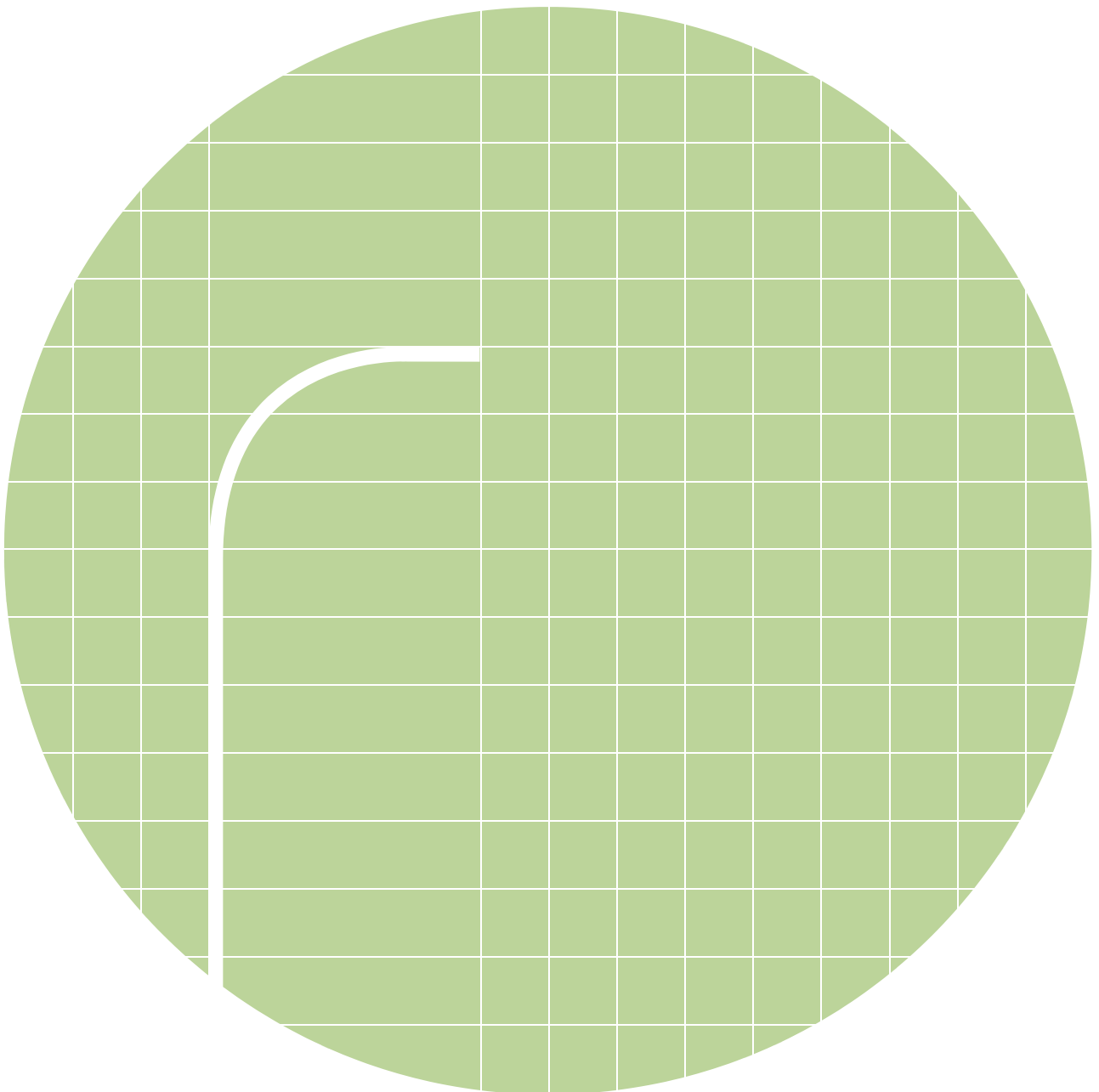


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Report: Young people in agriculture

Resist, grow and innovate



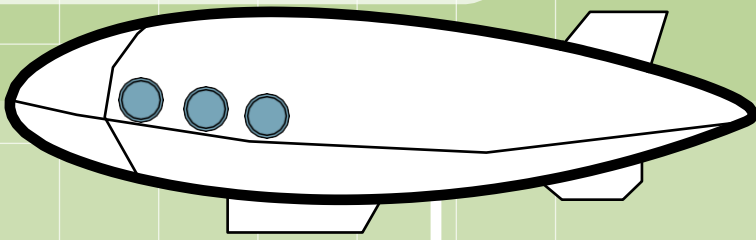


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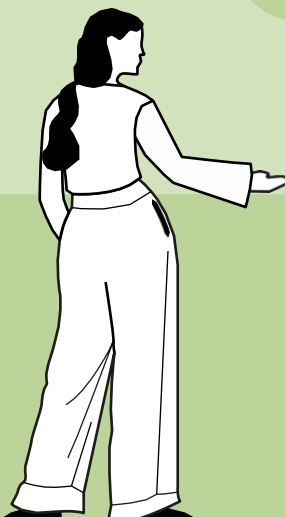
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Despite the climate of uncertainty which was initially generated by the pandemic and then by the war, young people are particularly attracted to the primary sector.

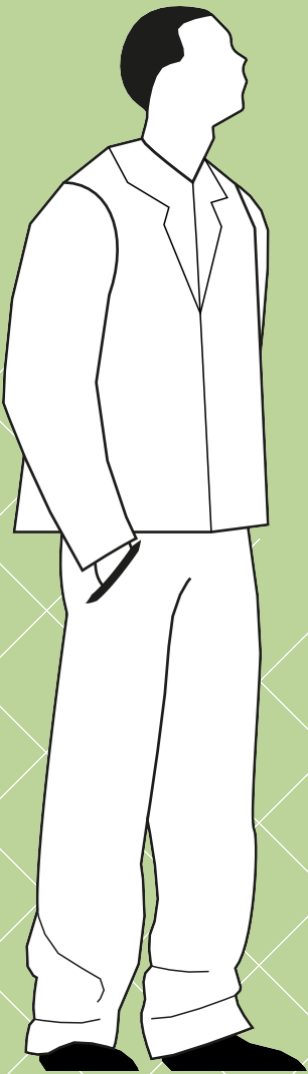
This is clearly demonstrated by the data, which also tell us how young people are more innovative, attentive to sustainability and oriented towards multi-functionality.

What is the relationship today between young people and agriculture? And above all, what are the opportunities for the future?



Abstract

- In recent years, the agricultural production fabric has been at the centre of an intense transformation that is increasingly based on the values of multi-functionality. The analysis of data on young people in agriculture within this perimeter confirms an increasingly strong link between the entrepreneurial spirit of young people and the orientations of a new form of agriculture which, in addition to producing food, crucial for the constantly growing world population, creates a series of positive external effects for the environment, society and the economy.
- The picture presented in this second report by the Centro Studi Divulga, thanks to the inclusion of various secondary statistical sources including Istat, Unioncamere and Eurostat, highlights some very clear elements. Among these is the greater propensity of young people towards adopting innovations in agriculture with twice the speed compared to companies run by those who are over 40 years old. A wide gap with the young people leading the digitization process of the agricultural sector, which in the last decade has seen the number of digitized companies quadruple.
- The same can be said for related activities as well. 12% of youth enterprises carry out at least one diversification activity, such as agri-tourism or social farming, compared to less than half for other businesses. These are just some of the elements explored in the report which also outlines the link between young people and sustainability, direct sales and training. In fact, it is precisely on this last issue that agriculture is approaching more and more young people with an advanced level of education and training compared to the past. Nowadays, 2 out of 3 young agricultural entrepreneurs have a diploma, double that of their Over 40 year old colleagues.
- The uncertainties caused initially by the pandemic crisis and then by the conflict in Ukraine have penalized youth employment and entrepreneurship in Europe and in Italy. Nevertheless, in this context the agricultural sector has once again proven to be more capable of cushioning the blow. With the launch of the new Common Agricultural Policy 2023-2027 programme, a reflection on the value of young people in agriculture appears more crucial than ever.



