

le Marche si incontrano

qui

The Region Marche Program of Rural Development 2014-2020: objectives and results

Villa Caprile, Pesaro - Italy
October 15 - 17, 2018

FONDO EUROPEO AGRICOLO PER LO SVILUPPO RURALE: L'EUROPA INVESTE NELLE ZONE RURALI



Unione Europea / Regione Marche
PROGRAMMA DI SVILUPPO RURALE 2014-2020

<http://agricoltura.regione.marche.it/>




MINISTERO DELLE POLITICHE AGRICOLE
ALIMENTARI E FORESTALI



**REGIONE
MARCHE** 



Europe 2020 is a 10-year strategy proposed by the [European Commission](#) on 3 March 2010 for advancement of the [economy of the European Union](#). It aims at "smart, sustainable, inclusive growth" with greater coordination of national and European policy.

- 1.) Smart growth:** developing an economy based on knowledge and innovation
- 2.) Sustainable growth:** promoting a more efficient, greener and more competitive economy
- 3.) Inclusive growth:** fostering a high-employment economy delivering social and territorial cohesion

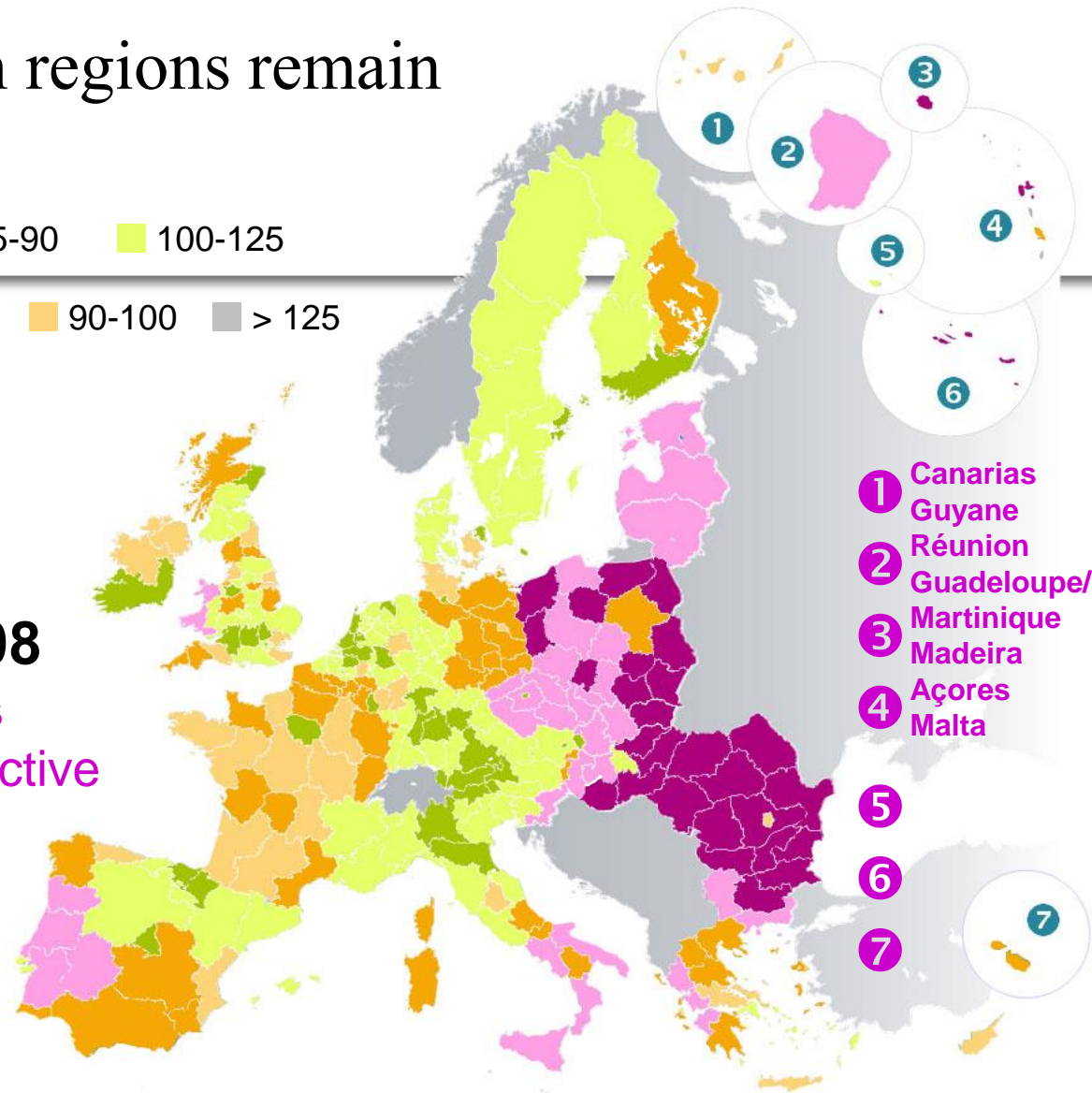
Yet gaps between regions remain

GDP/capita* ■ < 50 ■ 75-90 ■ 100-125

*index EU27=100 ■ 50-75 ■ 90-100 ■ > 125

**Average
2006 – 2007 – 2008**

- ▶ Closing these gaps remains a key objective



Regional GDP figures: 2006-07-08
© EuroGeographics Association for the administrative boundaries

Five European Structural & Investment Funds (ESIF) working together

In the 2014-2020 budgetary period, coordination and coherence between cohesion policy and the other EU policies contributing to regional development, namely rural development and fisheries and maritime policy, has been strengthened by laying down common provisions for the ERDF, the ESF, the Cohesion Fund, the European Agricultural Fund for Rural Development (EAFRD), and the European Maritime and Fisheries Fund (EMFF). All five funds together are known as the European Structural and Investment (ESI) Funds.



