



Assessing the multiple Impacts of the  
Common Agricultural Policies (CAP)  
on Rural Economies (Fp7 SSH - 216672)

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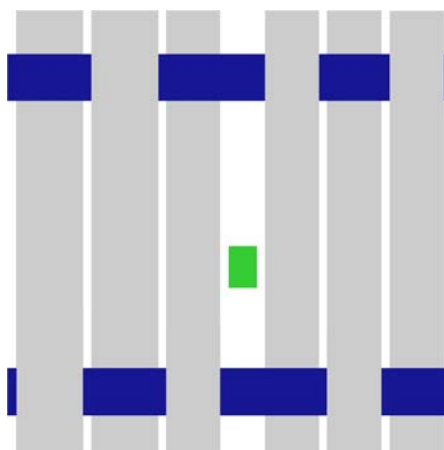
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**TITLE**

**CASE AREA DESCRIPTION ITALY**

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## SUMMARY

This paper provides the description of the Italian Case Study area for the project CAP-IRE. The area described is the region Emilia Romagna as the NUTS II case study and the Province of Bologna as the NUTS III case study within the region.

## 1 IDENTIFICATION AND DESCRIPTION OF STUDY AREA (NUTS 2 LEVEL)

Name	Emilia Romagna
Country	Italy
NUTS 2 EMILIA ROMAGNA	
Emilia Romagna is located in Northern Italy, on the southern part of the Po valley. It is one of the main agricultural regions in Italy. It is characterized by a very varied environment, including plain and mountain, as well as interior and coastal areas. Rural areas are characterized by a very strong interaction with urban areas and a network of sparse settlements.	

Figure 1 – Map of Emilia Romagna region



### 1.1 Socio-demographic aspects (NUTS 2 level)

Table 1 – Main socio-demographic aspects

NUT2 region:	Surface		Population	
	KMQ	%	Number	%
Total	22117.34		4.276.013	
Urban				
Rural				

Density/km2	191
Average age	44.9

(ISTAT, 2007)

### 1.1.1 Social indicators

**Table 2 – Employment**

	<b>Females</b>	<b>Males</b>	<b>Total</b>
Employment rate	61.5	77.1	69.4
Unemployment rate	4.3	2.6	3.4
Employment rate of older workers (over 55)	9.7	22.6	15.4
Average exit age from the labour force			
Number of employment in primary sector	24000	58000	82000
Number of employment in secondary sector	184000	479000	663000
Number of employment in tertiary sector	598000	529000	1127000

(EUROSTAT, 2006; ISTAT 2005)

**Table 3 – Social cohesion**

	<b>Females</b>	<b>Males</b>	<b>Total</b>
Long-term unemployment rate	3.9	2.2	2.9
Jobless households	10.3	7.8	9.1
Dispersion of regional employment rates	26.1	9.3	16.0
Early school leavers	15.9	22.6	19.3

(ISTAT 2007)

**Table 4 – Social inclusion**

Inequality of income distribution	5.5
Lifelong learning	6.2
Individuals' level of Internet skills	

(ISTAT Emilia-Romagna 2005)

**Table 5 – Demographic changes**

Life expectancy at age 65, by gender	17.5 (M), 21.5 (F)
Net migration	377468 11.1
Average exit age from the labour	60.2 (T), 60.5 (M),

market, by gender (ISTAT, 2006)	60.0 (F)
------------------------------------	----------

**Table 6 – Other indicators**

Number of towns above 100,000 inhab	8 (Bologna, Modena, Parma, Reggio Emilia, Ravenna, Rimini, Ferrara, Forlì)
Number of agrifood processing plants	

(ERMES, 2008)

## 1.2 Territorial aspects (NUTS 2 level)

**Table 7 – Main territorial aspects**

NUT2 region:	Surface		Population	
	HA	%	Number	%
Total	2211734		4187557	
Plain	1056576		2851854	
Mountain	1155158		1335703	

(ISTAT, 2005)

**Table 8 – Agricultural area**

	Ha
Utilised agricultural area	1029916
Unutilised agricultural land	
Area under agri-environment support	12% of UAA
Area under nature protection	

(ISTAT, 2005; PSR 20 78 e 12 57)

## 1.3 Economic aspects (NUTS 2 level)

### 1.3.1 General economic indicators

Table 9 – Main economic aspects

NUT2 region:	€	%
GDP	123709 € milions	8.69 % of total GDP of Italy
GDP of primary sector valore aggiunto	2499,191 (€ milions)	(% of GDP of primary sector of the country)
GDP of secondary sector		(% of GDP of secondary sector of the country)
GDP of tertiary sector		(% of GDP of tertiary sector of the country)
Per-capita urban GDP		
Per-capita rural GDP		

(EUROSTAT 2005, ISTAT Emilia-Romagna 2005)

### 1.3.2 Farm classification

Table 10 – Farm classified by class of size

Class of size (ha UAA)	Number of farms	Ha
0 - 5	57975	208527
5-10	20427	194884
10-20	14794	262662
20-50	9426	346556
> 50	3267	454609
Total	105889	1467238

(ISTAT Emilia-Romagna 2005)

Table 11 – Farm classified by class of income

Class of income	Number of farms	Ha

**Table 12 – Farm classified by land use**

Land use	Number of farms	Ha
Arable crops		803304
Fodder crops		390900
Permanent grasslands		92886
Fruit plantations		133724
Wooded area		155317
...		

