

Member State/Region: Italy / Molise

I. DESCRIPTION OF THE RURAL DEVELOPMENT PROGRAMME

1. TITLE OF RURAL DEVELOPMENT PROGRAMME

Regione Molise – Programma di sviluppo rurale 2007-2013

2. MEMBER STATE AND ADMINISTRATIVE REGION

The plan covers the entire territory of the Region Molise. The region is not a "convergence" objective.

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

3.1. Situation in terms of strengths and weaknesses

- *General socio-economic context of the geographical area*

Molise has a total surface of 4,483 km² and a population of 321,953 inhabitants. It is the second smallest region in Italy. Population density is among the lowest in Italy with 72.6 inhabitants/ km², (59 inhabitants/km² in the province of Isernia and 80 inhabitants/ km² in the province of Campobasso), while the national average is 194 inhabitants/ km². This data underlines the rural profile of both Provinces. The territory is mainly mountainous (55.3 % of the total regional surface), while the remaining 44.7% is hilly. There are no flatland areas.

Land use is distributed as follows: 58.7% agriculture, 27.3% forests, 8.7% prairies and pastures, bush areas 3.3 %, 1.2% urban areas, 0.4% uncultivated areas, water bodies 0.3%.

Type of land	% in Natura 2000 areas
Artificial areas	1%
Agricultural areas	33%
Forests and semi-natural areas	64%
Wetlands	0,3%
Water bodies	1,7%

In conformity with the NSP classification, the territory of the region is divided in the following macro areas: **urban areas (A)**: the two main provinces, Campobasso the capital, and Isernia, and **rural (D) areas with complex development problems** divided into sub-areas: irrigated hill (D1), rural hill (D2), and mountain areas (D3).

Urban areas cover approx. 5% of regional surface and 19% of population (284,000 inhabitants); population density is 567 inhabitants / km². Consequently, rural areas cover

95% of regional surface and 81% of the population; population density is 69.7 inhabitants / km²

The **demographic balance** has been variable, with a heavy downfall in 2005 (-4.9%). Population ageing is especially intense and may pose problems on the structure and the demographic dynamics of the territory.

In 2005 the **age structure** in the Region was the following:

0-14 years	15-64 years	more than 64 years
13.57%	64.67%	21.77%

	0-14 years	15-64 years	more than 64 years
Male	6.96%	32.56%	9.20%
Female	6.59%	32.12%	12.54%

In terms of **education**, 33.33% of the population has a secondary school diploma (slightly higher than the national average of 33.02%). Within the age range 19-34 the rate of achievement is 59.57%, much higher than the national rate of 53.97%. This means that younger age groups have a high education level compared to the national average. It is also worth of notice that 89.1% of secondary school diploma holders are enrolled in university (first year and first time enrolment), which is the highest rate in Italy.

The regional **employment** rate (51.2%) is far lower than the national (57.6%) and the EU25 (63.1%) although it has slightly increased in the last few years. In 2005, the unemployment rate was 4.7%. Like in the rest of the country, there are some disparities concerning gender, i.e. the female employment level (36.2%) is significantly lower than the national average (45.3%). However, the **unemployment** rate is 10.1%, higher than the national average (7.7%) and it is worth of notice that the Region has experienced a decrease of unemployment more significant than the national one, and opposite the EU25 increase. Once again, female unemployment is sensibly higher than male unemployment (13.2% against 8.2%). Moreover, the difference between the two rates is much higher (5 points) than at national level (3.9 points).

The **migration** phenomenon towards the central and northern Regions of Italy has been increasing especially of young people looking for a first job; more than half of these new migrants are well educated with at least a secondary school diploma or a university degree.

The **employment structure** is the following:

	primary sector	industrial sector	tertiary sector
Molise	10.1%	28%	62 %
Italy	5.4%	28%	66.6%

In the primary sector only 14.2% are employees, against a 36.8% national average which shows how the employment structure in agriculture is quite fragile, fragmented and mainly agricultural family based work.

Although the Region was already out of the convergence objective in the previous programming period (2000-2006), the **economy** of the region is stagnating and still faces difficulties which are typical of Southern Italy. GDP in 2005 was 0.4% of GNP, and GDP per capita was 17,542 Euro, (while the national average was 23,874 Euro, and the EU average expressed in Purchasing Power Standard for the period 2000-2002 was 133 pps/capita). The gap with the national average is still quite evident.

The **economic structure** in 2005 was the following:

% GVA by branch:

primary sector	industrial sector	tertiary sector
4 %	26 %	70%

The agricultural and forestry sector (primary sector) has an increasingly marginal role (decreased from 5.2% in 2000 to 4.2% in 2004), although the GVA is still quite higher than the national average (2.6%). In 2005 the GVA slightly increased to 5.3%.

A strong point of the regional economy is the level of internationalization with an export and import cover rate which is more than double than the national average. 47% of export concerns textiles and clothing, 21% chemicals and synthetic and artificial fibres, 15% plastic and rubber products, and 8% food, beverages and tobacco.

The availability of broadband is about 41% compared to average national data of 75%, which highlights an important gap. Also the tendency for innovation is very low and far from the national average.

- *Performance of the agricultural, forestry and food sectors*

The primary sector has been facing difficulties and does not appear to be ready to face the impacts of the CAP reform. On the contrary, the agri-food processing sector has been performing very well with a significant growth of 111.4% against a 7% average national growth. Agriculture represents 3.7 % of the regional GAV against 2.3% at the national level. The food sector represents 2.7% of the regional GAV against 2.2% at the national level, while the *overall* agri-food system (primary sector + processing) represents more than 9% of the regional GAV against 5.1% at the national level.

The Region is hence facing a “transition” scenario with the consolidated development trend of industrial processing on one side, and the ongoing decline of the primary sector on the other, not so much in terms of GAV, but mainly in terms of employment and utilised surface.

According to the last available data, there are 33,973 **agricultural holdings** in the region covering UAA of approx. 214,941 Ha, and there are more than 400 holdings without UAA. The average holding size is quite small: 6.4 Ha of UAA and over the reference period 1990-2000 there has been an increase in the in the area used for arable crops and a decrease of the area for vines. Moreover, many holdings with UAA between 1 and 5 Ha have disappeared, while almost half of the holdings are located in mountain areas.

In detail: 32.1% of holdings have between 0-1 ha of UUA, 36.7% between 1 - 5 ha, 15% between 5 - 10 ha, 9.7% between 10 - 20 ha, 5.4% between 20 - 50 ha, 0.8% between 50 - 100 ha, 0.3% less than 100 ha.

In terms of economic dimension of holdings: 34.3% of holdings are below 1 ESU (European size unit), 68.9% less than 4 ESU, and only 0.2% above 100 ESU.

	Economic dimension of agricultural holdings in Molise									
	Below 1 ESU	1-2	2-4	4-6	6-8	8-12	12-16	16-40	40-100	Above 100
Number of holdings	11,663	6,039	5,692	2,818	1,649	2,072	1,188	2,351	429	72
% over total	34.3%	17.8%	16.8%	8.3%	4.9%	6.1%	3.5%	6.9%	1.3%	0.2%

The food industry in the region is structured like a family-owned company and employs about 3000 people. There are 606 companies working in the sector of which 14% producing oil and vegetable / animal fats, and 10% operating in the dairy sector.

The **agricultural sectors** of main interest especially in terms of contributing to the improvement of the performance of the system, in terms of added value, are related to herbaceous crops (mainly cereal) and to zootechnics, in particular: arable crops (mainly hard wheat) cover 72% of UUA, pastures and grasslands 18%, and ligneous plants 10%. The remaining areas are covered mainly by green fodder cultivations, and permanent crops are represented mainly by olives followed by vines.

The zootechnics sector involves over 14,000 farms represented mainly by: 90% poultry, 53% pigs, 28% cattle, in addition to sheep and rabbits. However, with the exception of poultry holdings which can be quite large, the size of breeding farms are rather limited.

One of the most important **agricultural outputs** of the region is represented by herbaceous crops (43.7%), especially cereal (22.5%), followed by potatoes and vegetables (9.8%), green fodder (7.1%), and industrial plants (4%). Another important sector is represented by the products of the zootechnics sector which represent 38.6% of the total agricultural output. Poultry farming is predominant, representing over 4/5 of the regional meat production (28.3%). The dairy sector represents 8.7% of the output. Less relevant but of interest is the output of tree cultivations (9.7%) represented mainly by wine-growing and olive cultivation.

In terms of **human capital**, the ageing of farmers is increasing, and the ratio between the % of farmers who are less than 35 and those who are 55 or more in 2003, was 7.4%, slightly higher than the national average (6%). In terms of workforce, family-run farms represent 87.2% of the farms while only 4.4% of farms have exclusively external workforce. In terms of education, 1.06% of farmers have a specialized secondary school diploma (qualified agricultural technician) against a national average of 0.99%, and 2.04% have a university degree (national average is 2.43%).

In terms of **employment**, between 1995 and 2003 there has been a 42% decrease of the average number of people employed in the primary sector. Agriculture employs 9,600 people which represent about 8% of the regional total, twice the national level. Labour productivity indicator (2003) for agriculture is 23,290 Euro (added value/employed people), while the national average is 21,250 Euro. There has in fact been a positive trend in labour productivity in agriculture since 1995. GFCF (gross fixed capital formation) in agriculture is 74 million Euro (2003). The data between 1995 and 2003 shows little sign of improvement and actually a slight decrease since 1995.

The agri-food sector employs about 4,000 people. Labour productivity indicator (2003) in the food processing sector is 46,250 Euro, higher than the national average of 41,600 Euro.

In the forestry sector, labour productivity is estimated around 19,900 Euro.