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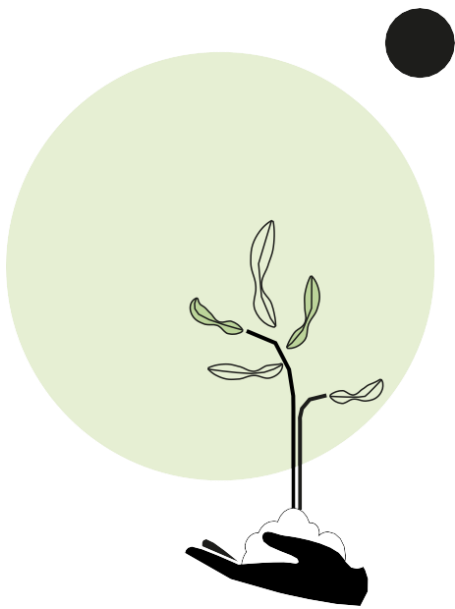
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1.



1. Young entrepreneurs

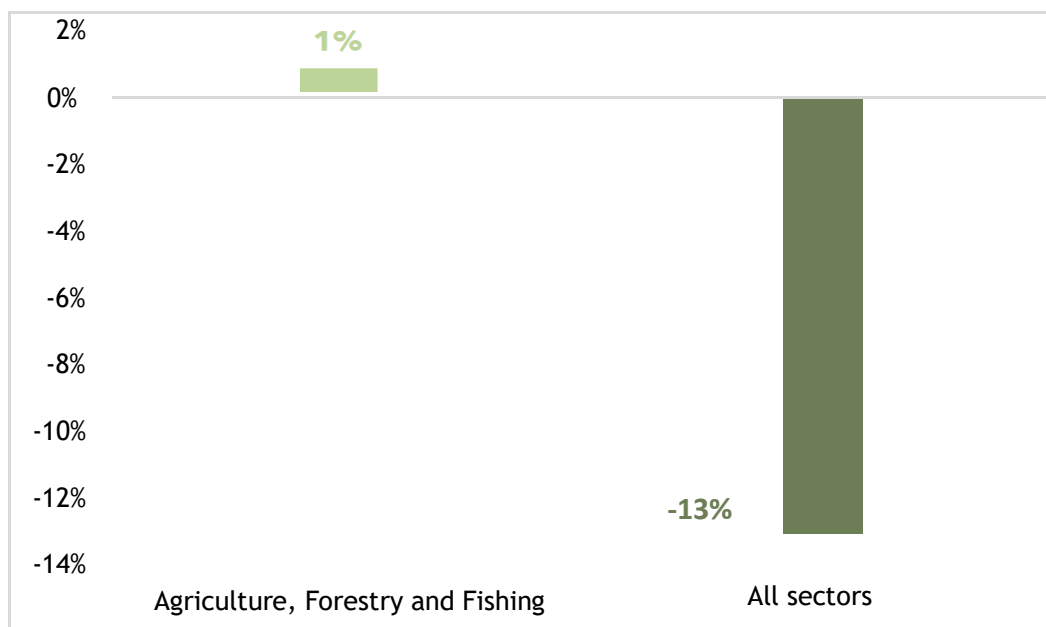
1.1 A snapshot 2022

In contrast to the rest of the economy

Recently, the link between young people and agriculture has been the subject of a progressive consolidation which appears even more comforting when compared to the economic situation in recent years. A form of dynamism that has accompanied the evolution of the idea of "agriculture" with the latter, which today has considerably expanded its perimeter of activity: from the cultivation of fields and cattle breeding to a multiplicity of related activities which in the time have

given shape to the concept of 'multi-functionality'. Overall, there are 55,000 agricultural, forestry and fishing companies led by young people which represent 8% of the over 721,000 registered companies in the sector. In the last 10 years there has been a growth, albeit minimal (+1%) in agricultural entrepreneurial realities led by young people, while all the other production sectors have seen a setback with an average reduction of 13% (a).

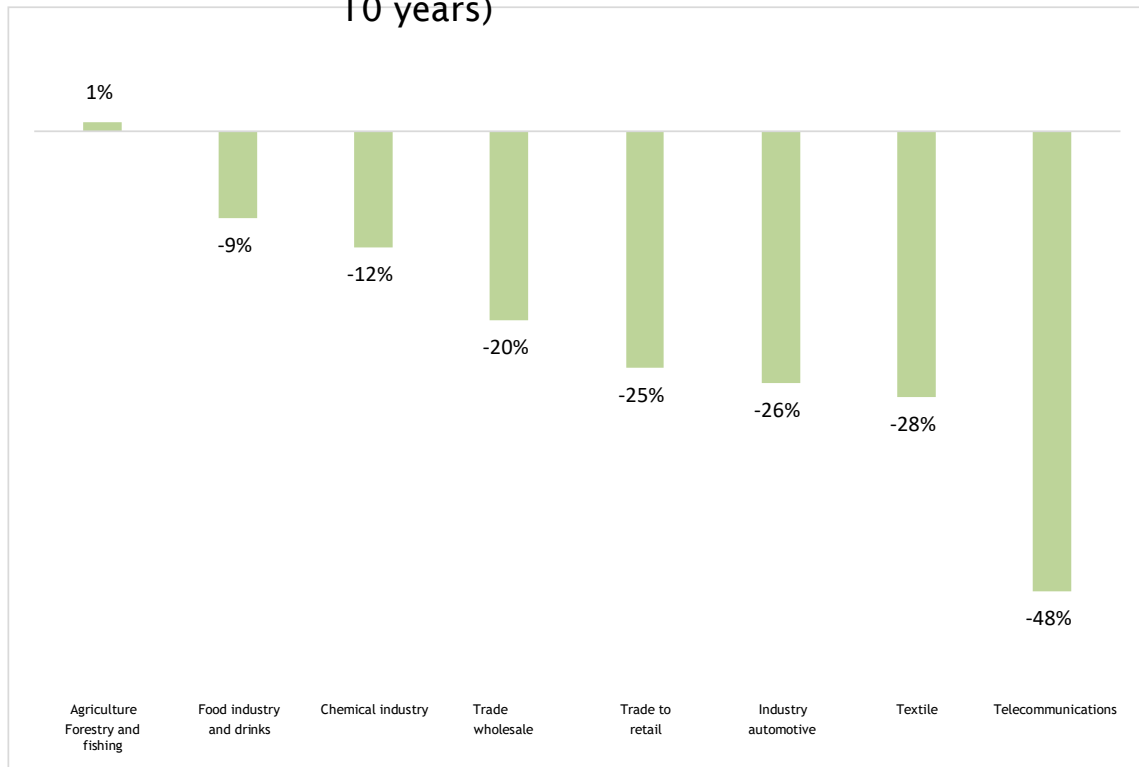
Fig. 1.1: Variation in young people in agriculture and all sectors (2022 on average over the last 10 years)



Source: Centro Studi Divulga elaboration based on Unioncamere data

In detail, there is -20% in the wholesale trade, -28% in the textile industry, - 25% in the retail trade, up to -48% in telecommunications.

Fig. 1.2: Variation in young people in agriculture, sectoral comparison (2022 on average over the last 10 years)



Source: Centro Studi Divulga elaboration based on Unioncamere data

1.2 Births

All sectors

In 2022, an average of 248 new businesses led by the Under35 (35 year-olds) group were born every day (20 fewer than the previous year) for a total of over 90,000 units. The considerable

uncertainties that characterize this particular historical period are reflected in the young people's entrepreneurial propensity.

In fact, the number of new entrepreneurial realities led by the Under35 group recorded a drop of 7% from the previous year.

