

# Review of the implementation of EU-FAS policy in Member States of EU- Italy

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## I- Executive summary

This report presents the outcomes of an evaluation of EU-Farm Advisory System (EU-FAS) in Italy. The aim is to assess whether and how the EU-FAS regulation changed the functioning of Italian regimes of farm advisory services.

The assessment follows the framework developed by Agrilink project to analyse the effects of the EU-FAS on the different dimensions of national advisory regimes, including the boundaries of the system, the identities of advisory suppliers, the attributes of the services (in both front-office and back-office), but also the financing and monitoring of advice.

Italian historical dynamics, political definitions and the recent economic conditions have resulted in a **highly fragmented agricultural innovation system** with strictly **regional geographical boundaries**, which makes it unrealistic to describe a general situation, applicable to the whole country. As a consequence, it was decided to focus on two regions, Emilia-Romagna and Friuli-Venezia-Giulia, that differ for agronomic conditions, farming systems, organizational structure and administrative framework. The document and data analysis and interviews with policy makers and advisory organisations were restricted to the two regions but a general overview on National level is added. The scope is to present the implementation of EU-FAS at national level, when possible, based on examples from the two regions surveyed, in order to provide more detailed and exact information about identities of suppliers, scopes and procedures for Regional funds allocation, management authority monitoring and control procedures.

It should be considered that in Italy, as in other EU countries, the **implementation of Measure 2 of the Rural Development Plan 2016-2020 was delayed of two years** due to the changes introduced by EC Regulation n. 1305/2013. Such difficulties were overcome only in 2018, so allowing the activation of the measure, albeit with two years of delay compared to other measures that could have been supported by EU-FAS.

- The main findings are:

1. In terms of boundaries: a great diversity is shown in the EU-FAS implementation, based on Regions that took very diverse approaches.
2. In terms of identities: advice suppliers differ a lot from region to region and can include farmers' unions or farmers' associations, private advisory companies, individual freelance advisors and public bodies;
3. In terms of financing: at 31st October 2018, the financial envelope of the Measure 2.1 is 160 million euros (total public expenditure) at national level, which is only 0.77% of rural development resources.
4. In terms of attributes: the services implemented under the EU-FAS regulation in Italy do not differ much from traditional advisory services already in place in the country. This is also due to the fact that large part of advisory is not linked to public funding;

5. In terms of monitoring: monitoring and control procedures vary significantly region by regions. It highlights a missed opportunity of harmonizing the procedures among regions.

## II- Extensive description of the implementation of the EU-FAS in Italy

### A) Introduction – General overview about the EU-FAS implementation

In Italy the agricultural advisory service has been a competence of the Regions for over 20 years and it is a complex operational reality, in terms both of facilities and advisory provision. In fact, the 21 local (19 regional and 2 provincial) services' systems differ, both quantitatively and qualitatively, depending to historical political choices and specific structural configurations. In general, in Italy advisory systems moved towards privatization since early 2000's for the more profitable sectors, such as viticulture or fruit production, while for less profitable sector it simply disappeared. The fragmentation of the advisory services results in a lack of institutional dialogue with research and political stakeholders, that prevent their participation in the strategic planning of agricultural development goals.

Italian historical dynamics and the recent economic conditions have resulted in a highly fragmented agricultural innovation system, in which the actors, whose typologies increased (farmers' unions, entrepreneurs' cooperatives and consortia, professional organizations, NGOs) according to new rural development issues, are in competition one to each other to get public funding (Cristiano, Proietti, & Striano, 2015).

The reduction in funding since the beginning of 2000 has led to a reorganisation of the regional systems of services, which have been affected by their liberalisation, aimed at encouraging the diversification of the methods and subjects responsible for development actions. In addition, a further revision was carried out by the mandatory establishment, from 2007, of the Farm Advisory System aimed at supporting farmers in the application of cross-compliance, through the support of measures 114 and 115 of the 2007-2013 RDP (EU Reg. 1698/2005). Despite expectations, not even this intervention has succeeded in increasing the effectiveness of services and in favouring their greater integration in the wider context of the knowledge system, mainly due to the absence of an explicit Community strategic plan capable of promoting a systemic and transversal approach to the development of human capital and a series of regulatory constraints (Cristiano, Proietti, & Striano, 2015)

Overall, the different phases of planning and socio-economic changes have favoured the alternation of different models of consultancy, as well as of different service providers. Today, in Italy, consultancy services are provided by a variety of actors in a highly fragmented context: freelance professionals and professional associations, public or private bodies, industries, technical bodies of organisations representing farmers, producer organisations, cooperatives, agricultural consortia and other innovation networks.

