



*Multilevel Governance and Rural Development :
The role of the Italian provinces – Province of Benevento*

CASE STUDY REPORT: PROVINCE OF BENEVENTO

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The Focus Group with the Province of Benevento involved the Provincial Executive Councilor for Agriculture, the managers of Productive Activities, Institutional Relations, Culture, Infrastructures and Road System, along with representatives of the company Sannio Europa which provides technical support to the Province of Benevento on the issues of sustainable development.

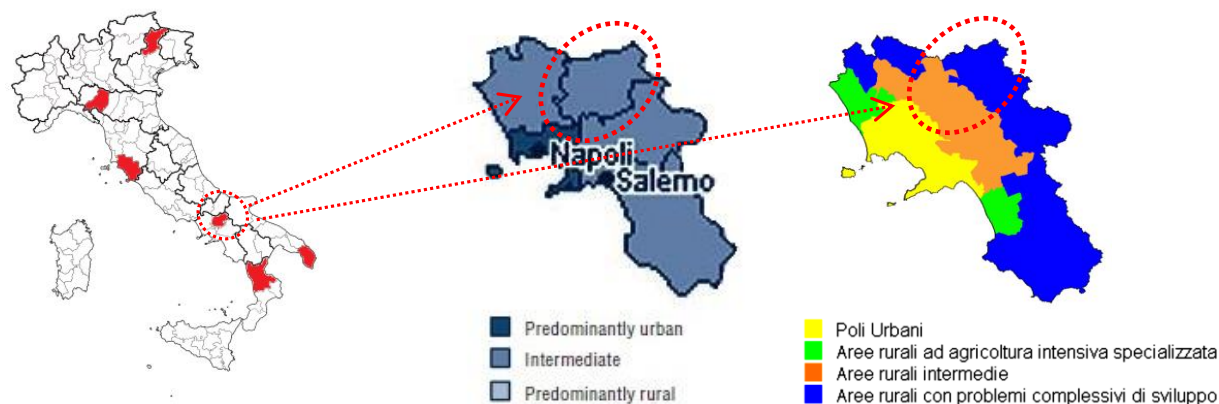
The Focus Group, with the local stakeholders, involved the representatives of the Italian General Confederation of Agriculture Businesses – Confagricoltura, of the Organization of Farmers – Coldiretti, of the University of Sannio, of the Mountain Communities Fortore, Titerno Tammaro and Taburno.

The Focus Group on the intervention of the Province in the implementation of the rural development measures provided for by the Regional Operational Programme (ROP) Campania 2000-2006 has involved the functionaries and the Executive Managers of Productive Activities and Economic Management.

1. SHORT OVERVIEW OF THE TERRITORY

The Province of Benevento, classified as predominantly rural area by the OECD, according to the zoning adopted by the National Strategy Plan (NSP) for rural development consists of a mountainous area that includes rural areas with overall development problems and of an hilly area with intermediate rural areas.

Figure 1 – OECD (centre) and NSP (right) classification of the Benevento province's territory



Source: Our elaboration on OECD and NSP maps

It is made up of 78 Municipalities, about 45% of which mountainous and hilly for the remaining share. In its 2,071 square Kms in 2011 resided almost 284,900 inhabitants, with a population density (138 inhabitant/square Km) much lower than regional and national ones (424 and 197, respectively) and with population distribution mainly concentrated on the hills (63%).

The provincial territory suffers problems of shortage in services to the population and firms, and of a progressive depopulation, thus highlighting an aging index (154) which exceeds both regional and national levels (102 and 149, respectively) and a structural dependency ratio (53) in line with the national one, but superior to the regional one (48).

Active population represents 50% of working age people. The rate of employment in the age group 15 to 64 (45%) exceeds the regional one but is significantly lower than the national one (57%). The rate of unemployment (11%) remains below the regional one (15%), but it is anyhow higher than national average (8%).

By analyzing the employment by sector, it emerges an agricultural vocation of the province. In effect, employment rate for industry is in line with the regional rate and little lower than the national rate (28%), but superior in agriculture (9% vs. 4% of the regional and national average), while for the other activities it is very near to the national rate but inferior to the regional rate.

Table 1 – Territorial and Socio-economic features

	Province of Benevento	Campania Region	Italy
Surface (km ² , as of 2011)	2,071	13,590.24	301,336
Number of municipalities (as of 2011/12/31)	78	551	8,092
Population (on 2011/10/09)	284,900	5,766,810	59,433,744
Population density (inhab/km ² , on 2011/10/09)	137.59	424.33	197.23
Elderliness index (on 2009/12/31)	154.05	101.88	148.75
Dependency index (on 2011/10/09)	52.77	48.47	53.49
Population 15-64 years (% as of 2011)*	186,486	3,884,283	38,722,733
Persons employed (as of 2011), of which in:	85,219	1,567,239	22,967,243
– agriculture (% 2011)	8.82%	3.92%	3.70%
– industry (% 2011)	22.35%	22.59%	28.47%
– other activities (% 2011)	68.83%	73.49%	67.83%
Activity rate (Istat, as of 2011)	50.14	46.72	62.25
Employment rate (Istat, as of 2011)	44.75	39.40	56.94
Unemployment rate (Istat, as of 2011)	10.62	15.52	8.41

* Our elaborations

Elderliness index: Ratio of the population aged over 65 years to the population aged under 15 years (%).

Dependency index: Population aged 0-14 years plus the population aged 65 and over, as a percentage of the population aged 15-64.

Activity rate: Labour force as a percentage of the population of working age (15-64 years).

Employment rate: Persons in employment as a percentage of the population of working age (15-64 years)

Unemployment rate: Unemployed persons as a percentage of the active population (15-64 years)

Source: Atlas of Competitiveness of provinces and regions, Istituto Tagliacarne –Unioncamere.

In December 2011, in the province of Benevento there are 35,093 firms registered, of which those in agriculture, forestry and fishing activities represent 37% of the total.