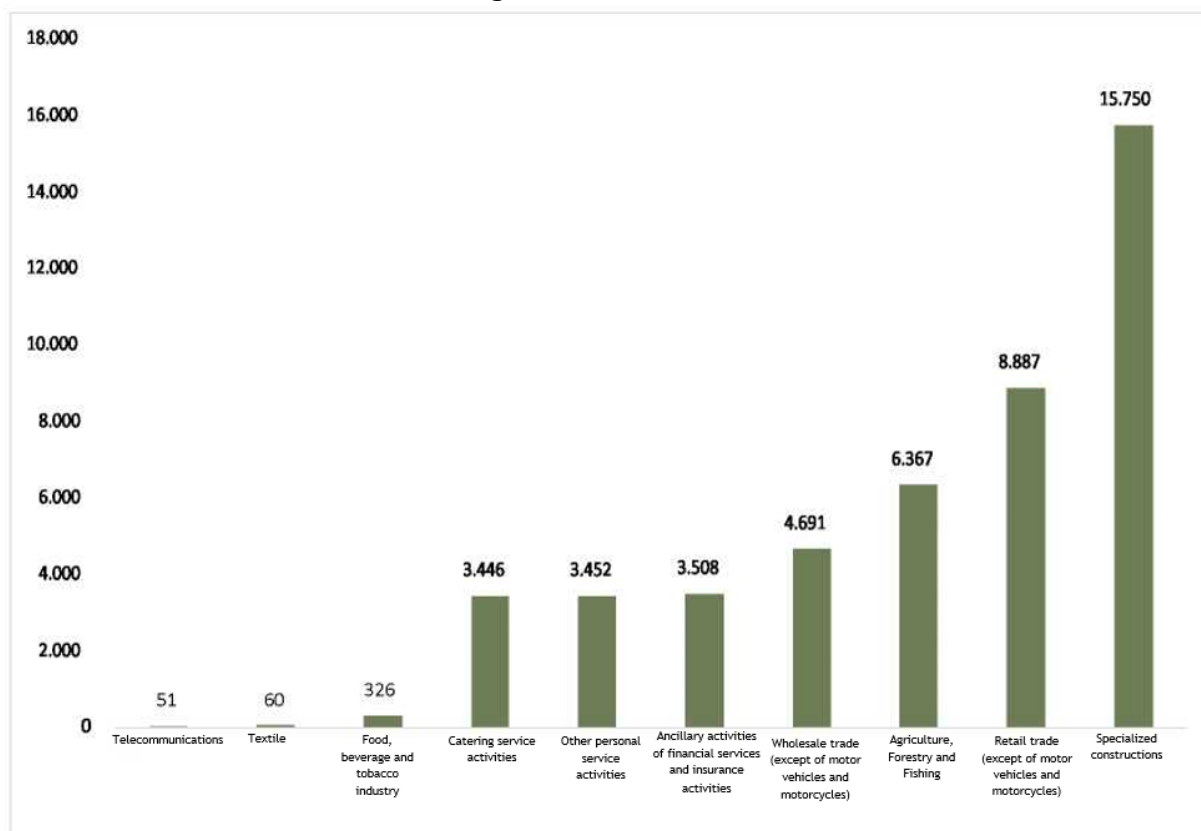
At a regional level, Lombardy recorded the highest number of new youth businesses born in 2022 (over 15,500), basically stable compared to the previous year; Campania followed with just under 10 thousand new registrations (down by 18% compared to the previous year) and Lazio with 8.6 thousand businesses, here too down (-15%) compared to the previous year.

In agriculture

The agricultural sector confirmed its place in the top positions for Under35 companies born in 2022 with 6.4 thousand agricultural companies launched through the initiative of a young person. Better results were recorded only in the construction sector with over 15,000 companies and in the retail trade with just under 9,000 companies. In 2022, an average of 17 new agricultural enterprises launched by youth were born every day. The highest number of youth enterprises was recorded in Puglia (1,022) and Sicily (554), followed by Campania (546), where the number of registrations increased by 20% compared to the previous year. Overall, there were just under 21,000 agricultural, forestry and fishing companies born in 2022 for all age groups. Basically, an average of 57 new businesses a day, of which just under 1 out of 3 is run by young people.

Fig. 1.3: New businesses run by young people by productive sector (2022)

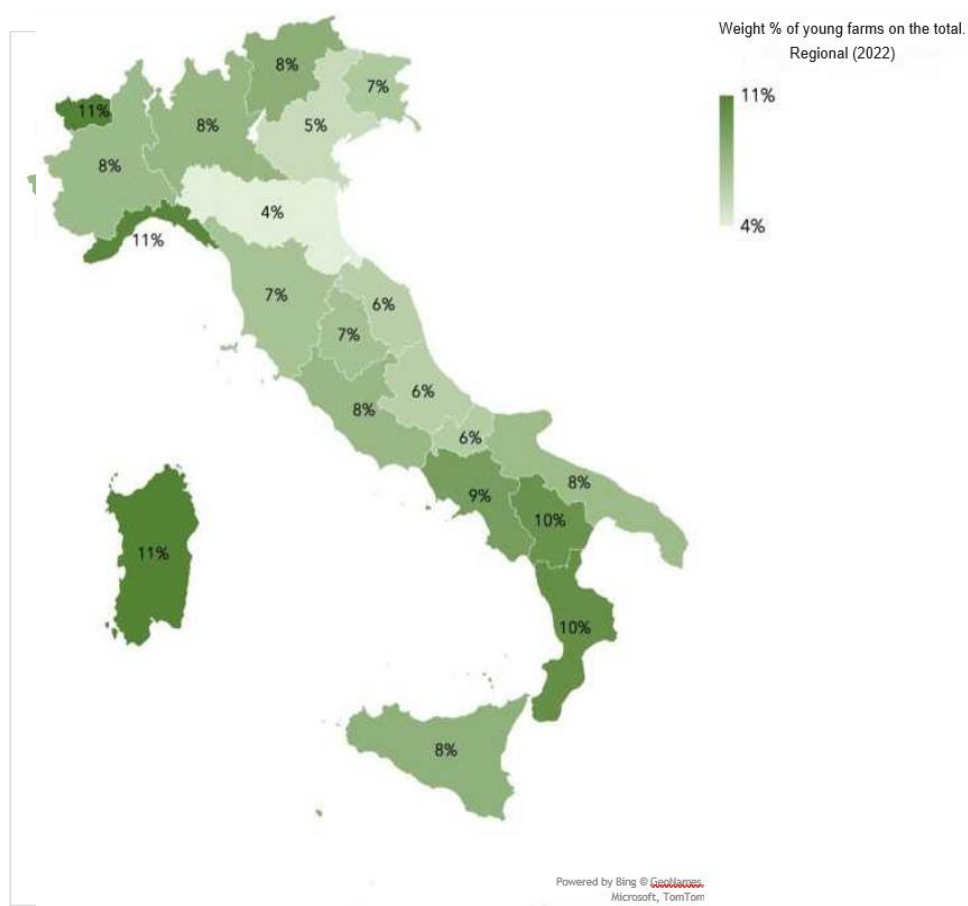
Source: Centro Studi Divulga elaboration based on Unioncamere data



1.3 Territorial analysis

The regions that have the highest incidence of young agricultural entrepreneurs out of the total number of enterprises are Valle d'Aosta, Sardinia and Liguria (11%), followed by Calabria and Basilicata (10%).

Fig. 1.4: Weight % of farms run by young people on the regional total (2022)

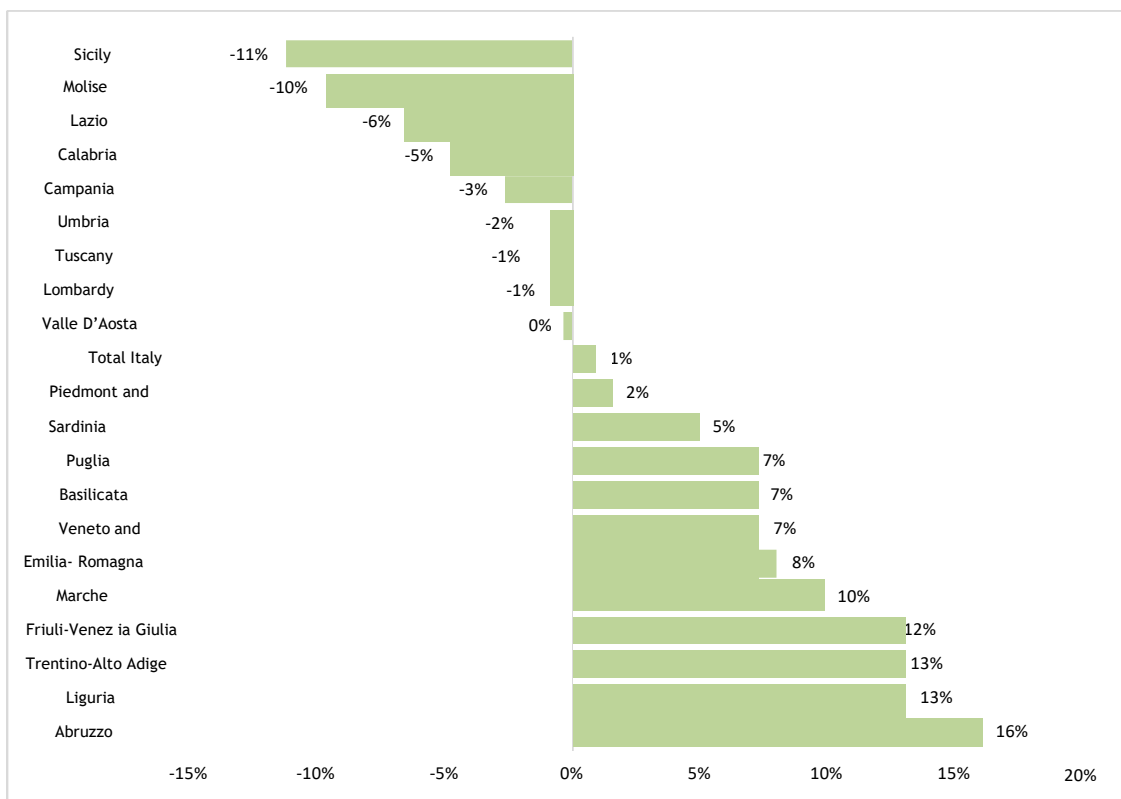


Source: Centro Studi Divulga elaboration based on Unioncamere data

Conversely, if we focus on the regional dynamics in the last 10 years: the regions that show a greater percentage increase of young people in agriculture are Abruzzo in first place with +16%, followed by Liguria and Trentino-Alto Adige +13%, Friuli-Venezia Giulia +12% and Marche +10%.