Unione Europea / Regione Marche
PROGRAMMA DI SVILUPPO RURALE 2007-2013

FONDO EUROPEO AGRICOLO PER LO SVILUPPO RURALE: L'EUROPA INVESTE NELLE ZONE RURALI



PARTNERSHIP AGREEMENT

European
Agriculture
Fund for Rural
Development

Cohesion Fund

European
Social Fund

European
Regional
Development
Fund

European
Maritime and
Fisheries Fund



Unione Europea / Regione Marche
PROGRAMMA DI SVILUPPO RURALE 2007-2013

FONDO EUROPEO AGRICOLO PER LO SVILUPPO RURALE: L'EUROPA INVESTE NELLE ZONE RURALI



Rural Development Programme in the new policy framework



Unione Europea / Regione Marche
PROGRAMMA DI SVILUPPO RURALE 2007-2013

FONDO EUROPEO AGRICOLO PER LO SVILUPPO RURALE: L'EUROPA INVESTE NELLE ZONE RURALI



Unione Europea



MINISTERO DELLE POLITICHE AGRICOLE
ALIMENTARI E FORESTALI



■ Economic challenges

- Food security
- Price variability
- Economic crisis

■ Environmental challenges

- GHG (greenhouse gas) emissions
- Soil depletion
- Water/air quality
- Habitats and biodiversity

■ Territorial challenges

- Vitality of rural areas
- Diversity of EU agriculture

- A given RDP links the priorities of rural development policy to the situation on its territory via a [SWOT analysis](#). The RDP then sets out a selection of measures; each measure is essentially a set of one types of activity, project, investment etc. (for example, the measure “Investments in physical assets” allows support for: • investments in farms to improve their performance; • investments in processing and marketing (not necessarily only for farmers); • investments in farm- or forest-level infrastructure
- A MS / region draws up its RDP in close consultation with a wide range of interested parties, including bodies representing [Civil society](#). The MS / region submits its RDP to the Commission for analysis. The Commission approves the RDP when satisfied concerning its legality and quality.