The Region has lack of logistic infrastructure, and low availability of support services for the production and marketing of agri-food products. This factor contributes to the limited competitiveness of the local production sectors.

Organic farming is not very widespread in the Region, and only 22% of the farmers operate in the sector, opposite to the tendency in most of the other regions where organic farming is increasing. 70% of organic farming concerns mainly fodder, grasslands and pastures, and cereal, followed by tree crops, i.e. olives, vines, citrus fruit, fruit, and cash crops.

Although many typical regional products are of known quality, only few have obtained the Community trade marks. It is worth of notice that the production of wine (in hl) with designation of origin represents about 59% of the overall production against a national average of 31%.

FORESTRY

The added value of forestry in the Region is equal to 5.8% of the overall AV of the primary sector.

32.8% (145.3 thousand Ha) of the regional surface is covered by forests. This area represents 1.4% of the total national forest covered areas. Between 1985 and 2004 forest-covered areas have seen an increase of 12.1%. Forest ownership is mainly public (60%) and $\frac{3}{4}$ are located in mountain areas. This situation makes the development of forest activities very difficult due to the insufficient road network and the localisation of the productive forests. According to the last census, over 53% of holdings that have forest areas do not have areas of more than 5 ha, while only 2.5% fall within surface categories above 50 ha.

In Molise, like in the rest of the country, there has been a low increase of the productivity of forests mainly due to the small size of forest holdings. The quality of the regional wood production is quite low and is mainly used as firewood. Some investments are finalised to energy production (biomasses/pellets). However, the role of forests in the primary sector is not marginal. The GSP of forestry in 2004 was estimated to be 11,000 Euro, which is 3.2% of the GSP of the primary sector.

There is a good level of forest management at holding level, and 30% of the public forest area has a management plan.

Forests are owned by: 54.6% municipalities, 40% private, 3.4% State and Region, 2% other entities.

However, the forest sector is completely disorganized and the only significant sector concerns firewood. The Region serves also the neighbouring regions, since within the Region itself there are no sawmills. There are 248 holdings operating in the woodworking and 7 small handicraft holdings. There is a high potential to organize the use of forests for forest products.

Forest fires since 1990 have been decreasing, and the last available data (2004) indicates that the fires mainly concerned non-forest areas. However, fires remain the main cause of destruction of forests in the Region, and even when the forests are not entirely destroyed, the destruction of biomass increases the erosion phenomena.

Needs identified deriving from the analysis of agro-industrial and forestry system:

- structural adjustment of the companies of the agri-food and forest sectors by introducing elements of product/process innovation and of production revitalisation;
- increase in the added value of the agri-food and forestry regional production;
- upgrading of professional and managerial competences of the workers of the agriculture sector, of agri-food transformation and forestry;
- support to generational change and retention of young people in agriculture.
- support to the organization and integration of the production chains and to the improvement of the governance of the chains.
- promotion of organic farming;

- improvement of the qualitative standard of agricultural and forestry production and support to the accession to certification systems and quality of productions;
 - improvement of the competitive context;
 - reconstruction of the productive potential damaged by natural disasters;
 - support to the productive conversion and to the development of investments in the bioenergy sector;
- *Environment and land management*

Biodiversity

The territory of the region is mainly mountainous and has a typical rural territory with a high degree of environmental fragmentation and biodiversity. However, since this biodiversity is not the result of a consolidated territorial equilibrium, but of human-caused factors this richness is quite fragile and needs to be protected especially in terms of the socio-economic development which should be increasing compared to the previous years. The region has numerous *high nature value areas* which cover 1.46% (6,434 Ha) of the regional territory. Other protected areas cover 7.1% (33,703 Ha) of the regional territory.

In terms of the Natura 2000 network, in the Region there are 85 Sites of Community Importance (*SCI*) covering 20.5% of the total regional surface and 13 Special Protection Areas (*SPA*) covering 14.8% of the total regional area, for an overall total of 116,979 Ha (26.4% of regional territory). The areas overlap in some cases.

The amount of *UAA under Natura 2000* areas is 17.2% of the total. Natura 2000 areas are mainly concentrated in mountain areas, but are also present in hilly areas and to a limited extent in urban areas.

Protected forest areas are instead equal to 18,116 Ha (4.1% of the total surface). In terms of land coverage of the Region, the agriculture areas cover 62.12% of the territory, forest areas cover ca. 24.12%, natural areas cover 12.40%, and artificial areas cover 1.15%. Compared to national data, the Region has a higher degree of agriculture areas (10 percentage points) but consequently a lower degree of forest, natural, and artificial areas.

In relation to the bird populations, there are a significant number of species indicated in the Directive which are present in the region including a number of species not listed but of equal biogenetic interest.

Land

Hydrogeologic and hydraulic risk

Molise is one of the regions with the highest quotas of hydrogeological disruption. 30.5% of the territory is at risk of landslide, while 69.5% is completely not at risk. The risk of landslide is due to the clay type land which characterises the region. Other causes of the land disruption are the reduction of *UAA* which has been replaced by urban areas and uncultivated areas; the abandonment of the mountains; the reduction of the forest areas; the extraction activities; and the increase of "urbanized" areas which have made the land impermeable.

Erosion levels up to 2004 were higher than the national average. Land loss is estimated at 4.64/tons/ha/year erosion.

The region is also characterised by telluric events, and 57.5% of the territory is classified as a medium-seismicity area.

Stability of the coast

The coastal municipalities, although not interest by landslide disruption, are also subject to **erosion** due to the urbanization of the coast and the modification of the natural balance of the coast, such as the change of sea currents. 54% of the coast is affected by erosion, while only 14.4% of the coast is undergoing protection interventions.

Contamination from agricultural activities

Molise contributes with 0.66% to use of **fertilizers** over the national total. The quantity of fertilizers/ha of UAA (0.86) indicates a low risk level of contamination of underground waters, lower than the national average (1.47) and with a decreasing tendency. This is very positive and significant in that regional agriculture has a low impact on the environment.

The use of **phytosanitary products** has increased in the period 1997-2005, going from 635.1 tonnes to 745.4 tonnes (+17.4%). This is a minor increase compared to the national increase of 40% in the same period.

Organic farming

The role of **organic farming** is still very limited, Molise is in fact the region with the lowest amount of organic farming in the country. The number of holdings practicing organic farming are only 0.7% of the total (249 holdings) covering 3,635 Ha of UAA.

Air quality and climate change

Carbon dioxide emissions from agriculture have been slightly increasing in the period 1994-1999, in line with the national trend. Emissions have gone from 99.2 thousand tons in 1994 to 101.9 thousand tons in 1999. The need to improve the use of forests for the reduction of greenhouse gases has been identified considering the high forestry potential in the Region.

Agriculture and especially zootechnical activities are responsible for 97% of the ammonia emissions, however in the period 1990-2000 ammonia emissions have decreased by 2.5%.

In terms of energy consumption, there is a high use of petroleum products which represent about half of the consumption (47%), followed by natural gas (29%). The transportation sector is that which is mostly determinant on the final consumptions, followed by industry (33%). In industry, natural gas is the most used energy source followed by electric power. This sector is also that which consumes the most electricity (57%).

Energy production in the region is characterised by: primary energy sources and the electric system. Primary energy sources: high regional production of hydrocarbons; renewable sources: use of biomass and exploitation of wind-energy and hydroelectric

sites. There is also a minor production of pellets in the region, for heating purposes in the civil sector.

UAA devoted to renewable energy (biodiesel only): 343 Ha

UAA devoted to renewable energy (wind-energy): 598 km²

Production of renewable energy from agriculture: 83,500 tons

Water

Surface waters are generally clean. Microbiological contamination is more frequent than chemical contamination, which is very low. The microbiological contamination area is mainly in the Province of Isernia where there is a lack of structures. Special attention is currently being devoted to the river basin of the Biferno, the most important river in the Region which is the main duct of the man-made lake Liscione, where recently there has been an abnormal algae proliferation and where safeguard interventions are now focusing as this is a main source for drinking, industrial, and irrigation purposes.

Water availability for agriculture is critical for irrigation and for zootechnics use but there is deficit in the region for these purposes.

The Water Framework Directive 2000/60/EC is expressed through legislative decrees 152/1999 and 152/2006, and the instrument for application of the directive is the Water Management Plan which has been elaborated and adopted by the local administration.

A number of legislative decrees have also been adopted to implement contents and objectives of Directive 91/676/EEC (Nitrates Directive) concerning protection of waters from nitrate pollution of agricultural origin, including a Nitrates Management Plan which includes the Action Plan for Vulnerable Areas. Vulnerable areas represent 22% of the Region and have been identified and classified as follows: vulnerable and/or “in vulnerability phase” areas, attention areas, low vulnerability and/or not vulnerable areas according to the amount of nitrogen (Kg of nitrogen/Ha/year).

Disadvantaged areas

76.9% of the regional surface is considered disadvantaged, with a net prevalence of the territory being mountainous (59.8%). According to territorial classification used in the RDP, the entire mountain area is disadvantaged. High levels of disadvantage (94.9%) also characterize urban areas. The rural hill area has a 66.4% of disadvantage, while the irrigated hill area is 14.9% disadvantaged. Therefore almost 80% of the Region is disadvantaged ex Reg. 1257/99.

This situation causes depopulation and abandonment of economic activities, especially agricultural. Many of the disadvantaged areas are in Parc or Natura 2000 areas, or High Nature Value areas where the abandonment of agricultural activities may have consequences on the evolution of some semi-natural ecosystems and on the specific landscape characteristics, which are often due to traditional agricultural practices.

