

# INTEGRATED TERRITORIAL PROJECTS - (ITPs) /territorial agreement

The ITP allows a collective implementation and the concentration of RDP non-productive investments aiming at securing environmental assets on some specific areas of the Tuscany Region (vulnerable areas, marginalized etc.).



## Summary

The contract is developed within a MULTI-MEASURE CALL of the Tuscan RDP 2014-2020 and aims at the aggregation of public and private subjects to deal - directly and indirectly - with specific environmental problems at a territorial level (hydro-geological risk, soil quality, biodiversity, water retention and landscape enhancement). The contract requires the establishment of a territorial partnership and the development of a territorial development project focused on the main environmental issues of the area under contract. Once approved by the Region, the ITP allows the direct activation and funding from a multiplicity of environmental related sub-measures/operations of the current RDP (i.e. non-productive investments related to agro-climatic-environmental objectives). The individual instances presented under the ITP umbrella gain priority over the other applications for RDP measures for both selection and funding. The contract requires a leading subject to coordinate the management of the proposal. The leader has the task of managing network activities and monitoring the progress of material investments to ensure the implementation of the project and its effectiveness/efficiency. The leading entity is also responsible for guaranteeing compliance. The public agency requires at least 85% of budget with respect to the proposed investments in order to deliver payments. The total budget is up to euros 3 million for projects at least euros 500,000 in non-productive investments (environmental). The territorial agreement is signed by both, those who should realise the investments and those who makes a non-direct contribution to the project. For at least three years, the signatories are linked to each other by contractual constraints which regulate mutual obligations and responsibilities regarding the realization of investments aimed at achieving the territorial objectives set in the project (i.e. the investments). Of the 28 projects received by the Tuscany Region within the current RDP, this case study focuses on the ITP of the Tuscan archipelago (Islands of Elba, Capraia and Giglio) that started in 2016. The leader is the Department of Agri-Food Production and Environmental Sciences of the University of Florence (DISPAA UniFi).

### Objectives

1. Activation of a coordinated monitoring and management network to face hydrogeological instability;
2. Increasing the overall resilience of the territory to calamitous events originated by climate change;
3. Improving the state of conservation and functionality of some elements of the historical landscape;
4. Systematic and site-specific dissemination of good agronomic practices to protect the territory;
5. Supporting farmer's viability.
6. Increase the capability to observe the territory and increase positive attitude towards non-productive investments.

### Indirect effects:

Increasing the value of the agricultural landscape; Increasing green infrastructure to support fauna; Enhancing the supply local productions.

### COLLECTIVE



A territorial partnership agreement within an ITP project

### PUBLIC GOODS



Landscape and scenery



(Farmland) biodiversity



Soil quality (and health)



Water retention



Resilience to natural hazards



Rural viability and vitality



Cultural heritage

LOCATION

ITALY



Tuscan Archipelago  
(Elba, Capraia, Giglio)



### Problem description

The rapid and uncontrolled urban expansion due to tourism has consumed much of the rural and natural areas in the territory of the Tuscan Archipelago. In its major islands (Elba, Capraia, Giglio) serious damage for biodiversity and for the hydrogeological balance of the territories are caused by this intense development. In addition, the recent pressure of the ungulates (wild boar and mouflon in particular, both alien species introduced by man to the island) is causing damage both to crops and to hydraulic and agricultural arrangements and slopes. The Tourism expansion together with the process of agricultural modernization have led to a strong decline in traditional agricultural activities with an increasing land abandonment and the consequent degradation of natural and traditional landscapes. On the other side, the intensification of olive and vine cultivation has led to landscape simplification and to the increase in hydrogeological risk, especially in the hilly systems with the abandonment of the terraces. Such circumstances are amplified by the effect of the ongoing climate change, which is revealed by the increase in heavy rainfall events with a cumulative exceeding 300 mm/d, in the face of a reduction in overall rainfall and the increase in heatwaves. The recurrence of alluvial episodes subjects the territory to the risk of landslides and valley flooding, but also to widespread erosion phenomena.