(ISTAT, 2005)

**Table 13 – Farm classified by livestock**

Livestock	Number of LSU
Cattle	488680
Sheep and goats	7950+1050
Poultry	379210
Pigs	407300
...	

(EUROSTAT, 2006)

**Table 14 – Other aspects**

Total irrigable area	563870
Average of surface	13.856
Area under organic farming (ha)	44002
Organic farms (number)	
Agricultural-Holdings with another gainful activity (number)	
Holdings in less favoured areas (including mountainous)	42160

(ISTAT, 2005)

**Table 15 – Employment in agriculture**

Labour	Numbers of workers
full time	74000
part-time	8000

	Male	Female
number of workers	61000	21000
family labour force		

(ISTAT, 2006)

## 1.4 Policy aspects (NUTS 2 level)

### 1.4.1 Single Farm Payment (SFP)

Since 2005, with CAP reform, Emilia Romagna, as well as all of Italy, has implemented a mechanism of SFP based (article 37, 43 and 47 of the Reg. (CE) n. 1782/2003) on historical payments (reference period years 2000-2002) and fully decoupling with exception of seed productions. Year 2008 has been the fourth year of applications of the SFP.

According to article 52 of the reg (CE) n. 1782/2003 set aside payments were also implemented.

Other payments implemented concern Article 69 and Title IV. The former family of payments is reserved to some specific farming and for quality productions (article 69 of the Reg. (CE) n. 1782/2003). Such aids, in Emilia Romagna Region were implemented mainly for soft and durum wheat, for maize and for some specific crop rotations. The latter family of payments in Emilia Romagna is composed by: specific quality premium for durum wheat (referred to the article 72-74 of the Reg. (CE) n. 1782/2003); protein crop premium (referred to the article 76-78 of the Reg. (CE) n. 1782/2003); crop specific payment for rice (referred to the article 79-82 of the Reg. (CE) n. 1782/2003) and aid for energy crops (referred to the article 88-91 of the Reg. (CE) n. 1782/2003)

**Table 16 – Farm classified by class of SFP**

Class of SFP	Number of farms	Ha	Amount (euro)
Entitlement	49082	598786	205199000
Set aside entitlement	6055	19580	5611000
TOTAL			210810000

Average of SFP per hectare of all farms of the study area	343
Average of SFP per farm of all farms of the study area	4181

(Rapporto agro-alimentare, 2007)

#### Comments

Average value per farm is quite low compared to other areas and country. The distribution of payments is rather skewed: 42% of farmers that benefit of the SFP received less than 1000 € per farm, and the total amount of such payments is around 3% of the total regional budget.

The distribution of payments is rather differentiated according to classes of age. In fact the 46% of the farmers that received SFP is over than 65 years old, and the amount of money received is the 31%. Young farmers (under 35 years old) are the class with the least amount of payments. The average of the SFP is 2283€ for over 65 years old farmers and 5865 € for farmer younger than 35 years.

(Rapporto agro-alimentare, 2007)

## 1.4.2 Other coupled and area-based payments

Table 17 – Description of other type of payment

Type of payment	Number of farms	Ha	Amount (euro)
Article 69	37994	286586	15149400
Title IV	1220	11385	2574410
Other	49800		5362880
TOTAL			

(Rapporto agro-alimentare, 2007)

## 1.4.3 Cross compliance

Since 2005 cross-compliance is applied in the regions, and the mechanism was designed under Reg. (CE) n. 1782/2003. The mechanism adopted is based on compulsory applications of GAEC (good agricultural and environmental conditions) and SMR (statutory management requirements) norm. Following Art. 1 of the “Decreto Mipaaf” n. 13286 del 18 October 2007 such list of norms will be update each year by the Regional administration following the Government indications. For the year 2008 the list of norm that is adopted in Emilia Romagna region has been defined by Delibera G.R. n. 2162/2007. The SMR applied are in the following areas: environmental, public health, health and animal identifications and registrations, animal welfare. This set of norm corresponding to applications on farm of several EU directives.