Agriculture plays an important role in the economy of the Sannio area; actually, it contributes to the added value for 5.23%, about 2.5 percentage points more compared to the regional average (2.65%), and more than 3 percentage points compared to the national average (1.91%). In 2010 total provincial agricultural output at basic prices amounted to 300 million euros, 72% of which related to herbaceous crops (36%) and to services (36%).

A decisive incidence on the importance of agriculture, at a provincial level, is represented by the sector of tobacco, for whose cultivation the province places belongs to the main national production areas, despite the strong process of crop reconversion that has involved the sector in the last decade.

The participation of industry (17.54%), far less than services, appears to be in line with the regional level (17.13%) and eight percentage points below the national level (25%).

In the 2000-2010 period, the provincial added value increases on average, compared to what has been registered in Campania and Italy (+29% over 31%). The share of the primary sector decreases in the province (-7%) and, in the last two-year period, the sector shows a turnaround at provincial level (+5% between 2008 and 2010 vs. -11% between 2000 and 2008).

Table 2 – Structural features of the economy

	Province of Benevento		Campania Region		Italy	
Registered enterprises, number (Infocamere, on 2011/12/31), of which in:	35,093		557,207		6,110,074	
– Agriculture, forestry and fisheries	12,916	36.81%	70,589	12.67%	837,624	13.71%
– Manufacturing	2,476	7.06%	48,942	8.78%	617,768	10.11%
– Constructions	3,466	9.88%	68,823	12.35%	906,496	14.84%
– Wholesale and retail trading	7,018	20.00%	193,633	34.75%	1,550,863	25.38%
– Accommodation and catering	1,680	4.79%	33,872	6.08%	392,337	6.42%
Total added value, million Euros, as of 2010, of which in:	4,387		85,877		1,395,219	
– Agriculture	229	5.23%	2,273	2.65%	26,698	1.91%
– Industry	770	17.54%	14,713	17.13%	347,094	24.88%
– Services	3,388	77.23%	68,891	80.22%	1,021,426	73.21%
Total disposable income, million Euros (elab, Ist, Tagliacarne, as of 2010)	302,538		3,284,624		45,942,616	
Per-capita disposable income, Euros (elab, Ist, Tagliacarne, as of 2010)	108,606	35.90%	1,630,229	49.63%	14,687,486	31.97%
Total agricultural production at base prices, thousand Euros (2010), of which:	62,171	20.55%	657,186	20.01%	10,439,470	22.72%
– Herbaceous crops	91,998	30.41%	648,489	19.74%	14,889,559	32.41%
– Ligneous crops	2,584	0.85%	38,802	1.18%	476,690	1.04%
– Livestock products	37,179	35.90%	309,917	49.63%	5,449,412	11.86%

Source: Our elaboration on data from the Atlas of competitiveness of the provinces and regions, Istituto Tagliacarne – Unioncamere.

In the years of the crisis, the provincial added value ascribable to the industry, on the contrary, decreases at higher rates than the regional and national values. In the same period, the province of Benevento experiences also a decrease in services (-6% vs. +26% of the period 2000-2011), contrarily to what occurs in Campania (+1%) and in Italy (+3%).

In the Province of Benevento, agricultural production base is made up of 24,259 farms (equal to 18% of the regional total), which occupy a total agricultural area of 129,486 hectares. The UAA amounts to 108,420 hectares. The provincial primary sector shows, between the last two censuses, an development trend which is less pronounced than the regional and national ones, both in terms of reduction of the number of farms and in the total agricultural area.

Table 3 – Total added value at base prices by category (current prices, million Euros)

		Agriculture, forestry and fisheries (a)	(a/d)	Industry (b)	(b/d)	Services (c)	(c/d)	Total (d)
Province of Benevento	2000	246	7.39%	628	18.85%	2,455	73.76%	3,329
	2008	218	4.97%	890	20.25%	3,287	74.78%	4,395
	2011	230	2.69%	700	8.18%	3,084	36.00%	8,565
	Δ 2008/2000	-11%		42%		34%		32%
	Δ 2011/2000	-7%		12%		26%		157%
	Δ 2011/2008	5%		-21%		-6%		95%
Campania Region	2000	2,133	3.21%	13,470	20.29%	50,784	76.50%	66,387
	2008	2,190	2.53%	16,729	19.35%	67,556	78.12%	86,475
	2011	2,341	2.79%	13,475	16.07%	68,030	81.14%	83,847
	Δ 2008/2000	3%		24%		33%		30%
	Δ 2011/2000	10%		0%		34%		26%
	Δ 2011/2008	7%		-19%		1%		-3%
Italy	2000	30,036	2.80%	297,109	27.74%	743,745	69.45%	1,070,891
	2008	28,851	2.04%	378,722	26.72%	1,009,927	71.25%	1,417,500
	2011	28,150	1.99%	351,495	24.84%	1,035,563	73.17%	1,415,207
	Δ 2008/2000	-4%		27%		36%		32%
	Δ 2011/2000	-6%		18%		39%		32%
	Δ 2011/2008	-2%		-7%		3%		-0,2%

Source: Istat.

The arable crops, mainly represented by cereals and muliannual forage crops, occupy about 69% of the UAA. The permanent crops use about 23% of the provincial UAA, with a prevalent diffusion in the hilly areas and in the mountainous areas of Taburno and Titerno. The most widespread ligneous crops are represented by grapevine and olive tree (21% of the UAA).

Table 4 – Structural features of the primary sector

	Province of Benevento			Campania Region			Italy		
	2000	2010	Δ% 2010/00	2000	2010	Δ% 2010/00	2000	2010	Δ% 2010/00
Number of holdings with cultivations, of which:	31,410	24,259	-22.77	234,335	136,872	-41.59	2,396,274	1,620,884	-32.36
– with cattle	4,028	2,479	-38.46	15,350	9,333	-39.20	171,994	124,210	-27.78
– with tobacco	4,712	1,461	-68.99	11,005	3,768	-65.76	16,459	5,104	-68.99
- Total agricultural area (hectars)	137,765	129,486	-6.01	837,810	722,687	-13.74	18,766,895	17,081,099	-8.98
- Utilised agricultural area (hectars), of which	111,887	108,420	-3.10	585,997	549,532	-6.22	13,181,859	12,856,048	-2.47
– Tobacco	6,387.7	3,436.44	-46.20	12611.41	8,800.27	-30.22	35,370.63	27,100.19	-23.38
– Permanent pasture and meadows	11,148.72	12,729.5	-11.06	113,333.16	120,434.11	-4.65	3,414,591.64	3,434,073.04	0.57
Number of bovine animals	54,322	48,453	-10.80	21,2267	182,630	-13.96	6,049,252	5,592,700	-7.55

Source: Our elaboration on Istat data, Censuses of agriculture 2000 and 2010.

