro public

**Output indicator:** 5.000Ha

#### 4.3.8 Reconstitution & protection of woodlands scheme (article 48 of R. 1698/2005-code 226):

**Objectives:** The measure aims to repair damage to plantations without compensating for timber/incremental loss, fire preventative measures, repair damaged infrastructure.

**Scope & actions: action 1):** reconstitution of forestry potential damaged by fires or natural disasters, action 2): preventive actions against fires,

**Eligibility of operations: action 1):** support for establishment work to restore plantation back to former glory i.e. (replacement costs & planting), weed control, restructuring species (depends on age of damaged forest); action 2) creation of infrastructures intended to prevent fires.

**Targeted areas:** the whole regional territory. Action 2 is being applied in areas classified “high risk for fires”

**Beneficiaries:** the Region.

**Aids intensity:** 100% of admissible costs

**Prevention plans:** forest management plans to identify specific risks.

**Link to national forest strategy etc.** Yes

**Reference to forest protection plans:** Yes.

**Budget:** 3.5 Meuro (8.0 Meuro total public)

**Output indicators:** 18.5 Meuro of total investments.

#### 4.3.9 Support for non-productive investments (article 49 of R. 1698/2005-code 227):

**Objectives:** multifunctionality of forests, encourage investment in forests for provision public goods & increase educational function.

**Scope & Actions:** actions intended to improve fruition of environmental and landscape conditions linked to forests.

**Operations to be supported:** provision of walkways, trails, signage etc. ,

**Public amenity values to be enhanced:** contribution to outdoor leisure, recreation etc.

**Beneficiaries:** Public/private bodies

**Targeted areas:** the whole regional territory

**Link to national plan:** Yes – encourages provision of public access to forests for amenity purposes.

**Reference to forest protection plans:** Yes.

**Aid intensity:** 70% of the eligible costs (min. €8.000, max €80.000 admissible costs).

**Budget:** 1.8 Meuro (4.2 Meuro total public)

**Output indicators:** 7.5 Meuro of total investments.

#### 4.4 Axis 3: Diversification of the rural economy & Quality of life in rural areas

##### Diversification of rural economy

#### 4.4.1 Diversification into non-agricultural activities (article 53 of R. 1698/2005-code 311):

**Objectives:** The measure aims to increase % of holdings where fixed assets are being used in a non-agricultural way for economic gain, jobs creation, keeping local rural population in work by taking advantages from endogenous resources, developing multifunctional role of agriculture holdings.

**Content:** provision of tourism facilities, social services, energy production from renewable sources (less than 1Mw output), development of agri-tourism, development farm shops/hand crafts activities (products not included in the Annex I of the Treaty).

**Actions:** action 1): creation/improvement of multifunctional farms; action 2): agro-tourism; action 3): energy production from renewable sources for public purposes.

**Operation to be supported:** action 1): investments, acquisition of material/equipment related to the accomplishment of the actions; action 2): investments, acquisition of material/equipment finalized to the accommodation and other activities to be organised in the farm like cultural, eno-gastronomic and recreational activities; action 3): investments, acquisition of material/equipment related to the energy production including installation for biomass processing, equipment for production and selling of bio-carburant.

**Conditions:** insofar as energy production is concerned, clear indication are being provided on the maximum energy produced (less than 1Mw output) and on the favourable carbon dioxide balance from utilisation of biomass/biogas to produce energy.

**Beneficiaries:** farmers or members of the farm household.

**Target areas:** C and D rural areas. Agricultural holdings in the B1 will be targeted according to real diversification needs and to help farmer subject to tobacco CMO reform

**Intensity aid:** action 1): 50% (in C and D rural areas), 40% (in B rural areas), action 2 and 3: 45% (in C and D rural areas), 30% (in B rural areas), within the limit fixed in the State aid regime "De minimis".

**Budget:** 9.46 Meuro (21.5 Meuro total public):

**Output indicators:** 278 agricultural holdings supported, 58.6 Meuro of total investments.

#### 4.4.2 Support for business creation and development (article 54 of R. 1698/2005-code 312):

**Objectives:** the measure aims to alter depopulation in rural areas, position rural areas to provide economic activity to attract people to live and work there, to encourage female employability by means of creation of micro-enterprises.

