



June 2023

Factsheet on 2014-2022 Rural Development Programme for Lombardia

The Rural Development Programme (RDP) for Lombardia, which was formally adopted by the European Commission on 15 July 2015 and last amended on 20 June 2023, outlines Lombardia's priorities for using the € 1 557 million of public funds that are available for the period 2014-2022 (€ 695 million from the EU budget, of which € 52 million from the NextGenerationEU recovery instrument, € 848 million of national co-funding and almost € 14 million of additional national resources).

Lombardia's RDP puts particular emphasis on improving the competitiveness of agriculture and primary producers, as well as on restoring, preserving and enhancing ecosystems. Over 1 700 beneficiaries will receive investment support to restructure and modernise their farms. Apart from improving competitiveness, these investments will also contribute to enhancing the environmental performance and mitigating climate change. Investments will also be boosted thanks to the use of a specific financial instrument, a loan-fund supporting projects for the processing/marketing of agricultural products. 90 260 hectares of agricultural land will be under agri-environment-climate contracts supporting biodiversity, soil and water management, while almost 110 000 hectares of farmland in mountain areas will be supported. 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. Finally, pigmeat and dairy farmers in mountain areas, who are particularly affected by the impact of Russia's invasion of Ukraine, will receive exceptional temporary support in the form of a one-off lump sum.

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 States¹. The [RD Regulation](#) for the period 2014-2020 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.

This document provides a brief overview of how the challenges and opportunities Lombardia 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 The UK left the Union on 31st January 2020; in accordance with the Withdrawal Agreement support under Rural Development continues to apply in the UK during the 2014-2020 programming period.

1. SITUATION AND KEY CHALLENGES

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.

Lombardia is the most populous Italian region. Situated in the north of the country, it covers a total area of 23 863 km², of which 23% is rural, 43% intermediate and 34% urban. Agriculture accounts for 41% of the total area and forests 26%. 9.8 million people live in Lombardy (one sixth of Italy's population) with a density more than twice the national average. The employment rate is 65% - 73% for men and 56% for women – compared with the national average of 57%. The unemployment rate is 7.5% (27% for the population aged 15-24 years old). Agriculture employs 1.6% of total employed people (national average 3.8%), relative to services 66% and industry 33%. Over 21% of Italian GDP is produced in the Region, and Lombardia's GDP per-capita (33 066 €) is 29% higher than the national average (25 729 €).

Lombardia is characterised by a specialised intensive agriculture and animal husbandry. More than 54 330 farms are active in the region (3.4% of national total), with a total Utilised Agricultural Area (UAA) of 986 830 ha (7.7% of national total) and 7.4 billion € of standard output (15% of national total). The average farm size is around 18 hectares compared to the national average of 8 hectares, while the average farm standard output is 136 000 € (national average 30 500 €). These values are considerably higher in plain areas (characterised by intensive agriculture and breeding) than in hill and mountain areas. Only 2% of the UAA is under organic production (9% in Italy). 58% of the UAA is irrigated (19% for Italy). The UAA is mainly used for arable crops, especially in the plains, and for permanent feed crops in the mountains. Cereals occupy a relevant part of the arable land, especially maize, rice (40% of national production) and wheat. The fruits and vegetables sector is also relevant and expanding. Animal husbandry (mainly beef and pig) accounts for 63% of the agricultural production value in the region and for 26% of the total Italian animal husbandry production value (33% for milk products). The regional food sector accounts for 11% of the total national holdings and 18% of the total national employees.

Intensive agriculture and animal husbandry have a significant impact on the regional 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. A fourth of the regional territory is concerned by a high level of hydrogeological risk.

2. HOW LOMBARDIA'S RDP WILL ADDRESS THESE CHALLENGES

In addressing the challenges, Lombardia's RDP 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

€ 7.95 million will be used in advisory services to improve farmers' management skills from a technical, economic and environmental point of view, allowing them to introduce innovation in their activities. 1 774 farmers will also benefit from training and information activities with the same objective. 117 cooperation projects, 40 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

1 595 farmers will receive support for investments in farm restructuring/modernisation, with over € 1 billion (public + private) invested in physical assets. Such investments will also

contribute to the environment and climate change mitigation. In addition, the RDP will support the start-up of 1 614 young farmers.