Closing the ranking of the regions that mark the greatest reduction in young farmers: Campania (-3%), Calabria (-5%), Lazio (-6%), Molise (-10%) and Sicily (-11%).

Fig. 1.5: % variation 2022 compared to the average of the last 10 years



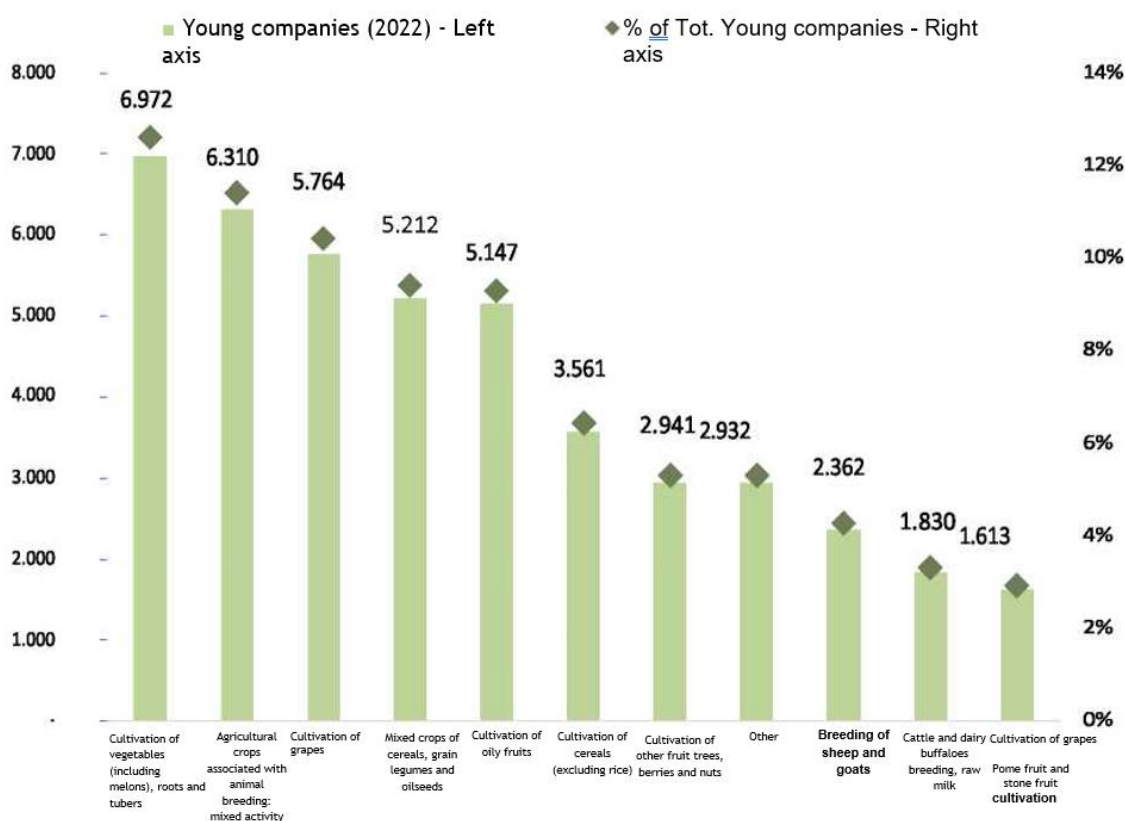
Source: Centro Studi Divulga elaboration based on Unioncamere data

1.4 The main production orientations

The majority of young entrepreneurs cultivate vegetables, for a total of almost 7,000 registered enterprises, 12.6% of the total number of youth enterprises. An equally important share is covered by the agricultural crops sector associated with the production of feed for livestock with 6.3 thousand registered youth companies (11.4%). This sector is followed by the wine sector which comprises 5,700 youth enterprises (10.4%), cereals, legumes and oilseeds cultivation

with 5,200 companies (9.4%) and oily fruits (dried fruit) cultivation, with just over 5,000 companies (9.3%). Youth enterprises dedicated to cereals cultivation follow with a slight gap in the ranking with 3,500 companies, which represent 6.4% of the total. Following, with just under 3,000 businesses (5.3%), we find the livestock sector in eighth place for the first time with 2,300 farms dedicated to sheep and goat production (4.3%).

Fig. 1.6: Distribution of national youth companies by production orientation and % of tot. young companies (2022)



Source: Centro Studi Divulga elaboration based on Unioncamere data

Fig. 1.7: Companies run by Under35 by type of production orientation (2022)

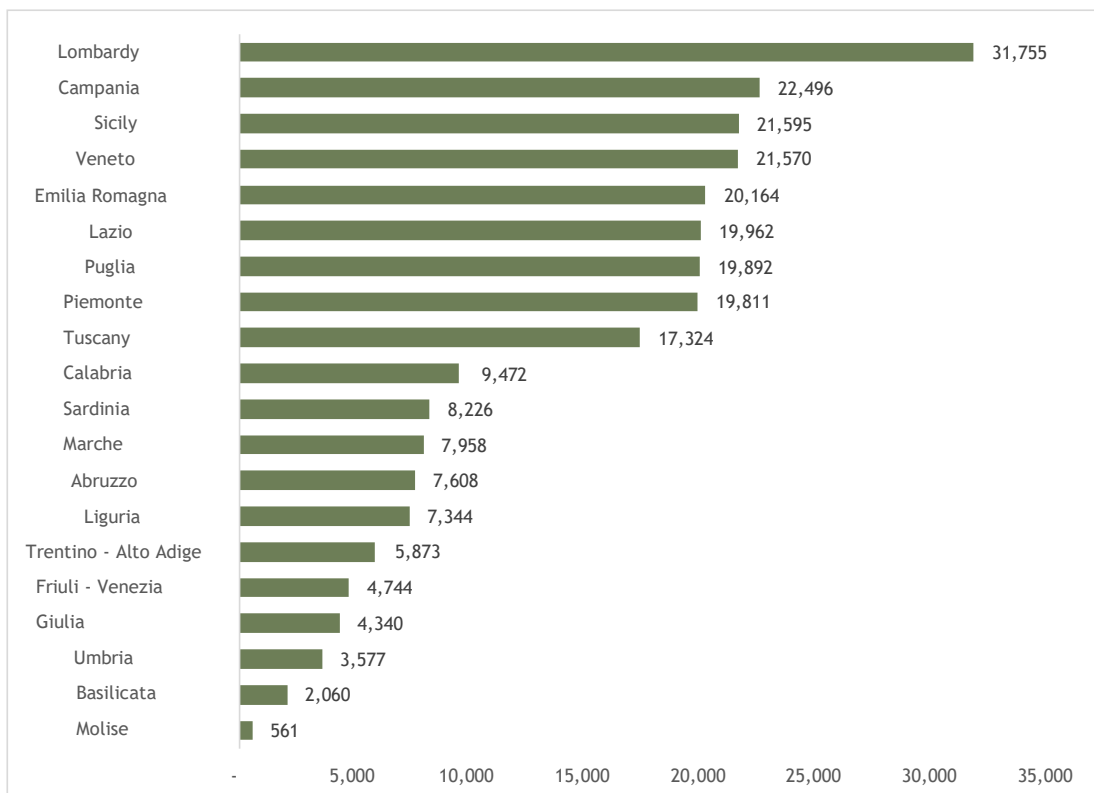
UNDER35 COMPANIES BY TYPE OF PRODUCTION (subdivided by ATECO codes)	No.	%
Cultivation of vegetables (including melons), roots and tubers	6,972	12.6%
Agricultural crops associated with animal breeding: mixed activity	6,310	11.4%
Cultivation of grapes	5,764	10.4%
Mixed cultivation of cereals, grain legumes and oilseeds	5,212	9.4%
Cultivation of oily fruits	5,147	9.3%
Cultivation of cereals (excluding rice)	3,561	6.4%
Cultivation of other fruit trees, berries and nuts	2,941	5.3%
Other	2,932	5.3%
Sheep and goat rearing	2,362	4.3%
Cattle and dairy buffaloes breeding, raw milk	1,830	3.3%
Cultivation of pome and stone fruits	1,613	2.9%
Cattle and buffalo breeding for meat	1,487	2.7%
Cultivation of citrus fruits	1,440	2.6%
Fisheries and aquaculture	1,185	2.1%
Bee-keeping	1,007	1.8%
Use of forest areas	825	1.5%
Cultivation of flowers in open air	605	1.1%
Cultivation of forage plants and other non-permanent crops	556	1.0%
Forestry and other forestry activities	532	1.0%
Reproduction of plants	486	0.9%
Raising of horses and other equine animals	339	0.6%
Poultry farming	327	0.6%
Cultivation of plants for the preparation of textile fibres	309	0.6%
Breeding of other animals (birds, pets, etc.)	278	0.5%
Pig breeding	277	0.5%
Cultivation of permanent crops	256	0.5%
Cultivation of flowers in protected crops	200	0.4%
Potato cultivation	138	0.2%
Cultivation of other permanent crops	113	0.2%
Cultivation of fruit from tropical and subtropical origin	109	0.2%
Cultivation of non-permanent agricultural crops	101	0.2%
Rice cultivation	97	0.2%
Rabbit breeding	28	0.1%
Breeding of camels and camelids	7	0.0%
Overall total	55,346	100.0%