**Actions:** action 1: creation/improvement of micro-enterprises in connection with the agricultural and forestry outputs, local hand craft and services to promote environment and the territory; action 2): creation/improvement of micro enterprises engaged in the utilisation of renewable energies; 3): immaterial investments (overhead costs and start-up costs): max. 10% of eligible investment costs (max ceiling €10.000).

**Operation to be supported:** action 1): selected investment in small rural enterprise space, , purchasing of equipment, technical assistance/ tutorial support, development innovative products & activities, adding value to local products, marketing & branding initiatives, improved quality of artisan processing facilities, assistance for start-up enterprise; action 2): investments for the creation, functioning, and management of installations producing biomass/biogas and using biomass/biogas for energy production; action 3): immaterial investments

**Beneficiaries:** all rural dwellers involved in/wishing to establish micro-enterprise.

**Target area:** B1, C and D rural areas.

**Aid intensity:** 40% (in C and D rural areas), 30% (in B rural areas), 70% (immaterial investments) within the limit fixed in State aid regime "De minimis". Overhead costs and start-up costs: max. 10% of eligible investment costs (max ceiling of €10.000)

**Budget:** 1.36 Meuro (3.1 Meuro total public).

**Output indicator:** 60 micro-enterprises created

#### 4.4.3 Encouragement of tourism activities (article 55 of R. 1698/2005-code 313):

**Objective:** the measure aims to maximise sustainable tourism potential of all rural areas through provision of necessary infrastructure for reception and information of visitors and tourists, promotion and development of the countryside as a recreational resource for all.

**Actions:** action 1) tourist itineraries; action 2): creation/improvement of tourism infrastructures; action 3): promotion of rural tourism; action 4): tourism information; action 5): tourism promotion linking the regional reception/accommodation availability to cultural, heritage, artistic, eno-gastronomic regional assets.

**Operation to be supported:** action 1): tourist itineraries; action 2 creation/improvement of small infrastructures for reception, information to visitors and tourists; action 3): use of innovative communication technologies to promote/offer tourism package; actions 4-5): realisation of promotion and information material (leaflets, CD-ROM, other material to inform on/promote tourism), workshops.

**Beneficiaries:** public bodies (communes, provinces), agri-tourism associations, public/private associations, consortium created for tourism promotion.

**Target areas:** B1, C, D rural areas.

**Aid intensity:** action 1):70%; action 2): 50% (ceiling €400.000); action 3): 60%, actions 4-5): 50%) within the limit fixed in the State aid regime "De minimis" (for private activities).

**Budget:** 1.6 Meuro public (3.8 Meuro total public).

**Output indicator:** 78 actions micro-enterprises, 7.0 Meuro of total investments

### Quality of life in rural areas

#### 4.4.4 Basic services for the economy and rural population (article 56 of R. 1698/2005-code 321):

**Objectives:** the measure aims to improve quality of life in rural areas by widening services to local population.

**Actions:** action1) starting-up of social services; action 2): improvement/spreading the use of local ICT capacity/technology; action 3): public installations intended for energy production from biomass to be locally supplied.

**Operation to be supported:** action 1): definition, starting-up and realisation of social services; action 2): acquisition of installation and equipment, small scale investments; action 3): structural and infrastructural investments, installation and equipment for energy production.

**Beneficiaries:** local communities, public bodies.

**Target areas:** B1, C, D rural areas.

**Aids intensity:** actions 1: decreasing contribution for three yrs (90%, 70%, 50% with max. ceiling of €50.000; action 2: 50% (max. ceiling of €100.000), action 3): 40% (+10% in case of projects intended to supply energy to a wide territory, up to 100% in case of investments whose is possible only with public support ) of eligible extra costs (€2.000.000 for Communes, €1.200.000 for other public bodies).

**Budget:** 3.05 Meuro (6.9 Meuro total public)

**Output indicators:** 110 actions supported, 14.4 Meuro of total investments

#### 4.4.5 Conservation and upgrading of rural heritage (article 57 of R. 1698/2005-code 323):

##### **Sub-measure 323a)**

**Objectives:** the measure aims to provide an integrated approach to the protection of the local heritage & develop the sustainable economic contribution of the natural heritage, to improve quality of life in rural areas by facilitating local economic development, keeping rural population in rural areas and increasing attractiveness of rural areas, ensuring land consolidation and improvement in the “*malghe*”.