## Data and Facts - Contract

**Contract features combination:** The contract is an agreement between the Tuscany Region and a territorial partnership subscribed by private and public subjects within a MULTI-MEASURE CALL of the RDP 2014-2020. The ITPs mainly combine with the following set of RDP measures:

*4.4.1 – Landscape protection and enhancement of biodiversity; 4.1.4 - Management of water resources; 4.4.2 - Non-productive investments for improving management and protection of water resources; 5.1 - Preventive actions to reduce the effects of natural disasters, adverse weather conditions and catastrophic events; 16.4 - Horizontal and vertical supply chain cooperation for the creation and development of short supply chains and local markets; 16.5 - Joint actions for climate change mitigation;*

The first level of compliance corresponds to the execution of the planned interventions (investments), which is fixed at least 85% of the investments proposed. The second concerns the individual instances which must comply with the compliance rules established by the individual measures and sub-measures of the Tuscan RDP. Thus the eligibility of the individual instances is mainly guaranteed by the adherence and the coherence with the ITP proposal.

**Participation:** With the participation of 36 private and public subjects the contract covers over 4,300 ha, of hilly and semi-flat orography, which winds along the edge and in correspondence with the territory of the National Park, on the islands of Elba, Capraia, and Giglio.

**Involved parties:** The ITP involves one public leader (DISPAA UniFi), 34 direct private participants (farmers, wineries, wine growers), 5 direct public participants (PNAT, the Tuscany Coastal Reclamation Consortium - CdB, the Union of Municipalities of the Metalliferous Hills - UCCM and the Civic Uses Manager of Capraia Isola - UCCI). The two indirect participants are: Legambiente Arcipelago (environmental stakeholder) and BCC Banca dell'Elba that facilitates the access to credit.

**The benefits for leader:** Direct management and coordination of this network of innovation;

**The benefits for the private direct participants:** Environmentally related to the opportunity of upgrading their farming area and activities;

**The benefits for the public direct participants:** Environmentally related to the opportunity of securing large investments necessary for the development of the territory; growing expertise and local knowledge through the network to manage identified problems;

**Funding/payments:** Incentive payments within the EU funding scheme for RDP measures. Payments are directed towards those direct participants responsible for the planned interventions with percentages that vary according to the planned intervention. The financing can cover all the costs, as well as only a part of them. For productive investments about 80% is covered by the Region and 20% by the participants, while for sub-measure 4.4.1 the support is set at 100% by the Region.

## CONTRACT

The financing party in the contract solution is the Government with EU-funding. The partnership in the contract is public – private and public - private - civil society.



**Contract conclusion:**  
Written agreement (contract)



**Payment mechanism:**  
Incentive payments

**Length of the contract:**  
5 years

**Length of participation:**  
4 years



**Start of the program:**  
2016  
**End:** 2020-still running

## PRODUCT

There is an interest in the development of short-chain productions, but a specific product has not yet been identified.

### **Resource/investments allocation:**

- More than 45% of the ITP costs are allocated for measure 4.4.1 (landscape protection, management of wetland, enhancement of biodiversity and harmonizing the presence of ungulates with agricultural activities);
- More than 50% is allocated for measure 4.1.4 (promoting irrigation efficiency, reducing hydrogeological risks and recovering of landscape elements such as terraces);
- Less than 5% is allocated to measure 16.4/5 (dissemination, promoting horizontal coordination and local products);

### **Management requirements:**

Participants are bound to carry out the planned investments, but not to achieve the desired environmental results (action-based). In the Territorial Agreement, the direct participants, duly informed, undertake all the necessary provisions to guarantee the correct implementation, as well as to carry out the relevant interventions within the timeframe established by the project. The partnership is ensured by the lead partner that bears the burden of damages caused by his own possible defaults acting as guarantor by the other participants in the ITP. Each direct participant is responsible for the interventions for which it is responsible (Art. 6), and for the economic damages, it causes to the partnership for failure to implement them. Indirect participants are only committed to the activities for which they are responsible. If the direct participant cannot fulfill his responsibilities, he has to find a substitute participant who guarantees the same quantitative and qualitative level of his interventions. In case of violations or non-compliance, the contract provides sanctions to the responsible in proportion to the economic damage caused to the project and to the other participants (Art. 18); unilateral withdrawal from the agreement is possible and carried out with communication to the lead partner.

**Controls/monitoring:** The region requires a final report on the state of execution of the project and can intervene at any time with specific controls.

