



Factsheet on 2014-2022 Rural Development Programme for Friuli Venezia Giulia

The Rural Development Programme (RDP) for Friuli Venezia Giulia was formally adopted by the European Commission on September 24th 2015, outlining the Region's priorities for using the €475.5 million of public funds available for the period 2014-2022 (€179.8 million from the EU budget of which €14 million from the NextGenerationEU recovery instrument, €238.8 million of national co-financing plus €56.9 million of additional regional resources).

The latest amendment adopted on 8 July 2024 provided aimed at optimizing the expenditure in this last part of the RDP, and mainly provided for a reallocation of resources to intervention 4.1.1 (Improvement of the performance and global sustainability of agricultural businesses), in which it is possible to still make numerous payments within the existing calls for tender; resources stemming from savings due to renunciations, withdrawals or lower expenditure have been identified with a view to rapid re-utilisation.

New calls are not feasible considering both the limited remaining financial resources and the timescales that are not compatible with the nature of the investments, which also include construction or infrastructure works. The RDP for Friuli Venezia Giulia puts particular emphasis on improving the competitiveness of agriculture and primary producers, as well as on restoring, preserving and enhancing ecosystems. about 1000 agricultural holdings will receive investment support to restructure and modernise their farms. Apart from improving competitiveness, these investments will also contribute to enhancing the environmental performance, mitigating climate change and support farmers in the restoration of forestry areas in case of natural disaster. The level of investments will also get a boost thanks to the introduction of two specific financial instruments, a loan-fund supporting projects for farm restructuring/modernisation and for processing/marketing of agricultural products; and a multi-regional guarantee fund with the aim of promoting and increasing access to credit and investment by farmers. Over 28 000 hectares of agricultural land will be under agri-environment-climate contracts supporting biodiversity, soil and water management. The Region will reduce the administrative burden on beneficiaries by using a simplified system of standard costs for declaring expenses under certain investment measures. In addition, the Region is supporting beneficiaries hit by the consequences of COVID 19 sanitary emergency with a dedicated measure as well as through the funds stemming from the 100% co-financed recovery instrument NextGenerationEU.

Support for Rural Development is the 2nd Pillar of the Common Agricultural Policy, providing Member States with an envelope of EU funding to manage nationally or regionally under multi-annual, co-funded programmes. In total, 118 programmes are foreseen in all 28 Member States. The new RD Regulation for the period 2014-2022 addresses six economic, environmental and social priorities, and programmes contain clear targets setting out what is to be achieved. Moreover, in order to coordinate actions better and maximise synergies with the other European Structural & Investment Funds (ESIF), a Partnership Agreement has been agreed with each Member State highlighting its broad strategy for EU-funded structural investment.

In Italy, rural development is implemented through 22 separate RDPs – one at national level and 21 regional RDPs (including "less developed", "transition" and "more developed" Regions). In addition, the National Rural Network Programme provides the funding for the networking of rural development actors in Italy.

This document provides a brief overview of how the challenges and opportunities that Friuli

Venezia Giulia is facing are addressed by the RDP. In the annex, a table indicates the priorities and focus areas each with their specific targets, and their allocated budgets.

1. SITUATION AND KEY CHALLENGES

Friuli Venezia Giulia is situated in the north-east of the country and bordering Veneto, Austria, Slovenia and the Adriatic Sea. It covers a total area of 7 858 km² and has a population of 1.2 million people. The Region is mostly rural and Utilised Agricultural Area (UAA) covers 28% of the territory. Despite the general good level of economic indicators in terms of employment rate and revenue per-capita, rural areas and especially mountain areas are affected by increasing depopulation and an ageing population as well as by an increasing need for basic services and social services.

22 320 agricultural holdings operate in the Region, covering a UAA of 218 443 ha. The average farm size is 10 ha (national average 8 ha). Farm structure is fragmented, with 62% of farm holders practicing agricultures only part-time. Agriculture represents 1.2% of the total regional added value. Average farming revenues are 2 426 €/ha. Agriculture employs 3.26% of total employed people (national average 3.8%). Only 4% of farm holders are less than 35 years old and only 4% have a high school degree in agronomics. The UAA is mainly used for arable crops and pasture. 29% of the UAA is irrigated. Only 0.92% of the UAA is under organic production (9% in Italy). Forests cover 41% of the territory and tend to expand due to the abandonment of agriculture. 60% of forests are used for wood production.