- Marche is a region of central Italy, classified as a more developed region. It covers a total area of 9 401 km² of which agricultural land covers 50.2% and forestry 34.7%. In the region 95% of the total area is classified as rural, almost half of which is currently considered Less Favoured Areas. Marche has about 1.5 million inhabitants of which 84.1% live the rural area. The unemployment rate is 11.1% (2013) and there is a high rate of elderly in the population (23%).
- In Marche the farm sector is facing structural changes. The average size of the nearly 45 000 farms is 10.5 hectares and 30% of farms are below 2 hectares. The regional Utilised Agricultural Area is around 471 000 hectares. Farmers mainly produce cereals, fruits and vegetables, wine, and animal products. The food industry, even if less specialised than in other Italian regions, shows an interesting export growth rate. Almost 40% of the energy produced by the region is from renewable sources, but the region is lagging behind in terms of energy production from biomass.
- Nature is very important in Marche – there are, for instance, 326 000 hectares of forestry. In addition, there are 104 Natura2000 sites. The main environmental challenges to be tackled are landslides and soil erosion.

- ✓ Focus group: **Foreste** (5 marzo 2013)
- ✓ I° incontro di partenariato: **avvio del confronto sui temi generali** (2 luglio 2013)
- ❖ Focus group: **Sviluppo aree montane e ruolo dell'agricoltura** (25 luglio 2013)
- ❖ Focus group: **Filiere e competitività delle imprese** (20 settembre 2013)
- ❖ II° incontro di partenariato: **analisi di contesto e SWOT** (2 ottobre 2013)
- ❖ Focus group: **Ecosistemi energia e clima** (25 ottobre 2013)
- ❖ Focus group: **Sviluppo territoriale integrato** (15 novembre 2013)
- ❖ Focus group: **Ricerca innovazione e Sistema della conoscenza** (29 novembre 2013)
- ❖ III° incontro di partenariato: **Strategie del PSR** (13 dicembre 2013)
- ❖ IV° incontro di partenariato: **Le misure del PSR** (gennaio 2014)
- ❖ V° incontro di partenariato: **Prima bozza del PSR** (fine gennaio 2014)

28 /07/2015 MARCHE REGION 2014-20 RDP APPROVED



Designing RDPs: the main objectives and expected results

Marche's RDP has fund operations under all six 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 :

- 1) **Knowledge transfer and innovation in agriculture, forestry and rural areas** It aims to boost interest in training and advisory initiatives. Knowledge transfer will address the training, coaching, information and advisory needs of the agricultural, food and forestry sectors as well other land holder and SMEs in rural areas, in particular related to sustainable agricultural and forestry practices, regulatory issues, innovation and technology, quality products and diversification. The Region is attaching huge importance to this priority (almost 8% of the resources have been allocated to this priority). Some of the expected results:
 - Almost 4 200 places will be made available in training courses.
 - 106 projects will be supported to strengthen the link between agriculture, food and forestry sectors and research and the programme will implement the European Innovation Partnership.



Unione Europea / Regione Marche
PROGRAMMA DI SVILUPPO RURALE 2007-2013

FONDO EUROPEO AGRICOLO PER LO SVILUPPO RURALE: L'EUROPA INVESTE NELLE ZONE RURALI



2) Competitiveness of agri sector and sustainable forestry 162,45 million € 30,2%

Given the ageing farmer population and the small size of farms, the RDP will support the start-up of young farmers and investments and modernisation, with a specific emphasis on innovation as a means to increase competitiveness. The sustainability of agricultural production is taken into account also by promoting a rational use of water resources and an efficient use of renewable energy resources through investments

Some of the expected results:

the RDP will support the start-up of 300 young farmers and investments and modernisation in more than 650 farms

The first actual results

In the first 2 calls of the so-called "youth package" we have allocated over € 50 million with which we have funded 215 applications allowing the establishment of 231 young people for a total of about 45 million grants not only for start-ups but also for the realization of investments.