Source: Centro Studi Divulga elaboration based on Unioncamere data

1.5 Over 1 in 3 farmers will be eligible for retirement in the next 5 years, 256,000 new opportunities for young people

It is estimated that, between now and the next 5 years, there will be over 256,000 companies with operators that are over 60 and potentially pensionable. The ranking is led by the Lombardy region (31,000) followed by Campania (22,000), Sicily and Veneto (21,000). An ideal opportunity to support generational change through new young people.

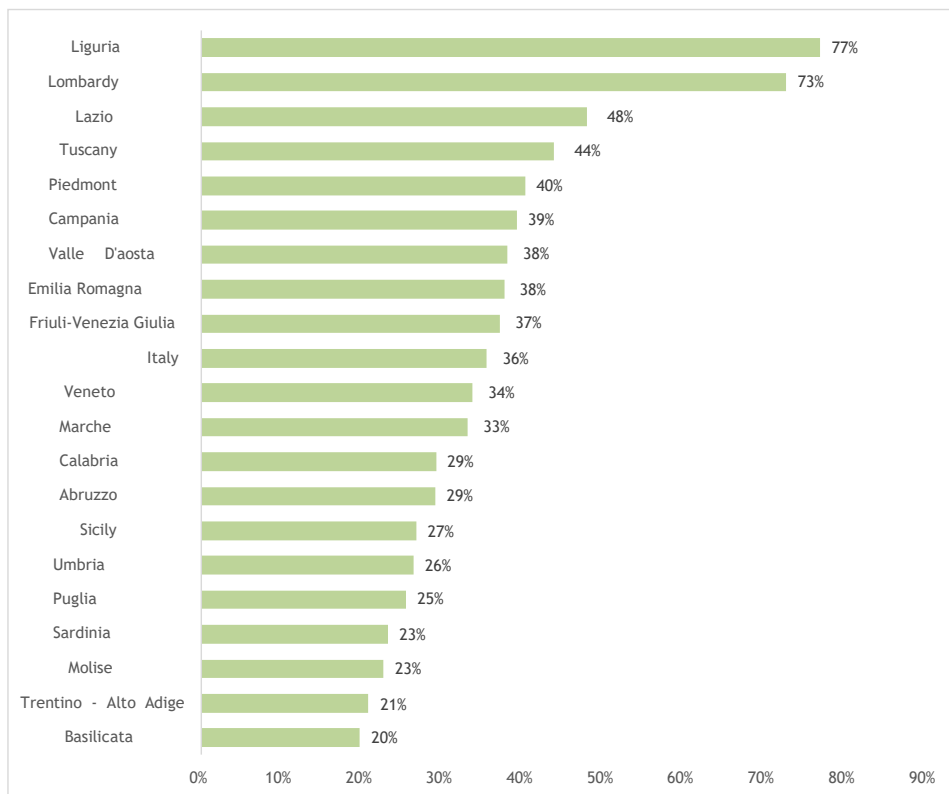
Fig. 1.8: Pensionable operators in the next 5 years by region (2022)



Source: Centro Studi Divulga elaboration based on Unioncamere data

It should be pointed out once again that the data is the result of an estimate for average values of the age groups. The analysis of the share of companies near retirement age in the next five years shows rather interesting results. Liguria is the first region with 77% of regional agricultural entrepreneurs who will potentially be of retirement age in the next 5 years. Lombardy follows with 73%. Then Lazio, 48% and Tuscany, 44%.

Fig. 1.9: % operators who will potentially be of retirement age in the next 5 years out of the total regional companies (2022)



Source: Centro Studi Divulga elaboration based on Unioncamere data

In brief: data regarding young people

- ~ 721,000 youth enterprises in Italy, of which over 55,000 are in the agricultural, forestry and fishing sector.
- ~ In 2022, an average of 17 new agricultural enterprises launched by young people were born every day.
- ~ The highest number of youth registrations was recorded in Puglia (1,022) and Sicily (554), followed by Campania (546), where the number of registrations increased by 20% compared to the previous year.
- ~ The main productive orientations chosen by young people were: cultivation of vegetables (12.6%), agricultural crops associated with animal breeding (11.4%) and wine-producing (10.4%).

2

●



2. In Europe

2.1 Youth employment

Despite a slight improvement recorded in the first months of 2022, young people (b) who can count on a job in Europe have decreased by 2% in the last 10 years, going from over 81.2 million in 2012 to roughly 79.5 million in 2022. This trend is also confirmed in Italy, where in the last decade there has been a 14% drop in employed young people: from 9 million in 2012 to the recent 7.7 million at the end of September 2022. The significant decrease may also be partly attributable to the overall reduction in the population in the 20-40 age group, which fell by more than 2 million young people over the decade

(from 26% to 22% of total residents in Italy). Nevertheless, the difficulties of young people in approaching the world of work are evident. However, worth highlighting is the slight recovery seen in the first months of 2022 which guaranteed a breath of fresh air, if only slight, compared to the minimum levels recorded in 2020 due to the pandemic (7.49 million) which diminished throughout the following year (7.43 million).

Italy is 3rd at a European level with regard to the number of young people employed in absolute value, after Germany and France. However, it drops to the bottom of the EU ranking with regard to the share of people employed Under40 out of the total (33%).

2.2 What is happening in the agricultural sector?

Overall there are 2.5 million young people employed in Europe in the agricultural sector, with Italy in 4th place in the EU ranking (257,000 young people, equal to 10%), after Poland (18.9%), Romania (13,6%) and Spain (11,4%). In Italy, the trend of young people in agriculture shows substantial stability compared to the European trend, even throughout the ten-year comparison, In fact, while the EU sees a continuous decline from 2012 to 2021, -28% (933,000 fewer agricultural jobs), in Italy the decrease is minimal, only -1.6% (-4,300 thousand employed) . The first available data from 2022 also shows a growth in Italy amongst young people employed in the primary sector reaching 304,000 units, representing one of the few EU countries that has seen its numbers increase both in comparison with 2020 (+ 10.7%) and with the pre-pandemic period (+8%) (c).

These results appear even more worthy of attention when compared with the values recorded by Italy's other economic sectors and with the demographic trend in the last decade.

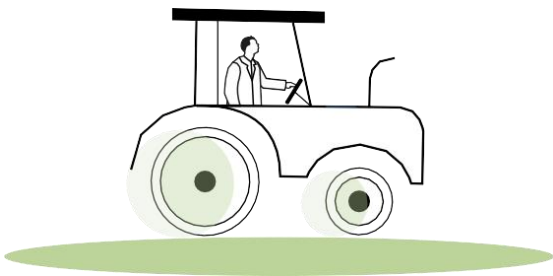
The retail, wholesale and vehicle repair trades, for example, recorded a drop in youth employment by 21.1%, arts and entertainment by 18%, manufacturing by 17.3%, while catering and tourist reception suffered a setback in terms of youth employment of roughly 13%, resulting in the loss of 87,000 jobs in ten years.

As a result, the agricultural sector confirms itself as a positive exception in a framework of systemic complexity and economic uncertainty that affects young Europeans.