More than 80.000 agronomists and veterinarians are registered with a professional order. However, only some of them are self-employed, while the others are employed in different structures, including professional organisations, research and innovation institutes, agricultural institutes and companies in the agri-food sector. (Cristiano, Proietti, & Striano, Il ruolo dei servizi di consulenza nei processi di innovazione, 2015)

In 18 of the 21 local structures the RDP 2007-2013 (Rural Development Program 2007-2013) measure 114 was activated so to provide some basic support to cooperatives or other organized structures and groups. In the current program the implementation of the M02, in this first two years of

implementation, has encountered difficulties, mainly related to the changes introduced by Regulation (EU) n. 1305/2013 with respect to the past program (identification of the final beneficiary and of the procedure for carrying out the selection procedure). The regulatory change that came into force on 1 January 2018 (Omnibus regulation) allowed some of these difficulties to be overcome, thus guaranteeing the activation of the measure, albeit with two years of delay compared to other rural development interventions.

Measure 02 of RDP 2014-2020 is included in the program of 18 of the 21 local RDPs operating in Italy. Friuli-Venezia-Giulia, The Autonomous Province of Bolzano and the Valle d'Aosta decided not to activate the measure.

## B) “Boundaries” of the implementation of the EU-FAS regulation

The main objective of the implementation of the EU-FAS regulation is to promote the advisory services to improve sustainability in the management of economic and environmental performance of agricultural and forestry holdings and small and medium-sized enterprises (SMEs) operating in rural areas, as well as to promote the training and updating of consultants in order to increase the quality and effectiveness of the advice offered. Article 15 of Rural Development Regulation no. 1305/2013 aims to complete the Farm Advisory System established by Horizontal Regulation (EU) 1306/2013, extending its scope and scope as regards rural development. Measure 2 of RDP contributes above all to the horizontal priority of promoting knowledge transfer and innovation in the agricultural and forestry sector and in rural areas (Priority 1) and, in particular, to the Focus Area 1A (stimulating innovation, cooperation and development of the knowledge base in rural areas); in fact, the total public expenditure for measure 2 enters the target indicator for this FA together with the expenditure foreseen for training (measure 1) and cooperation (measure 16). (Finizio & Lepri, 2016)

In addition, each Region has determined in its RDP how much the measure contributes to the other priorities rural development, identifying the public expenditure and the number of beneficiaries foreseen for the other five Priorities and for the related Focus Areas.

Despite the indisputable role of horizontal support of this measure to achieve different objectives of rural development, its launch in this first programming period was encountering difficulties in Italy, mainly related to another innovation introduced by Regulation 1305/2013, namely that the beneficiaries are not, as in previous programming, the companies that use the service, but the same advisory bodies, which must be chosen through a tendering process carried out in accordance with the rules on public procurement. This has raised doubts as to the interpretation of the determination of eligible expenditure, leading to the significant delay in implementation of M.02.

Geographical boundaries of EU-FAS in Italy are strictly regional, as all the budget assigned to agriculture is under the operation of Regional authorities. This can explain significant differences between different regions.

*[For May 2019 the situation with the implementation of M02 in different regions can be described as follows:*

*Calabria – implementation started, the website of the Region refers to the imminent opening of tenders, but there are no details.*

*Campania – was the only region to activate the measure before the changes implemented in Omnibus regulations. About 50 advisory bodies were selected, and the lots were assigned by topic (around 77 consultancies). No standard cost but tender. VAT paid by the farmer, consequently public support is 78%.*

Piedmont - € 100.000 were allocated to the university for 7 specifications, but then the Regional Authorities gave up the tender system, and decided to go to the tender with the public ranking. Now they are rewriting the M02 adapting it to Omnibus regulation.

Lombardy - the process to select suppliers is just started, public notice phase not completed. Call for tenders for recognition of advisory bodies is open.

Emilia-Romagna - is the region with the most advanced implementation. From October 2018 to May 2019, 19 advisory bodies were accredited for a total of 75 eligible projects in the “green catalogue”. Considering that the resources can be booked at the moment of the protocol of the request for support and that the booking follows a ranking with a monthly concession, it was decided to divide the total resources (3000000) into 9 calls to activate one every 4 months, to guarantee a fluid and continuous availability until 2020.

Veneto - the call for tenders of 10 million euro is divided into 17 thematic lots and is published on the website of the Region, the selection of advice suppliers is on-going.

Friuli Venezia Giulia- the Region decided not to use Measure 2 but to continue using the Regional framework and funds.

Tuscany The call for tender for the advice suppliers was launched but immediately blocked by an appeal from the agronomist professional order. The call will be corrected and reactivated in Autumn 2019.