A third call has been published, addressed only to the area of the seismic crater.

Designing RDPs: the main objectives and expected results

3) Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture 48,6 million € 9,04 %

support the promotion of quality products and the participation of farmers in quality schemes. The RDP will also support the development and strengthening of supply chains, including short supply chains and local markets, in order to enlarge the market for regional products and ensure a higher added value to the farmer's production resulting in a higher income for the farmer.

4) Restoring, preserving and enhancing ecosystems related to agriculture and forestry 175,9 million € - 32,7%

Under this priority, Marche will focus on environment-friendly farm investments and management procedures, with a particular emphasis on quality of water, combating soil erosion, supporting biodiversity . Some of the expected results: 13.9% of agricultural land will be under contracts to improve water management; almost 14% of the agricultural land under management contracts combating soil erosion; almost 15% of agricultural land and 1% of forestry land will be under management contracts supporting biodiversity. The main measure is: *support to organic farming (80 mln)* .

- Over 42 000 hectares of farmland will receive support to either convert or maintain organic farming.



Unione Europea / Regione Marche
PROGRAMMA DI SVILUPPO RURALE 2007-2013

FONDO EUROPEO AGRICOLO PER LO SVILUPPO RURALE: L'EUROPA INVESTE NELLE ZONE RURALI



5) Resource efficiency and climate 41,4 million € - 7,7%

Under this priority, RDP Marche will pursue carbon conservation and sequestration mainly by supporting afforestation, agroforestry systems, the prevention and restoration of damage to forest.

The RDP will also pursue a higher efficiency of water use with 5.6% of irrigated land switching to more efficient irrigation system. The region also expects investments of around € 6.8 million of public and private funds in renewable energy production.

6) Social inclusion and local development in rural areas 90,6 million € - 17,6%

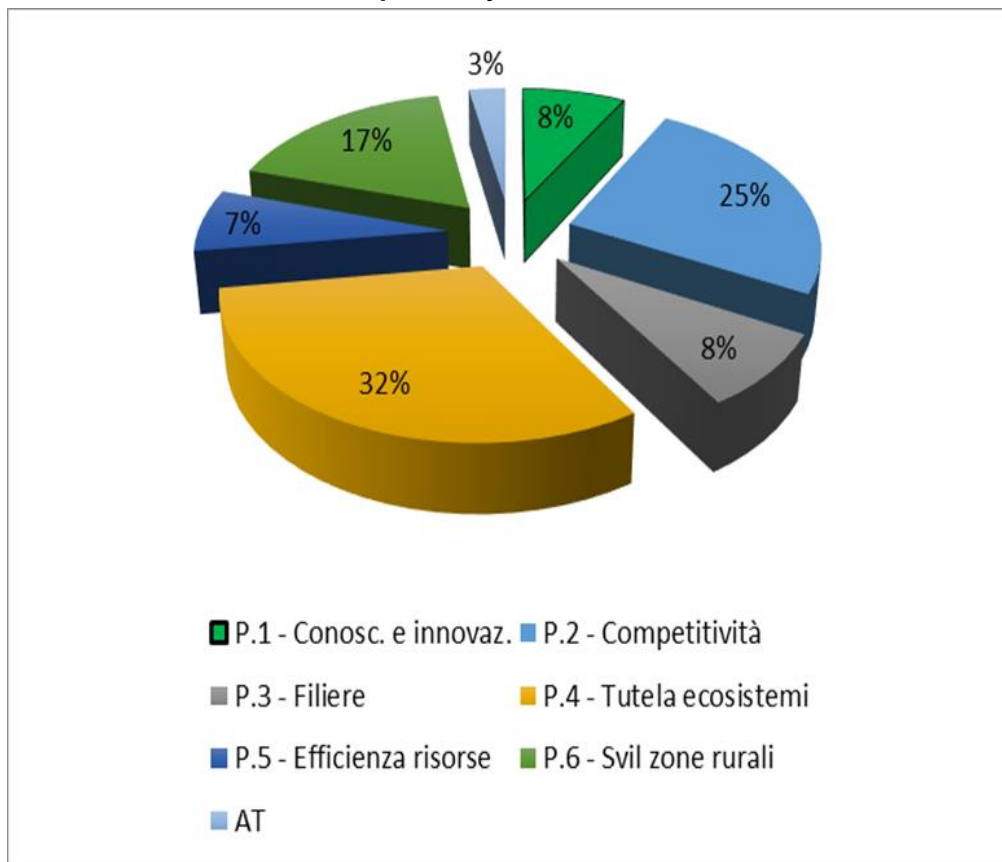
RDP Marche pays particular attention to social inclusion and economic development in rural areas (17.6% of the resources have been allocated to this priority), which are promoted by supporting farm and business development including also technological and ITC activities and services, and to the provision of basic services and village renewal in rural areas, including welfare and social care services.