GAEC applied in 2008 is concerning the following objectives: soil erosion, organic matter in the soil, soil structure, soil cover and habitats preservation. Each objectives is specified by a set of norms that are compulsory for the farmers

### 1.4.4 Rural development plan (RDP)

Rural Development plan has been implemented in year 2007. Year 2008 is the first year on which farmer can benefit of the new measure. The plan, the choice of the measure, the tailoring, the design the monitoring and the policing is implemented at NUTS2 level. Each Province (NUTS3) however, has to implement the PRIP (Piano Rurale Integrato Provinciale). In the PRIP each province has to choose the measure that will be implemented in the area of competence by the period 2006-2013. The amount of the budget available by each Province is defined at NUTS2 level.

The structure of the RDP is composed by the “standard” 4 axis:

1. Improving the competitiveness of the agricultural and forestry sector
2. Sustainable use of natural resources and landscape conservation
3. Conservation and development of attractive income diversification on rural areas
4. Leader approach

**Table 18 – RDP budget characteristic**

<b>RDP</b>	
Total budget	710,000,000 (referred to 2000-2006)
Participation (2000-2006):	
Number of farms	15780
Surface (ha)	450000
Budget per axis (2000-2006)	
Axis 1	392,061,037
Axis 2	224,000,981
Axis 3	92,133,494
Budget per axis (2007-2013)	
Axis 1	382,954,545
Axis 2	397,132,955
Axis 3	97,500,000
Leader	47,727,273
Technical advise	9,346,591
Average amount per ha (euro/ha of UAA)	

### 1.4.5 Other policies

The Emilia-Romagna RDP is connected with many national and regional policies, as follows:

- Regional territorial planning: the RDP is connected with the regional planning, in particular with the Territorial Regional Plan (Piano territoriale regionale - PTR), the common base for all the territorial and sector-based policies. The PTR comprise the regional strategic guidelines for the agricultural sector.
- Research and technical assistance in the agricultural sector: a regional law finance research projects and technical assistance service for farmers. The connection with the RDP is on the measures 111 (vocational training) and 114 (advisory services).
- State aid for competitiveness: there are some national and regional aids for the support of farms and agro-industry that are parallel and connected to the RDP. One of the main is a regional law that finance structural investments in the agro-industry sector, others are giving favorable credit arrangements for farms. The RDP is an important part of the regional strategy for cooperation in the food sector and for the restructuring of the main regional food chains.
- Town-and-country planning: in Italy the main instrument for town-and-country planning is the Piano territoriale di coordinamento provinciale (PTCP), at province (NUTS 3) level. The RDP use the environmentally sensitive areas cartography of the nine provinces PTCP as the territorial base for the application of axis 2.
- Environmental resources: the RDP contribute to the environmental conservation objectives and is connected also with the Water conservation plan (Piano di tutela delle acque – PTA) that is used for the identification of the water conservation areas in axis 2, with the Forestry plan (Piano forestale – PF) and the regional law that regulate the system of parks and natural reserves.
- Energy planning: the RDP is connected and integrated with the regional energy planning, as agroenergy is a transversal priority of the RDP, in all the axis and in different measures of the programme.
- Local development regional laws: the Mountain law (regional law n. 2/2004) finance projects for the social-economic development in mountain areas. Axis 3 and 4 are connected with the mountain law and other regional laws, projects and local plans for the cohesion and development of rural areas (Programmi d'area, piani di zona, accordi di programma).
- Agritourism: in Italy there are national and regional laws that are regulating the sector and financing agritourism farms. Those policies are coherent and integrated with the measure 311 (diversification).
- Food and wine tours: in the region there are 13 food and wine tours based on farms that are producing typical food and wine, financed by the specific regional law and partially by the measure 313 (Encouragement of tourism activities) of the RDP.

## 2 IDENTIFICATION AND DESCRIPTION OF STUDY AREA (NUTS 3 LEVEL)

Name	Bologna
Country	Italy
NUTS 3	BOLOGNA
Geographical location	
General comments/qualifications	

**Figure 2 – Map of Bologna province**



### 2.1 Socio-demographic aspects (NUTS 3 level)

**Table 19 – Main socio-demographic aspects**

NUT3 region:	Surface		Population	
	KMQ	%	Number	%
Total	3702.42		964,257	
Urban				
Rural				

Density/km2	261.7
Average age	

(ERMES, 2008)

## 2.1.1 Social indicators

**Table 20 – Employment**

	<b>Females</b>	<b>Males</b>	<b>Total</b>
Employment rate	66.1	78.6	72.4
Unemployment rate	3.5	2.4	2.9
Employment rate of older workers (over 55)	9.8	21.2	14.7
Average exit age from the labour force			
Number of employment in primary sector			12000
Number of employment in secondary sector			148000
Number of employment in tertiary sector			290000

(ISTAT, 2006)

**Table 21 – Social cohesion**

	<b>Females</b>	<b>Males</b>	<b>Total</b>
Long-term unemployment rate			
Jobless households			
Dispersion of regional employment rates			
Early school leavers			

**Table 22 – Social inclusion**

Inequality of income distribution	
Lifelong learning	
Individuals' level of Internet skills	

**Table 23 – Demographic changes**

Life expectancy at age 65, by gender	
Net migration	9.1
Average exit age from the labour market, by gender	

(ISTAT Emilia-Romagna 2005)

**Table 24 – Other indicators**

Number of towns above 100,000 inhab	1 (Bologna)
Number of agrifood processing plants	
...	