Umbria e Marche: both Regions are in the process of issuing the call for the selection of advising bodies, the call opening is planned for Autumn 2019.

Liguria: it will not be activated, even if the preliminary work of selection of advice suppliers was done and a several number of bodies were recognised. The funds have been allocated to other measures.

Lazio: in Autumn 2019 the procedure for the selection of the advice suppliers will be open and the lots assigned accordingly.

Sardinia: the selection of advice suppliers was successfully carried out, but the call is not open yet.

Sicilia: measure not activated yet.

Puglia: the opening of the call for tender is planned for Autumn 2019.

Molise: the call is temporary suspended.

Basilicata: the Region is in the process of selection of advisory bodies.]

In the framework of M02 the financing of farm advice in Italy was planned for different Focus areas, giving priority to the following *domains*: ecosystems management, farm’s performance, restructuring and modernisation, agri-food chain integration and quality (see Table 1).

**Table 1: Budget programmed for implementation of M.02 in Italy by Priority and Focus Area**

Priority	Focus Area	Budget Assigned for implementation of M.02
P2 Competitiveness	2A Farm’s performance, restructuring and modernisation	41.238.591,33

	2B Entry of skilled/younger farmers	11.005.359,09
P3 Food Chain & Risk Management	<b>3A Agri-food chain integration &amp; quality</b>	<b>21.663.026,69</b>
	3B Risk prevention & Management	2.036.563,18
<b>P4 Ecosystems management</b>		<b>45.079.982,19</b>
P5 Resource efficiency & climate	5A Water use efficiency	5.956.878,04
	5B Energy use efficiency	1.353.416,05
	5C Renewable sources & waste management	6.815.585,88
	5D Greenhouse gas & ammonia emissions	3.309.770,83
	5E Carbon conservation & sequestration	7.723.419,33
P6 Social inclusion & local development	6A Diversification & job creation	3.221.781,15
	6B Local Development	70.000,00
	6C ICT-Information & communication technologies	440.345,83
<b>TOTAL SPENDING IN PROGRAM FOR M.02</b>		<b>149.884.719,59</b>

Source: (Report avanzamento della spesa pubblica - Report primo Trimestre 2019, 2019)

<https://www.reterurale.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/19456>

According to M02 regulation the target recipients of advisory services under sub-measure 2.1 are farmers, foresters, other persons, etc. land managers (e.g. a public body owning agricultural or forestry land) and small and medium-sized enterprises operating in rural areas. The Regional RDP programs can identify these target groups more precisely, sometimes even limiting support to some of the four categories mentioned above. In Emilia –Romagna there are not specific target groups of farmers or farm workers, the access to farm advice is open for all of the mentioned categories.

In Emilia-Romagna measure 1 and 2 are linked to measure 16.1 and 16.2 in a very narrow way (global amount) but for now the quantitative result is very limited. The connection with the supply chain was voluntary (without any priority or score) and did not give appreciable results.

In the previous programming period (2007-2013) the actions aimed at EU-FAS implementation were divided into the following measures: 114 (Use of consultancy services), 115 (Setting up of management assistance, replacement and business consultancy services).

Measure 114 on agricultural and forestry advisory services was aimed at meeting mandatory requirements on cross-compliance (Statutory Management Requirements - Good Agricultural and Environmental Conditions - GAEC) and occupational safety, while improving overall performance remained an optional option. At the end of the programming period, the measure was activated in eighteen regions.

In close correlation with 114, measure 115 was designed to cover the costs of starting up advisory services, as well as management and replacement assistance. At the beginning of the programming

period, the measure had been activated in seven regions, which were then reduced to four (Bolzano, Calabria, Campania, Lazio), generally due to implementation problems related to the procedures for accreditation of business consultants.

On the subject of advisory services, the statutory management requirements and good agricultural and environmental condition were the most in demand, accounting for 21% of total expenditure, followed by those related to farm management (17%) and public, animal and plant health (16%). In the other areas, there is a certain preference given to environmental aspects and safety in the workplace. (Licciardo, 2018)

- [“Identity” of the suppliers selected for the implementation of the EU-FAS regulation](#)

Ministerial Decree of 3 February 2016 provides a set of definitions, to which the EU-FAS regulation refers to:

- "Advisory services" are defined as all the services provided and offered by the advisory bodies;
- "Advisory body": the public or private body that provides consulting services in the areas referred to in Article 1-ter, paragraph 2, of Decree-Law no. 91 of 24 June 2014, converted, with amendments, by Law no. 116 of 11 August 2014;
- "Advisor" means a qualified and regularly trained physical person who provides advisory services.

