

Generational Renewal – Italy

Farmers under 40 years of age represent, at national level, only 8% of the total number of farmers (Survey on Agricultural Structure and Production, 2013). Differences are recorded among regions: Veneto has the highest percentage of young farmers (19%), while the lowest percentage is registered in Friuli Venezia Giulia. Italian young farmers often come from families involved in farming, being for them easier to access the sector compared to those who do not have farming background. Overall, young farmers are better educated than older farmers and they are mainly active in the more productive sectors, such as pig farming and horticulture. The average size of farms run by young farmers (16 ha) is double the national average (8 ha); farms run by young farmers are more productive and their economic size is also bigger than those run by older farmers. The main issue young farmers face in Italy is access to land, which is even more complicated for those who cannot inherit land from their families. Other important issues are access to credit, advice, information, and lack of services (education, transport, internet, health and leisure services), which makes it less appealing living in rural areas.

Generational renewal and young farmers are important themes in both the Partnership Agreement and the Rural Development Programmes in Italy. The RDPs for this programming period reinforced the measures contained in the 2007-2013 RDPs as well as added new tools to facilitate the development of business strategies.

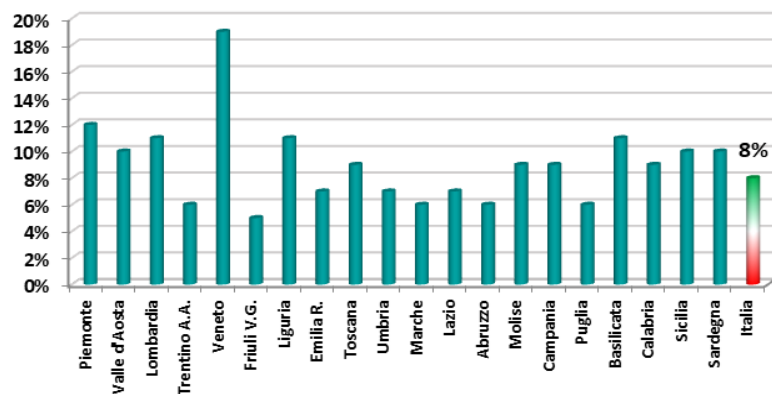
Tools to support generational renewal in agriculture: overview

A number of tools and instruments are available at national level to support young farmers and new entrants in agriculture. Main aim of these tools are to support young entrepreneurs in the development of their business by helping them to get financial support, access to credit, land or advice and to receive relevant information. These tools can be grouped in three main categories:

1. those supporting the creation and/or the strengthening of new businesses;
2. those facilitating access to land, advice and credit; and
3. those disseminating relevant information.

One of the important new “tools” – the “Youth Package” - combines the premium for the first settlement with other RDP measures in particular, investment measures – in a way that support the improvement of planning capacities for young entrepreneurs.

Young farmers per region (%)



Source: CREA and ISTAT



Access to information

The Observatory for Youth Entrepreneurship aims to collect, analyse and disseminate relevant information in relation to entrepreneurship in agriculture and generational renewal. The Observatory is implemented within the framework of the National Rural Network. <http://www.ismeamercati.it/osservatori-rrn/imprenditoria-giovanile>

Support to the creation and strengthening of new businesses

Five main tools, funded by a combination of EU and national resources, support the creation and strengthening of new businesses.

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| <ol style="list-style-type: none"> 1. Sub-measure 6.1 2. State aid scheme 3. National law to facilitate young farmers' succession to old or retired farmers | <ol style="list-style-type: none"> 4. Support scheme for the creation of new enterprises 5. Revolving fund to support self-employment |
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The first three tools mentioned target directly young people who want to or have just set up a business in agriculture. They provide young people with financial support and try to mitigate the main barriers to enter the sector, in particular access to land, facilitating generational renewal and fighting against land abandon. M6.1 is implemented at regional level, while the other two are implemented at national level by the Ministry of Agriculture and ISMEA. All of them provide support based on the preparation of a business plan, describing the activities envisaged and for which support is asked.

The latter two target young people in specific areas of the country, namely rural areas with intensive agriculture, intermediate rural areas, rural areas with development problems, disadvantaged areas and areas Natura 2000. This support is not meant for farmers or potential farmers, but it targets youth who want to start a business which might be related to agriculture (processing and marketing agricultural products, craft, tourism). These two schemes are managed by the Ministry of economic affairs and INVITALIA.

Support to access to land, credit and advice

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| <p style="text-align: center; margin: 0;">Access to land:</p> <ol style="list-style-type: none"> 1. National scheme to support access to land 2. National bank for agricultural land | <p style="text-align: center; margin: 0;">Access to credit and advice</p> <ol style="list-style-type: none"> 3. Guarantee tools 4. Farm Lab |
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As already highlighted, access to land is perceived as the main barrier to enter farming, due to the structure and characteristics of the farming sector, and as a consequence, of the land market in Italy. The tools described in the previous paragraph give some support, already, in terms of access to land, but their main scope is to support the setting up of new businesses, while these two additional tools are specifically targeted to facilitate access to land.

The **National bank for agricultural land** provides an inventory of land demand and offer of agricultural land, including the land made available within the municipality and that coming from the farmers' retirement or abandon of farming activities. The Bank envisages advantageous sale conditions for farmers younger than 41 years of age (<http://www.ismea.it/flex/FixedPages/IT/BancaDelleTerreAgricole.php/L/IT>).

The **National scheme to support access to land** aims to help young farmers, which started their activity within the six months before submitting their application, to increase the size of their holding. The scheme finances investments, including purchase of land, and support is granted as interest-free loans, up to 75% of the envisaged investments.

The **guarantee tools** give young farmers, whose guarantees are often not considered adequate by banks, the possibility to obtain loans.

The **Farm Lab** (<http://www.ismeamercati.it/osservatori-rnn/farmlab>) is a pilot project aiming to offer targeted advice and training to young farmers. The main scope is to support knowledge and information exchange between farmers, and to allow farmers who are starting their activity to take advantage from more experienced colleagues. The project envisages the creation of an on-line database of farmers, whose experiences are considered successful and who have agreed to share them with other farmers.

A number of policies and tools exist to support generational renewal, but agriculture continues being not attractive for young people, particularly for those who do not come from farming families, which goes together with depopulation of rural areas. The different tools available are often difficult to apply for, they require a lot of bureaucratic procedures and often young people are not aware of them. It seems important to keep working to support new entrepreneurs, facilitate the retirement of the old ones, avoid land abandonment, and increase the use of existing supporting tools.