**Content:** rural heritage resources must be developed and used in a sustainable manner by and for the good of the community. This measure should promote protection actions, environmental awareness, and improvement of heritage resources, complementing axis 2 support.

**Actions:** action1): immaterial investments in the view of implementing actions 2, 3 and 4; action 2): to preserve/develop vernacular architecture and cultural traditions; restoration and development of locally significant features; action 3): to preserve/enhance natural areas & areas of environmental significance; action 4): interventions to valorise cultural assets in rural areas.

**Operation to be supported:** action 1): studies, review, information; action 2): maintenance, refurbishment, restructuring, of old properties and ancient buildings without changing the original utilisation; action 3): repair/maintain the characteristic and historical elements of the landscape and territory (stonewalls, terraces) and other elements witnessing old traditions in the countryside; action 4): repair/maintenance of public building use cultural purposes (theatre, museum, exhibitions, cultural centres) .

**Target areas:** B1, C, D rural areas.

**Beneficiaries:** action 1): public bodies, communes, NGOs, LAGs; actions 2-3) farmers, private bodies.

**Aids:** 50% to 75% (max. €100.000, min. €20.000) according to the type of actions.

**Output indicators:** 122 actions supported, 10.9 Meuro of total investments

##### **Sub-measure 323b)**

**Objectives:** increase the attractiveness of rural areas by improving the management practices of protected and High Nature Value areas.

**Content:** to promote the definition of Natura2000 sites conservation/management plans and High Nature value areas management plans.

**Actions:** action 1): setting down of Natura2000 sites management plans and conservation/management plan of High Nature Value areas, action 2)

**Operation to be supported:** expenditure related to the conservation/management planning.

**Target areas:** B, C, D rural areas.

**Beneficiaries:** public administrations, officially recognised management bodies of the protected sites.

**Aids:** 100% (up to max. €50.000 depending on size of sites) for management plan definition; 100% (up to max. €10.000) for monitoring activities.

**Budget (323 a-b):** 3.5 Meuro (8.0 Meuro total public).

**Output indicators:** 122 actions supported, 10.9 Meuro of total investments

#### **4.4.6 A training and information measures for economic actors operating in the fields covered by axis 3 (article 58 of R. 1698/2005-code 331):**

**Objectives:** The measure aims to equip rural dwellers/communities with skills necessary to derive maximum benefit from axis 3 initiatives.

**Actions for training to be provided in relation to axis 3 objectives' measures:** general/specialised training courses; provision of flexible learning opportunities in new technology for women, youth & minority groups in particular; development training facilities in rural areas; facilitation of distance learning; provision of training courses for those wishing to diversify their activities, in particular, by facilitating access to markets for small production units; developing capacity of rural dwellers to use ICT.

**Target group:** training enterprises, Region, rural dwellers involved in axis 3 measures.

**Aid intensity:** varying from 80% to 100% of the eligible costs.

**Budget:** 880.000 Euro (2.0 Meuro total public).

**Output indicators:** 1.565 beneficiaries, 96.970 training days

#### **4.4.7 A skills-acquisition and animation measure with a view to preparing and implementing a local development strategy (article 59 of R. 1698/2005-code 341):**

**Objectives:** use bottom-up approach to create understanding, awareness and motivation in rural communities; finalized to implement Axis 3 measures.

**Content:** animation activities at group and individual level; capacity building measures aimed at community and minority groups; initiatives aimed at geographically disadvantaged communities; initiatives to animate specific interest of marginal groups to harness unique potential.

**Actions:** one action finalized to information, animation training to be provided in an integrated manner within the measure "Integrated Area Projects".

**Aid intensity:** 80% (ceiling of max 5% of public expenditure related to the implementation of the local strategy defined in the project).

**Beneficiaries:** local private-public partnerships as defined in art. 59(e) of Reg. 1698/2005.

**Budget:** 170.280 Euro (387.000 Euro total public).

**Output indicators:** 48 animation actions, 4 private-public partnerships created, 960 participants to the actions

### **4.5 Leader Axis**

#### **4.5.1 Implementing local development strategies (article 63 of R. 1698/2005-code 410 including code 411, code 412, and code 413):**

**Rationale:** To build on previous experience and to achieve further integration of programming in the wider rural community and avoid duplication of actions, the leader approach should be introduced to mainstream rural development and deliver all measures under axes 1, 2 and 3. 80% of resources allocated to the local development projects are intended to be used for implementing axis 3 measures; at least 30% of the resources are ring-fenced to implement action for improving the quality of life in rural areas.