In the areas located in Fortore, Alto Tammaro and on the hills of Benevento, worthy of note is tobacco cultivation which represents more than 40% of the regional UAA with tobacco and 12% of the national one. Anyway, the number of firms cultivating tobacco drastically decreased between the last two censuses (-69%), as well as the agricultural area with tobacco (-46%), thus highlighting a relevant problem on production reconversion.

In 2010, the province of Benevento showed a propensity to export and an openness rate far inferior to the national and regional ones. Exports have increased between 2000 and 2011, but to a lesser extent than the one for the whole region and Italy.

Table 5 – Market Openness (Million Euros, %)

	Province of Benevento			Campania Region			Italy		
	2010	2011	Δ	2010	2011	Δ	2010	2011	Δ
Import	214	240	+12%	11.686	12,695	+9%	343,220	400,184	+17%
Export	121	125	+3%	8.938	9,426	+5%	333,329	371,153	+11%
Propensity to export (2010)	2.76%			10.41%			23.89%		
Openness rate (2010)	7.65%			24.02%			48.49%		

Source: Atlas of competitiveness of the provinces and regions, Istituto Tagliacarne – Unioncamere

Benevento is a mountainous and hilly area, characterized by municipalities with small demographic dimension, with an high presence of old people and a tendency to depopulation in the fringe areas.

The province suffers a problem of infrastructures, both economic and social, with levels little superior to half of national ones, unlike the whole Campania Region which is instead equipped with infrastructures well above the Italian average.

Table 6 – Infrastructural Development Indexes (Italy=100)

	Province of Benevento		Campania Region	
	2001	2011	2001	2011
Economic infrastructures*	64.06	54.12	84.00	104.86
Social infrastructures**	71.62	74.65	112.18	114.66
General index of infrastructures (economic and social)	66.33	60.28	92.45	107.80

*Economic infrastructures: road network, railway network, ports, airports, plants and energy-environmental networks, telephone and data transmission facilities and networks, banking networks and miscellaneous services.

**Social Infrastructures: cultural and leisure facilities, schools and health care centres.

Source: Atlas of competitiveness of the provinces and regions, Istituto Tagliacarne – Unioncamere.

2. FUNCTIONS AND PROGRAMMES OF THE PROVINCE

2.1 Own functions and functions delegated by the Region

In Campania, the most significant reorganization of delegated functions originated from the legislative decree n.112 of 1998, which was not implemented through a comprehensive regional law, but through a succession of regional acts that regulated the assignment of functions relative to specific sectors. On some issues the functions have already been delegated to the Province

during the years previous to the legislative decree 112; this is the case, for instance, of the afforestation operations for which the Province had the delegation since 1989. The main functions of the Province can be gathered into four macro-areas:

- Economic development and productive activities (agriculture, hunting and fishing, energy and tourism);
- Territory, environment and infrastructures (public works, road system, territorial management, soil protection, transports, civil protection);
- Services to the individuals and to the community (education and vocational training, cultural heritage, social services);
- Administrative police (local police and urban security).

In each of these macro-areas the functions transferred by the Region are ascribable, according to the type of delegation, to five typologies of activities (table 7): planning, regulation, granting of financial support to operators, implementation of services and general control, monitoring and evaluation activities.

Table 7–Functions transferred to the Provinces by Campania Region

Macro-area	Matters	Planning/project-making	Regulatory powers	Granting of financial support to operators	Implementation of services	General monitoring, evaluation and control
Economic development and productive activities	Agriculture, forestry, hunting, fisheries, rural development, agri-tourism, food		X	X		X
	Craft	X	X			X
	Industry and aid to firms			X		
	Tourism		X	X		X
	Energy (renewable energy and energy saving)		X		X	X
	Mines and geothermal resources	X	X			X
Territory, environment and infrastructure	Urban planning		X			X
	Environmental assets	X	X			X
	Protection and safeguard of nature and environment		X			X
	Water resources and soil protection				X	X
	Public works	X	X		X	X
	Road network	X	X		X	
	Transport	X			X	X
	Civil protection	X	X		X	X
Services to the individuals and the communities	Social services, social inclusion and healthcare	X			X	X
	Vocational training					X
	School education					X
	Labour market	X				X
	Culture and cultural heritage				X	X
	Performing arts*			X		X
Administrative Police					X	

**Responsibilities for performing arts were laid down by the regional law n. 27/2006 now repealed.*

Source: Our elaborations.

Planning activities are mainly related to the macro-area “Territory, environment and infrastructures”, in which the most remarkable activity is definitely the urban planning (with the Territorial Coordination Plan of the Province - PTCP). The regulation activity (definition of specific rules, authorisation schemes, eligibility criteria, etc.) concerns different topics, both in terms of development and in terms of territory and environment, and it is mainly aimed at implementing regional rules at provincial level. Financial allocations to private and public operators come mainly from European (ROP and RDP) or national (Territorial Pacts) programming. This activity concerns also other sectors, but it is very limited in terms of resources, since it has residual resources compared to the volume of expenditures of the Region. These limited financial resources do not imply, nevertheless, an absence of high added value or innovative operations, as we will see afterwards in the case of anti-crisis measures (par. 2.2).

The implementation of works/services is actually focused on the macro-area “Territory, environment and infrastructures” and it concerns mainly the most traditional fields of interventions of the Province: roads, transports, public works and civil protection.

