

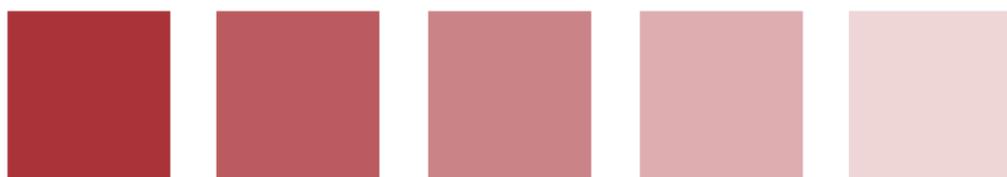
## Tuscany Region

### On-going, mid-term and ex post evaluation of RDP 2007-2013

#### Abstract of the ex post evaluation report

Rome,

December 2015



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## Introduction

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The present document represents a summary of the ex-post Evaluation report of the 2007-2013 Rural Development Program of Tuscany Region, aimed at a wide public including social parts and regional bodies. Main evaluation results and some remarks about success and critical factors are highlighted.

### 1.1 Main evaluation results

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At a general level, we can say that Tuscany RDP confirms the positive aspects of its program planning, also by considering the reviews made during the time. It reaffirms the positive approach of the organizational choices, even considering the necessary evaluation by local bodies and local planning, showing a sound capacity of understanding the needs and stimulating stakeholder interest. This meant an outstanding implementation performance, featuring the whole Programme implementation phase, supported by flexible and efficient implementation mechanisms, also by considering Axis 4 and the complex tools entailing more procedure and management complexity.

On 30 June 2015, Tuscany Region paid **88,6%** of the planned resources for the whole 2007-2013 planning period, corresponding to a total amount of **770,9 million euros** of total public expenditure, equal to about **343,7 million euros of EAFRD quota**. While this report is made, the expenditure goal seems to be fully achievable. Positive are also the physical goals, showing an intervention achievement by **12.477** recipients.

As for the Program capacity of achieving planned **goals**, below follows a summary of the arisen evidence.

As a whole, thanks to the **Support investment measures**, the RDP was able to give new strength to thousands of Tuscan companies, that, though the recession, made to continue with their activity, by innovating and changing their market strategy. Moreover, these interventions were a sort of “cushion” for supporting employment within a context of job contraction and social distress.

- The **M. 121** contributes in a major way to the **Specific Goal n. 1: Company strengthening and development on the territory and markets by innovation and competitiveness increase**, in terms of invested resources on the territory (more than 172 M€) and recipients (2.450). The importance of this measure is confirmed by the generated positive added value, equal to 33,5 M€, that is to say about 65% of the target value. This has to be positively seen, considering the recent negative trends, especially bearing in mind that a high level innovation was introduced, as shown by 371 companies that achieved highly innovative investments (148,4% of the target value). The measure had outstanding outcomes also in combination with complex tools / strategies (PIF – integrated chain project - the Strategy for tobacco-growing areas, measures for young people). The **M. 122** fully met the programmer expectations with 16,3 M€ payment and 483 recipients that achieved the interventions. Investments encouraged added value creation accounting for 2,8 M€, a positive trend considering the internal demand decrease

for forest exploitations and diseases that damaged fruit plantations, especially chestnuts.