**Objective:** The measure aims to deliver integrated value-added measures across (mainly) C and D rural territories.

**Procedure & timetable for selection of LAGs:** should be completed in time to allow a timely implementation of program. Procedure will be open to D, C and B (partially) rural areas and all existing groups & partnerships.

**Selection criteria** will include: coherence of plan, incl. economic viability & sustainability; the degree to which the plan targets support and seeks to enhance job opportunities/activities for women & young people; level of business activity demonstrated in proposed actions; rigour and depth of needs assessment; extent of commitment, ability & proposed methods for ensuring on-the-ground co-operation with other agencies involved in local development; overall flexibility of plans with regard to ongoing local needs and policy review; group's management structure, administrative ability & financial status; physical size & population of the territory & degree of rurality; representation of community pillars in the area concerned.

**Indicative no. of LAGs:** 14 LAGs (2 LAGs each province) covering whole rural territory. Approximately 40% of the regional population and 62% of territory involved.

**Targeted territory and population:** 80% of the C and D rural areas and population, 70% of the B1 rural areas and 50% of population in this area

**Selection of operations by LAGs:** basic template will be the formally approved business plan.

**Financial circuits applicable to LAGs:** in accordance with the implementation procedure of RDP and Reg.1290/2005.

**Budget:** measure 413: 28.72 Meuro (65.29 Meuro total public); measure 412: 3.6 Meuro (8.16 Meuro total public) measure 411: 3.59 Meuro (8.16 Meuro total public)

#### 4.5.2 Running the local action group, acquiring skills & animating the territory (code 431):

**Objective:** The measure aims to provide LAGs with sufficient resources & expertise to efficiently administer all measures under axes 3 & 4.

**Scope&actions:** studies on the areas concerned by strategies, information and animation on the strategies and the areas, training of personnel, running costs.

**Limit on share of LAG budget for overheads:** admin budget for each LAG limited to 15% of public funding related to measure 410 at group and program level.

**Management costs** of LAG are limited to 10% of the LAG budget.

**Aid intensity:** up to 80% of eligible expenditure.

**Budget:** 4.4 Meuro (10.0 Meuro total public).

#### 4.5.3 Implementing co-operation projects (code 421):

**Objectives:** The measure's **objective** is the reinforcement of local partnership and to the reduction of rural area's isolation.

**Scope & actions:** co-operation between leader and non-leader groups allowed provided project is leader led & co-ordinated. Only projects addressing one or more measures in axis 1, 2 and 3 are eligible for support. Preparation, co-ordination and animation are eligible. Activities taking place in the EU eligible for funding. Co-operation must include implementation of a joint project. Special emphasis will be placed on co-operation at national level.

**Procedure & timetable:** Co-operation methodology must be integrated into business plan at outset. Value added benefit must be clear.

**Aid intensity:** 80% of eligible expenditure.

**Budget:** 3.9.0 Meuro (8.1 Meuro total public).

## 5 FINANCING

### 5.1 Annual Contribution from the EAFRD (in EUR)

Year	2007	2008	2009	2010	2011	2012	2013
Total EARDF	4.6826.000	46.551.000	45.156.000	45.780.000	72.969.000	72.761.000	72.414.0000

Total 2007-2013: **402.457.000 Meuro**

### 5.2 Financial plan by axis (in EUR total period)

Axis	Public contribution		
	Total public	EAFRD contribution rate (%)	EAFRD amount
Axis 1	404.053.239	44,00%	177.783.425
Axis 2	336.780.261	44,00%	148.183.315
Axis 3	45.787.000	44,00%	20.146.280
Axis 4	100.440.250	44,00%	44.270.270
Technical Assistance	27.440.250	44,00%	12.073.710
Total	914.675.000	44,00%	402.457.000

### 5.3 Indicative breakdown by rural development Measure (in EUR, total period)

See Annex

### 5.4 Additional national financing according to Art. 16(f) of Regulation (EC) No 1698/2005

Provision has been made for €80 million of additional national (top-ups, article 36 of the Treaty) funding for rural development program. Of this, €70 million has been earmarked for axis 1 measures (112, 121 and 123) and €10million to Axis 3 measures (311).