In general, advice should be provided in relation to at least one of the priorities of Rural Development and should cover at least one of the following elements:

a) obligations linked to the fulfilment of cross-compliance, i.e. from the Compulsory Management Criteria and/or from Good Agronomic and Environmental Practices;

b) agricultural practices beneficial for the climate and the environment acknowledged for the greening payment in the first pillar of the CAP (EU Reg. 1307/2013 Title III Chapter 3) and the maintenance of agricultural land (EU Reg. 1307/2013 Art.4 par.1 letter c);

c) the measures at farm level provided for in the RDPs aimed at the modernisation of the farm, the pursuit of competitiveness, the integration of the sector, innovation, market orientation, and the promotion of entrepreneurship; see Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of the micro, small and medium-sized enterprises.

d) the requirements defined by the Member States for implementing Article 11(3) of the Water Framework Directive;

e) the requirements defined by the MS to implement art. 55 of EC Regulation no. 1107/2009, in particular the fulfilment of the general principles of integrated pest management (art.14 of Directive 2009/128/EC);

f) occupational safety regulations or safety regulations related to the farm;

g) specific advice for new comers into farming.

Other issues may also be the subject of advice and in particular information related to climate change mitigation and adaptation, biodiversity and water protection (Annex I of EU Regulation 1307/2013), or issues related to the economic and environmental performance of the farm, including

competitiveness. This may include advice on short supply chain development, organic farming and health aspects of animal husbandry practices. The areas of advice for foresters shall cover at least the relevant obligations under Directives 92/43/EEC (Habitats Directive), 2009/147/EC (Wild Birds Conservation) and the Water Framework Directive. In addition, issues relating to the economic and environmental performance of the forestry undertaking may also be the subject of advice.

Finally, advice for SMEs may cover issues related to the economic and environmental performance of the enterprise. (Finizio & Lepri, 2016)

In order to assess the typology of advisers the “green catalog” of advice suppliers, whose consultancy projects were accredited by Emilia-Romagna Region was analysed. From the 15 advice suppliers available at present 6 are farmers’ professional associations (farmers’ unions or agricultural producers’ associations), 5 are private advisory companies and 4 are individual freelance advisors.

In some Italian Regions public bodies such as the Rural Development Agencies or Phytosanitary Departments, are engaged in supplying services to support advisory. For example, they supply the meteo stations network or other meteo data-sets, or the Decision Support System for irrigation or plant protection or, less frequently, fertilization or animal health. In other cases public bodies supply collective advisory through workshops or field events, but never a full advisory service in the sense of one-to-one or otherwise farm specific advise.

In Emilia-Romagna the accredited advisory projects cover all the domains defining the scope of the EU-FAS. Table 2 shows that the most covered mandatory domains are: water directive, pesticide directive, and practices beneficial for the climate and the environment. From the optional domains diversification of economic activities is the leading one.

<b>Scope of EU-FAS</b>		<b>Accredited supplier #1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	
<i>Mandatory</i>	<b>(a) CROSS-COMPLIANCE</b> <i>Standards for Good agricultural and Environmental Conditions (GAEC)</i>	X			X						X						
	<b>(b) PRACTICES BENEFICIAL FOR THE CLIMATE AND THE ENVIRONMENT</b> <i>(chap. 3 – Reg. No 1307/2013)</i> <i>Crop diversification, Permanent Grassland, Ecological areas</i>	X				X	X			X		X	X		X	X	
	<b>(c) FARM MODERNISATION,</b> <i>Competitiveness, Market, Entrepreneurship</i>	X		X	X		X					X			X		
	<b>(d) WATER DIRECTIVE</b> <i>Article 11(3) of directive 2000/60/EC</i>	X	X		X	X			X	X	X	X		X		X	
	<b>(e) PESTICIDE DIRECTIVE</b> <i>Good practices for pesticide use &amp; Integrated pest management. Article 11(3) of Directive 2000/60/EC and article 14 of directive 2009/128/EC</i>		X			X			X	X	X	X		X		X	
<i>Optional</i>	<b>(a) DIVERSIFICATION OF ECONOMIC ACTIVITIES</b> <i>and conversion of farms</i>	X		X		X	X			X	X	X		X	X		
	<b>(b) RISK MANAGEMENT</b> <i>Vis-à-vis natural disasters; catastrophic events, animal &amp; plant diseases</i>				X			X								X	
	<b>(c) AGRI-ENVIRONMENTAL SCHEMES &amp; ORGANIC FARMING</b>		X					X		X	X			X			