Extensive agriculture is typical of disadvantaged areas. In hilly areas arable crops are predominant – especially cereals; in mountain areas the situation is more diversified, and in addition to cereal, there are grasslands, permanent pastures, and green fodder. There are also permanent crops, especially olives. Therefore it is a low environmental impact

agriculture, where cropping is very much determined by the orography and the difficult climate conditions, which determine extra production costs.

Needs in this area have been identified as follows:

- valorisation of potential linked to the presence of environmental systems and habitats of high value through the valorisation of Natura 2000 network;
 - protection of the environment, defence of biodiversity, reconstruction of forest heritage, and valorisation of the multifunctional role of agricultural activities;
 - countering disruption phenomena;
 - improvement of agricultural performance in environmental terms;
 - promotion of environmental services and agricultural practices in respect of the minimum environmental standards;
 - conservation of the agricultural landscape and reconstruction of the forest heritage;
 - in urbanized areas, conservation and valorisation of agrarian spaces, also in response to the request of goods and services of environmental – landscape type.
- *Rural economy and quality of life*

The **socio-economic characteristics** of rural areas can be summarised as follows:

The Region is not very diversified, and there are no big urban areas, no flatlands with intensive agriculture. It is a very small, mainly rural region. According to the NSP definitions, the territory of the region can be divided into: urban areas (A): Campobasso the capital, and Isernia, and rural areas (D) with complex development problems.

72% of the total population lives in the province of Campobasso, and 28% lives in the province of Isernia.

Population density is high in urban areas (approx 588 inhab/km²) and much lower in mountain and rural hill areas (46.0 and 42.7).

The population had been decreasing since 1991, and the ageing rate is quite high and increasing especially in rural hill and mountain areas

Employment rate in the region is 38.7% (2001) and 41.7% in urban areas, and unemployment rate is 13.7% (national rate is ca. 8%).

20.7% of farmers have other gainful activities in addition to agriculture, especially against a national average of 28.25% and a EU average of 31.16%.

Employed people in rural areas are more than 105,000 and self-employed workers are around 30,500. In rural hill and mountain areas the activity rate (respectively 40.4% and 42.7%) and the percentage of occupied workforce (respectively 34.7% and 37.2%) are much lower than the regional averages. Although agriculture is still the main activity in rural areas, there is an evident tendency towards land abandonment and depopulation of rural hills.

Except for intensive agricultural activity in the irrigated hills area, in general the regional agriculture is characterised by marginalisation. Hill areas with more intensive agriculture are characterized by a consequent higher profitability.

The role of marginal agricultural holdings with less than 4 ESU is important when applied in the different macro areas: in urban areas holdings with this size represent 87% of the total, confirming the role of agriculture in urbanized areas. In areas with more intensive agriculture these holdings still represent 60.2% of holdings.

In the industrial sector, the average number of employees/unit is 5.9, with peaks of 8.8 in irrigated hills areas and 3.3 in rural hill areas.

The agri-food processing sector is equally represented throughout the territory. The average number of employees in urban areas is 5.9 while in rural hill areas the average is 1.2.

In the tertiary sector there is an unbalanced distribution of the local units throughout the territory, with peaks of presence in urban areas up to 44.8%.

Economic development of the non-agricultural sector was 4,953 MEuro (2003) and 2004 studies have shown an increase in the added value. The contribution of industry to this result has been decreasing while the contribution of the tertiary sector has been increasing.

Tourist infrastructure is mainly concentrated on the coast line, with 12,817 accommodation units.

One of the main needs of the Region especially in internal rural areas and mountain areas is road **infrastructure** to improve connections between the marginalised areas, especially in order to improve access to basic services.

Internet take-up in the Region is only 29.4%, lower than the national average of 34.5%, and the availability of **broadband** (population reached by ADSL over total population) is very low: 41% compared to 75% at the national level. Moreover, there are no public **wireless** networks available that could guarantee access to the Internet in disadvantaged areas.

On the basis of the analysis, the region has identified the following **intervention needs**:

- improvement of the attractiveness of rural areas for entrepreneurial activities and for the population to create new employment opportunities;
- conservation and valorisation of the villages and of the rural heritage;
- support to the retention of young people in rural areas;
- creation of new income – creating opportunities through the diversification of the rural economy, especially through integrated tourism activities in mountain areas which make use of local wine and gastronomy
- improvement of the conditions of local governance and sector.

- *Leader*

3 LAGs have been selected under the Leader+ initiative. The area covered is 3,557 km² (80% of the regional surface), with a population of 157,000 inhabitants (49% of the regional population).

Indicators denote signs of strong structural weakness, a general not dynamic situation with a very low activity and employment rate (respectively 42.2% and 36.7%), and demographic decline.

3.2. Strategy chosen

The needs of the Region cannot be addressed uniquely by the activities supported by the EAFRD, but there is a need to strategically integrate rural development policies with regional policies for cohesion.

In the framework of the priorities set up at community and national level through the NSP, the programme's strategy has identified an overall objective in the improvement of the competitiveness of the agricultural and forestry sector; the valorisation of the environment and the rural areas through land management; improvement of the quality of life in rural areas and promotion of the diversification of economic activities.

This overall objective will be pursued through the three rural development thematic axes. For each axis, general objectives have been identified.

Axis 1 – improving the competitiveness of the agricultural and forestry sector

Taking into account the problems and the needs individuated by the analysis of the situation, and with a reference to the framework set up by the National Strategic Plan, the priorities of the axis will be to increase and/or maintain competitiveness in the agroforestry sector through:

1) promotion of the modernisation and innovation in holdings and of the integration of the chain; 2) consolidation and development of the quality of agri-forestry production to meet the needs of the reformed CAP; 3) upgrading of the physical and *telematic* infrastructure; 4) improvement of the entrepreneurial and professional capacity of the operators of the agro-forestry group and support to generational turnover.

The financial weight of the axis is 44.1%.

Axis 2 – improving the environment and the countryside

The priorities of axis 2, respect the framework set up by the National Strategic Plan, although the overall quality of the environment in the Region is less problematic than the one described in the NSP at the national level. The priorities of the axis are the following: 1) conservation of biodiversity and protection and promotion of agro-forestry systems with high nature value; 2) qualitative and quantitative protection of surface and underground water resources; 3) reduction of greenhouse gases; 4) land protection including definition of Natura 2000 management plans.

The financial weight of the axis is 33.8%.

Axis 3 – quality of life in rural areas and diversification of the rural economy

For axis 3, the priorities that have been individuated on the basis of the results of the analysis and taking into account the general objectives set up at national level, are to increase the wellbeing of populations and people operating in rural areas through: 1) the improvement of the attractiveness of the rural areas for business and for the population; 2) conservation and creation of new employment opportunities in rural areas.

The financial weight of the axis is 14.1%.

Axis 4 – implementation of the Leader approach

The priorities of axis 4 are: 1) to strengthen the project design and project management abilities of local governance; 2) to promote the local resources.

The financial weight of the axis is 5 %.

3.3. Ex-ante evaluation

The ex-ante evaluation has been elaborated by the Agrotec SpA.

The programming document has been analysed in relation to the following aspects: problems and threats of the area covered by the programme, goals to be achieved, coherence with the NSP, proposed measures, lessons drawn from the previous programming period, results expected and quantified targets, Community value-added, procedures for implementation, monitoring and evaluation.

According to the evaluator, the goals and the objectives are coherent with the needs of intervention and with the priorities set up by the NSP. The budget of the measures seems in general to be coherent with the objectives and the needs of intervention, although some imbalance has been identified between priority areas and allocation of funds. The lessons arising from the previous programming periods have been taken into account. The results and the expected impacts have been correctly calculated and the risk of overlapping of interventions between Community funds has been addressed and demarcation criteria identified.

Some observations made by the evaluator still need to be integrated in the programme: 1) details concerning the procedures for the realisation of integrated measure packages; 2) inclusion of a measure to support tourist activities; 3) definition of a gender-related intervention policy.

3.4. Impact from the previous programming period

As Molise is a former objective 1 region, the impact of the previous programming period is evaluated from 3 sources: the RDP 2000-2006, the ROP (Regional Operational Programme) for EAGGF co-financed measures, and Leader.

The main results from the ROP are the following:

- Modernisation of holdings.
- Introduction of quality systems for agricultural and agri-food production.
- Innovation of infrastructure for agriculture (especially roads for holdings) and infrastructure for irrigation (water distribution and management systems).
- Improvement of the generational change in agriculture through the support of young farmers in synergy with the RDP (farmers early retirement measures).

RDP 2000-2006 had a budget of 46,948 Meuro in terms of public expenditure, while the EAGGF contribution was approx. 71,230 Meuro. The public expenditure at the end of the financial year 2006 reached 55,447 Meuro for an expenditure rate of approx. 118%.

The 2000-2006 programming period has closed with a debt of 23,474 Meuro that will weigh on the new programming period, and which represents 27.4% of the EAFRD financing.

The main results from the RDP are the following:

- The early retirement measure has contributed to reducing the average age of farmers in the region;
- Afforestation level has been maintained, modifying land use and as an alternative to cereal cropping (especially durum wheat), as a result of the CAP reform. As a consequence, the stability of marginalised land has improved reducing landslides;
- For 68% of beneficiaries the holding income has increased;
- For 49% of the beneficiaries the funds received have determined their decision to stay in rural areas.
- Through the compensatory allowance within the measure for support to disadvantaged areas and areas subject to environmental constraints, 3,365 beneficiary holdings have had significant occupational effects, although only 3% of payments went to "marginal" holdings with UAA below 7 Ha.

Leader + provides for the financing of 3 LAGs. The territory covered in the period 2000-2006 represents 80% of the regional surface and 49% of the total regional population. The budget is about 10.975 Meuro in terms of public resources, with an expenditure of only 56% at the end of the programming period 2000-2006.