Furthermore, the activities of control, monitoring and evaluation absorb a great share of human resources of the provincial structure, although they do not mobilise considerable financial resources. These activities are widespread within all topics, since they involve not only own or transferred competences, but also the fields of intervention in which the Province provides operational support to the regional/national level, as in the case of European or national programmes implementation.

The main document of provincial programming is represented by the Territorial Coordination Plan, where it is possible to pinpoint three main areas of intervention (nature and alternative energy, railways, infrastructures and services) and a set of actions which are functional to the development of the territory of Benevento, within which the Province aims at obtaining an active role in performing its functions.

In order to carry out its own functions and the functions conferred, the Province of Benevento has an administrative structure managed by a General Direction and organised in seven sectors (articulated in 30 services). It is coordinated through monthly meetings organized by the Director General and management guidelines provided by the President and whose activities are verified by an Evaluation Unit comparing them to what had been programmed.

2.2 Functions performed within the co-financed projects

Regarding the co-financed projects, the Province of Benevento benefits from the Agency “Sannio Europa”, whose Service for European Programmes and Projects provides support to the European Office (“Ufficio Europa”) of the Province in order to intercept European financing opportunities, to activate procedures and projects for the submission of candidatures, to verify the approval procedure and provide technical assistance in all the phases of the projects approved.

This organizational solution represents an answer to the decrease of contributions and transfers from the State and the Region and of contracted loans which boosted the need to get further financial resources through competitive local, regional, national and European bidding procedures. Considering the permanent decrease in the resources, in fact, the Province aimed at

resorting to projects co-financed with European funds so as to carry out the necessary activities to complete the framework of its strategic programming.

In the period of time considered, the Province of Benevento was involved in the operative programmes of European funds managed at regional level – Fund for the Regional Development (ERDF), Fund for the Rural Development (EAFRD), Social Fund (ESF) – and, mainly in the 2007-2013 period, was involved in funds under direct management of the European Commission (Interreg, Life, Urban, etc.).

In the 2000-2006 period, even national projects had a strategic value and the provincial administration has signed a general-purpose Territorial Pact and an agricultural Territorial Pact which involved the territory of Benevento.

During this programming period, the Province has managed huge ROP resources, not only as beneficiary but also with delegation from the Region within rural development policies, co-financed by the agricultural Fund and, to a lesser extent, by the fisheries Fund (EFF). Furthermore, the Province participated to several integrated projects, financed by the ERDF and ESF, concerning issues for the development of rural areas, such as supply-chain and territorial integration, touristic enhancement in terms of history and wine and food tourism, as in the case of the Territorial Integrated Projects (PIT) “Regio Tratturo” and “Protofiliera”, where the Province has been the proposer and lead partner within the territorial consultation table.

The experience gained in the integrated planning has then been carried on in the following programming with the participation in two Integrated Supply Chain Projects (Integrated Vitiviniculture for the territory and Innovation in Sannio and Pascolo, for the creation of an innovation and technologic transfer centre in the livestock sector), and in three Rural Integrated Projects for the protected areas (Regional Park of Partenio, Regional Park of Taburno Camposauro, Regional Park of Matese) financed by the RDP of Campania.

In both of the sub-periods considered, the Province has resorted to the Interreg programme financed with the ERDF, by participating to four projects on the issues related to territorial development, sustainable management of natural resources and tourism, in two cases taking the role of lead partner.

Furthermore, among recent experiences, it is particularly interesting, mainly for the connections with local instances, the financing by the Province of anti-crisis packages of measures for productive activities, which made available through public tender interest rate subsidies, through Guarantee Consortia from which benefited about 70 firms operating mainly in the high innovation added value technology sector.

Worthy of note are, then, the innovative ways of interaction between public and private sectors, as it occurred in 2006 in the case of the realization of some projects which led to the foundation of the Agency for Remote Sensing “MARSec” (now with a 49% private participation) and to the management of the experimental farm Casaldianni in which are involved the University of Sannio (research and experimentation of new crop varieties), private stakeholders and the international association Slow Food (support in bio-diversity preservation activities, such as the cultivation of some endangered vegetable landraces). In both cases, the activities carried out trigger an economic return: the revenues derive, in the first case, from the supply of service

activities to public institutions in the field of environmental monitoring and of the control of the territory, and, in the second case, from the marketing of the products obtained.

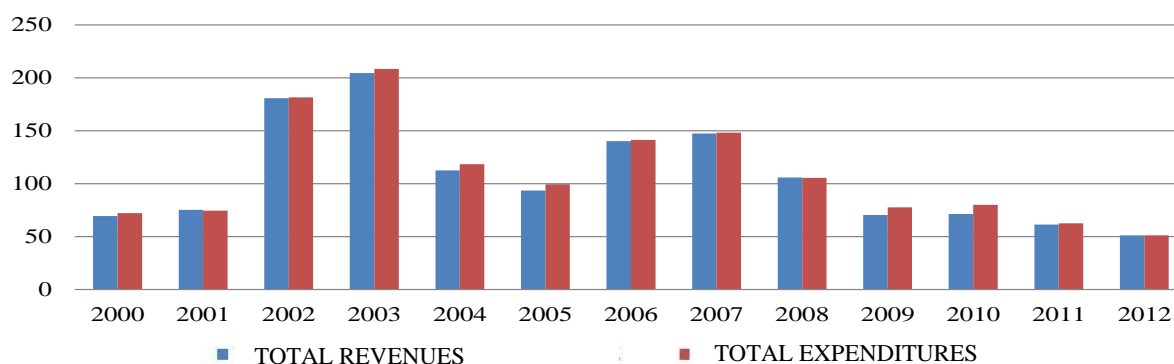
Therefore, with all of the resources acquired, it is possible to finance not only own functions and the functions conferred to the Province, but it is also possible to develop new functions, by strengthening the designing, by building partnerships and by envisaging ad-hoc measures (as in the case of anti-crisis package).

3. RESOURCES

3.1 Budgetary Resources

In the 2000-2012 period, in the Province of Benevento the budget amounted to an average of 111 million euros, with peaks in revenues in some years (2002-2003, 2006-2007), mainly ascribable to the increase in capital revenues.