In brief: European data

- ~ There are 2.5 million young people under the age of 40 employed in agriculture.
- ~ 10% are Italian (257,000).
- ~ Italy is 3rd at a European level with regard to the number of young people employed in absolute value, after Germany and France. However, it drops to the bottom of the EU ranking with regard to the share of people employed Under40 out of the total (33%).
- ~ Europe has seen a 28% decrease in young people employed in the agricultural sector (-933,000 jobs), however the situation in Italy is almost stable with just -1.6% (-4 thousand units).
- ~ What is happening in the other sectors? The retail, wholesale and vehicle repair trade (-21.1%); arts and entertainment (-18%); manufacturing (-17.3%) and catering (-13%).

3.



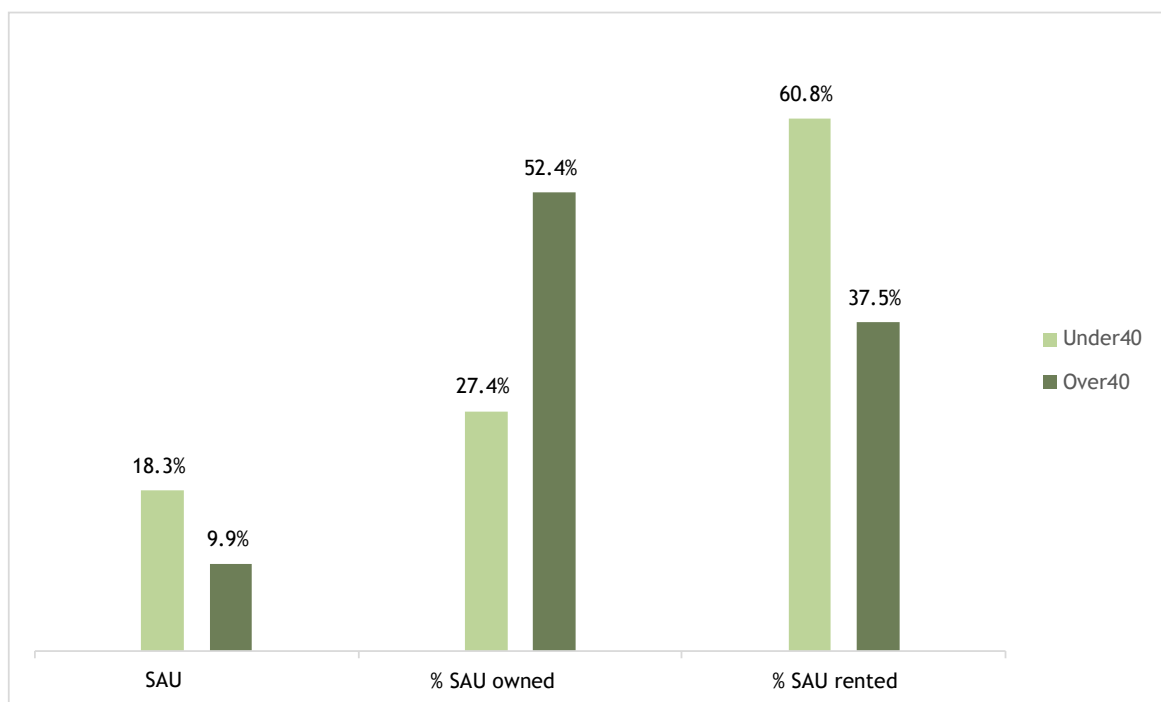
3. The nature of young farmers

3.1 Larger businesses, but land access difficulties persist

The data analysis of the 7th Istat census on agriculture provides interesting interpretations regarding the characteristics and positioning of young Italian farmers. Firstly, the average company size in terms of utilized agricultural area (UAA) of companies run by young people, equal to 18.3 hectares, is just under double that of the Over40 which stands at 9.9 hectares. This difference appears even more relevant if attention is paid to the difficulties in accessing land capital by young people; clear evidence of the data regarding

the ways in which the land is managed. The share of Under40 companies with leased land is, in fact, more than double (42%) compared to Over40 companies (19%). Indeed, two thirds of the agricultural area used by young people is rented (on average 20 hectares for each farm with leased land), while one third of the surface is owned (9.3 hectares per farm).

Fig. 3.1: Comparison of Under40 and Over40 youth farms, based on SAU (Utilized Agricultural Area) average, owned and rented (2020)



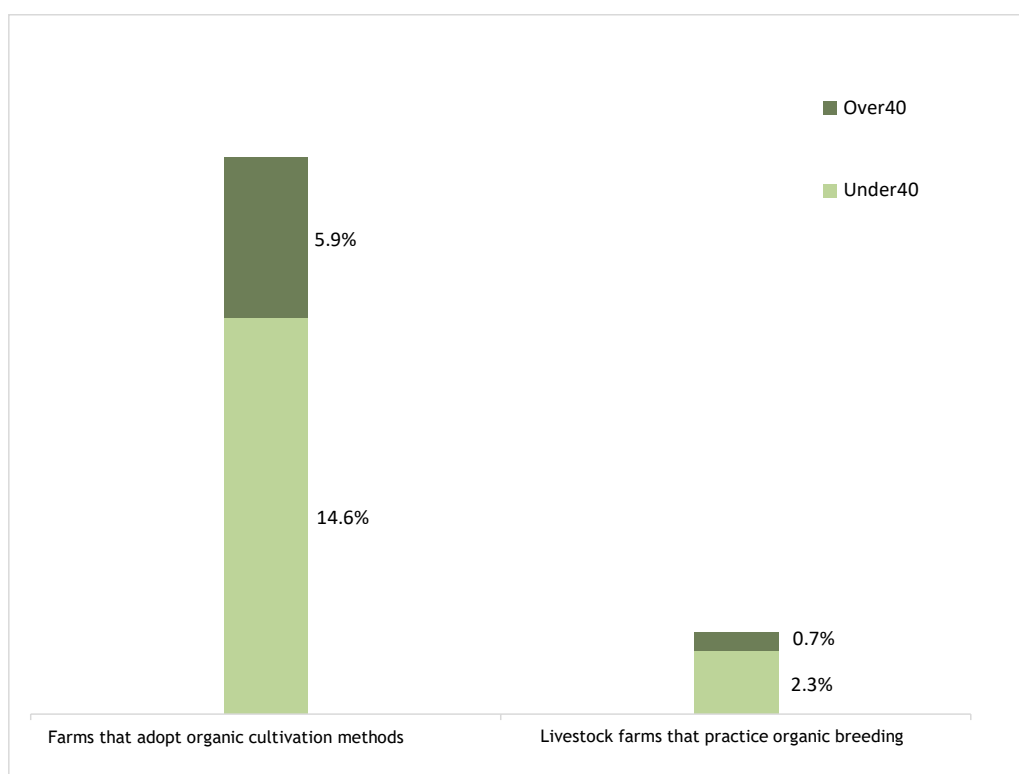
Source: Centro Studi Divulga elaboration based on Istat data

3.2 Sustainability

If we look more closely at the topic of sustainability, interesting considerations emerge regarding the growing attention of businesses run by young people. These enterprises, in fact, show a marked orientation towards adopting sustainable practices in the agricultural and livestock sectors. From organic to agro-energy, right

through to other forms of diversification of agricultural activities which take form in the concept of multi-functionality. The Under40 companies that have introduced organic cultivation methods are roughly three times greater (14.6%) than the Over40 companies (5.9%). The same can be said for organic farms (2.3% against 0.7%).

Fig. 3.2: Under40 and Over40 organic farms (2020)



Source: Centro Studi Divulga elaboration based on Istat data

A significant difference which currently highlights a growing attention by the new generations towards the issues of environmental sustainability.