Implementation of Leader activities has begun late, the delay mainly due to the natural disasters which affected the region in 2002 – 2003. Moreover, in some cases activities are still being designed (Axis 2 on transnational and interterritorial cooperation), and it is therefore too early to evaluate results as data is not available. However, the evaluator (based mainly on qualitative information available) has indicated how the impact of Leader up to now has been generally very weak.

4. AXES AND MEASURES

AXIS 1

Measure 111 "Vocational training and information actions"

The measure objectives are the enhancement of entrepreneurial and human resources, with special focus on young farmers. In particular, the operations will aim to the promotion of professional adjournment and creation of new expertise, to respond to the need of information, innovation and technical knowledge of the agricultural and forestry sector, and environmental issues.

Actions: participation to courses outside of the standard education cycle. Activities should be offered and carried out only by training institutions accredited according to

Ministerial Decree of 25/05/2001 n. 166 . Training activities have to be chosen by the beneficiaries from a Training Plan established by the Region.

Beneficiaries: young agriculture entrepreneurs up to 40 years old, with priority to those who are setting up for the first time.

Aid intensity: 100% of eligible expenses. Max 3,000 Euro/beneficiary/year.

Targeted areas: the whole region.

Output indicators: 600 participants and 6000 days of training delivered

Measure 112 "Setting up of young farmers"

The measure will contribute to the objective of improving the competitiveness of agriculture and forestry, promoting the generational renewal

Actions: single premium to young farmers who are setting up for the first time as head of holding. First time setting up as head of holding is identified with the date of obtention of the VAT registration number and the opening of an account with the INPS (national institute of social security). The decision to grant support for the setting up of young farmers shall be taken no later than 18 months after setting up.

Even in case of young farmers who are setting up not as sole head of holdings, only one premium per holding will be granted.

Beneficiaries: Young farmers who have not turned 40 yet when they apply for support, who possess adequate skills /competences, present a business plan and are setting up for the first time as head of holding; or who are setting up in farming co-operatives or companies. Beneficiaries will have 36 months (from the date of setting up), to comply with Community standards, and a grace period of 36 months (from the date of the decision to grant support), to reach adequate skills/competence as long as it is duly justified within the business plan. They must ensure that they will stay in the holding for at least 10 years and maintain the same economic dimension reached at the end of the plan for the development of the holding. The business plan analyses the situation of the holding at the beginning and at the end of the plan, its objectives, the strategy including the strategy to improve environmental sustainability of the holding, the organizational aspects, the development needs, the investment needs, the economic and financial perspectives, the regular review of the plan.

The measure will be activated through public calls for tender specifically structured so that it will be possible apply for a "Youth package" combining several measures (111, 114,121,132).

Aid intensity: single premium from a minimum of 20,000 Euro up to a max of 40,000 Euro, payable at once.

Targeted areas: the whole region with priority to applications coming from rural (D) areas.

Output indicators: 300 young farmers supported; 6 MEuro total investments.

Measure 113 " Early retirement of farmers and farm workers"

The measure, in conjunction to "Setting up of young farmer", is aiming at generational renewal in agriculture, by keeping young farmers in agriculture, restructuring farm sectors and allowing established farmers to expand their holdings.

Actions: transfer of a farming activity and permanent handover of agricultural activity by farmers or farm workers in favour of younger farmers.

Beneficiaries: farmers aged 55 yrs (at least) without having reached the age for retirement and who decide to abandon agricultural activities and to transfer their holding to other farmers, or who have decided to definitely abandon agricultural activity when they transfer their holding.

Eligibility criteria:

Transferor: farmers at least 55 yrs old who have not reached the age for retirement or who are not more than 10 yrs away from the national retirement age; who abandon permanently all agricultural activity for commercial purposes; who have carried out agricultural activities for 10 years prior to the transfer; comply with their pension position and contributions. Transferee: must take over from transferor ex art.22 Reg. 1698/2005 (YF) or be a head of holding less than 50yrs old, or a private entity and take over the holding in order to expand his own holding. Farm worker must be 55 yrs old (at least), have not reached pension age but be not more than 10 years away from the national pension age; must have worked in agriculture, in the 5 years preceding the transfer, at least half of their work time as family assistant of farm worker; must belong to a social security scheme; must have worked in the holding of the transferor the equivalent of at least 2 years full time in the 4 years preceding the early retirement of the transferor.

Link with Young farmers: approved young farmer eligible as transferee.

Duration: ERS is given for maximum 10 years and it is payable up to the normal pension age for the farm worker (however not after 70 years of age).

Targeted areas: the whole region.

Aid Intensity: Transferor (head of holding): flat rate payment of max 18,000 Euro/year/holding for a maximum of 180,000 Euro; Farm workers: 4000 Euro/year/worker for a maximum of 40,000 Euro. Premium may be granted all at once.

Output indicators: 321 farmers in early retirement; 306 farm workers in early retirement.

Measure 114 "Use of farm and forestry advisory services"

In order to support increase in incomes and respect of Community cross-compliance and occupational safety requirements, the measure aims to promote the participation of farmers to meet costs arising from the use of advisory services for improvement of the overall performance in their holding.

Actions: support for the use of advisory services, classified in the following categories: environment, public health, plant and animal health, animal welfare; cross-compliance (good agricultural and environmental conditions and management criteria ex art. 4 and 5

of Reg. 1782/2003); occupational safety. Two types of consultancies will be available: consultancies for compliance issues and consultancies for agricultural development.

Beneficiaries: Young farmers setting up (measure 112), farmers beneficiaries of aid under measures 121 and 122.

Aid intensity: 80% of eligible expenses up to a maximum of 1500 Euro/consultancy/holding.

Targeted areas: the whole region.

Output indicators: 800 farmers supported; 200 forest holders supported.

Measure 121 (Modernisation of agricultural holdings)

The measure aims to increase competitiveness and income of agricultural holdings by supporting tangible and intangible investments for modernisation, through the introduction of new technologies, targeting quality, organic products and farm diversification. Specific priorities and objectives for the different sectors are present in the measure.

Eligible investments: Tangible and intangible investments only linked to the tangible investments. a) realisation and restructuring of on-farm processing structures; b) purchase of new machinery and equipment (production, processing, conservation and marketing of agricultural products); c) investments (machinery and equipment) for renewable energy production for self consumption and to introduce systems that favour energy saving; d) improvement of existing protection structures for crops; f) improvement of pastures and grassland pastures; g) tangible investments for fruit/vegetable production; h) investments for the land improvement and irrigation efficiency; i) investments for the realisation of bio energy cropping; j) investments for infrastructure within holdings (roads, water distribution system, power network); k) investments to improve animal welfare and improve standards for protection of the environment and pollution prevention including good management of animal manure.

Conditions related to processing on farm are met.

Beneficiaries: individual and associated farmers.

Sectors: livestock farming, meats and other primary products of animal origin, fruit and vegetables, honey, flowers, plants, industrial crops (including those for biomass production), oilseeds, olives and olive oil, grapes and wine, cereal and processed products, milk and dairy products. Specific sectoral and territorial priorities and objectives have been identified in the measure.

Aid intensity: Young farmers setting up in areas included in art. 36 Reg. 1698/2005: 60% of eligible expenses; farmers in areas included in art. 36 Reg. 1698/2005: 50% of eligible expenses; young farmers setting up in *other* areas: 50% of eligible expenses; farmers in *other* areas: 40% of eligible expenses.

Targeted areas: the whole region, with special support schemes for holdings located in mountain and disadvantaged areas ex Directive 75/268/EEC.

Output indicators: 583 farmers supported; 52 MEuro total investments (Results = 49 holdings introducing new products/techniques).

Measure 122 (Improvement of the economic value of forests)

The aim of the measure is to increase the productivity and economic value of forests, especially wood in the specific case of the Region Molise, by maintaining the sustainable management and multifunctional role of forests (ecological and recreational role).

Actions: Tangible investments: a) conversion from sprout forests to high forests that imply a permanent modification of the structure of the forest for the production of high grade and technological valued wood; b) improvement of forestry stand through forest management activities in order to increase the productivity of forestry stands; c) transformation of artificial stand series such as afforestation with coniferous trees in order to favour the development of autoctonous species of high grade and technological value; d) holding investments related to the realisation and adjustment of the forestry road network; e) purchase of machinery and equipment for cutting, packaging, hauling; f) purchase of machinery and equipment for first processing in the forest of forestry products and by-products; g) purchase of individual protection and security devices only for new activities, or for increasing the equipment for an ongoing activity. Non tangible investments (only if linked to the eligible tangible investments): forestry certification (administrative costs for certification are not eligible); purchase of know-how, and software; costs for technical consultancies, and feasibility studies related to the presented project.

Holding size limit for management plan: 100Ha.

Beneficiaries: companies managing forests (private or municipality forests), private entities (cooperatives, forestry consortia, single and associated forestry holdings). Public entities (municipalities and their organizations), forest owners or managers (of private or municipality forests).

Aid intensity: 60% of eligible expenses for mountain or disadvantaged areas, and in Natura 2000 network areas and Dir. 2000/60/EEC. 50% of eligible expenses in other areas. Maximum eligible expenses/investment: 500,000 Euro.

Targeted areas: hills and mountain areas (D areas)

Output indicators: 30 forestry holdings supported; 3 MEuro total investments (Results = 6 holdings introducing new products/techniques).

Measure 123 (Adding value to agricultural and forestry products)

The measure aims: a) to promote a better integration between the processing and marketing sector and the agricultural and forestry producers, b) to concentrate supply and better adapt it to the market demand, c) to promote the quality and safety of the agri-food products, d) to improve competitiveness, trough innovation, e) to secure new market

outlets, through the valorisation of products, processes and technologies. Specific sectoral and territorial priorities and objectives are identified in the measure.