	Articles 28(3) and 29(2) of Regulation No 1305/2013																
	(d) <b>INFORMATION related to CLIMATE CHANGE, BIODIVERSITY, WATER</b>	X														X	X

**Table 2: The different domains defining the scope of the EU-FAS (o Reg. (EU) No 1306/2013 Art. 12), covered by suppliers accredited in Emilia-Romagna Region**

Source: our elaboration based on “catalogo verde” – list of suppliers accredited by Emilia-Romagna Region (<https://agri.regione.emilia-romagna.it/giasapp/ctv.jsp>)

- “Control” of the quality of the services implemented under the EU-FAS regulation

#### **i) Selection procedures and requirements**

In drawing up the procedure for measure 2, each Region has identified the conditions of eligibility of beneficiaries and operations. As regards the provision of consultancy services, these conditions must in any case refer to the provisions of national legislation, and in particular to Decree No 1259 of 3 February 2016, which set up the farm advisory system, thereby establishing certain uniform criteria which all advisory bodies, whether public or private and whether or not they are beneficiaries of measure 2, must comply with.

Since the decree was issued after the approval of the RDPs, the eligibility conditions described in the measure's sheets do not accurately reflect those of the ministerial decree. However, they normally refer to general principles that comply with national law. The eligibility conditions most commonly identified by the Regions refer to:

- Presence of an adequate organisational structure;
- Availability of qualified and trained personnel;
- Experience and reliability in relation to the issues being consulted;
- Absence of conflict of interest.

The eligibility conditions provided for by the Decree, which must in any case be complied with when selecting consultancy bodies, are as follows:

- Respect of the principle of separation of functions, so that the consultancy body cannot carry out control functions on the disbursement of public funds in agriculture and in the agri-food sector and respect the conditions of incompatibility provided for in the NAP regarding plant protection products;
- Possession of adequate qualifications by the consultants, which can be traced back to enrolment in professional orders or colleges operating in their respective fields of competence, to at least three years' experience in the field of technical assistance or consultancy in the respective field of competence, or to attendance of a basic training course. Attendance at refresher courses or activities shall also be ensured;

- Possession of the basic requirements, i.e. bodies with personnel possessing the above characteristics, without positions of incompatibility, having among their aims that of consulting in the agricultural, zootechnical and forestry sector and operating in at least one of the fields of consultancy identified by the decree. (Finizio & Lepri, 2016)

ISMEA (Institute of Services for the Agricultural Food Market) prepared a document that outlines the guidelines for the identification of the qualifications relevant to the consulting areas provided for by the Ministerial Decree dated 3<sup>rd</sup> February 2016. It is a guideline document for the Regions and Autonomous Provinces with the purpose of identifying the advisory bodies pursuant to the Ministerial Decree and the consequent selection for the implementation of the RDP measure 2. The Autonomous Regions and Provinces, therefore, are able to refer to it in the implementation of the preliminary investigation procedure aimed at identifying the appropriate professional skills for the performance of the consulting activity, in each of the areas envisaged.

For each of the 14 advisory areas identified by the inter-ministerial decree, the professional profiles most suited to perform consultancy activities in each area and the relative qualifications were identified. The educational qualifications were further defined, based on the "low", "moderate", "high" level of consistency with the scope of the requested consultancy.

The guidelines provided may be used by the regional Managing Authorities in the selection phase of the beneficiaries (advisory bodies) of the sub-measure 2.1 of the RDP. In this regard, it is important to underline that the contents of this document are not prescriptive. The documents of the National Rural Network, in fact, aim to support and guide and can be endorsed or not by the regional Managing Authorities. (Lepri, 2018)

The specific requirements in terms of implementation of the services and level of interaction can vary significantly from Region to Region. In most cases the nature of interaction is individual on-farm advice. For example, in Emilia-Romagna the minimum number of hours is not explicitly specified. In Veneto instead, the number of required hours is specified for every thematic area of advisory, varying from 12 to 30 hours.

## **ii) Requirements in terms of monitoring of services**

In Emilia-Romagna the procedure of monitoring and control is the following: a board of regional experts reads every single technical report of the consultancy and assesses its compliance with the approved project. It also checks that each farmer has paid 40% of the cost. Farmers are also interviewed on a sample basis (by phone or e-mail) to find out if they are satisfied with the service received.

In the first period of EU-FAS implementation the control was carried out on the actual use of the services by the beneficiaries, with direct interviews and visits on a sample basis, also aimed at ascertaining the presence in the company of objective evidence of the use of the service (reports, analyses, projects, etc.). The participants in consultancy activities (farmers) had to draw up, together with the service provider, a special "work agenda", showing the dates and contents of the activities carried out, as well as the list of paper and materials delivered to the beneficiary. This document had the value of a report on the activities carried out and must bear the signatures of the participant (farmer) and of the staff who carried out the activities (consultants).