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

€ 173 million (public + private) will be invested in physical assets for 170 beneficiaries, with the aim of strengthening the food chain organisation, including 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. € 10.55 million will be invested in biotic damages prevention due to natural catastrophes. Furthermore, the RDP will support the entry of 170 farmers in quality systems.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

90 260 ha of agricultural land will be under agri-environment-climate contracts supporting the conservation of biodiversity, soil and water quality, while 35 250 ha of farmland will receive support to either convert or maintain organic farming. In addition, farmers will be supported to maintain agricultural activities on almost 110 000 ha in mountain areas. € 45 million will also be invested in the forestry sector under this priority namely for the purpose of soil conservation.

Resource efficiency and climate

The RDP will pursue carbon conservation and sequestration by supporting specific agri-environment-climate practices on 57 000 ha of agricultural land as well as through the afforestation of 775 ha. 4 320 ha of agricultural land will also be under agri-environment-climate contracts aimed at reduction emissions of greenhouse gas and ammonia deriving from agriculture. The region also expects investments of € 3.44 million of public and private funds in renewable energy production.

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 14 LEADER Local Action Groups, which will cover 1.4 million people. 368 278 people will also benefit from investments in new or improved IT infrastructures (e.g. broadband internet).

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

- € 564 million allocated to measure 4 (Investments in physical assets),
- € 303 million allocated to measure 10 (Agro-environment-climate),
- € 119 million allocated to measure 13 (Areas facing natural constraints),
- € 113 million allocated to measure 8 (Forestry).

Annex 1: Indicative public support for the Rural Development Programme in Lombardia

Target		Measure	Indicative public support	%
P1: Fostering knowledge transfer and innovation in agriculture, forestry and rural areas			0,00	
1A Innovation, cooperation, knowledge			0,00	
T1: percentage of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (focus area 1A)	3,36	M01 Knowledge	0,00	
		M02 Advisory services	0,00	
		M16 Cooperation	0,00	
1B Research & innovation			0,00	
T2: Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) (focus area 1B)	117,00	M16 Cooperation	0,00	
1C Lifelong learning and vocational training			0,00	
T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C)	1.774,00	M01 Knowledge	0,00	
P2: Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and the sustainable management of forests			607.426.226,51	39,00%
2A Farm performance		Total: 2A	553.435.876,51	35,54%
T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	2,94	M01 Knowledge	6.913.500,00	0,44%
Total investment € (public + private)	1.167.936.600,00	M02 Advisory services	5.746.500,00	0,37%
Nr of holdings supported for investment in agricultural holdings (4.1)	1.595,00	M04 Physical Investment	453.330.682,30	29,11%
Nr of beneficiaries advised (2.1)	3.480,00	M06 Farm and business development	21.120.000,00	1,36%
		M08 Forest	6.175.000,00	0,40%
		M16 Cooperation	22.850.000,00	1,47%
		M21 COVID-19 crisis	19.900.194,21	1,28%
		M22 Impact of Russia's invasion of Ukraine	17.400.000,00	1,12%
2B New farmers		Total: 2B	53.990.350,00	3,47%
T5: percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (focus area 2B)	2,97	M01 Knowledge	20.350,00	0,00%
Total investment € (public + private)	53.970.000,00	M02 Advisory services	0,00	0,00%
Nr of beneficiaries (holdings) receiving start up aid young farmers (6.1)	1.614,00	M06 Farm and business	53.970.000,00	3,47%