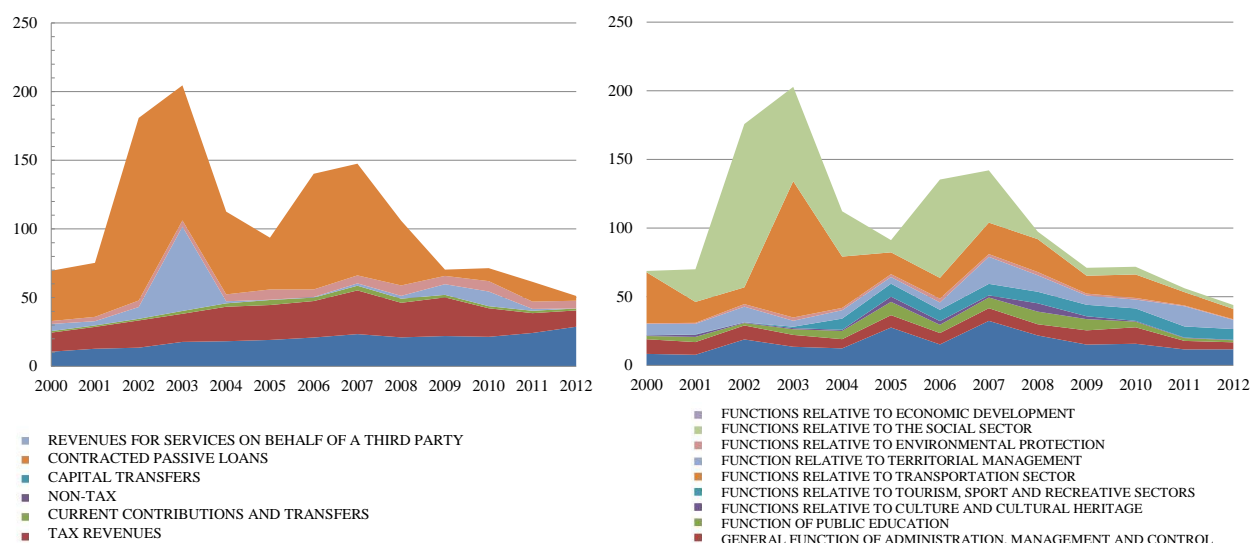
Figure 2 – Trends in revenues (assessments) and budget expenditures (commitments), 2000-2012 (Million Euros)



Source: Our elaborations on data by the Ministry of Internal Affairs

Conversely, in terms of expenditures, the highest volumes are generally related to the functions in the field of economic development, followed by those for the territorial management (road system, territorial and city planning), by the general expenditures for the administration, management and control and for public education and environmental protection. By examining each function over time, we notice that it is just in the field of the economic development that expenditures for agriculture experiences the most intense evolving trend (increasing by more than 400% between 2001 and 2002, and experiencing afterwards a decrease of 100% between 2002 and 2011). This trend is related to the delegation from the Region to the Province of the implementation of the measures of the ROP agriculture 2000-2006.

Figure 3 – Revenues (commitments) by title (left) and current and capital expenditures (assessments) by type of function (right) (Million Euros)



Source: Our elaborations on data by the Ministry of Internal Affairs

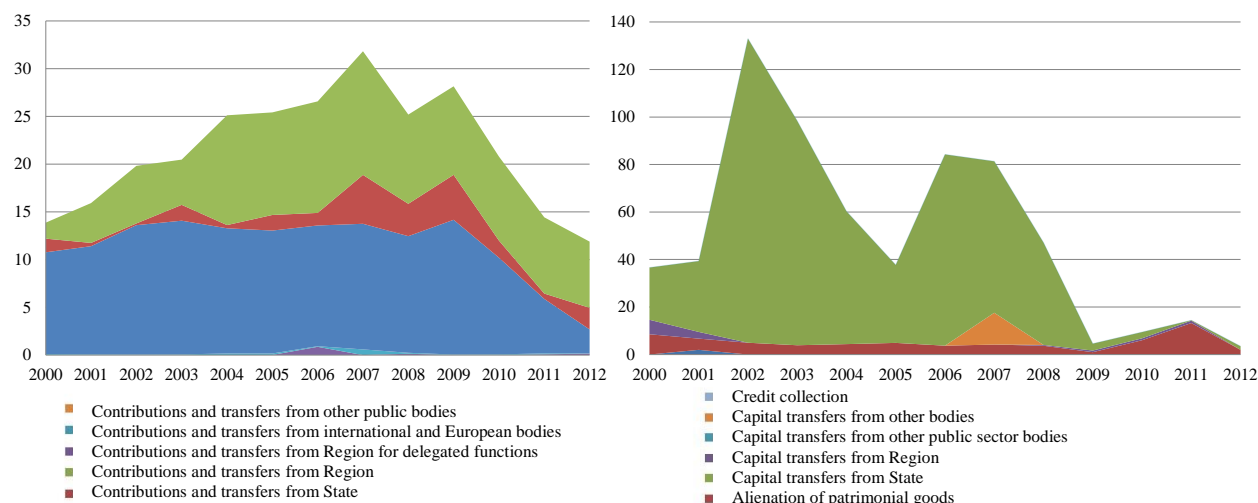
In parallel, in 2008, there is a collapse (-93%) in capital contributions and transfers from the Region, whereas during the period considered there is an increase exceeding 50% (+55%) of those from the State.

In the 2000-2011 period, it has been accrued an average of 23.9 million euros coming from current contributions and transfers from the State and the Region, that is 50% of the average of current revenues (47.6 million euros), evenly distributed between the two levels of government (12 million euros from the State and 11.9 million euros from the Region). These amounts have been adequate to cover current expenditures.

In the period between 2010 and 2011, the revenues from current contributions and transfers decreased by 30.6% (from 20.8 to 14.4 million euros), capital revenues increased by 52% (from 9.4 to 14.4 million euros), whereas capital transfers from the Region plunged by 94% (from 2.6 million euros to 150 thousand euros) and revenues from loans dropped by 87% (from 10.7 to 1.4 million euros).