- At first, the **Specific Goal n. 2** aimed at agricultural and forestry industries strengthening was mainly supported by the **Measure n. 123**, that featured good implementation levels (as to June 2015, about 80% of the available resources were spent) and a high investment value on average (about 400.000 € of public expenditure). Thanks to the launch of **Integrated Industry Projects**, the goal was pursued in a more efficient and structured way, with positive results, especially if we consider the experimental character and complexity of the proposed tool. Overall 26 PIF were funded, involving 419 direct recipients, for 42 M€ of funded resources and 92 M€ of subsidies. Surveys conducted among recipients highlighted: (i) positive economic outcomes for many stakeholders, with a better distribution of the added value for the production sector; (ii) many good practices concerning the introduction and the generalization of product and process innovation; (iii) participants relations strengthening, a trend that mainly concerns people with long-lasting relations but also external stakeholders (Universities, research bodies, etc.). In this case, the foundations for new professional experiences were laid.
- The contribution of the **M 132** to the **Specific Goal n. 3: Agricultural and forestry produce quality strengthening and development**, was limited (7% of target recipients), because it was influenced by regulatory and procedure factors that led to a narrowing scope of intervention and a decreased capacity of promoting quality standards. The M. 133, strictly linked to the previous one, supported information spreading and products promotion within quality systems procedures, with the aim of generalizing their consumption and expanding their end markets, with positive outcomes for the sector added value. The Measure launch, within integrated planning tools (Integrated Industry Projects and, at a local level, integrated strategies of local development) highlights some good practices and some interesting general results, even if not completely compliant with target goals.
- **Employment and turnover promotion** represents a regional strategy priority, that led to a total funding of 4.928 projects submitted by young farmers (source ARTEA). The Measure n. 112 specifically supports youth placement and involves two thirds of subsidies for investment within a Company Plan. As arisen from the evaluation analysis, a significant number of working young people used their capital for other investments aiming at encouraging innovation and sector modernizing. Economic and employment outcomes are probably biased by a decreased experience and solidity during critical times, as the 2013-2014 period. The measure 112 promotes an enduring insertion in the regional Tuscan territory: surveys highlighted that about 88% of new companies created by young farmers are still in activity after two years of investment achievement.
- Initiatives aimed at **knowledge spreading and professional skills strengthening and promotion** had various results. Training and information activities were implemented at decreased level in comparison to the expectations; company consulting accounted for high implementation levels, as for about 23 M € (92% of the planned resources), concerning 24 thousand requests. The Measure encouraged knowledge spreading about agricultural security and company global results improvement with a consistent outcome on companies active in Tuscany.

As for Axis 2 - and, at a general level, **environmental contents** of the Programme -, best results were mainly achieved thanks to biodiversity and genetic resources protection, water resources protection and renewable energy production.

- The most important contribution to **Biodiversity conservation and wild, grown or bred species protection** comes from initiatives funded by Agro-environmental Measures (214), thanks to the consisting available financial resources, allowing to have a wide range of applicability, 15% of the agricultural land. Sustainable cropping methods spreading, in particular organic farming, is strongly supported by the RDP and allows to improve the “cultivated land” quality and wildlife diversification rate. The integrated agricultural approach (Action a.2 of the Measure n. 214) allows to maximize positive environmental outcomes, as it implies the “Agriqualità” system subscription. In this way, more precise and strict productive standards are identified. The Action b.1 concerning animal species is appropriately funded in comparison with the need of protecting species considered by the Program. The contribution to fire or water disaster risk prevention is major (Measure 226).
- The Measures supporting company (121, 123) and infrastructure (125) investments contribute to **water saving promotion**. In particular, measures 121 and 123, by customized interventions aimed at water consumption reduction, and measure 125, concerning infrastructure implementation and improvement for water supply system for cross-company irrigation purpose and rural supply for tap water used for production. It is interesting to note the contribution of the measure to integrated agriculture supporting measures, featuring specific prescriptions about irrigation water saving, within the frame of “Agriqualità” standards.
- As for **water pollution reduction**, it is has to be considered the outstanding contribution of agro-environmental measures. The positive outcomes on 115.000 hectares regard “water and soil quality”, that thanks to integrated and organic agriculture methods application, benefit from significant fertilizers and pesticides reduction. It is estimated that each year 5.000 t of nitrogen fertilisers, 215 t of fungicides, 11 t of insecticides and acaricides and 26 t of herbicides are not used.
- **Energy saving and renewable energy promotion and climate change mitigation contribution** are strictly intertwined and intervention strategies are often overlapping.
  - *Renewable energy production*: within the context of company modernizing process supported by the Measure 121 were funded some investments for biomass energy production, sun and wind plants, aimed at energy saving. Available specific data indicate that interventions on this Measure activated investments equal to 6,5 M€, and it is estimated to produce about 5 GWh/year (total power equal to 1,67 MW). As for investments in the agro-industrial sector (M. 123), interventions concerned only photovoltaic plants, for a total of 4,3 M€ and an estimated production of 1,1 GWh/year. Finally farm income diversification investments (Measure 311) allowed more significant results: this concerned all plant types, activating investments accounting for 70, 8 M €, regarding plants able to produre about 23 GWh/year.
  - *Climate change*: Measure 226 contribution concerns 4.000 hectares and regards fight against fire and carbon dioxide release reduction, as well as CO2 absorption capacity by forest lands. Agro-environmental measures (M. 214) significantly contributed to fight against climate change, considering that financial interventions allow less energy consumption, less N2O emissions and a higher carbon sequestration capacity in organic soil separates.
- As for **landscape conservation and improvement**, interventions are more direct. Measures 211 and 212 ensure a more important contribution, as they allow keeping an agricultural landscape that otherwise would be prone to degradation, such as

surface erosion. Concerning forest land, measures 226 and 227 gave a significant contribution to high natural value forest systems spreading and protection.