**Conditions of participation:** Minimum of 15/max of 100 participants for each ITP proposal; requirements are defined by the region through an open call. Non-compliance determines the exclusion from the payment.

**Legal status of the contracting parties:** The 29 private subjects are mainly landowners and individual entrepreneurs, 1 is an agricultural cooperative. The payments cover the cost of the planned interventions that can be at territorial level for what concern the intervention planned by public subjects and at farm level for what concern those interventions at that scale.

**Renewal / termination:** The contract provides for the realization of the planned investments. At the end, the payment is made by the Region. If the interventions do not reach 85% of the allocated budget, no payment is made.

**Risk/uncertainties of participants:** Since the core of the territorial agreement is the final realization of the ITP, which depends on at least 2/3 of the investments made by participants, the main risk is the failure of the entire project due to the fault of one or some participants. In this case, the project must be re-evaluated by the Region. So the main benefit, as well as the main risks, are related to the strong interdependence between participants.

## Context features

**Landscape and climate:** The contract established with the ITP aims to upgrade the environmental and landscape conditions on the main Tuscan islands (Elba, Giglio and Capraia). Climate change and urban transformations linked to Tourism, the change in agricultural practices have exerted strong pressure on these environments. Key are the maintenance of biodiversity, erosion control, the reduction of hydrogeological risk, the recovery of ancient terraces and traditional and less intensive agricultural practices. The extreme drought, the presence of extraordinary and catastrophic weather events, the presence of invasive animal species represent the main problems. The various agricultural landscapes on the islands, both in the plains and on the hills and especially in the mountains, represent strategic resources for the Tuscan territory. So-called heroic viticulture has gained considerable attention recently. Maintaining these practices and developing and improving these environments is a regional priority. The investments planned through the territorial agreement want to create those conditions for the maintenance and future development of these environments.

**Farm structure:** Small and medium-sized wineries (from an average 2 to 20 ha of land planted with vines), so-called heroic viticulture. Some who produce organically others who aim to recover the agricultural traditions of the islands, such as production on the terracing. They are mainly full-time agricultural entrepreneurs or family businesses.

## SUCCESS OR FAILURE?



The contract solution can be considered successful from the point of view of achieving participation, carrying out interventions and producing environmental benefits at territorial level. From this point of view, however, it is currently difficult to assess the progress of the project and therefore consequently the improvement of the resources or environmental assets subject to investment. In the event that the project is completed as planned, benefits can be observed from the point of view:

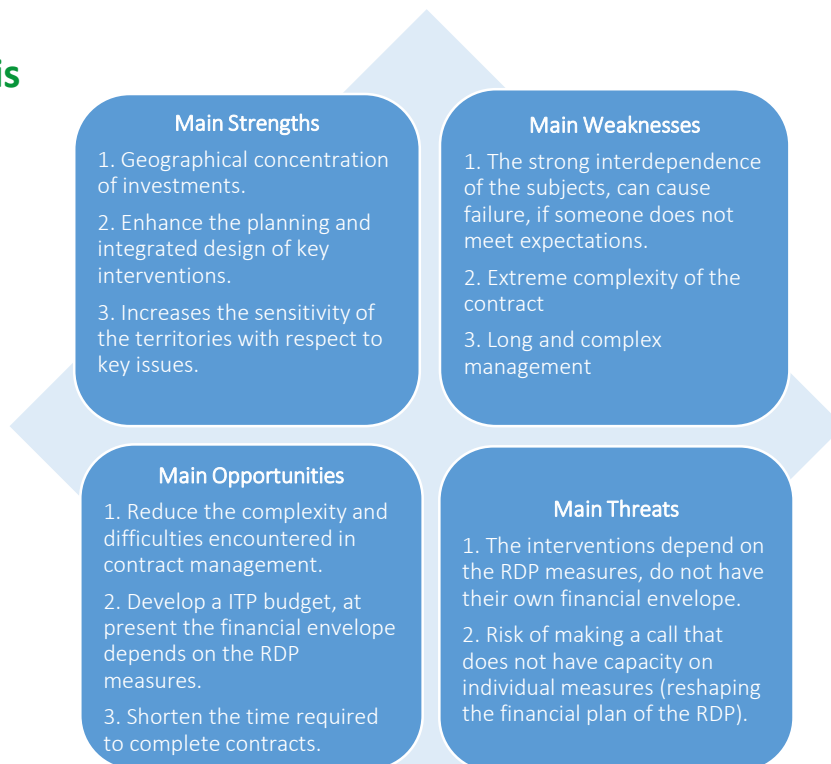
- coordinated monitoring and management of hydrogeological instability;
- increase in the overall resilience of the territory to calamitous events originated by climate change;
- improvement of the state of conservation and functionality of some elements of the historical landscape;
- increase in the widespread aesthetic and perceptive value of the agricultural landscape;
- diffusion of good agronomic practices to protect the territory;
- the overall improvement of some sites with high naturalistic value accompanied by the enhancement of the ecosystem capacity of the green infrastructure to support fauna in the agricultural sector.