The Region is characterised by intensive farming, which results in relatively high levels of nitrates and ammonia emissions. More than 45% of farm land is cultivated with high input intensity (especially fertilisers). 44% of the UAA is in Nitrate Vulnerable Zones. Natural conditions as well as farming practices are responsible for a high risk of soil compaction and erosion. Natural disasters such as landslide and flooding are increasingly frequent.

Intensive agriculture and animal husbandry have a significant impact on the Region's natural resources and air quality. The Farmland Bird Index has decreased by 54% in the last 12 years. HNV farming is also below the national average. 18% of water bodies have a bad quality status also due to nitrate pollution from agriculture. The agriculture and animal husbandry sectors are responsible for 98% of the ammonia emissions in the Region. A fourth of the regional territory is concerned by a high level of hydrogeological risk.

2. HOW THE RDP OF FRIULI VENEZIA GIULIA WILL ADDRESS THESE CHALLENGES

In addressing the challenges, the RDP of Friuli Venezia Giulia will fund operations under all six Rural Development priorities, – with a particular emphasis on improving the competitiveness of agriculture, as well as on restoring, preserving and enhancing ecosystems. The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

€ 5,5 million will be used for 2 300 farmers for training and information activities to improve farmers' management skills from a technical, economic and environmental point of view, allowing them to become more innovative. 29 cooperation projects, 9 of which under the European Innovation Partnership, will strengthen the link between research and the agriculture, food and forestry sectors.

Competitiveness of agri sector and sustainable forestry

About 1000 farmers will receive support for investments in farm restructuring/modernisation,. Such investments will also contribute to the environment and climate change mitigation. The Region will also establish a loan-fund to further support investments in farm restructuring/modernisation. In addition, the RDP will support the start-up of 250 young farmers and will promote improvements in the use and management of water resources by farms.

Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture

Around 155 beneficiaries will receive support with the aim to strengthen the food chain organisation, including the processing and marketing of agricultural products. These investments will also contribute indirectly to improve the environmental performance and mitigate climate change. The Region will also establish a loan-fund to further support investments in processing/marketing of agricultural products.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Over 28 000 ha of agricultural land is expected to come under agri-environment-climate contracts supporting the conservation of biodiversity, soil and water quality. In particular, almost 15 500 ha of farmland will receive support to either convert or maintain organic farming. In addition, farmers will be supported to maintain agricultural activities on 30 000 ha in mountain areas.

Resource efficiency and climate

The RDP will pursue carbon conservation and sequestration by supporting specific agri-environment-climate practices on 4100 ha of agricultural land as well as through the afforestation of 4 150 ha.

Social inclusion and local development in rural areas

Social and economic development in rural areas will be promoted through support to the preparation and implementation of Local Development Strategies by 5 LEADER Local Action Groups, which will cover over 235 000 people. 50 000 people will also benefit from investments in new or improved broadband infrastructures.

The four **biggest RDP measures** in budgetary terms (total public funding) are:

- 132 million EUR allocated to measure 4 (Investments in physical assets)
- 56 million EUR allocated to measure 10 (Agro-environment-climate)
- 45 million EUR allocated to measure 13 (Areas facing natural constraints)
- 38 million EUR allocated to measure 11 (Organic agriculture)

Annex 1: Indicative public support for the Rural Development Programme in Friuli Venezia Giulia