## 6 DESCRIPTION OF STATE AID MEASURES

Measures in Article 28 (code123F), Article 29 (code 124) and Article 52 (codes 311, 312, 313, 321, 323, 331,341) of Regulation (EC) n° 1698/2005 will be implemented through aids allocated according State aids rules set down in Regulation (EC) "*de minimis*" n° 1998/2006.

## 7 DESCRIPTION OF THE COMPLEMENTARITY

### 7.1 Complementarity between EARDF and other funds

#### *Cohesion and regional funds*

NSP clearly precise that RDP and the other EU funds cannot finance in a given territory, the same typology of intervention in favour of the same type of beneficiary. In order to prevent possible overlapping with interventions planned in other funds and ensure proper demarcation for interventions between similar actions, the areas for interventions (in each axis), where complementarity and demarcation problems could be raised, have been defined in the program as follows:

Axis 1: infrastructures, research, training, logistic, innovation. The responsibility for intervention is clearly indicated for the funds involved.

Axis 2: energy, infrastructure, environment, climate change (greenhouse gas effects). Even if possible overlapping exists for axis 2, the type of support (premium) based on clear conditions to be satisfied (commitments) there is no need for clear distinction between actions financed with other funds. (Measure 226 may represent an exception).

Axis 3: diversification of economy into non agricultural activities, micro-enterprises, tourism, basic services in rural areas, Natura2000 management plans, training and information. Where the interventions are not carried out exclusively by EAFRD, criteria for demarcation with other funds (regional fund) are being identified in the program (beneficiaries, areas involved, scale of the intervention).

A representative on the SF managing authorities will participate in the program's monitoring committee.

#### *ESF*

The fund will intervene in the training activities which do not have public interest.

#### *Fishery fund (FEF)*

The possible overlapping between funds is excluded on the basis of remits of each fund. The possible overlapping between aqua-environment and agri-environment does not exist in the program.

The criteria will be based on the beneficiary's dimension and typology, on the territorial scale and on the type of implementation instrument (with a particular focus on integrated projects).

### 7.2 Complementarity with 1st Pillar of CAP

The 2003 reform has introduced important innovations in the CAP. The rural development program will be complementary with these innovations. The introduction of the single farm payment gives farmers the freedom to produce what the market requires. This instrument, however, could have negative impacts, such as the abandonment of agricultural land (especially in less favoured areas). In order to avoid these negative effects, the rural development program will help to re-orient the productions and will support farm competitiveness, through the measures of axis 1 (investments) and axis 3 (multi-functionality of farms and enhancement of rural areas).



However complementarity between the two CAP's pillars have been analysed in the aims of avoiding double financing to farmers in the following productive sectors: fruit and vegetable, wine, tobacco, olive-oil. The program ensures the operations financed by the program will be coherent with the existing CMOs and explains the "exception regime" according to article 5(6) of Regulation 1698/2005 for each sector concerned. Moreover it is being foreseen that the investments in the productive sectors would be allowed if the pertinent CMO fixed restriction to the production or limits to support that could be granted. The productive sectors where the demarcation between CAP's first and second could be critical are the following:

- (1) CMO "Tobacco". Single payment (decoupled) is being allowed up to 2009 to tobacco growers. Moreover support will be allowed to producers who intend to abandon the production. The Common Fund for Tobacco (created by Reg.2075/92) will support tobacco producers to abandon the production diversifying their production as from 2006. To established demarcation between Tobacco Fund and rural development and to avoid double financing, it has been established that the implementation of "exit strategy" defined by Reg. 2075/1992 will be exceptionally supported according to Article 5(6) of Regulation 1968/2005 if the resources made available to Tobacco fund run out.

Until the single payment according to Reg.1782/2003 is being implemented support under measure 123 will be allowed to tobacco sector insofar as investment for first processing (Reg. 1973/2004) is concerned.

Resources will be made available to the rural development program to finance actions in the Tobacco areas to support tobacco growers in diversifying their activities. As required in the NSP, a strategy for supporting the restructuring process has been set down in the RDP.