## 2.2 Territorial aspects (NUTS 3 level)

Table 25 – Main territorial aspects

NUT2 region:	Surface		Population	
	HA	%	Number	%
Total	370.219	100	964,257	
Plain	158.258	42.75		
Mount	211.961	57.25		

(ERMES, 2008)

Table 26 – Agricultural area

	Ha
Utilised agricultural area	186940
Unutilised agricultural land	
Area under agri-environment support	
Area under nature protection	

## 2.3 Economic aspects (NUTS 3 level)

### 2.3.1 General economic indicators

Table 27 – Main economic aspects

NUT3 area:	€	%
GDP		(% of total GDP of the country)

GDP of primary sector		(% of GDP of primary sector of the country)
GDP of secondary sector		(% of GDP of secondary sector of the country)
GDP of tertiary sector		(% of GDP of tertiary sector of the country)
Per-capita urban GDP		
Per-capita rural GDP		

### 2.3.2 Farm classification

Table 28 – Farm classified by class of size

Class of size (ha UAA)	Number of farms	Ha
0 - 5	9000	39877
5-10	3432	32977
10-20	2491	44487
20-50	1419	54601
> 50	542	84760
Total	16884	256702

(ERMES, 2006)

Table 29 – Farm classified by class of income

Class of income	Number of farms	Ha

Table 30 – Farm classified by land use

Land use	Number of farms	Ha
Arable crops	13534	146341
Fodder crops	5645	35888
Permanent grasslands	4202	18135
Fruit plantations		
Wooded area	6221	37278
Orchard	9016	22581

(ISTAT, Censimento dell'Agricoltura, 2000)

**Table 31 – Farm classified by livestock**

Livestock	Number of LSU
Cattle	31250
Sheep and goats	1320
Poultry	31360
Pigs	16810
...	

(EUROSTAT, 2000)

**Table 32 – Other aspects**

Total irrigable area	76680
Average of surface	15.203
Area under organic farming (ha)	
Organic farms (number)	
Agricultural-Holdings with another gainful activity (number)	
Holdings in less favoured areas (including mountainous)	12490

**Table 33 – Employment in agriculture**

Labour	Numbers of workers
full time	1271
part-time	5120

	Male	Female
number of workers	4166	2225
family labour force	26349	21568

(ISTAT Emilia-Romagna 2005)

## 2.4 Policy aspects (NUTS 3 level)

### 2.4.1 Single Farm Payment (SFP)

No specifications are identified for the application of SFP at NUTS3 level, payments, policing and monitoring are made at NUTS2 level.  
The province is characterized by different altitudes that yielded a rather differentiated level of historical SFP.

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**Table 34 – Farm classified by class of SFP**

Class of SFP	Number of farms	Ha	Amount (euro)
Entitlement	7873	134182	
Set aside entitlement	788	3996	
<b>TOTAL</b>			40300000

(Rapporto Annuale Regione Emilia-Romagna, 2007)

Average of SFP per hectare of all farms of the study area	
Average of SFP per farm of all farms of the study area	

## 2.4.2 Other coupled and area-based payments

**Table 35 – Description of other type of payment**

Type of payment	Number of farms	Ha	Amount (euro)
Article 69	7303	55387	3202029
Title IV	157	1654	141125
Other	7873		888107
<b>TOTAL</b>			

## 2.4.3 Cross compliance

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## 2.4.4 Rural development plan (RDP)

Within the PRIP, it is specified the list of actions that will be applied in Bologna Province and the division of the budget among measures.

**Table 36 – RDP budget characteristic**

<b>RDP</b>	
Total budget	
Participation (2000-2006):	
Number of farms	
Surface (ha)	
Budget per axis (2000-2006)	
Axis 1	46,235,016
Axis 2	39,441,922
Axis 3	11,046,336
Budget per axis (2007-2013)	
Axis 1	24,684,395
Axis 2	60,283,944
Axis 3	11,508,243
Leader	
Average amount per ha (euro/ha of UAA)	

(PRIP, Bologna)

## 2.4.5 Other policies

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## References

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[http://epp.eurostat.ec.europa.eu/portal/page?\\_pageid=1090,30070682,1090\\_33076576&\\_dad=portal&\\_schema=PORTAL](http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1090,30070682,1090_33076576&_dad=portal&_schema=PORTAL)

ISTAT: <http://www.istat.it/>

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