- “Attributes” of the services implemented under the EU-FAS regulation

Generally, the services implemented under the EU-FAS regulation in Italy do not differ much from traditional advisory services already existing in the country. In term of front-office activities the most common model is still one-to one advice on the farm with possibility of complementary off-farm advice (by telephone or mail). In terms of back office, no examples of new resources for advisors were identified.

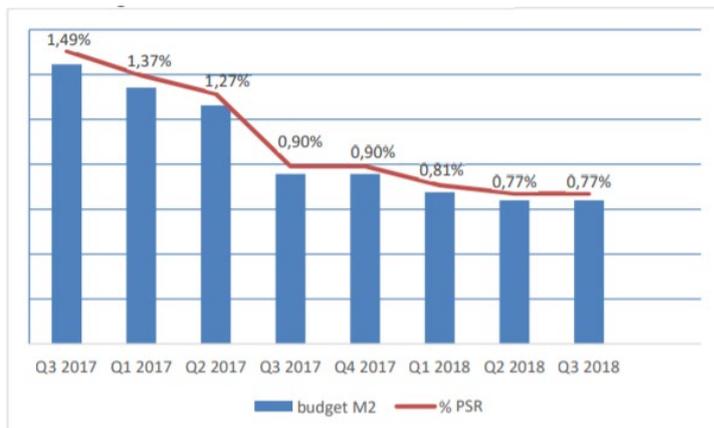
In the last programming period, the participation to RD calls for advisory services has been extended to entities. As a consequence, the number of professional associations is currently increasing in Italy. One of them is FONDAGRI (Foundation for agricultural advisory services), a network of advisors working in all the Regions with the main objective of participating in the FAS measures of RDPs.

- “Financing” of the services implemented under the EU-FAS regulation

At 31st October 2018, the financial envelope of the M02.1 of RDP is 160 million euros (total public expenditure) at national level. There is therefore a significant drop in the resources allocated, which originally exceeded 312 million euros. Over the last two years, as a result of the failure to activate regional calls, the Regional Managing Authorities have in fact moved part of the resources towards other measures.

This has determined not only a decrease in absolute terms, but also a downsizing in percentage terms of the weight of the measure compared to the total resources assigned to the RDPs. At program start the weight of measure 2 amounted to 1.49% of rural development resources. This percentage, already modest, has now further reduced and is just 0.77%. The trend of resources assigned to measure 2 and their impact on the total of development rural area is summarized in Fig. 1.

**Fig. 1: Resources assigned at National level to measure 2 and impact on the total RD**



Source: (Report Misura 2. Analisi dell’attuazione, 2018) (<https://www.reterurale.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/19028>)

The process of allocation of funds differs in the Regions. The model of the Emilia-Romagna Region has a two-steps approach and is based on the implementation of a catalogue of consultancy projects approved by the Region on which farmers can make their choice.

The two phases are:

- 1) Evaluation and publication of the consultancy project on the green catalogue and contextual accreditation of the consultancy body
- 2) Identification and reservation of advisory service by interested farmer

As indicated in paragraph 1.4, Annex II of Regulation (EU) No 1305/2013 identifies the maximum amounts of support for the advisory service (1,500 euros per year per advice). The support rate for M02 ranges from 60% to 100%. For the consultancy service, it can be seen in many cases that the 80% support rate, which was foreseen for the similar measure 114 of the 2007-2013 programming period, was used by many Regions.

There are also lower rates, such as in Emilia-Romagna: farmers and pay 40% of the consultancy costs, plus 22% VAT and 4% (professionals social security), while the Region refunds only 60% of the cost, which leads to a practically equal division of the expenditure between the public body and the individual. The Standard Cost Unit is 54€ per hour of consultancy.

Regarding the previous programming period, the financial resources provided for measure 114 amounted to €61.5 million (28.1% of human capital expenditure) and there was a wide variability of expenditure at territorial level: in the Convergence regions (Campania, Calabria, Sicilia and Puglia), for example, only 8% of the total amount assigned for measure 114 was provided for an amount of resources to support consultancy services of €4.8 million. Overall, the financial execution was not particularly effective (93% of the total amount assigned for measure 114), largely due to the difficulties of the first years of start-up which undermined its overall performance.

As far as measure 115 is concerned, at the end of 2015, a rather modest amount of resources of around €4.6 million had been used (2.1% of the total disbursed out of the three measures), compared to a rate of utilisation of the programmed resources of 83%.