Actions: 1) Processing and marketing of agricultural products indicated in Annex I of the Treaty, which remain under Annex I even after processing: a) construction, purchase, renovation of structures used for processing, conservation, marketing, storage of products (including sales outlets and tasting rooms); b) purchase, or upgrading of new machinery and equipment including system for the self-production of energy using renewable energy sources only to meet holding needs; c) purchase or technological upgrading of systems for the introduction of biotechnologies linked to the holding production cycle; d) linked to the tangible investments: purchase of know-how, expenses linked to first introduction and/or implementation of recognised, non compulsory, food quality systems (ISO, EMAS, ecc), except costs for issue of certification; e) linked to the tangible investments: costs for technical consultancies, feasibility studies of presented projects, purchase of patents and licences. Expenses for intangible investments (including general expenses up to 12%) may not exceed 25% of the total investment.

2) Technological upgrading of forestry holdings: a) purchase of new machinery and equipment for first forestry products processing including wood conditioning and transportation to the processing structure; b) upgrading or realisation of adequate structures for wood collection, conservation, conditioning, packaging, and first treatment, including purchase of related machinery and equipment; particular importance will be given to investments related to the production of material for energy purposes.

Beneficiaries: Action 1) single or associated holdings, including cooperatives and consortia which fall under the definition of SME or microenterprise ex Recommendation 2003/361/EC. Action 2) holdings, including cooperatives and consortia which fall under the definition of microenterprise ex Recommendation 2003/361/EC.

Aid intensity: 40% of eligible expenses.

Targeted areas: Action 1) the whole region; Action 2) rural hills and mountain areas (D areas)

Output indicators: 50 holdings supported; 30 MEuro total investments (Results = 15 holdings introducing new products/techniques).

Measure 124 (Cooperation for development of new products, processes and technologies in the agriculture and food sector and in the forestry sector)

The measure promotes cooperation between the primary producers of the agri-food and forestry sectors on one side, and on the other side, the processing industry, the research sector, and/or third parties, in order to establish or strengthen associations and carry out research and development projects. Participation of the primary sector is a requirement.

Actions: 1) introduction of innovation finalised to the improvement of energy efficiency, and create new production openings; 2) develop new products/productions for the improvement of regional production within recognized quality systems;. This includes investments for new products/processes, purchase of patents, licenses, and software, feasibility studies, dissemination of results, tests and trials, including expenses for material for the realization of samples.

Beneficiaries: agricultural production holdings; processing and marketing holdings; holdings supporting agricultural and agro-industrial activities; research centers (private and public). The agricultural phase will be mainly represented by association type entities, i.e. cooperatives, consortia, producer associations, producer organizations. Participation of primary sector producers in the cooperation is mandatory.

Aid intensity: max 80% of eligible expenses (since measure concerns only products listed in Annex I of the Treaty). Minimum eligible expenses: 50,000 Euro and maximum: 200,000 Euro.

Targeted areas: the whole region.

Output indicators: 7 cooperation initiatives supported (Results = 13 holdings introducing new products/techniques).

Measure 125 (Infrastructure related to the development and adaptation of agriculture and forestry)

The measure will contribute to the objective of renovating irrigation infrastructure for water saving and rationalisation, and of developing road infrastructure for the development of agriculture and forestry.

Actions: a) realisation of advanced systems for the management of water resources especially installation of water consumption measurement systems; realisation or upgrading of automation systems for the management of the consortia network of water distribution for irrigation; containment of energy costs for the raising of water by using renewables; b) restructuring of rural roads in sections damaged by natural hazards (hydrogeological disruption, intense rains, ecc); c) building and/or repair of sections of deteriorated rural aqueducts due to natural hazards, or leaking due to old water pipelines.

Beneficiaries: land improvement consortia; single or associated municipalities.

Aid intensity: 100% of eligible expenses.

Targeted areas: the whole region, with priority to areas (rural hill and mountain)

Output indicators: 17 interventions supported; 13.42 MEuro total investments.

Measure 126 (restoring agricultural production potential damaged by natural disasters and introducing appropriate preventive actions)

The measure will contribute to the objective of improving the competitiveness of agriculture and forestry, introducing reconstruction actions in relation to natural disasters, especially in relation to the consequences of the earthquake that hit Molise in October 2002 and the floods of January 2003.

Actions: rebuilding or relocation of agricultural holding production structures damaged by the earthquake and by the floods; reconstruction of the production potential of the

agricultural products, of the agricultural holding structure and main rural roads connecting holdings, of the holding stocks, including machinery and equipment and the livestock. Also interventions for land protection related to the reconstruction actions are included.

Beneficiaries: owners of damaged farms (only if damages have been reported to local authorities).

Aid intensity: 100% eligible expenses, ex Article 87, paragraph 2, letter b) of the Treaty.

Targeted areas: areas affected by 2002 earthquake which have not been able to access previous aid for damages to agricultural activities.

Output indicators: 133 Ha of damaged land supported; 2MEuro total investments.

Measure 132 (participation of farmers in food quality schemes)

To provide consumers with assurances of the quality of the product or the production process used as a result of their participation in such schemes, to achieve added value for agricultural primary products and enhance market opportunities.

Actions: support to farmers participating in food quality schemes in the framework of Regulations 2092/91, 510/06, 1493/99 Title VI, and in the framework of national schemes which respect conditions ex Art. 22, par. 2, Reg. 1974/06. Support will be granted for participation in the scheme of at least 3 years.

Beneficiaries: farmers who participate to recognized quality schemes.

Targeted areas: the whole region for organic production and national quality schemes; for designations of origin, based on territorial limitations envisaged by individual recognitions.

Aid intensity: annual incentive based on fix costs of the scheme. 100% of eligible expenses, up to 3,000 Euro/holding – maximum 5 years.

Output indicators: 667 holdings participating in quality schemes.

Measure 133 (Information and promotion activities)

The measure will contribute to the objective of promoting regional quality products, and to inform consumers about these products.

Actions: participation to fairs and public events, realisation of information activities on products supported under measure 132; and promotion; realisation of events to strengthen the direct link between producer and final consumer; realisation of valorisation programmes.

Beneficiaries: Producer associations participating in quality schemes supported under measure 132.

Aid intensity: 70% of eligible cost of the action. Max eligible expenditure is 100,000 Euro/beneficiary.

Output indicators: 40 actions supported.

AXIS 2

Measure 211 (Natural handicap payments for farmers in mountain areas)

The measure will contribute to the strategic objective of supporting agricultural and forestry activities in mountain areas. The aim of the measure is to maintain sustainable farming in isolated, disadvantaged mountain areas where the rate of abandonment is high with critical consequences for the environment and the rural life.

Actions: compensation allowance will be granted to compensate the excess costs or the missed income due to permanent disadvantaged area. To obtain support farmers must respect conditionality and have a minimum of 2 Ha cultivated UAA. Where support will not be enough to cover all eligible requests, priority will be given to beneficiaries under 40 yrs old.

Beneficiaries: independent farmers under 65 yrs old, and who are not retired.

Targeted areas: mountain areas and *other* disadvantaged areas (ex Directive 75/268/EEC)

Aid intensity: annual payment/Ha/UAA.

Average payments may not exceed 200 Euro/Ha for holdings between 2-20 ha; for holdings between 20-50 ha: up to a max. of 200 €/ha for the first 20 ha and up to a max. of 150 €/ha up between 20 and 50 ha. For holdings above 50 ha: up to a max. of 200 €/ha for the first 20 ha; up to a max. of 150 €/ha up to 50 ha, and up to a max of 75 €/ha for the remaining area.

In any case, the max amount/holding may not exceed 10,000 Euro.

In case of areas used in common (pastures), support will be granted according to the amount of land owned by each farmer (proved by documentation).

Output indicators: 548 holdings supported in mountain areas; 13,143 Ha of land supported in mountain areas.

Measure 212 (Payments to farmers in areas with handicaps, other than mountain areas)

The aim of the measure is to maintain sustainable farming in isolated, disadvantaged areas, other than mountain areas, in consideration of their socio-cultural importance and their role in the environmental equilibrium.

Actions: annual premium to compensate excess costs or the missed income due to permanent disadvantaged area. To benefit from support farmers have to respect the obligations of the conditionality and minimum surface UAA of 2 Ha.

Beneficiaries: independent and associated farmers under 65 years old and who are not retired.

Targeted areas: other disadvantaged areas (Directive 75/268/EC)

Aid intensity: Average payments may not exceed 120 Euro/Ha for holdings between 2-20 ha; for holdings between 20-50 ha: up to a max of 120 €/ha for the first 20 ha and up to a max of 80 €/ha from 20 to 50 ha.

For holdings above 50 ha: up to a max of 120 €/ha for the first 20 ha; up to a max. of 80 €/ha from 20 to 50 ha, and up to a max of 30 €/ha for the remaining area. In any case, the max amount/holding may not exceed 10,000 Euro.

In case of areas used in common (pastures), support will be granted according to the amount of land owned by each farmer (proved by documentation).

Output indicators: 417 holdings supported in areas other than mountain areas; 6,667 Ha of land supported in areas other than mountain areas.

Measure 214 (Agri-environment payments)

The general aim of the measure is to support sustainable development and to respond to the increasing demand for environmental services, through the support of agricultural production methods compatible with protection and improvement of environment, landscape, natural resources, soil and genetic diversity. In the specific case of Molise, the measure should help to decrease erosion and pollution of the water-bearing stratum.

Localization: all the territory (except urban (A) areas); however for some types of interventions support may be granted only for specific areas. Priority areas are Natura 2000 areas and Nitrate vulnerable areas.

The measure consists of 4 actions. Baseline is defined for all actions.