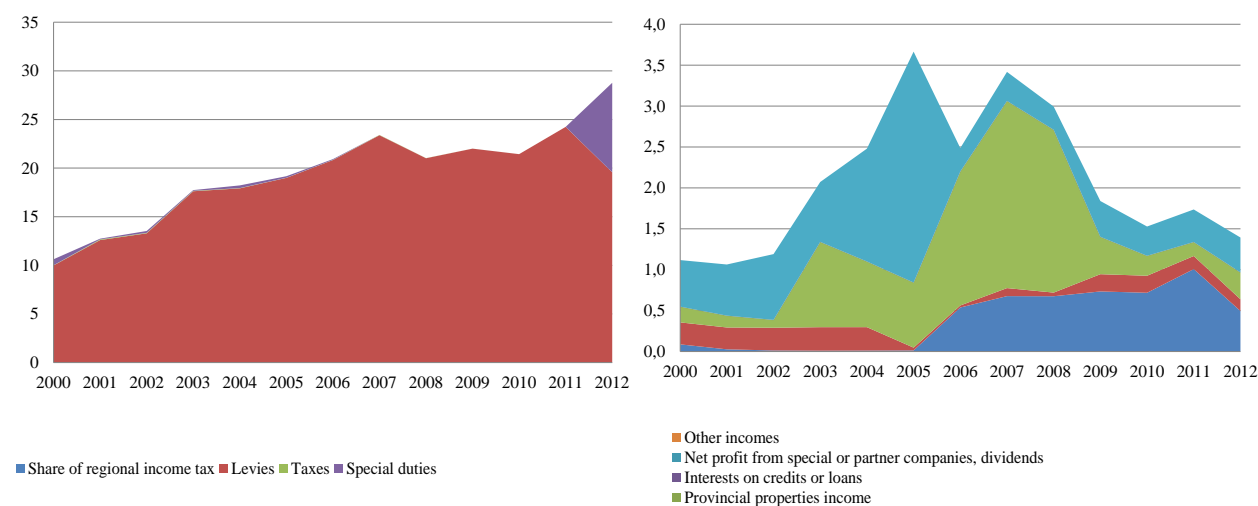
For 2012 it is expected a further decrease in current contributions and the transfers accrued on the whole for an additional decrease of 6.6 million euros, thus falling down to 7.8 million euros. Furthermore, compared to a reduction of 6.6% in current revenues over the previous year, it is estimated an increase in capital revenues by as much as 39.5 million euros, ascribable to the takeover of a further 51% of the Observatory Marsec by the present private partner.

Figure 4 – Revenues (commitments) from current contributions and transfers (left) and from alienations, capital transfers and credit collection (right) (Million euros)



Source: Our elaborations on data by the Ministry of Internal Affairs

Figure 5 – Tax revenues (commitments) (left) and non-tax revenues (right) (million Euros)



Source: Our elaborations on data by the Ministry of Internal Affairs

Taking into account the amounts in 2000 and 2011, tax revenues increased by 128% (with an increase in levies¹ of 114%), and the non-tax revenues have increased by 55%, thanks to the higher public services income (which increased from 86 thousand euros, to about 1 million euro), whereas provincial properties income and interests on credits and loans decreased respectively by 40% and 11%. What remained stable are current contributions and transfers (4%), whereas current expenditures increased (54%).

¹ The provinces earn income from two taxes: a provincial tax for car registration to the Public Vehicle Register (PRA) and a tax on insurance for civil liability deriving from the circulation of motor vehicles.

Table 8 – Budget Indicators

	Average 2000-2006	Average 2007-2012	Δ%
Financial autonomy (<i>Own revenues/Current revenues</i>)	0.46	0.55	19%
Tax autonomy(<i>Tax revenues/Current revenues</i>)	0.41	0.50	22%
Financial dependence (<i>Revenues from contributions and transfers/Current revenues</i>)	0.54	0.45	-16%
Dependence on State (<i>Revenues from contributions and transfers from State/Current revenues</i>)	0.33	0.20	-41%
Share of current transfers from Region on total current revenues	0.20	0.25	27%
Share of current expenditures on total expenditures	0.31	0.54	76%
Share of capital expenditures on total expenditures	0.64	0.37	-43%
Share of capital expenditures on current expenditures	2.53	0.76	-70%
Share of expenditures for general function of administration, management and control on current expenditures (<i>Expenditures Title I, function 1 / Current expenditures</i>)	0.27	0.26	-1%
Share of expenditures for functions relative to economic development on current expenditures (<i>Expenditures TitleI, function 9 / Current expenses</i>)	0.11	0.09	-18%
Share of expenditures for general function of administration, management and control on total expenditures (<i>Expenditures Title I and Title II, function 1 / Total expenditures</i>)	0.12	0.20	64%
Share of expenditures for functions relative to economic development on total expenditures (<i>Expenditures Title I e Title II, function 9 / Total expenditures</i>)	0.31	0.09	-71%
Share of current expenditures covered by own-source revenues*(<i>Own-source revenues / Current expenditures</i>)	0.51	0.60	18%

* *Own-source revenues = tax revenues + non-tax revenues*

Source: Our elaborations on data by the Ministry of Internal Affairs

Between 2000 and 2010 there has been an increase in own revenues (+157%), mainly due to the increase of tax revenues (+171%), and, to a lesser extent, to non-tax revenues (+25%).

Therefore, when considering the budget indicators calculated on the basis of the average values in the periods 2000-2006 and 2007-2012 (table 8), it is highlighted an increase in tax autonomy (+22%) and, to a lesser extent, in the autonomy to finance its own costs (+19%). However, while it is decreasing the dependence from the revenues arising from contributions and transfers (financial dependence), mainly from the State (dependence on State, -41%), the regional current transfers out of the total of the current revenues continue to have a remarkable incidence (+27%), as it happens, in general, for the incidence of current expenditures on total expenditures (+76%).