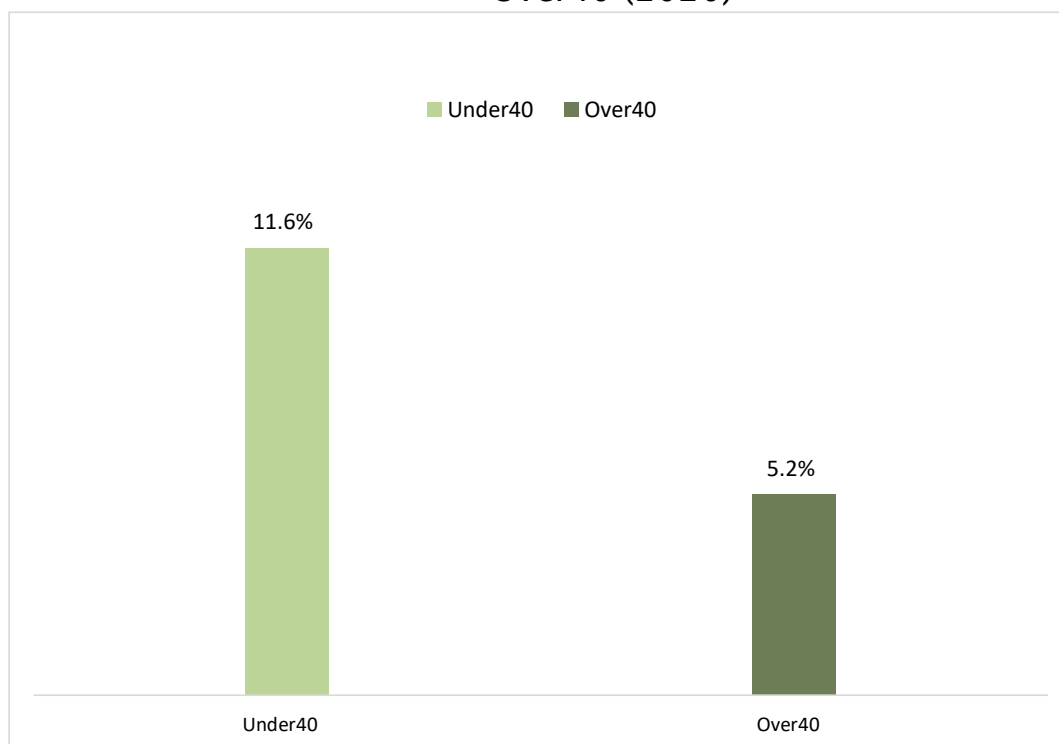
3.3 Not just food, related activities

According to the Organization for Economic Cooperation and Development, in addition to the production of (healthy and high-quality) food and fibres, agriculture contributes to modifying the landscape, sustainable management of resources, preservation of biodiversity and maintaining the economic vitality and social life of rural areas. All these elements are expressed in the diversification activities in agriculture, which are increasingly establishing themselves in the national production panorama. According to what emerges from processing the Istat data, the related and support activities which take place in this scenario,

(net of secondary activities carried out by non-agricultural sectors) contribute as much as 19% to the creation of the value of national agricultural production and their diffusion among the agricultural realities managed by the Under40 is by no means secondary.

The contribution of related activities among young agricultural entrepreneurs is double that of the Over40 companies, with 12% of young companies adopting at least one related activity compared to 5% of the Over40. With reference to the more than 65,000 agricultural businesses that carry out related activities, 1 out of 5 is run by a young person (12,000).

Fig. 3.3: Companies with at least one related activity Under40 and Over40 (2020)



Source: Centro Studi Divulga elaboration based on Istat data

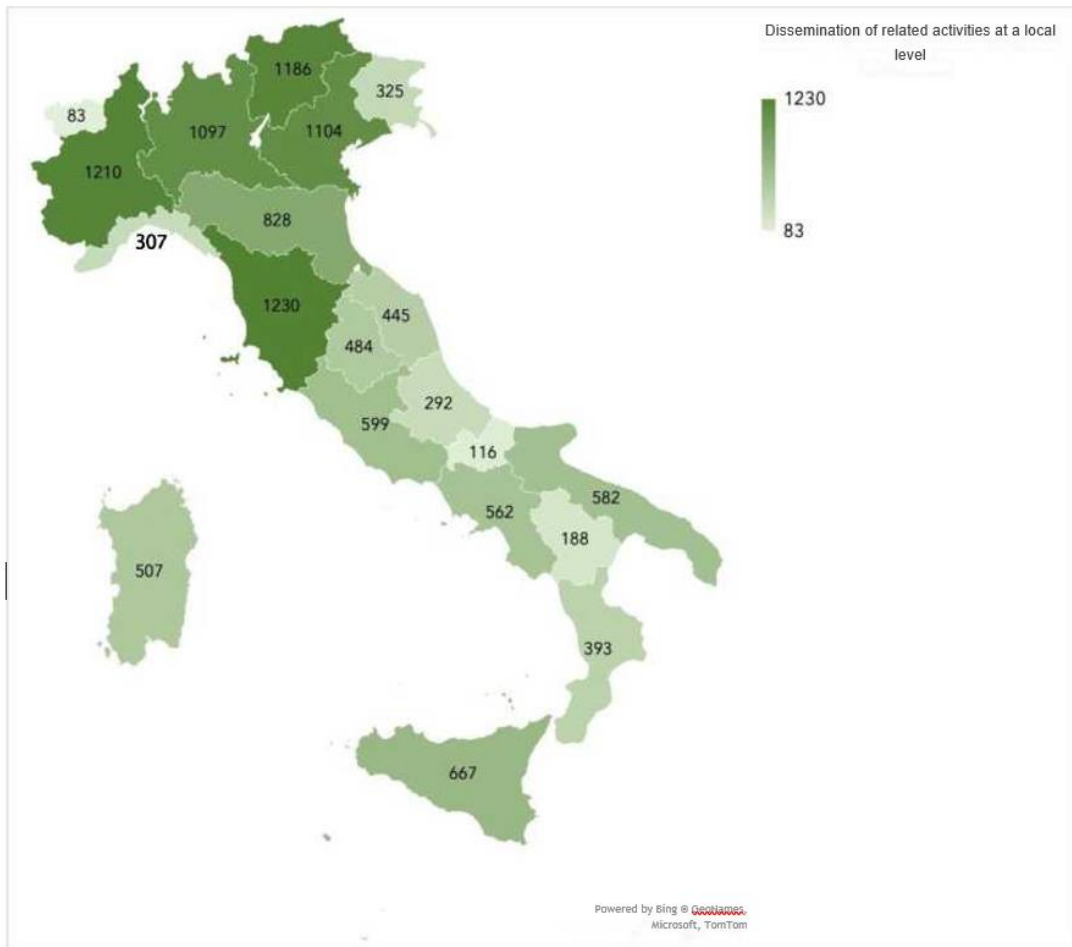
Fig. 3.4: Comparison of Under40 and Over40 companies with at least one related activity (2020)

	Under40 Companies		% of the Under40 total	Over40 Companies			Total Companies*		% of total companies
					% of total Over40				
Companies with at least one related activity	12,205		11.6%	52,921		5.2%	65,126		5.8%
Agri-tourism	4,235	34.7%	4%	20,355	38.5%	2%	24,590	37.8%	2.2%
Agricultural activities on behalf of third parties using company vehicles	1,934	15.8%	1.8%	7,536	14.2%	0.73%	9,470	14.5%	0.84%
Processing of animal products	1,552	12.7%	1.5%	4,456	8.4%	0.43%	6,008	9.2%	0.53%
Processing of vegetable products	1,505	12.3%	1.4%	5,155	9.7%	0.5%	6,660	10.2%	0.59%
Production of renewable solar energy	1,297	10.6%	1.2%	7,610	14.4%	0.74%	8,907	13.7%	0.79%
Initial processing of agricultural products	1,225	10.0%	1.2%	4,174	7.9%	0.41%	5,399	8.3%	0.48%
Parks and gardens works	744	6.1%	0.71%	2,806	5.3%	0.27%	3,550	5.5%	0.31%
Forestry	695	5.7%	0.66%	2,288	4.3%	0.22%	2,983	4.6%	0.26%
Non-agricultural activities on behalf of third parties using company vehicles	592	4.9%	0.56%	1,677	3.2%	0.16%	2,269	3.5%	0.2%
Educational farm	491	4.0%	0.47%	1,832	3.5%	0.18%	2,323	3.6%	0.21%
Woodworking, wood cutting	381	3.1%	0.36%	1,147	2.2%	0.11%	1,528	2.3%	0.14%
Social agriculture	202	1.7%	0.19%	702	1.3%	0.07%	904	1.4%	0.08%
Biomass renewable energy production	170	1.4%	0.16%	994	1.9%	0.1%	1,164	1.8%	0.1%
Livestock services	160	1.3%	0.15%	615	1.2%	0.06%	775	1.2%	0.07%
Craftsmanship	124	1.0%	0.12%	621	1.2%	0.06%	745	1.1%	0.07%
Production of other renewable energy sources	83	0.7%	0.08%	505	1.0%	0.05%	588	0.9%	0.05%
Aquaculture	42	0.3%	0.04%	169	0.3%	0.02%	211	0.3%	0.02%
Production of renewable hydroelectric energy	30	0.2%	0.03%	105	0.2%	0.01%	135	0.2%	0.01%
Production of complete and complementary feeding stuffs	25	0.2%	0.02%	134	0.3%	0.01%	159	0.2%	0.01%
Wind renewable energy production	17	0.1%	0.02%	146	0.3%	0.01%	163	0.3%	0.01%
Other activities	1,384	11.3%	1.3%	5,870	11.1%	0.57%	7,254	11.1%	0.64%

*collective properties are excluded from the total number of companies.