In other words, despite the reshaping and reduction of resources that have affected the RDP, by the end of 2015 not all regions have reached the exhaustion of the ceiling allocated to them.

Friuli Venezia Giulia autonomous region decided non to use RDP funds for advisory in none of the last two programs. It was preferred to use regional resources, whose management is detailed in a regional law, to offer farmers a collective advisory support. The regional law do not finance individual advisors nor face-to-face individual services but exclusively collective support (newsletters, decision support tools, workshops etc.) to specialized farmers in fruit production, viticulture, olive production and vegetable production. There is a also a chapter for organic specialized crops (fruit, viticulture, vegetable and arable).

The service is implemented by collective structures (associations, consortia etc.) that have the technical background and sufficient experts in their staff. It is available to all regional farmers totally for free. The topics of the advisory provided are exclusively related to environmental impact reduction, with a high priority to pesticide use reduction. In the organic implementation the topic is enlarged to all preventive measures, including soil management, crop rotation etc.

The regional law includes the training and update of advisers involved in the service.

In 2019 the expenditure for the whole service is 370.000€. It should be highlighted that Friuli Venezia Giulia is a small region (about 22.000 farms, working on about 218.000ha, data from 2010 Census.).

### III- Effectiveness of EU-FAS

The aim of this section is to gather assessments, analysis, evidences of the effectiveness, outcomes of EU-FAS implementation, if there are any, or, alternatively authors themselves can reflect on these. It can be fed by a more in-depth analysis of one of the domain supposedly covered by the EU-FAS (e.g. pesticides, water, or occupational health).

#### A) Facts and figures about EU-FAS implementation

Regarding the current programming period there is still no data available about the beneficiaries of M02.1 on the country level.

During the 2007-2013 programming period Measure 114 (Table 3) financed the use of advisory services for 32.170 farmers and 393 forest owners. On average, about 2,000 farmers benefitted, with a very wide range of variation ranging from a minimum of 67 assisted farmers for Molise to a maximum of 7.465 beneficiary farmers for Tuscany.

The product indicator "number of beneficiary farmers" reached a physical implementation of 79%: the best performances, although often the result of subsequent changes to the challenges initially foreseen, are attributable to RDP Valle d'Aosta (101%), Calabria (115%), Tuscany (124%), Marche (195%). The level of effectiveness of forest owners and managers, on the other hand, was more modest: 18% of the envisaged target value, corresponding to 393 beneficiaries, of which more than 70% were in Tuscany. The poor level of interest from foresters is due to the fact that the offered topics of advice were far from the specificity of their production processes.

Overall, and given the low use of consultancy services, it may be assumed that the measure had certain positive effects in terms of raising farmers' awareness on the issue of sustainable land management and natural resources. The contribution to the growth of business competitiveness, on the other hand, cannot be considered significant. (Licciardo, 2018)

Unfortunately, there is no data available regarding the typology of farmers who benefited from the advisory services in the framework of EU-FAS.

**Table 3 - Physical progress of output indicators of measure 114 at 31.12.2015**

Region or Autonomous Province	Accomplishment		Target		Level of efficiency (%)
	N. of beneficiaries (farmers)	N. of beneficiaries (foresters)	Number of beneficiaries (Farmers)	N. of beneficiaries (foresters)	
	a	b	c	d	a/c
Abruzzo	488	0	600	65	70
Basilicata	0	0	980	18	0
Bolzano	-	-	-	-	-
Calabria	75	0	65	4	115
Campania	483	3	1000	20	48
Emilia-Romagna	4.544	100	6.921	139	66
Friuli V. G.	-	-	-	-	-
Lazio	1.272	0	1.530	89	83
Liguria	225	3	253	10	89
Lombardia	0	0	0	0	0
Marche	195	0	100	6	195
Molise	67	0	800	200	8
Piemonte	6.683	0	9.200	0	73
Puglia	2.660	0	3.664	193	73
Sardegna	1.025	0	1.331	0	77
Sicilia	325	1	406	40	80
Toscana	7.465	276	6.000	100	124
Trento	-	-	-	-	-

Umbria	72	2	120	3	60
Valle d'Aosta	91	0	90	0	101
Veneto	6.500	8	7.482	1.409	87
<b>Total</b>	<b>32.170</b>	<b>393</b>	<b>40.642</b>	<b>2.296</b>	<b>79</b>

Source: Licciardo, F. (2018). *Gli effetti della politica di sviluppo rurale 2007-2013: il bilancio della esperienza*. MIPAAFT.