- (2) CMO "Fruit and Vegetable". 20% of production is being produced by farmers adhering to 15 POs (producers organisations) foreseen in Reg. (CE) 2200/96. Resources to be coming from 1<sup>st</sup> pillar for supporting to producers deriving are quite limited. Moreover a large number of producers (not adhering to OPS) are not being reached by interventions foreseen in the CMO. Support from Rural development is important for the sector and the exception regime in article 5 and 6 of Reg. 1698/2005 is being sought. In order to avoid possible double financing for interventions foreseen in both rural development and OP programs, a clear demarcation between eligible actions under either financial instrument has been defined. In particular RDP can act:

- in favour to producers:

- adhering to POs for all types of interventions except those concerning variety reversion and irrigation;
- not-adhering to POs for all types of interventions including those concerning variety reversion to be realized within an integrated project proposed by the relevant OP.

- - in favour to processors and traders:

- adhering to POs, for interventions above the ceiling of €200.000 fixed RDP for investments;
- not adhering to PO,s for all types of interventions.

Moreover a demarcation between the two types of interventions it has been clearly indicated for following actions: information and promotion of organic production, implementation of organic production, and cost for certification of organic produce will be supported by rural development program.

- (3) CMO "Olive Oil". Despite this productive sector is expanding the financial support deriving the CMO (Reg.865/2004, Reg. 1782/2003) are quite limited. As the possibility of support in the CMO coincide with some of the actions in RDP a clear demarcation between the two types of interventions in being established.

Exception according to Article 5(6) of Regulation 1968/2005 is allowed for actions in CMO's Reg. 865/2004 and Reg. 2080/2005:

- in favour of member of the OPs, interventions related to structural/equipment improvements to be undertaken by individual operators;
- to support training, information, advisory services, cooperation to develop new products/process/technologies.

Support for non-member of the OPs will be allowed under RDP for actions admissible in the program and related to improving awareness amongst producer on environmental impact and quality, advisory service in order to improve quality and reduce environmental impact deriving from olive-culture, cooperation projects finalised to test new production methods having a lower environmental impact (organic production) and methods for disposing/recycling by-products.

In case of actions foreseen in COM that, following the demarcation criteria, will be supported exclusively under the RDP, priority will be given to member of OPs.

Under the CMO "Wine", only actions not foreseen in the CMO (Reg. 1493/1999) can be supported in rural development. The operations for the enhancement of quality, innovation and industry integration will be complementary to actions undertaken in the CMO. Under the CMO "Apiculture" there will not be any support from rural development.

As far as the administrative demarcation in the program overall responsibility belongs to the regional Paying Agency who is in charge of all the necessary administrative controls for admissibility of EAFRD payments under rural development program and CMOs.

## **8. PROGRAMME DELIVERY**

### **8.1 Designation of competent authorities and bodies responsible**

The Assessorato all'Agricoltura of Veneto Region has overall responsibility for the delivery of the program

The designated authorities are as follows:

**Managing Authority:** Direzione Piani e Programmi del Settore Primario - Segreteria del Settore Primario della Regione Veneto

**Paying Agency:** Agenzia Veneta per i Pagamenti in Agricoltura (AVEPA)

**Certification Body:** PrincewaterhouseCoopers S.P.A.

### **8.2 The monitoring and evaluation system**

The Managing Authority will be responsible for the monitoring and evaluation system, taking account of the requirements laid down in the CMEF.

The monitoring committee will be set up within three months of EU approval of the program and chaired by the Presidente della Giunta Regionale. It will likely include representatives from managing authority, regional department of Agriculture, LAGs, representatives of other EU funds, farming & rural bodies, Ministry of Finance, local communes, environmental and equality interests and relevant regional departments and bodies and will oversee the implementation of the program.

### **8.3 Information and publicity arrangement**

The Managing Authority will be responsible for ensuring the program is effectively publicised and highlights the role of EU assistance. The program and a summary of it will then be circulated to interested parties – including partners from the consultation process – and potential beneficiaries. Seminars and presentations will be organised where necessary and appropriate references to the program will be made on the websites of the implementing bodies and in their periodic publications. In addition, all beneficiaries will be informed of the EAFRD element of assistance and there will be an acknowledgement of the EU contribution in all related publicity over the implementation period.