Moreover, Local Development Strategies will be implemented through 6 LEADER Local Action Groups and will cover more than 44% of the rural population. Thanks to the operations programmed under this priority 17% of the rural population in rural areas will benefit from new or improved broadband services/infrastructures.

The first implementation data: 42 calls published from the 6 Leader Local Action Groups of Marche Region for a total amount of € 12 million of public funding

Designing RDPs : financial allocation for priority

The total budget for the seven-year programming period is of € 537,96 million (€ 232 million from the EU budget and € 306 million of national co-funding). The financial allocation for each priority is shown below:



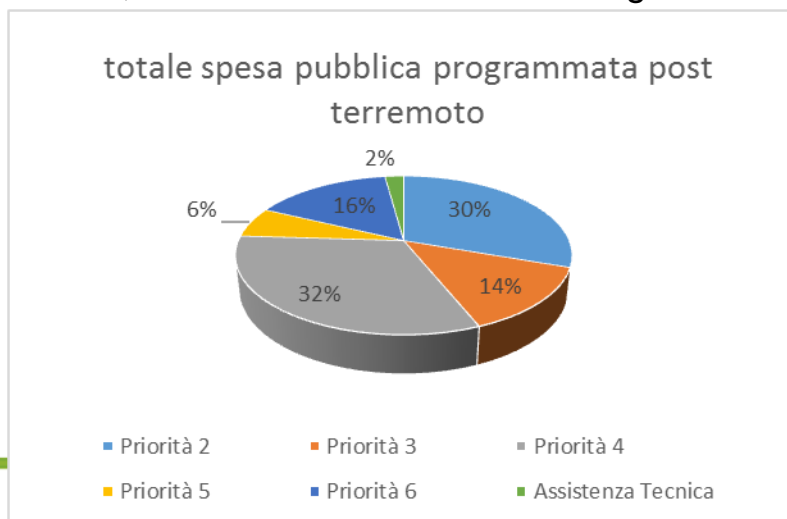
The four biggest RDP measures in budgetary terms (total public funding) are:

- o € 122 million allocated to measure 4 (Investments in physical assets)
- o € 80 million allocated to measure 11 (Organic)
- o € 44.6 million allocated to measure 6 (Farm / business development)
- o € 43 million allocated to measure 13 (Payments to areas facing natural or other constraints)