## IV- Discussion

For the moment the introduction of EU-FAS doesn't demonstrate any significant impact on the advisory landscape in Italy. It has been noticed that in the last years were not present important changes neither of identity of advice suppliers, nor the attributes of provided. A high level of fragmentation and a lack of coordination at the national level remain the main features of the Italian farm advisory regime.

In Emilia-Romagna the advisory system is mostly formed by private advisors, independent or working for advisory teams. Measure 2 was activated only few months ago due to the legal issues discussed above. The main challenges revealed in this first period are the following:

- 1) Limited number of eligible topics. For example, farm management issues, which seem to be of great interest for farmers, are not included
- 2) the most innovative topics (digital, precision farming...) and the environmental topics which do not imply immediate changes for the farm (climate change, biodiversity, etc.) did not recall high interest from farmers

The request for advisory is focused mostly on very specified topics with immediate benefit for the farms.

In Friuli Venezia Giulia the advisory structures are totally private and regional funds support their action for collective use on specific topics. This approach allowed for the development of expertises

in the private sector but marginalized small farmers and sector with low level of profitability, such as arable crops, despite the fact that they are a relevant percentage of regional farmers.

In the last years, due to climate and market changes, the need for innovation in arable crops became more and more urgent but, except for organic, the farmers have no independent support.

Factsheet about FAS assessment in Italy	
<b>Some Key facts about CAP implementation in Italy</b>	
- Number of farmers in the country.....	<b>1620880 farmers</b>
- Share of 2 <sup>nd</sup> pillar in CAP expenditure.....	<b>n.a.</b>
- Share of Knowledge measures (M01&M02) in the 2nd pillar of CAP.....	<b>n.a.</b>
- Planned expenditure per farmer (M01&M02).....	<b>n.a. / farmer</b>
<b>Some Key facts about the implementation of the EU-FAS in Italy</b>	
<b>Pillar one (Regulation n°#)</b>	
<i>Level of application</i>	
<input checked="" type="checkbox"/> Regional <input type="checkbox"/> National	
<i>Domain selected for the EU-FAS regulation</i>	
<b>Mandatory</b>	<b>Optionnal</b>
<input checked="" type="checkbox"/> Cross-compliance	<input type="checkbox"/> Diversification

<input checked="" type="checkbox"/> Payment for environment & climate <input checked="" type="checkbox"/> Modernisation <input checked="" type="checkbox"/> Pesticides directive <input checked="" type="checkbox"/> Water directive	<input type="checkbox"/> Risk management <input type="checkbox"/> Organic <input type="checkbox"/> Information on climate
<b>Types of suppliers accredited</b>	
<i>Indicate the type of suppliers accredited</i> <input checked="" type="checkbox"/> Private independent consultant/firms <input checked="" type="checkbox"/> SME or start-ups <input checked="" type="checkbox"/> Public extension organisation <input checked="" type="checkbox"/> NGO <input type="checkbox"/> Charities	<input type="checkbox"/> Chambers of agriculture <input checked="" type="checkbox"/> Farmers' rings or associations <input type="checkbox"/> Farmers' cooperatives <input type="checkbox"/> Private firms or retailers (inputs/outputs) <input type="checkbox"/> Bookkeepers <input type="checkbox"/> Other (specify).....
<b>Method required for advisory services</b>	
<input checked="" type="checkbox"/> One to one on the farm <input type="checkbox"/> One to one outside the farm <input type="checkbox"/> Small group advice on the farm <input type="checkbox"/> Small group outside the farm	<input type="checkbox"/> Telephone helpdesk <input type="checkbox"/> General information via Internet <input type="checkbox"/> Publication (paper copies) <input type="checkbox"/> No requirement
<b>Conditions required to be accredited for advisory organisation</b>	
<input checked="" type="checkbox"/> Competences of advisors <input checked="" type="checkbox"/> Training of advisors <input type="checkbox"/> Data base	<input type="checkbox"/> Networks <input type="checkbox"/> Monitoring of advice activities <input type="checkbox"/> Knowledge platforms
<b>Target public (categories of farmers or farm workers)</b>	
Target group specified..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Farms with more than 15000 € direct support <input type="checkbox"/> Smaller farms..... <input type="checkbox"/> Other farms' criteria .....	<input type="checkbox"/> Zoning criteria..... <input type="checkbox"/> Other criteria.....
<b>Pillar Two</b>	
Use of measure M02..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Number of beneficiaries.....	

Average expenditure per farmer.....

Domain selected

- Cross-compliance
- Paiement for environment & climate
- Modernisation
- Pesticides directive
- Water directive
- occupational Health
- Farms setting up for the first time

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