Action 1: Integrated farming techniques: Duration: 5 years. Minimum surface according to type of crop. Localisation: all territory, with a priority for vulnerable areas ex Dir. 91/676/EEC, SPA ex Dir. 79/409/EEC, and SCI ex Dir. 92/43/EEC; other protected areas; areas subject to erosion and hydrogeological disruption. Commitments: 1) on sloping land (more than 30% gradient), no farming is allowed except for herbaceous and tree crops; on sloping land (with average gradient between 10 and 30%) no farming is allowed with the additional exception: plowing with a max depth of 30 cm; 2) adoption of an annual cropping plan; 3) mowing between rows; defibring of residues from pruning; 4) implementation of a fertilisation plan with soil analysis on the first and fifth year (-30% of Nitrogen compared to the normal agricultural practice which respects the baseline); prohibition of use of sewage sludge; 5) rationalisation of irrigation; 6) low environmental impact weed control; 7) in addition to standard control, machinery for pesticide distribution has to undergo calibration every 5 years.

Payments *cannot* be accumulated, for the same surface, with those envisaged under other actions of this measure. Premium/Ha/year are the following:

Crops	max amount/Ha
vine	400
olive	200
orchard – forestry plantation	420
cereal	100
beet	120
industrial tomato	220
horticultural	280

Calculations and quantifications of the different payments and methodology are described in Annex 4 of RDP.

Action 2: Introduction or maintenance of organic farming: Duration: 5 years. The minimum admissible surface is 5 Ha *Localisation:* all territory, with a priority for vulnerable areas ex Dir. 91/676/EEC, SPA ex Dir. 79/409/EEC, and SCI ex Dir. 92/43/EEC; other protected areas; areas subject to erosion and hydrogeological disruption. *Commitments:* in addition to the respect of Reg.(EC) 2092/91: 1) on sloping land (more than 30% gradient), no farming is allowed except for herbaceous and tree crops; on sloping land (with average gradient between 10 and 30%) no farming is allowed with the additional exception: plowing with a max depth of 30 cm; 2) rationalisation of irrigation; 3) in addition to standard control, machinery for pesticide distribution has to undergo calibration every 5 years.

Payments may be accumulated with measure 114 and 132. Premium/Ha/year are the following:

Crops	"Introduction" max amount/Ha	"Maintenance" max amount/Ha
vine	800	680
olive	515	500
orchard – forestry plantation	800	700
cereal	160	150
beet	240	200
industrial tomato	540	450
horticultural	550	460

Action 3: Conservation of landscape and environmental resources: Duration: 5 years. Only farmland. 3 sub-actions: a) diversification of land use for improvement of rural landscape; b) creation of buffer belts with green cover along the river network; c) crops to feed wild fauna.

Sub-action a): Duration: 5 years. Localisation: Natura 2000 sites ex Directive 79/409/EEC, and Directive 92/43/EEC. *Commitments:* 1) prohibition of use of fertilizers,

pesticides, and slurry; 2) use of local species of flora; 3) use at least 4 types of local shrub and tree species for the creation of hedges; 4) neighbouring wood areas have to be separated by a cultivated strip.

Annual lump sum support granted according to altitude as follows: flatlands 285 Euro/Ha/year; hills 211 Euro/Ha/year; mountain 102 Euro/Ha/year.

Sub-action b) and c): Duration: 5 years. Localisation: Nitrate vulnerable areas ex Dir. 91/676/EEC; SPA ex Dir. 79/409/EEC, and SCI ex Dir. 92/43/EEC; other protected areas; areas where hunting is prohibited (for sub-action c). *Commitments:* 1) prohibition of chemical weed control, of grazing, of use of fertilizers and plant protection products; 2) regular mowing; 3) keeping a permanent green cover on buffer band; irrigation during the establishment period; 4) sowing to integrate the green cover where needed.

Annual lump sum support granted according to altitude as follows: flatlands 285 Euro/Ha/year; hills 211 Euro/Ha/year; mountain 102 Euro/Ha/year.

Action 4: Green cover of arable land and permanent tree crops on the surfaces with inclination above 20%: Duration: 5 years. Minimum surface: 1 Ha. *Localisation:* Nitrate vulnerable areas ex Dir. 91/676/EEC; SPA ex Dir. 79/409/EEC, and SCI ex Dir. 92/43/EEC. *Commitments:* For grassing that ensures cover of land during Winter (sowing by 15 October and maintaining green cover until 15 March): 1) adoption of annual cropping plan; 2) ploughing of crops; 3) in the periods when the green cover is present, prohibition of Nitrogen fertilisation, of chemical weed control, of grazing, and plant protection products. For permanent grassing between rows in vineyards, olive groves, and orchards: 1) annual mowing; 2) mechanical weed control only (no chemical); 2) maintaining adequate permanent green cover both in the rows and between the rows.

Support is granted as follows: 150 Euro/Ha for annual grassing of arable land; 100 Euro/Ha/year for permanent grassing between the rows in vineyards, olive groves, and orchards.

Beneficiaries: independent farmers.

Output indicators: 679 farms supported; 5,090 Ha of land supported; 509 environmental contracts.

Measure 216 (non productive investments)

The measure contributes to the objective of improving the environment and the countryside, supporting non-remunerative investments, related to the protection of the environment and the enhancement of the public amenity value of the Natura 2000 areas.

Actions: a) recovery of natural and semi-natural spaces and of the agricultural landscape (related to achievement of commitments undertaken pursuant to agrienvironment measures); b) recovery of existing stonewalls and terraces in hill and mountain areas; c) creation of buffer belts along waterways and improvement of the naturalness of drainage and irrigation canals, for the improvement of the rural landscape and the creation of ecological corridors in order to contain erosion phenomena, reduce concentration of chemical pollutants in water, and to create habitats for species of

community interest; d) creation and revitalisation of wetlands to improve biodiversity; e) non productive (on farm) investments in Natura 2000 areas to promote public use.

Beneficiaries: single and associated farmers.

Aid intensity: 80% of eligible investment costs in case of investments by private entities in mountain areas, disadvantaged areas and in areas ex Dir. 79/409/EEC and ex Dir. 92/43/EEC. 70% of eligible investment costs in case of investments by private entities in other areas.

Targeted areas: whole region (priority Natura 2000 areas), excluding urban areas.

Output indicators: 100 farms and other land managers supported; 1MEuro total investments; 600 Ha of land supported

Measure 221 (First afforestation of agricultural land)

To contribute to the protection of the environment, the prevention of natural hazards and fires, as well as to mitigate climate change, forest resources should be extended and improved by first afforestation of agricultural land.

Actions: a) permanent afforestation for multifunctional purposes; b) afforestation and maintenance of implants of trees for wood production, pure or mixed, with high grade species on farmland; c) afforestation of pure or mixed implants of mycorrhiza forest plants on farmland; d) afforestation with rapid growth species (between 10 and 15 years growing cycle) for biomass production.

Beneficiaries: single and associated farmers; public entities, privates. Public entities may only get support for establishment costs.

Aid intensity: support will cover establishment costs, an annual premium for maintenance for the first 5 years, an annual premium for loss of income for a maximum of 15 years. Support for afforestation of rapid growth species will be granted for establishment costs only.

For *establishment costs*, aid intensity is: 80% of eligible investment costs in case of afforestation in mountain areas, disadvantaged areas, and areas within Directives 79/409/EEC and 92/43/EEC; 70% of eligible investment costs in case of afforestation in other areas.

Annual premium for maintenance: for the first 2 years: up to 600 Euro/Ha; for additional 3 years: up to 360 Euro/Ha. Excluded from this type of support: public entities and rapid growth species (action d).

Annual premium for loss of income: 700 Euro/Ha for farmers and their associations; 150 Euro/Ha for any other individual or private entity independent of the previous cultivation. Excluded from this type of support: public entities and actions c) and d).

The calculations justifying the amounts are indicated in Annex to the RDP.

Targeted areas: all rural (D) areas with priority to Nitrate vulnerable areas and areas with high erosion and disruption levels.

Output indicators: 388 beneficiaries; 1940 Ha of afforested land.

Measure 223 (Afforestation of non-agricultural land)

To contribute to the protection of the environment, the prevention of natural hazards and fires, as well as to mitigate climate change, and reduce land water and air pollution, forest resources should be extended and improved by first afforestation of non agricultural land.

Actions: 1) afforestation of non agricultural land mainly for recreational-landscape purposes; 2) afforestation for the creation of tree buffer areas for pollution control, and to increase the amount of CO₂ absorption in the wood and ground; 3) afforestation mainly for protective purposes (against erosion and hydrogeological disruption).

All afforestation interventions will have to be carried out using autoctonous species ("pioneer"/preparatory species). Minimum surface: 1 Ha; maximum surface: 20 Ha.

Beneficiaries: individuals and their associations, private entities, public entities: municipalities and their associations, separate administrations.

Afforestation is not admissible on land owned by the Region and by the State.

Aid intensity: For *establishment costs and maintenance costs*, aid intensity is: 80% of eligible investment costs in case of afforestation in mountain areas, disadvantaged areas, and areas within Directives 79/409/EEC and 92/43/EEC; 70% of eligible investment costs in case of afforestation in other areas.

Annual premium for maintenance: for the first 2 years: up to 600 Euro/Ha/year; for additional 3 years: up to 360 Euro/Ha/year Support for maintenance costs is only admitted in case of abandoned farmland and only for private beneficiaries.

Targeted areas: non agricultural land in all the territory with priority to areas characterised by high disruption, catchments basins with low forest coverage, non agricultural land in the coastal areas and internal hills where afforestation can have high ecological value; abandoned farmland.

Output indicators: 615 Ha of afforested land; 123 beneficiaries.

