

Factsheet on 2014-2020 Rural Development Programme for Valle d'Aosta

The Rural Development Programme (RDP) for Valle d'Aosta was formally adopted by the European Commission on 11 November 2015, outlining Valle d'Aosta's priorities for using the € 182 million of public money that is available for the period 2014-2022 (€ 82 million from the EU budget, out of which 5,4 from the NextGeneration EU recovery instrument, and € 100 million of national co-funding).

Valle d'Aosta's RDP is putting particular emphasis on actions related to restoring, preserving and enhancing ecosystems, improving the competitiveness of the farm and forestry sectors and promoting social inclusion and economic development in rural areas. Over 90% of the agricultural land will be under management contracts supporting better water management, improving soil management and supporting biodiversity. To improve the competitiveness of farmers, 360 farms will receive support to restructure or modernise their farms and 75 young farmers will be granted business start-up aid. Valle d'Aosta's RDP will also contribute to social inclusion and economic development in rural areas with over 98% of the rural population covered by local development strategies, and new or improved broadband infrastructure to 10.6% of the rural population in rural area. In addition, the RDP will support the beneficiaries most affected by the consequences of the COVID 19 health crisis with a dedicated measure, and farmers and SMEs active in handling, processing and marketing of agricultural products, 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 <u>Rural Development</u> is the 2nd Pillar of the <u>Common Agricultural Policy</u>, 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 ¹. The <u>RD Regulation</u> 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 (<u>ESIF</u>), a <u>Partnership Agreement</u> 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 Lazio 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.

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. CONTEXT AND MAIN 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.

The Autonomous Region of Valle d'Aosta is the smallest of the Italian regions, located in the Alps, in the north-western part of the country.

Valle d'Aosta covers an area of 3 263 km2, of which 99.3 % is classified as rural areas with a number of complex development problems (mountain area). Of the total area, agricultural land covers 17 %, while forests cover 30 %. Valle d'Aosta has 128 672 inhabitants and most people live in rural areas. The employment rate is 66.3%, while the unemployment rate is 7.1 %. Agriculture employs 3.9% of all people employed.

97.7% of the utilized agricultural area (UAA) is used for permanent grassland and meadows (about 54 321 ha out of a total UAA of 55 600 ha). Consequently the predominant agricultural sectors are animal husbandry (mainly bovines) and dairy production (milk, Fontina cheese).

Valle d'Aosta's main challenges derive from its geographical situation. With the whole territory classified as mountainous, farming is taking place under very difficult conditions, mainly in areas with natural constraints. Moreover, competitiveness of agricultural holdings is affected by an ageing farmer population and the small size of farms.

2. MODALITY WITH WHICH THE VALLE D'AOSTA'S RURAL DEVELOPMENT PROGRAMME WILL ADDRESS THESE CHALLENGES

In addressing the challenges, Valle d'Aosta's RDP will fund operations under five Rural Development priorities, - with a particular emphasis on restoring, preserving and enhancing ecosystems related to agriculture and forestry as well as improving the competitiveness of the farm and forestry sectors and promoting social inclusion and economic development in rural areas. The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

Knowledge transfer system (training courses, coaching, workshops, demonstration activities, information actions and farm exchanges) will be developed through specific training courses addressed to persons engaged in the agricultural, food and forestry sector, land managers and other economic actors which are SMEs operating in rural areas farmers. The focus will be on topics such as farm management and competitiveness, diversification of activity, innovation, climate change and sustainable agriculture. The programme pays particular attention to the training of new entrepreneurs, especially young farmers. Almost 500 places will be made available in training courses.

Regarding innovation, 12 co-operation projects will be supported to strengthen the link between agriculture, food and forestry sectors and research.

Competitiveness of agri sector and sustainable forestry

Given the ageing farmer population and the small size of farms, the RDP will support the start-up of 75 young farmers and investments and modernisation on 360 farms. The agricultural production is also rendered more sustainable by promoting a better use of water resources and developing an efficient use of renewable energy resources through investments.

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

Under this priority, Valle d'Aosta will support the promotion of quality products and the participation of farmers in quality schemes: the RDP is expected to support 15 new participations by farmers and groups of farmers in quality schemes. Information and promotion activities concerning products covered by quality schemes will also be supported. Support for animal welfare is also available for farmers who adopt high

standards of animal welfare which go beyond the mandatory standards (nearly 500 farms will be supported).

Restoring, preserving and enhancing ecosystems related to agriculture and forestry 90% of the agricultural land will be under management contracts supporting better water management, improving soil management and supporting biodiversity. Around 60% of the allocated EAFRD amount will be used for area-based payments to farmers for using environment/climate-friendly land management practices, including organic farming, support to areas facing natural constraints and support to areas under Natura2000 management.