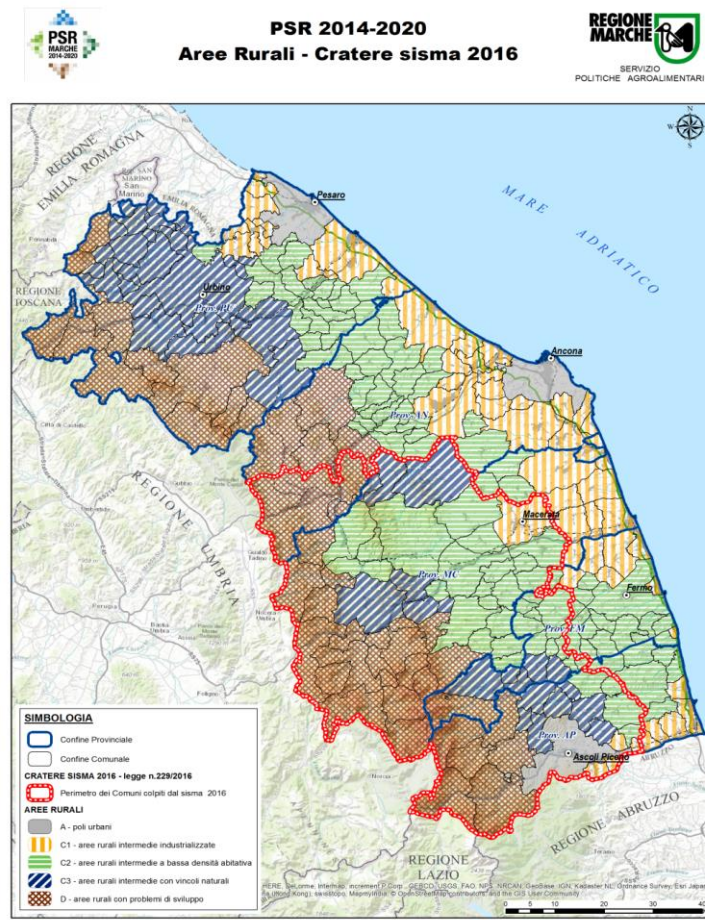
New Designing of RDP after the earthquakes

In August and October 2016 two large earthquakes hit the Marche region. The seismic «Crater» covers 42.3% of the regional territory, 87 Municipalities with 350,000 residents. All affected territory is classified as a rural area. Due to the earthquake, the RDP received an additional budget of € 159.25 million (solidarity transfer from the other regions) which were mainly allocated to measures that provide support for the competitiveness of agricultural and agri-food businesses; income support and environmental aid for farms; access to farm and forest land; investments to improve essential services for the population of the seismic crater through LAGs.

The resources dedicated to the promotion of quality products and to the various forms of aggregation (GO PEI, supply chains, etc.) are also increased. The overall allocation of resources by priority is that described in the pie chart below: the allocation by priority remains similar to the pre-earthquake one, with a slight increase in the allocation of priority 3 Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture



Unione Europea / Regione Marche
PROGRAMMA DI SVILUPPO RURALE 2007-2013



- The national and regional authorities are responsible for managing the programmes drawn up to implement cohesion policy for 2014-2020.
- These 'managing authorities' lay down selection criteria, organise selection committees and – via a project tendering procedure open to all – decide which projects will receive European funding.
- Businesses (especially small businesses), public bodies, associations, and individuals are eligible for financing.
- The implementation and impact of the programme is monitored and evaluated in detail through a system that includes: common indicators, an electronic information system, monitoring procedures, a monitoring committee, an independent evaluator.
- The 'managing authorities' and Commission measure the impact and results of rural development policy in terms of: increasing of per capita GDP, number of jobs created, number of small and medium sized enterprises (SMEs) supported, research projects supported, people with access to broadband and better services in rural areas etc.



- By 30 June of each year until and including 2024, the managing authority submit to the Commission an annual implementation report (AIR) on implementation of the rural development programme in the previous calendar year which is first approved by the monitoring committee
- The 'managing authorities' and Commission measure the performance of each programme through a performance framework (milestones and targets): the performance reserve (6% of total budget) shall be allocated in the year 2019 only to programmes and priorities which have achieved their milestones (AIR data).
- Data about expenditures are transmitted every quarter to the Commission with a declaration of expenditure signed by the accredited paying agency and with the annual implementation report also to monitor the risk of automatic decommitment for rural development programmes: the Commission shall automatically decommit any portion of a budget commitment for a rural development programme in relation to expenditure effected by 31 December of the third year following that of the budget commitment.