Measure 226 "Restoring forestry potential and introducing preventive actions"

The measure aims at restoring forests damaged by fires and natural hazards (earthquakes, landslides, floods, avalanches) and to invest on adequate prevention systems.

Actions: a) restoration of forests damaged by natural disasters and fires (cleaning up of concerned areas, replantations with autoctonous species, naturalistic engineering action to stabilise disrupted areas, crop management practices; revitalisation of scrubs in case of non-coniferous woods and/or filling; revitalisation of asexual renewal) b) prevention interventions (realisation, and improvement of water supply points for fire prevention; creation and/or maintenance of fire prevention bands and internal and external roads of fire hazard areas; crop management actions for the prevention of forest fires).

Beneficiaries: the Region; municipalities and their associations; separate administrations (communal forests); private forest holders.

Aid intensity: up to 100% for the Region and other public entities; 80% for privates. General expenses for implementation max 10%

Targeted areas: D areas, with priority to mountain areas..

Output indicators: 923 Ha of damaged or forest affected land afforested; 92 prevention/reconstruction interventions; 7 MEuro total investments.

Measure 227 "Non productive investments"

The measure aims to support forest-holders for non-remunerative investments where they are necessary to achieve the forest-environment commitments and other environmental objectives, and in forests to enhance the public amenity value of the areas concerned.

Actions: a) structural improvement of existing forestry stands; conservation and improvement of biodiversity; enhancing of ecological stability of forest populations with protective functions; improvement of CO2 absorption capacity to combat climate change; b) recovery of open areas within forests in order to improve the naturalistic and landscape biodiversity; c) realisation or recovery of structural hydraulic systems, i.e. stonewalls and small piping structures; d) restoration and recovery of trails for recreational-tourism purposes, including the realisation of small equipment for the setting-up of rest and picnic areas and introduction of related signs; recovery of small rural shelters; e) interventions for the improvement of riparian vegetation to stabilise banks and support the development of autoctonous riparian species; f) realisation and/or recovery of ponds, small lakes and peat extraction within forests.

Targeted areas: all the region except urban areas (in non-productive forests).

Beneficiaries: private and public bodies (individual or groups), forest owners and holders of forest areas; management entities of protected areas; public entities (Region, municipalities and their associations); separate administration (communal forests).

Aid intensity: 80% of eligible investment costs for privates in mountain, disadvantaged areas, and other areas ex Dir. 79/409/EEC and 92/43/EEC; 70% of eligible investment costs for privates in other areas. General expenses for project implementation max 10%.

Output indicators: 100 forestry holdings supported; 2 MEuro total investments.

AXIS 3

Measure 311 "Diversification into non-agricultural activities"

The overall objective of the measure is to improve the attractiveness of rural areas for enterprises and for the population and create new employment opportunities by supporting initiatives which allow for the diversification of income.

Actions: 1) Investments in facilities for rural tourism activities, including modernisation, putting back into service, restructuring and restoration of buildings already servicing the farm holding; 2) Investments for realisation of services for small trade and local crafts through the restructuring of rural buildings, purchase of equipment and machinery to carry out local craft activities (for products not included in Annex I of the Treaty), including investments (excluding costs for purchase of land and buildings) and setting up of on-farm shops for exclusive sale of these products; 3) Investments for carrying out assistance activities and social activities within the farm, for disabled people, preschool children, the elderly, and women victim of domestic violence.

Beneficiaries: farmers; members of the farming household

Targeted areas: hills and mountain areas (D areas)

Aid intensity: Actions 1 and 2: 50% of eligible expenses according to conditions fixed by *de minimis* Reg. Action 3: 60% of eligible expenses according to conditions fixed by *de minimis* Reg.

Output indicators: 168 beneficiaries; 20 MEuro total investments; Result: 84 jobs created.

Measure 312 "Support for creation and development of micro-enterprises"

The measure aims to diversify the economy of rural areas, by developing extra-agricultural activities, especially in the crafts sector, tourism, and trade.

Actions: a) creation and development of micro-enterprises for development of traditional crafts activities that use agricultural and forestry raw material: purchase of machinery and equipment, restructuring of buildings; patents and licences, know-how (linked to the tangible investments); b) creation and development of micro-enterprises for service activities to local businesses: introduction of production methods with low environmental impact; introduction and diffusion of recognised quality systems); c) creation and development of micro-enterprises for service activities for rural populations (basic services, management of rural heritage sites and other centre and/or activities of tourist interest;

Beneficiaries: micro-enterprises operating in the crafts sector, with less than 10 employees, and annual turnover and/or annual budget size not higher than 2 Meuro.

Targeted areas: D areas, including Leader rural areas.

Aid intensity: 50% of total cost according to conditions fixed by *de minimis* Reg. Limit: up to 100,000 Euro per beneficiary.

Output indicators: 74 micro-enterprises supported; 7.5 MEuro total investments; Result: 37 jobs created.

Measure 321 "Basic services for the economy and rural population"

The measure aims to improve the access and availability of basic services to the population and to the economy of rural areas improving the attractiveness of rural areas in

order to reverse the trend of economic and social decline and depopulation of the countryside.

Actions: a) improvement of local transport systems (especially for schools and disabled people); b) creation of reception services for the elderly and children (nurseries); c) increase internet access in rural areas (small scale ICT networks); d) interventions for the construction of public systems to provide power from renewable sources; e) construction and rehabilitation of aqueducts for drinking water

Beneficiaries: single and associated municipalities; mountain communities.

Targeted areas: mountain areas (D areas).

Aid intensity: 100% of eligible expenses.

Output indicators: 48 actions supported; 6 MEuro total investments; Result: 9500 people benefiting from new services.

Measure 322 "Village renewal and development"

The measure will contribute to the renewal and development of rural villages through the recovery and promotion of typical and prestigious architectural elements.

Actions: a) conservative recovery and restructuring of typical buildings with special characteristics (historical, cultural or architectural) within the village development plan, to promote cultural activities; b) adjustment and/or recovery of structures for shelter and storage of equipment and objects related to the history of the local tradition; c) recovery of small rural facilities for collective use (i.e. ovens, laundry areas, public patios, fountains, wells,)

Beneficiaries: municipalities, consortia of municipalities, mountain communities; single or associated owners of buildings object of the interventions.

Targeted areas: rural (D) areas with priority to mountain areas.

Aid intensity: interventions carried out by public and private entities for public use only: 100% of eligible expenditure; interventions related to private buildings to be used for economic activities not falling under Annex I of the Treaty are supported according to conditions fixed by *de minimis* Reg.

Output indicators: 30 villages supported; 5 MEuro total investments; Results: 6000 people benefiting from new services.

Measure 323 "Conservation and upgrading of the rural heritage"

The measure aims to support the improvement of the territory, the protection of the landscape, the valorisation of the cultural heritage, in order to make rural areas more attractive for business and the population.

Actions: a) drawing-up of Natura 2000 management plans; b) interventions for revitalisation of historical-cultural assets linked to the cultural traditions of rural areas only outside villages

Beneficiaries: Action a) the Region; Action b) single and associated local public entities; privates; other public and private entities (NGOs, associations.)

Targeted areas: Action a) SCI and SPA, and other High Nature Value areas in D areas. Action b) rural (D) areas

Aid intensity: Action a) 100% of eligible expenditure. Action b) 100% of eligible costs.

Output indicators: 76 interventions supported; 4 MEuro total investments; Result: 3800 people benefiting from new services).

AXIS 4

Measure 41 "Implementation of the local development strategies"

Interventions will cover objectives of Axis 2 and Axis 3.

Selection procedure for LAGs: Maximum 3 LAGs will be selected through public tender within 2 years of the approval of the RDP based on the following criteria: characteristics of the territory, characteristics of local partnership, strategy, arrangements of the local development plan, innovation and cooperation with other territories. Participants to the call for tender will be the territories which will have been successful in the pre-selection phase, i.e. partnerships that will have submitted a Territorial Strategy Plan to the Region compliant with the regional priorities as verified by the Region prior to the call for tender. The territory covered must have a population between 15,000 and 100,000 inhabitants. The area covered by Leader concerns 84 % of the territory of the Region and 50.6 % of the total population. The level of local governance in terms of territorial and rural population coverage is consistent with the previous programming period. Financial circuit: the LAG selects the proposals, formally approves them, and carries out the first level of control. Support is then granted to the beneficiaries directly by the paying agency (the paying agency receives indications of the amounts by the LAG, or by the Region when the beneficiary is the LAG itself).

Output indicators: up to 3 LAG; 3,710 km²; 162,930 inhabitants.; 450 projects.

Measure 421 "Interterritorial and transnational cooperation"

Interventions will cover objectives of Axis 2 and 3.

For *interterritorial* cooperation projects, in addition to 1 LAG from the Region Molise, there will be at least 2 partners from other Italian regions.

For *transnational* cooperation projects, in addition to 1 LAG from the Region Molise, there will be at least 2 partners if the cooperation concerns only EU Member states and at least 3 partners if the cooperation concerns EU Partner Countries

The projects will be selected by the management authority of the RDP within the first year following the selection of the Local Development Plans. Selection criteria and procedures for cooperation projects will be already indicated and approved during the selection of LAGs and their local development plans.

Output indicators: 6 LAG cooperating; 3 projects.

Measure 431 "Running costs, acquisition of skills and animation"

The measure envisages 3 types of operations: 1) management and running of the LAG and sound management of the local development plan; 2) acquisition of competences and induction activities for creation of partnerships and drafting of local development plans; 3) communication, information and promotion activities for the dissemination of local development plans

Running costs of LAGs shall be eligible for Community support within a limit of 20% of total public expenditure of the local development strategy, of which: 13% for LAG management costs, 2% for costs for acquisition of competences, and 5% for communication and information costs.