Social inclusion and local development in rural areas

RDP Valle d'Aosta pays particular attention to social inclusion and economic development in rural areas. 10% of the resources have been allocated to this priority, which are promoted through mainly technological and ITC activities and services, and through provision of basic services and village renewal in rural areas and co-operation. Moreover, Local Development Strategies will be implemented through a LEADER Local Action Group which will cover over 98 % of the rural population. Thanks to the operations programmed under this priority, 20 additional jobs will be created, and 10 % of rural population in rural areas will benefit from new or improved broadband services/infrastructures.

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

- EUR 65 million allocated to measure 13 (Payments to areas facing natural or other constraints)
- EUR 37 million allocated to measure 10 (AEC)
- EUR 31 million allocated to measure 4 (Investment in physical assets)
- o EUR 11 million allocated to measure 14 (Animal welfare)
- o EUR 11 million allocated to measure 19 (Local development)

Annex 1: Indicative public support for the Rural Development Programme in Valle d'Aosta

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)	0.44	M01 Knowledge	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)	12	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)	500	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 33 710 946 18.509							
2A Farm performance		Total: 2A	21 821 213	11.97%			
T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	10.08	M01 Knowledge	253 957	0.14%			
Total investment € (public + private)	46 999 860	M04 Physical Investment	18 325 373	10.06%			
Nr of holdings supported for investment in agricultural holdings (4.1)	360	M06 Farm and business development	2 196 883	1.21%			
		M08 Forest	800 000	0.44%			
		M16 Cooperation	0.00	0.00%			
		M21 COVID-19 crisis	245 000	0.13%			
2B New farmers		Total: 2B	11 889 732	6.52%			
T5: percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (focus area 2B)	2.80	M01 Knowledge	79 370	0.04%			
Total investment € (public + private)	14 977 269	M04 Physical Investment	8 986 361	4.93%			
Nr of beneficiaries (holdings) receiving start up aid young farmers (6.1)	75	M06 Farm and business development	2 824 000	1.55%			
P3: Promoting food chain organisation, including processing a products, animal welfare and risk management in agriculture	of agricultural	17 573 388	9.64%				
3A Competitiveness of producers		Total: 3A	17 573 388	9.64%			
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)	0.42	M03 Quality schemes	2 130 132	1.17%			
ST-1: Percentage of LU in total receiving yearly support for participating in animal welfare	35.00	M04 Physical Investment	3 242 469	1.78%			

Total investment € (public + private)	8 105 673	M14 Animal welfare	11 700 699	6.42%		
Nr of operations supported for investment (e.g. in agricultural holdings, in processing and marketing of ag. products) (4.1 and 4.2)	35.00	M16 Cooperation	500 088	0.27%		
Nr of beneficiaries	500.00					
Nr of holdings supported (3.1)	15.00					
P4: Restoring, preserving and enhancing ecosystems related t	nd forestry	109 606 771	60.14%			
4A Biodiversity, HNV and landscapes		Total: P4	109 606 771	60.14%		
T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)	1.02	M01 Knowledge	66 702	0.04%		
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	91.56	M04 Physical Investment	763 007	0.42%		
4B Water management		M08 Forest	2 050 206	1.12%		
T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	90.05	M10 Agri- environment- climate	37 086 722	20.35%		
4C Soil management		M11 Organic Farming	2 286 152	1.25%		
T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	89.41	M12 NAT 2000 & WFD	2 010 053	1.10%		
P4 All Focus Areas		M13 Areas with natural constraints	65 143 926	35.74%		
Total investment € (public + private)	847 786	M16 Cooperation	200 000	0.11%		
Area (ha) under agri-environment-climate (10.1)	49 210					
Area (ha) - convertion to organic farming (11.1)	80					
Area (ha) - maintainance of organic farming (11.2)	830					
Area (ha) - NATURA 2000 AG land (12.1)	1 200					
P6: Promoting social inclusion, poverty reduction and economic development in rural areas 19 340 995 10.61%						
6A Diversification, SMEs and job creation		Total: 6A	2 728 926	1.50%		
T20: Jobs created in supported projects (focus area 6A)	10	M07 Basic services	1 663 926	0.91%		
		M16 Cooperation	0.00	0.00%		
		M22 Impact of Russia's invasion of Ukraine	1 065 000	0.58%		
6B Local development		Total: 6B	10 827 643	5.94%		
T21: percentage of rural population covered by local development strategies (focus area 6B)	98.44	M19 LEADER and CLLD	10 827 643	5.94%		
T23: Jobs created in supported projects (Leader) (focus area 6B)	20					
Population covered by LAG	92 591					

Number of LAGs selected	1			
6C ICT		Total: 6C	5 784 424	3.17%
T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	10.63	M07 Basic services	5 784 424	3.17%
M20 TA 1 422 301				
			1 422 301	0.78%
M113 Early retirement 593 165				0.33%
			593 165	0.33%
M341 Skills-acquisition and animation 0.00				
			0.00	0.00%
M131 Meeting standards 0.00				
			0.00	0.00%
Total public expenditure			182 247 568	100.00%