- **Surface erosion goal** is pursued by means of Measures 211 and 212 (Allowance for disadvantaged areas), as about 16.000 hectares that benefited from these subsidies have to comply with conditionality regulations (concerning water retention for soil protection). The agro-environmental measure (M. 214) also regards fight against degradation: in a direct way, through permanent crops revegetation and in indirect way by soil structure improvement, so as soil is less prone to degradation. Among forest land specific interventions, measure 226 significantly contributes to erosion decrease.

As for Axis 2, below in the table an evaluation summary concerning Program capacity in achieving set goals:

Specific goals	Specific goals achievement rate evaluation
Biodiversity protection	+++
Animal and plant genetic resources protection	+++
Water saving promotion	++
Water pollution reduction	+++
Energy saving and renewable energy promotion	+++
Climate change mitigation contribution	++
Landscape conservation and improvement	+
Soil degradation reduction	++

Legend:

+++ High

++ Medium

+ Poor

RDP was able, through the measures of **Axis 3**, to achieve positive results in terms of strengthening the local economy and attractiveness of rural areas. On one hand, by supporting in an innovative way the promotion of farms' diversification and the persistence of economic activities. On the other hand, by reinforcing elements of context (services to the population and businesses, upgrading and enhancement of the architectural and historical heritage, infrastructure for broadband). The general success of the initiatives carried out mainly in marginal territories (Areas C2 and D) can be attributed in part to the initiatives promoted adherence to the needs and potential of the

areas, thanks to the decision to adopt the LEADER approach for the implementation of most of the measures.

- The local development strategies promoted by the LEADER method favoured the strengthening of support for rural communities. The measures implemented by public bodies (M.321, 322, 323), shown excellent performances. The implementation have promoted the improvement of quality of life and the attractiveness of the territories, both for the resident population for economic operators. In particular, it expanded the network of essential services to the rural population (M. 321), with a strong predominance of services aimed at young people and families with children. In addition, it has supported the marketing of primary products in rural areas, especially the most typical ones. With M.321 Submeasure D, Tuscany Region - part of the wider National Broadband Plan – contributed to the coverage with the construction of 32 optical fiber modules , corresponding to 9,154 telephone broadband lines . The regeneration of 57 small towns was developed, with the realization of works / services for the entire community (M.322). The actions of "restoration and enhancement and preservation of cultural heritage" supported by M.323 affected 67 municipalities.
- Axis 3 strongly contributes to the purpose of **supporting new opportunities for employment and income in rural areas**. In particular, the investments to promote the diversification of activities on farms (M.311) were implemented individually or in Complex Projects (PIF, Youth Package, Strategy for tobacco areas) and have found a strong overall interest by the stakeholders, as evidenced by the amount of spending (about 44 € million) and by number of beneficiaries (786). The investments are oriented to both agritourism sector and to the production of renewable energies. Finally, some interesting experiments were made such as those relating to Agriculture social. Although the effects are not yet fully deployed, to date some positive effects in terms of VA (+17 M €) and jobs created (+193) are to be underlined. The support to commercial and handicraft enterprises, as well as to tourism activities (M. 312 and 313) had a positive impact on both the economic value added (+ € 4,9M) and the employment (+103 jobs). This is even more evident in light of the economic difficulties that have affected to a greater extent the already fragile economy of the C2 and D areas.

**LEADER** approach concerns both **the strengthening of local planning and management capacity, and the enhancement of endogenous resources of the territories**. This approach allows to activate all measures of Axis 3 (with the exception of Measure 311), in addition to measures 124 (Cooperation for innovation) and 133 (promotion of quality products).

In general, the LAG's capacity to support the processes of aggregation local functional to better management of rural areas is confirmed. In particular, the animation activities have promoted a better targeting of priority action areas of the Strategy, also fostering an interest to the opportunities offered by the calls. This aspect was confirmed by the positive responses of the territory and by the good performances in the implementation phase. About the budgeting for the instruments activated to improve the governance of SISL – integrated strategy for local development - it is appropriate to emphasize that from 2012 the assessor, encouraged by the MA supported the LAG in a learning and experimentation process aimed at strengthening the administrative capacity, including the development of working practices and shared tools.