## **9 PARTNERSHIP ACCORDING TO ART. 6 OF REGULATION NO. 1698/2005**

### **9.1 The consultation process:**

An extended and comprehensive consultation process has been put in place. All the parties bringing relevant interests and useful contribution to the definition of the RDP were consulted.

### **9.2 Consultation results:**

The program summarises comments from all the consulted parties (political parties, government departments, farm bodies, environmental bodies, public bodies and rural economy groups). Discussion was more intensive were: territorialisation, integrated approaches in the implementation of measures, complementarity, and balance of resources between the axes/measures. The discussion on these topics was relevant in the definition of the overall regional strategy and in the preparation of the rural development program.

## **10 EQUALITY BETWEEN MEN AND WOMEN AND NON DISCRIMINATION**

The program confirms that equal opportunities and non-discrimination will be ensured. In this respect, the following guarantees are included:

- The design of various measures promotes an equitable approach.
- The involvement of women, young people and older workers is identified as a priority for the program and expressly incorporated in measures under Axis 3.
- Equality of participation will be fostered at monitoring committee, selection panel and project levels.
- In line with the CMEF, relevant data will be collected on male and female participation in the program. This will be made available to the managing authority, the monitoring committee and the external evaluators for the purpose of assessing the promotion of equality.
- Program and project level evaluations will assess the extent to which equality has been promoted.

## **11 DESCRIPTION OF TECHNICAL ASSISTANCE OPERATIONS**

The EAFRD will fund the independent mid-term and ex-post evaluations of this program as well as the national rural network. The exchequer will fund all other necessary management, monitoring, evaluation, information and control activities.

Axe/Mesure	Total dépenses publiques (1)	Dépenses privées	Coût total (1)
111 Formation professionnelle et actions informatives	14068182	287106	14355288
112 Installation des jeunes agriculteurs	65909091	0	65909091
113 Retraite anticipée	2272727	0	2272727
114 Utilisation de services consultatifs	13636364	3409091	17045455
115 Création de services de gestion, d'aide et de consultation	0	0	0
121 Modernisation des exploitations agricoles	140303239	210454858	350758097
122 Améliorer la valeur économique des forêts	12954545	12954545	25909090
123 Valoriser les produits agricoles et forestiers	72272727	168636364	240909091
124 Coopération au développement de nouveaux produits	9363636	9363636	18727272
125 Infrastructure liée au développement et à l'adaptation ...	23000000	8944444	31944444
126 Restaurer le potentiel de la production agricole	0	0	0
131 Respecter les normes basées sur la législation communautaire	22727273	15151515	37878788
132 Participation des agriculteurs aux programmes pour la qualité alimentaire	10363636	0	10363636
133 Activités d'information et de promotion	16181818	10787879	26969697
211 Versements aux agriculteurs des régions montagneuses (zone à handicaps naturels)	80927795	0	80927795
213 Versements Natura 2000 et versements liés à la directive...	9036364	0	9036364
214 Versements agri-environnement	181338829	0	181338829
215 Versements protection des animaux	7954545	0	7954545
216 Investissements non productifs	18818182	3320856	22139038
221 Premier boisement de terre agricole	19454545	4863636	24318181
225 Versements forêt-environnement	2000000	0	2000000
226 Restaurer le potentiel forestier et introduire la prévention...	12000000	0	12000000
227 Investissements non productifs	6250000	2678571	8928571
311 Diversification en activités non agricoles	21500000	32250000	53750000
312 Création et développement d'entreprises	3100000	4650000	7750000
313 Promotion d'activités touristiques	3850000	2566667	6416667
321 Services de base pour l'économie et la population rurale	6950000	6950000	13900000
323 Conservation et amélioration de l'héritage rural	8000000	4307692	12307692
331 Formation et information	2000000	222222	2222222
341 Acquisition de compétences, animation et mise en œuvre de...	387000	0	387000
411 Mise en œuvre de stratégies de développement local. Compétitivité	8161425	12242138	20403563
412 Mise en œuvre de stratégies de développement local. Environnement/terre	8161425	2040356	10201781
413 Mise en œuvre de stratégies de développement local. Qualité de vie	65291400	65291400	130582800
421 Mise en œuvre de projets de coopération	9000000	9000000	18000000
431 Diriger le groupe d'action locale, acquérir des compétences et...	10000000	0	10000000
511 Assistance technique	27440250	0	27440250
Total	914675000	590372976	1505047976