		development		
P3: Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture			102.011.827,89	6,55%
3A Competitiveness of producers		Total: 3A	91.461.827,89	5,87%
T6: percentage of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations (focus area 3A)	1,08	M01 Knowledge	435.000,00	0,03%
Total investment € (public + private)	173.000.000,00	M02 Advisory services	1.271.000,00	0,08%
Nr of operations supported for investment (e.g. in agricultural holdings, in processing and marketing of ag. products) (4.1 and 4.2)	170,00	M03 Quality schemes	8.670.000,00	0,56%
Nr of holdings supported (3.1)	170,00	M04 Physical Investment	75.600.000,00	4,85%
Nr of agricultural holdings participating in cooperation/local promotion among supply chain actors (16.4)	419,00	M16 Cooperation	5.485.827,89	0,35%
Nr of beneficiaries advised (2.1)	847,00			
3B Risk management		Total: 3B	10.550.000,00	0,68%
T7: percentage of farms participating in risk management schemes (focus area 3B)	0,40	M05 Restoring agricultural potential	10.550.000,00	0,68%
Nr of beneficiaries for preventive actions (5.1) - farm holdings	219,00			
P4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry			461.440.000,12	29,63%
4A Biodiversity, HNV and landscapes		Total: P4	461.440.000,12	29,63%
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	9,29	M01 Knowledge	2.516.100,00	0,16%
4B Water management		M02 Advisory services	932.500,00	0,06%
T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	2,74	M04 Physical Investment	9.800.000,00	0,63%
4C Soil management		M08 Forest	45.815.000,00	2,94%
T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	0,76	M10 Agri-environment-climate	186.347.400,12	11,97%
P4 All Focus Areas		M11 Organic Farming	93.185.000,00	5,98%
Total investment € (public + private)	9.800.000,00	M12 NAT 2000 & WFD	1.544.000,00	0,10%
Area (ha) under agri-environment-climate (10.1)	90.260,00	M13 Areas with natural constraints	119.300.000,00	7,66%
Area (ha) - conversion to organic farming (11.1)	11.650,00	M16 Cooperation	2.000.000,00	0,13%
Area (ha) - maintenance of organic farming (11.2)	23.600,00			

Area (ha) - NATURA 2000 AG land (12.1)	652,00
Nr of beneficiaries advised (2.1)	630,00

P5: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors	209.219.662,88	13,43%
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5A Water efficiency		Total: 5A	5.744.000,00	0,37%
T14: percentage of irrigated land switching to more efficient irrigation system (focus area 5A)	0,74	M01 Knowledge	364.000,00	0,02%
Total investment € (public + private)	11.200.000,00	M02 Advisory services	0,00	0,00%
		M04 Physical Investment	4.480.000,00	0,29%
		M16 Cooperation	900.000,00	0,06%
5C Renewable energy		Total: 5C	1.300.000,00	0,08%
T16: Total investment in renewable energy production (€) (focus area 5C)	3.445.000,00	M01 Knowledge	0,00	0,00%
Total investment € (public + private)	3.445.000,00	M02 Advisory services	0,00	0,00%
Nr of beneficiaries (holdings) receiving start up aid/support for investment in non-agric activities in rural areas (6.2 and 6.4)	6,00	M06 Farm and business development	1.300.000,00	0,08%
5D Reducing GHG and NH3		Total: 5D	24.824.000,00	1,59%
T18: percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D)	0,44	M01 Knowledge	954.000,00	0,06%
Total investment € (public + private)	26.400.000,00	M02 Advisory services	0,00	0,00%
Area (ha) (e.g. green cover, catch crop, reduced fertilisation, extensification...)	4.320,00	M04 Physical Investment	21.120.000,00	1,36%
		M10 Agri-environment-climate	1.850.000,00	0,12%
		M16 Cooperation	900.000,00	0,06%
5E Carbon conservation / sequestration		Total: 5E	177.351.662,88	11,39%
T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	3,59	M01 Knowledge	132.400,00	0,01%
Area (ha) to be afforested (establishment - 8.1)	775,00	M02 Advisory services	0,00	0,00%
Area (ha) under agri-environment-climate for carbon sequestration	57.000,00	M08 Forest	61.049.285,31	3,92%
		M10 Agri-environment-climate	115.269.977,57	7,40%
		M16 Cooperation	900.000,00	0,06%

P6: Promoting social inclusion, poverty reduction and economic development in rural areas	155.973.989,02	10,02%
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6A Diversification, SMEs and job creation		Total: 6A	9.453.989,02	0,61%
T20: Jobs created in supported projects (focus area 6A)	16,00	M07 Basic services	9.453.989,02	0,61%
6B Local development		Total: 6B	98.020.000,00	6,29%
T21: percentage of rural population covered by local development strategies (focus area 6B)	22,47	M19 LEADER and CLLD	98.020.000,00	6,29%
T23: Jobs created in supported projects (Leader) (focus area 6B)	176,00			
Population covered by LAG	1.400.000,00			
Number of LAGs selected	14,00			
6C ICT		Total: 6C	48.500.000,00	3,11%
T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	5,91	M07 Basic services	48.500.000,00	3,11%
M20 TA			21.297.124,42	1,37%
			21.297.124,42	1,37%
Total public expenditure			1.557.368.830,84	100,00%