The implementation of Marche Region RDP 2014-2020

- By 09/30/2018, around 514 million euros have been banned, representing the 74% of the entire RDP budget
The funds committed to the beneficiaries represent 54% of the total amount of the RDP, with an amount of over € 378 million.
Payments already paid to beneficiaries amount to almost € 81 million, equivalent to 12% of the entire RDP budget.
- By 09/30/2018 were published **108 tenders**, around 120 million euro were banned for measures that finance investments by farms (including those of young people) and agro-industrial enterprises, € 51 million for the establishment of young people and for investments in creation and development of non-agricultural activities, € 125 million to support organic and other agri-environment measures, € 32 million for payments to farmers in mountain areas.
- At the end of the 1st quarter of 2018, 14,600 companies were financed (over 13,000 for the so-called “surface measures”: organic-agri-env etc.)
- The monitoring system makes it possible to assess that at present there are no risks of automatic decommitment with reference to the payment targets until 31/12/2018
- Milestones are expected to be reached in 2018 and therefore the performance reserve will be allocated to Marche Region RDP



Unione Europea / Regione Marche
PROGRAMMA DI SVILUPPO RURALE 2007-2013

FONDO EUROPEO AGRICOLO PER LO SVILUPPO RURALE: L'EUROPA INVESTE NELLE ZONE RURALI



Some of the future challenges

Going on with the implementation of the 2014-2020 program in a more difficult regional context also due to the consequences of the earthquakes: they've increased economic-social and territorial weaknesses (risk of depopulation of internal areas)

Programming the next RDP 2021-2027 (will it ever exist?) in a very uncertain context

The future of the European political context (elections of the European Parliament in May 2019)

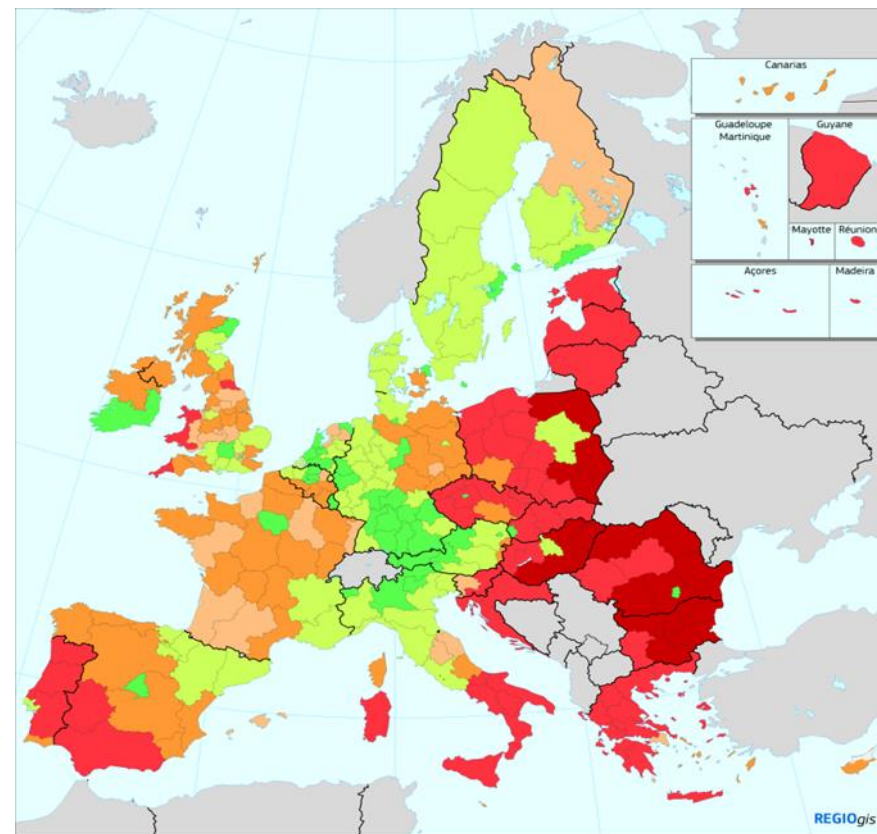
Economic and social trend in Italy and in Marche region

Climate change and its impacts in agricultural sector and in rural territories

Trends in international trade policy...