## Reasons for success:

- Promote active participation;
- Promote the strong link with agricultural supply chain and the territory;
- Realize key investments for the sustainable development of the territory;
- Reach several indirect benefits (creation of a management and control network for the territory, coordination, and promotion of the supply chains at a territorial level, etc.)

The main risks are related to any changes compared to what has been planned, the waiver of some participants, as well as the non-completion of the investments.

## SWOT analysis



## Main external factors influencing success

Political/governance, economic/market, social, technological, legal and environmental factors can all have a strong impact on the success of contract solutions. In this case study an in-depth analysis found that the following, selected factors were of specific importance.

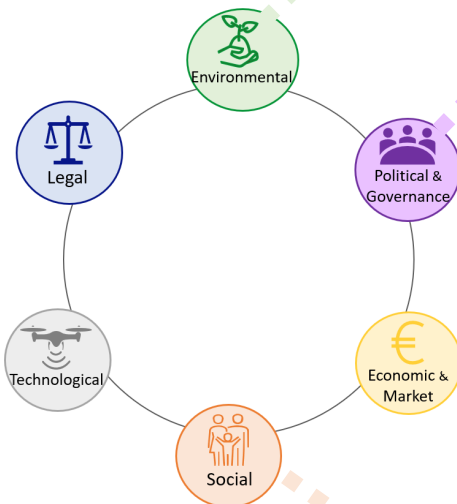


**AECPG losses in production systems have negative effects:** damages caused by ungulates on both crops and hydraulic and agricultural arrangements and slopes seriously affected productivity. The development of modern agriculture and the mass tourism industry has favoured the progressive abandonment of the most remote and traditional areas that combined with changes in precipitation patterns due to climate change caused landscape-level effects such as landslides and valley flooding, but also widespread erosion phenomena particularly affecting agriculture and strongly increasing the necessity for farmers to enter a collective scheme to be able to (re)act on a level beyond their single farms.

**Sound orchestration of three policies streams in one measure of integrated territorial projects**, namely

- (1) the Tuscan RDP,
- (2) the regional landscape plan and
- (3) the regional legislation for integrated supply chain projects.

While, in the past, these three tools have operated individually, with the development of the ITP the region aimed at providing an integrated solution within a **single operating tool**.



### Market conditions influencing the success:

With reference to the wine sector where the majority of the ITP's private participants come from, there are three main conditions that allowed the formation of the consortium and the development of the ITP:

- (1) **Quality-driven innovations.** - Quality has passed from the bottle to the territory understood as a set of environmental resources and goods, whose conservation and maintenance becomes an integral part of the product and consumption
- (2) **Change in lifestyles and consumption patterns** - for higher quality products, such as healthy, sustainable and origin certified foods)
- (3) **Competitive pressures**

### Roles and social impact:

>> *With regard to the ITP of the archipelago, since it is a collective agreement and its success depends on the realization of at least 85% of the planned investments, all direct participants are mainly responsible for its development and for the success in the provision of the related public goods.* <<

★ DISPAA UniFi has the role of technical and administrative management of the PIT, monitoring the progress of material investments, managing network activities and innovation aimed at increasing sustainability, carrying out tests and trials, disseminating the results of the project.

★ Having established this first level of responsibility, the project itself and the actions it develops, as well as the results it will give rise, also depend on the institutional context, in particular on the **climate of cooperation and trust between the participants**, as well as on the **efficiency** and quality of the **relationships between the private direct participants and the public subjects** involved (in particular the relationship with the Tuscany Region and the natural park).