Target	Measure	€ Total public	%
Priority 1: Knowledge transfer and innovation in agriculture, forestry and rural areas¹			
1A: Fostering innovation, cooperation, knowledge base 4,86 % of RDP expenditure	01 knowledge		
	02 advisory		
	16 cooperation		
1B: Strengthening links (with research etc.) 29 cooperation projects	16 cooperation		
1C: Training 2 300 participants trained	01 knowledge		
Priority 2: Farm viability, competitiveness and sustainable forest management		200.329.169,01	37,68%
2A: Economic performance, restructuring & modernisation 4.16 % of holdings with RDP support	01 knowledge	1.182.495,00	0,22%
	04 investments	166.485.175,86	31,32%
	06 farm / business development	8.231.811,33	1,55%
	16 cooperation	587.222,82	0,11%
	M21 COVID-19 crisis	2.421.150,00	0,46%
2B: Generational renewal	01 knowledge	251.314,00	0,05%

¹ No financial allocation shown for Priority 1 as the expenditure is distributed across other focus areas.

1.12 % of holdings with RDP supported business development plan/investments for young farmers	06 farm / business development	21.170.000,00	3,98%
Priority 3: Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management		76.419.934,97	14,37%
3A: Improving competitiveness of primary producers 0.69 % of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations	01 knowledge	576.314,00	0,11%
	02 advisory	0	0%
	03 Quality schemes	2.284.018,70	0,43%
	04 investments	70.691.141,41	13.30%
	09 Producer groups / organisations	0	0,0%
	14 Animal welfare	589.000	0,11%
	16 cooperation	2.279.460,86	0,43%

Priority 4: Restoring, preserving and enhancing ecosystems in agriculture and forestry²		149.378.605,21	28,28%
4A Biodiversity 11.24% of agricultural land under contracts 0.12% of forest/other wooded area under contracts	01 knowledge	1.954.251,31	0,37%
	02 advisory	0,00	0%
4B Water management 2.70% of agricultural land under contracts	04 investments	2.505.964,00	0,47%
	07 basic services	779.002,37	0,15%
	08 forests	2.860.062,32	0,54%
4C Soil erosion and management 4.46% of agricultural land under contracts 0.12% of forest/other wooded area under contracts	10 AEC	39.655.089,42	7,46%
	11 organic farming	51.014.035,24	9,60%
	12 NAT-WFD	1.680.000,00	0,32%
	13 ANC	46.840.362,00	8,81%
	16 cooperation	1.527.568,43	0,29%
Priority 5: Resource efficiency and shift to low carbon and climate resilience economy in agriculture, food and forestry sectors		44.960.382,04	8,46%
5A Water efficiency 0.76% of irrigated land switches to a more efficient irrigation system	04 investments	6.617.363,06	1,24%
5C Renewable energy 16.5 M € total investment in renewable energy production	01 knowledge	174.657,00	0,03%
	02 advisory	0	0%
	06 farm / business development	970.000,00	0,18%
	08 forests	3.367.537,58	0,63%
5E Carbon conservation and sequestration 0.89 % of agricultural and forest land under management contracts contributing to carbon sequestration or conservation	01 knowledge	278.314,00	0,05%
	02 advisory	0	0,00%
	08 forests	23.788.246,69	4,47%
	10 AEC	9.764.263,71	1,84%
Priority 6: Social inclusion, poverty reduction and economic development in rural areas		49.951.817,87	9,40%
6A Diversification, creation of small enterprises and jobs 10 jobs created in supported projects 37 farms receiving start-up aid/support for investments in non-agricultural activities in rural areas	01 knowledge	58.131,00	0,01%
	02 advisory	0	0%
	06 farm / business development	1.500.000	0,28%
6B Fostering local development 27.44 % rural population under local development strategies; 5.83 % rural population with improved services/infrastructure; 10 jobs created (via LEADER)	01 knowledge	237.314,00	0,04%
	02 advisory	0	0%
	07 basic services	1.864.195,41	0,35%
	16 cooperation	10.955.204,07	2,06%
	19 LEADER and CLLD	23.007.973,39	4,33%
6C Access to and quality of ICT 4.66 % of rural population benefiting from new or improved services/infrastructures (ICT)	07 basic services	12 350 000	2,32%

² Expenditure under Priority 4 is programmed for the priority as a whole, not for individual focus areas.

Technical Assistance		11.141.725,42	2,10%
Total public expenditure €		528.619.364,40	100%