The budget indicators highlighted a sharp decrease in the incidence of capital expenditures, both on total expenditures (-43%) and, mainly, on current expenditure (-70%). In particular, they the expenditures for the economic development on general total of expenditures dropped by 71%, whereas the incidence of the general functions of administration on total expenditures increases sharply (64%).

Shortly, in the provincial management of the budget it can be pointed out a strategy of:

- Increase, over time, of the expenditures for administration and management;
- Remarkable decrease in the ratio between capital expenditures and current expenditures;
- Higher capacity of financing current expenditures with own revenues, both from tax revenues and from non-tax revenues.

3.2 Additional Resources

The Province of Benevento succeeded in gaining remarkable experience in planning by handling huge additional resources, even in partnership with other stakeholders, both local and not, both in national programmes (Territorial Pacts) and in community programmes (Interreg, Life, Urban) (see table 10).

The most significant experience, both in terms of financial resources and of results obtained concerned, nonetheless, mainly the 2000-2006 period, and it is represented by three branches of activities:

- The implementation through delegation from the Region of measures financed by the EAFRD within the ROP Campania, which has involved about 321 million euros;
- The management of Integrated Projects envisaged by the ROP ERDF for a total amount of 166 million euros in the ERDFD and 8.6 million euros in the ESF;
- The national Territorial Pacts, for a total amount of 119 million euros.

In the programming period 2007-2013, the amount of resources handled directly by the Province has been drastically reduced, mainly for the absence of delegation from the Region for the measures of rural development. The Province regained a role in the operations for rural areas within the Rural Integrated Projects for protected areas (PIRAP) and the Integrated Supply Chain Projects of the (PIF), both envisaged by the regional RDP, and within the ROP ERDF, thus implementing a series of projects (Art Sannio Campania) focused on the enhancement of the cultural and historical heritage and of the territorial security (refurbishment of roads, water regulation, works of defense and consolidation). With the Underutilised Areas Fund, instead, the Province carries out, through delegation from the Region, operations concerning the integrated solid urban waste system and the implementation of separate collection of waste.

The participation in the Interreg projects (four in total, for an amount of about 4.5 million euros) has a strategic value throughout the period considered, not only in terms of resources handled, but mainly because it allows the Province to confront itself with partners from other countries. Moreover, in two cases the Province took the leading role.

The additional resources managed by the Province, between the two programming periods, dropped from 71% to 18% in terms of budget revenues/expenditures and from 102% to 40% in terms of capital expenditures for the entire period 2000-2012, if compared to the capital expenditures for the functions of the local development (cultural heritage, tourism, environmental protection, social policies and economic development).

Table 9–Financial resources managed directly by the Province of Benevento

Programmes	Regional delegation (RD) or competitive bidding procedures (CBP)	Public financial resources 2000-2006 (thousand Euros) *	Public financial resources 2007-2013 (thousand Euros) **
1. Rural Development Programmes Measures	RD	320,893.81	55,000.00
2. European Social Fund O.P. Measures	RD	8,590.50	–
	CBP	166,500.00	12,261.00
3. European Regional Development Fund O.P. Measures	RD	2,500.00	3,000
4. European Fisheries Fund Measures	CBP	94,000.00	–
5. General-purpose territorial pacts **	CBP	25,260.00	–
6. Agriculture territorial pacts **	–	–	–
7. Contract programme	CBP	–	6,100
8. Other local development integrated programmes (regional)	RD	–	3,165
9. National Fund for Underutilised Areas / National Fund for development and cohesion (FSC)	CBP	3,100.00	1,317.00
10. INTERREG projects	CBP	–	1,340.00
11. LIFE projects	CBP	100.00	–
12. URBAN projects	–	–	–
13. Other programmes:	RD	320,893.81	55,000.00
- Equal	RD	8,590.50	–
- Interact	CBP	166,500.00	12,261.00
- South-East Europe (SEE)	RD *	2,500.00	3,000.00
14. Other financing			
- Anti-crisis package for productive activities	–	–	840.00
TOTAL		620,944.31	83,023.00
% on total revenues/expenditures		71%	18%
% on total capital expenditures		102%	40%
% on total capital expenditures for local development***		180%	97%

*In the 2000-2006 period the delegation on rural development measures involved the ROP for 313 million euros and the RDP for 8 million euros.

**For the 2007-2013 period the Province has been granted not a delegation but simply an entrustment.

*** Capital expenditure for functions relative to cultural heritage, tourism, environmental protection, social policies and economic development..

Source: Our elaborations on data provided by the Province of Grosseto and the Ministry of Internal Affairs

4. RELATIONSHIPS BETWEEN THE PROVINCE AND THE LOCAL STAKEHOLDERS

4.1 The Region

The Campania Region didn't have an organic approach to provincial decentralization and it only implemented the national guidelines where it was required. Furthermore, under equal conditions concerning delegated matters, the Region modified the budgetary policies and reduced transfers. As regards the implementation of community programmes, at last, in the transition between the

programming periods 2000-2006 and 2007-2013, the amount of resources managed by the provincial administration has been substantially reduced. This led to a clear loss of authority and of legitimacy of the Province towards its territory, a decrease of potential incoming resources. Furthermore, the ad-hoc offices created for the management of the measures ROP 2000-2006 have been closed.

In the period between 2001 and 2010 the financial situation remains stable. Conversely, from 2010 onwards, the regional political framework experiences a change and, although the competences delegated remain essentially unchanged, the strategies of the Region concerning the transfer of resources in the provincial budget changed: indeed, the resources have been reduced and it there has been greater slowness in their transfer. For instance, the transfers to the transport sector have undergone a linear cut of 9.1%, equal to 3 million euros per year, which has been then considered illegitimate by the Administrative Court. In the forestry sector, delegated since 1989, resources for the salaries of the 48 forestry operators and of the fire-fighting plan have not been allocated, and the regional government, through a specific regional law of 2010, has assigned to the delegated bodies the burden of financing them through economies to be found on other agricultural matters or using the funds for underutilised areas, which is impossible in the case of the salaries to the forestry employees, in compliance with what is envisaged by the Stability Pact.