“The European Union is gradually recovering from the economic crisis with declining unemployment and real GDP expected to grow by 1.9% and remain slightly above its pre-crisis level in 2015. Nevertheless, total employment is foreseen to remain below the level of 2008. The crisis wiped out the gains from economic convergence achieved in several European regions and Member States since 2000, thus reversing the trend of reducing regional disparities and poverty.” Communication from the Commission “Investing in jobs and growth-maximising the contribution of European Structural and Investment Funds” COM (2015) 639 final, Brussels 14.12.2015

In 2013 Region Marche GDP per head has gotten worse compared with the 2006-2008 period



GDP per head (PPS), 2013



Germany: 2012
Source: Eurostat

The future policy framework

Future European Policies and Reform of the CAP

Communication COM(2017) 713 final «*The Future of Food and Farming*»;

Multiannual Financial Framework 2021-2027 the Commission proposal “*EU budget for the future*” adopted in May 2018

- reduces the budget for CAP from 38% of total budget (2014-2020) to 28,5% (2021-2027), the cut on direct payments would be 3.9%; the EAFRD budget for rural development would be cut by -15% at current prices or -26% at constant prices (to be offset with greater national co-financing?) MIPAAF F. Pierangeli: data presented at the conference “Scenari futuri della politica agricola” Ancona, 30-05-2018

The legislative proposals on the future of the common agricultural policy (CAP) June 2018:

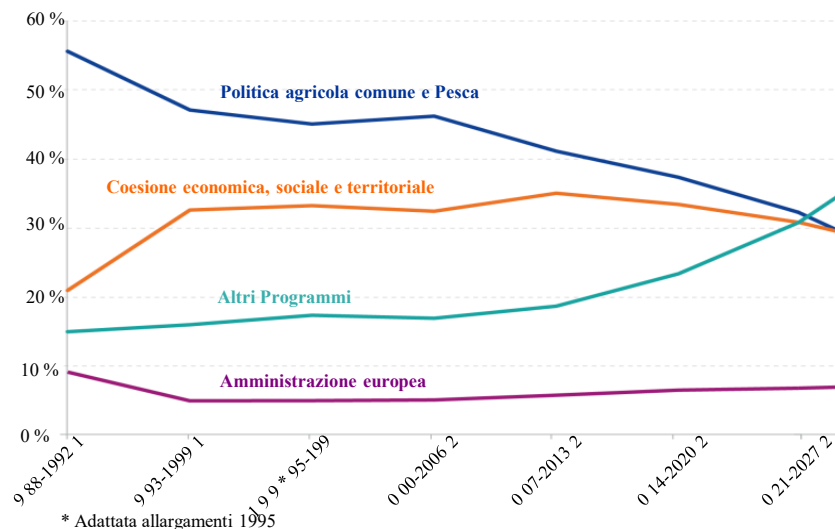
a regulation on the CAP strategic plans COM(2018) 392 final : 1 National Strategic Plan; 1 Managing Authority

a regulation on the single common market organisation

COM(2018) 394 final

a horizontal regulation on financing, managing and monitoring the CAP COM(2018) 393 final

Contents analysis and time schedule: will the new CAP be adopted before the 2019 European elections?



Unione Europea / Regione Marche
PROGRAMMA DI SVILUPPO RURALE 2007-2013

FONDO EUROPEO AGRICOLO PER LO SVILUPPO RURALE: L'EUROPA INVESTE NELLE ZONE RURALI





le Marche si incontrano

qui

Thank you

Sabrina Speciale

Marche Region

Agri-food Policies Service