With regard to the enhancement of **endogenous resources of the territories** it is noted that the high number of consultation initiatives of local partnerships in the planning stage have constituted decisive factors for the mobilization of a wide range of local stakeholders. In this regard, based on evidence gathered in the area, it can be argued that the LAGs have been able to listen to the real needs of the areas in which they operated. Also the correctness of the approach and the relevance of the development paths undertaken is demonstrated by the excellent results achieved, as well as the good practices identified, some of which are connoted by strong innovation on design and method.

## 1.2 Conclusions and recommendations

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Hereinafter the considerations on success and critical factors, in order to address the launch of the new RDP 2014-2020.

- The low contribution to the objective of strengthening the skills of workers in the agricultural and forestry sectors poses a particularly urgent need to support the productive sector on issues of knowledge and understanding by accompanying them adequately in the paths of settlement, investment, improvement and development of agri-environmental resources. Alongside the training programs, it is appropriate to provide technical assistance able to support the operators in their choice of strategies and investments.
- For Tuscany Region, as for other Managing Authorities of the RDP, the 2007-2013 programming period was an opportunity to experience complex implementation tools in its territory, among them the PIF has proved its worth by helping to achieve multiple identified objectives identified. For the future, it is recommended to continue on this path, enhancing the simplifying process of the administrative and regulatory burden, strengthening the projects design quality through the diffusion and the knowledge of project experiences originating from research in the field of integrated projects, with specific strategies to disseminate the results.
- It is recommended to further enhance the effectiveness of assets (consultancy services, innovation, and promotion of quality products). Against some difficulties encountered, several elements of successful and best practices have raised, as shown by the strong adhesion to M. 114, but also as demonstrated by the strategic importance of the measures 124 and 133 when inserted within the integrated planning in both regional projects (PIF), and at the local level (LEADER).
- Concerning the Axis 2 - but in general for environmental issues of the program - the best results are to be ascribed to the protection of biodiversity and genetic resources, to the protection of water resources and to the production of energy from renewable sources. For other policy areas, there is further room for improvement: enhancement of forests, maximization of the positive effects of the application of sustainable production methods (organic and integrated), defence of the rural landscape.
- The Program has demonstrated good results with regard to the production of renewable energy. In the future, minimum levels of energy efficiency and supply from renewable sources should become the standard for all operations supported, with appropriate eligibility criteria and priorities (e.g. the spreading of energy certificates for structures and machinery. A further boost could also be ensured by

the dissemination of research results and by specific training, informative and advisory services.

- Another sector that could benefit from further support from the RDP is the forestry sector, removing some of the obstacles that penalize especially the public bodies from the possibility of realising "energy chains". From the Interviews, it results, among the others, requests to encourage more efforts on forest practicability and to obtain better information.
- With the aim of enhancing the efficiency and effectiveness of sustainable production systems (organic and integrated) it would be desirable to provide a greater concentration of assistance in the areas environmentally most at risk and / or on intensive cultivations. Moreover, it is advised to consider the option to ensure, on a general basis, priority scores to projects including bioengineering techniques or at low visual impact.
- The spread of sustainable agricultural practices such as soil conservation techniques (sowing grass, green manure, compost, etc.) can not just be "imposed" by the regulations, but must be understood and accepted by the individual farmer. Hence the importance of providing assistance such as training, information and consulting on these specific issues.
- With reference to the improvement of the rural landscape, it is known that the Tuscan countryside is an utmost asset worldwide. For this reason it must be ensured that the actions supported by structural interventions are "neutral" for the environment, for example through the recognition of priority score to projects using bioengineering techniques, or at least a low visual impact.
- Referring to Axis 3, points of interest for the new programming can be drawn from the positive experience of M.311. In particular, it underlines the strategic importance of side events for many operators in the agriculture and forestry sectors, as well as the positive role played by agriculture in favour of environmental and social sustainability through the production of renewable energy and the offer of social services.
- The positive results in terms of achievements and skills growth of the LAGs, bring out the opportunity to continue in this direction, proposing the methods and instruments defined and tested with the support of the evaluator, since the start-up phase of the new programming period, in order to support the definition and implementation of SISL. Taking into account the past experience, it is recommended to create frequent occasions of confrontation and exchange among the LAGs and to enhance the dialogue between LAGs and the Region. This also in the light of the new opportunities of the programming period 2014-2020 which enhances the role of the LAGs, concerning both the typology of activities and the minimum functions conferred to LAGs from the regulation (e.g. Monitoring and evaluation).