The administration is, therefore, experiencing a deadlock triggered by the embitterment of budgetary rules, and this runs the risk of affecting the regular implementation of the ordinary functions of the Province.

4.2 The local stakeholders

In terms of relationships between the Province and the local stakeholders the past experience is very positive and it can be exemplified by two main moments during the period considered. The first one can be identified in the action of governance and consultation of the territory shown during the implementation of the rural measures of the ROP 2000-2006. The second one is represented by the provincial Territorial Coordination Plan (PTCP), definitely approved by the Campania Region in October 2012.

In the first case, the strategic vision of the Province allowed to optimize the results and coordinate the action of the other actors involved (professional organizations, Mountain Communities, Municipalities) towards the achievement of a shared goal of development of rural areas. Local stakeholders recognized the key-role, both political and financial, performed by the Province in the period 2000-2006, and lamented its weakening as a consequence of a downsizing of delegation during the programming period 2007-2013.

The provincial Territorial Coordination Plan, during its formulation process, envisaged different moments of consultation of the territory, aimed at ensuring the participation of local stakeholders. In particular, there were debates with political and institutional representatives, authorities, professional and business associations. Furthermore, there were co-planning conferences aimed at ensuring the debate with the territory, through the involvement of local institutions and of all the people involved.

The Mountain Communities in the province of Benevento are currently four, although it is being discussed a regional law for their reorganization. The relationships between the Province and the Mountain Communities, during the period of reference, mainly concerned hydro-geological instability and the forest fires prevention. On these topics, there were synergies between the authorities involved, on the basis of agreements. In terms of relationships with municipalities, it has been recently established a Conference of Mayors, which acts as a consultation body.

On issues regarding specific territories (for instance, the crisis of the textile centre in Airola) or the entire province (for instance, the reorganization of the Provinces), inter-institutional debates have been established, headed by the President of the Province and involving, according to the issues discussed, the Municipalities, the Chamber of Commerce, the Trade Unions, the professional organizations and the parliamentary representatives of the territory (deputies and senators, both national and European, as well as the regional councilors). The main objective of these Tables is the research for operational solutions aimed at solving a situation of crisis, even through the transferring of petitions and the proposal of ideas and projects at national and regional level.

4.3 The project partnerships

The Province of Benevento was and is partner in numerous European projects (Interreg, Life, Urban), as well as in many other national projects (Territorial Pacts, PIT, PIF, PIRAP), and it acquired a great expertise in planning and management, thus allowing the Province to assume in many cases the role of proponent and lead partner.

The Agency Sannio-Europa provided to the Province the technical-organizational support in the activities of information and promotion of community programmes and projects and/or financed through European funds, in order to increase the share of European financing of the Province of Benevento and of the other local and regional authorities. The Agency is also in charge of project designing and of the relationships with potential partners, as well as of the technical assistance in the implementation phases. This procedure ensures a greater dynamicity to actions of the Province.

The choice of partners depends mainly on the topics. As for touristic promotion based on naturalistic-environmental resources there are many regional and national parks of the Campania Region as partners (in the PIRAP there are the regional Parks of Taburno and Matese, in the Interreg there are the National Park of Cilento and Vallo di Diano). As for local development, the recurring partners are represented by business organizations, and similarly as for wine-and-food promotion the Mountain communities are often present. In the national Integrated Projects, the Municipalities are always partners. In many other projects related to culture, tourism and wine and food, there were relationships with partners of other Provinces of the Campania Region. In the case of Interreg, the partners come from Mediterranean countries (mainly Greece, but also Malta and Cyprus). The main issues are tourism promotion, sustainable management of natural resources, food and wine promotion and local supply chains.

Sometimes, the added value of planning experiences has to be found in the experimentation of new ways of exchange between the stakeholders involved. For instance, the territorial Pact in Benevento has been characterized by the creation of a permanent consultation between local stakeholders, which, among other things, allowed to introduce criteria of flexibility in the labour

market. The Pact has been considered extremely positive and the National Council for Economics and Labour (CNEL) has deemed it as a model of negotiation between the stakeholders of local development.

5. SOME FINAL CONSIDERATIONS

Over the last two programming periods period, the Province of Benevento, in addition to its historic functions related to the road system, school buildings and afforestation, has also performed functions relative to territorial planning, environment, employment, tourism, soil conservation, civil protection and operations for the rural development.

The Province, in the performance of its functions (delegations for the implementation of regional programs, definition of the provincial Territorial Coordination Plan, anti-crisis negotiating Tables) showed to be able in managing the multi-level governance processes by gathering all of the significant local stakeholders and by coordinating projects and activities on the territory in a systemic way. It should be pointed out that, at present, within the province there are no formal Unions of municipalities, which are in charge for the management of associated services and not for coordinating activities, creating synergies and conceiving long-lasting development paths, on a provincial scale.

From recent trends, nonetheless, some contradictions emerge. With a progressive and more relevant transferring of functions there has been a decrease in the resources to put them in practice, due to the tightening of budgetary rules, with consequent problems even in the management of ordinary expenses (such as the payment of wages to the forestry workers).

Furthermore, the Province of Benevento has to cope with a Region which, although not aiming at centralizing functions, has not expressed a unified design in the decentralization process to local authorities, provinces included. Independently from the overall reform process, the Region, during the programming period 2000-2006, allowed the Provinces to assume an important role in assessing the territorial needs and in the management of rural development measures. Lately the situation got worse: the delegation process suffered a setback and the implementation of policies for rural development went back to the Region.

All this has essentially reduced the possibility of the Province to intervene in rural policies processes and to allocate financial resources to territories in greater need.

The role of the Province, in an extremely weak territory such as Benevento, appeared to be fundamental during the programming period 2000-2006, since it met the needs of areas located in the most marginal and inner areas. The lack of possibility for the Province of acting as catalyst on the territory, due to the transfer of financial resources, leaves a void which is unbridgeable by other stakeholders. The focus groups have highlighted that the local stakeholders have experienced this passage as a loss, since it implied a minor possibility to have an impact on the development of their territories.