Output indicators: n. of skill acquisition and animation actions: 10

5. FINANCING

5.1. Annual Contribution from the EAFRD (in EUR)

Year	2007	2008	2009	2010	2011	2012	2013	Total
Total	12,578,000	12,504,000	12,129,000	12,296,000	12,162,000	12,107,000	12,014,000	85,790,000

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

Axis	Public Contribution		
	Total public	EAFRD contribution rate (%)	EAFRD amount
Axis 1	85,939,773	44.00%	37,813,500
Axis 2	65,942,045	44.00%	29,014,500
Axis 3	27,502,136	44.00%	12,100,940
Axis 4	9,744,000	44.00%	4,287,360
Technical Assistance	5,849,318	44.00%	2,573,700
Total	194,977,272		85,790,000

5.3. Indicative breakdown by Rural Development Measure (in EUR, total period)

Measure / Axis	EAFRD Contribution	Public Expenditure	Private Expenditure	Total cost
111	660,000	1,500,000	0	1,500,000
112	2,640,000	6,000,000	0	6,000,000
113	3,705,868	8,422,427	0	8,422,427
114	880,000	2,000,000	500,000	2,500,000
121	11,539,837	26,226,902	26,226,902	52,453,804
122	660,000	1,500,000	1,227,273	2,727,273
123	8,745,099	19,875,225	29,812,838	49,688,063
124	660,000	1,500,000	375,000	1,875,000
125	5,902,696	13,415,219	0	13,415,219
126	880,000	2,000,000	0	2,000,000
132	880,000	2,000,000	0	2,000,000
133	660,000	1,500,000	642,857	2,142,857
AXIS 1	37,813,500	85,939,773	58,784,869	144,724,642
211	5,060,000	11,500,000	0	11,500,000
212	1,760,000	4,000,000	0	4,000,000
214	8,668,000	23,500,000	0	23,500,000
216	440,000	1,000,000	333,333	1,333,333
221	8,026,500	17,442,045	5,814,015	23,256,060
223	1,760,000	3,000,000	1,000,000	4,000,000
226	2,640,000	4,000,000	500,000	4,500,000
227	660,000	1,500,000	500,000	2,000,000
AXIS 2	29,014,500	65,942,045	8,147,348	74,089,393
311	4,312,000	9,800,000	8,018,182	17,818,182
312	1,628,000	3,700,000	3,700,000	7,400,000
321	2,508,000	5,700,000	0	5,700,000
322	1,980,000	4,500,000	0	4,500,000
323	1,672,940	3,802,136	0	3,802,136
AXIS 3	12,100,940	27,502,136	11,718,182	39,220,318
412	1,100,000	2,500,000	625,000	3,125,000
413	2,032,800	4,620,000	1,980,000	6,600,000
421	528,000	1,200,000	0	1,200,000
431	626,560	1,424,000	0	1,424,000
AXIS 4	4,287,360	9,744,000	2,605,000	12,349,000
511	2,573,700	5,849,318	0	5,849,318
Total	85,790,000	194,977,272	81,255,400	276,232,672

5.4 Additional National Financing

No additional national financing is envisaged.

6. DESCRIPTION OF STATE AID MEASURES

Concerning the measures not falling within the scope of the article 36 of the Treaty (measures 123 (forestry), 124 (forestry), 311, 312, 321, 322), the programme indicates the respect of the *de minimis* Regulation.

7. DESCRIPTION OF THE COMPLEMENTARITY

The operations financed by the programme will be coherent with the existing CMOs and operational programmes of producer organizations. Support in the different sectors will be limited to investments which are excluded from the CMO intervention areas or based on the investment size (amount). In order to ensure that there is no overlapping, competent Authorities will carry out an ex ante and ex post control.

The main complementarities have been identified as follows: 1) between the objectives of Axis 1 and 3 with the "one-time payment" system; 2) between Axis 1 objectives and CMOs: wine (121,126), olives/oil (111,114,121,123,132,133), fruit and vegetables (111,114,121,123,124,214); beekeeping (111,114); 3) between vertical objectives of Axis 1 and 2 and the application of legislation on conditionality; 4) between Axis 1 and 2 and direct payments ex art 69 of Reg. 1782/03 (132,214,215,211).

For the wine sector, support will be limited to investments related to crop management operations (excluding planting and replanting), in the framework of investments on processing and marketing of holding products, and to holding mechanization which are areas not supported by the specific CMO. Interventions for restructuring or conversion of vines are not eligible for financing within the RDP, and will have to be financed only by the CMO. The olives/oil sector ensures demarcation in the areas at risk of overlapping between CMO and RDP, with a threshold which limits the investment amount for the CMO and the RDP, and after 31/03/2009 by investment type. Fruit and vegetables sector ensures demarcation by defining different types of investments which may be financed either by the CMO or the RDP according to the amount of the investment. In the milk sector, holdings which have produced more than assigned quota and are not in line with payment of the additional levy, are not eligible for support. Beekeeping: the CMO finances the purchase of hives, the machinery/equipment for their transportation, and some advisory actions. The RDP will support all the other actions related to this sector.

For the measures of axis 3, demarcation criteria have been individuated, they are based on the type of investment, the type of beneficiary, sector, and area of intervention.

Concerning other Community funds, a cross-checking table is included to clearly identify financial complementarity between the different funds and the demarcation criteria. Renewable energy: the EAFRD finances only systems for energy from biomass under 1MW, in rural areas. Research and development: for Axis 1, the ERDF will only finance projects of industrial research and experimental development in the agro-industrial and forestry sectors, while the EAFRD will support innovation, experimentation, and technological transfer to holdings operating on products included in Annex I of the Treaty and on forestry products. Complementarity with the ESF concerns training, which

in the RDP is activated under measure 111 with reference to specific agricultural training. ESF finances other types of training activities not specifically related to agriculture.

8. PROGRAMME DELIVERY

8.1. Designation of competent authorities and bodies responsible

In charge of the Managing Authority will be the Director of the competent Directorate General or a delegated person, and for technical-operational issues reference is made to the Directorate General of the Department for Agriculture, Food, and Forestry Policies. The Managing Authority is responsible for the sound management of the Programme.

The paying agency will be AGEA, based in Rome.

The certification body will be Price Waterhouse Coopers S.p.A.

8.2. The monitoring and evaluation system

The monitoring system will utilise the common indicators set up at community level. Monitoring reports will be available online in the Managing Authority's portal, and an annual report will be elaborated by the 30 June of every year (starting from 2008). The evaluation process will be realised according to the Regulation indications. The Monitoring Committee members are listed in the Programme. The Committee's first meeting will be held within 4 months of the approval of the RDP. The following meetings will normally be held twice a year.

8.3. Information and publicity arrangement

The communication plan will mainly target the beneficiaries (potential and final), and the local community (authorities, citizens, NGOs, agriculture cooperatives, unions, etc).

The main actions will be:

- a) Institutional tools: information sessions for the administrative bodies that will be involved in the programme's implementation, the potential beneficiaries and the partners about the content and the strategy of the programme. Web pages for rapid and focused information dissemination, and useful documentation for download.
- b) Media: advertising on local specialized magazines to inform the citizens and the beneficiaries about the overall content of the programme and the specific measures. Production of information material, brochures. Information dissemination through radio and TV.
- c) Customer satisfaction surveys, meetings, focus groups.
- d) Publication of best practices.
- e) Establishment of an Info-point to provide information on administrative procedures, institutional references, and any other information that may be needed to carry out in good conditions the financed projects.
- f) Publications: production of information material, newsletter, specialized magazine, brochures, concerning opportunities arising for beneficiaries of the RDP.
- g) Participation in conferences, seminar, workshops

Indicative budget for information and publicity activities will be at least 15% of resources allocated to technical assistance. Expenditure will be higher in the initial phase of the Programme.

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

The consultation process began in November 2005 with a preliminary meeting of the RDP Monitoring Committee. The main phase of the consultation has been a three-day Regional Conference on Agriculture in July 2006 where in parallel to the conference three thematic round tables took place to discuss more specifically thematic areas of the 4 Axis according to the new EARDF regulation. The first consultation table discussed the issue of "agriculture and forestry competitiveness"; the second table discussed "environment and rural areas", and the third table discussed "quality of life and diversification of rural economies".

Outcomes of the first consultation table showed a common agreement on the need to improve the conditions of the context of reference as a basis to enhance competitiveness, in addition to improve integration between rural development policies and regional policies. Outcomes of the second round table showed common agreement on how environmental management is a cross-cutting priority throughout the RDP, that jointly with the policies financed by the ERDF, aims at improving the attractiveness of rural areas. Outcomes of the third round table also showed common agreement for the definition and the implementation modalities of a multi-sectoral development policy in rural areas.

The complete list of the partners consulted is reported in the Programme.

10. EQUALITY BETWEEN MEN AND WOMEN AND NON DISCRIMINATION

The equality between men and women has been taken into account in the elaboration of the programme as the methodology is already well in place from the previous programming period, and is supported by numerous ad hoc bodies. Gender mainstreaming will be ensured through a number of activities including representatives of different local partners. An ex-ante evaluation and a SWOT analysis of the context in which equality and non discrimination have to be applied will be elaborated. An internal self-evaluation system has been envisaged.

11. DESCRIPTION OF TECHNICAL ASSISTANCE OPERATIONS

Technical assistance finances the following operations: a) support to the organization and management of the RDP (analysis, preparation of Monitoring Committee meetings, elaboration of annual reports, etc.); b) support to information activities; c) purchase or rent of IT equipment; d) staff costs; e) purchase of multimedia equipment; f) support of the programme's monitoring and evaluation.