Source: Centro Studi Divulga elaboration based on Istat data

Fig. 3.5: Diffusion of related activities by region (2020)

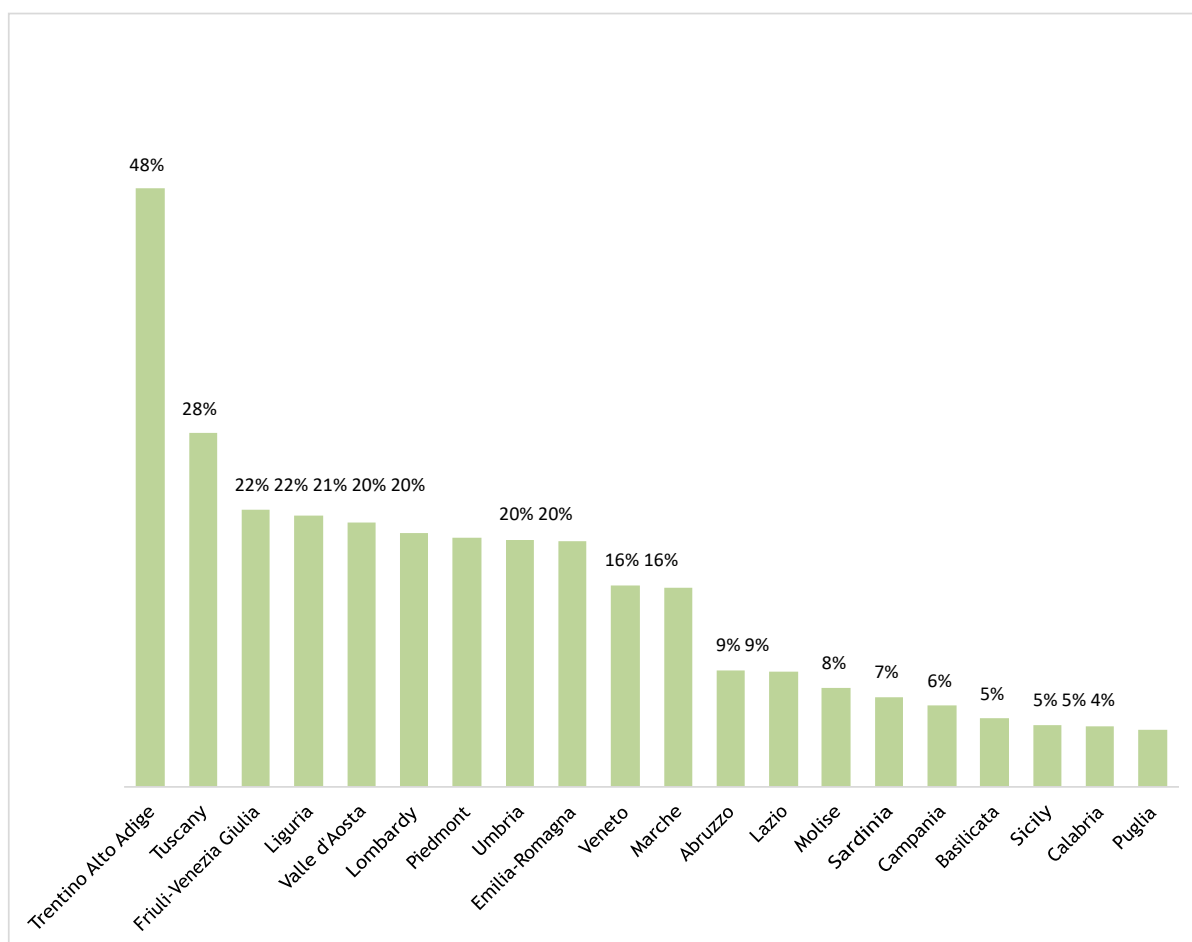


Source: Centro Studi Divulga elaboration based on Istat data

The territorial segmentation also provides interesting indications and confirms a greater vocation of young people from Northern and Central Italy towards diversification activities in agriculture. Whereas, with regard to the Northern regions, the share of Under40 companies that carry out at least

one related activity is on average 20%, peaking with Trentino-Alto Adige (48%), Veneto and Marche (16%). The average value of the South, on the other hand, drops considerably to 6%, reaching the minimum in Puglia (4%).

Fig. 3.6: % Under40 companies with at least one related activity out of the total Under40 (2020)

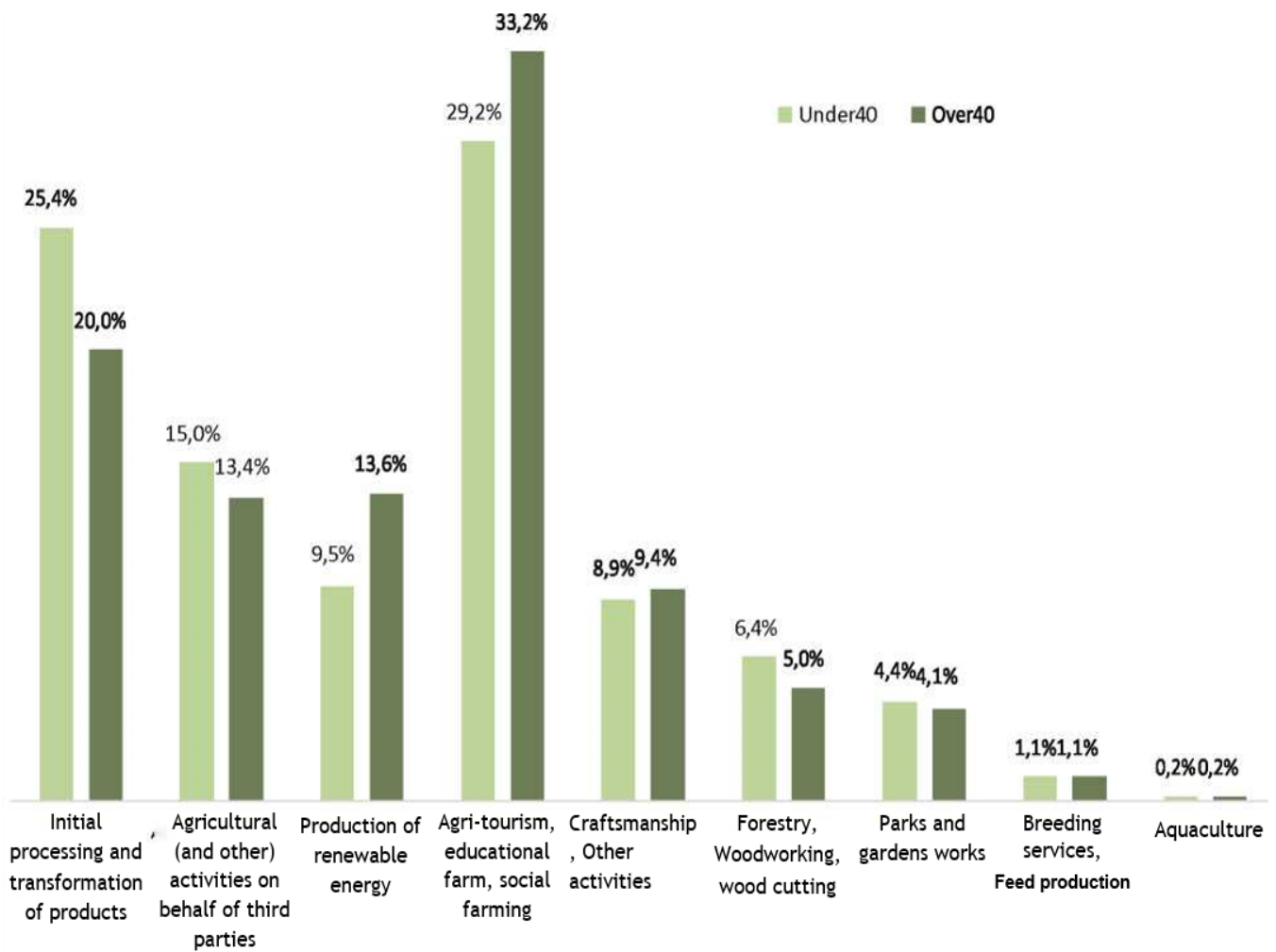


Source: Centro Studi Divulga elaboration based on Istat data

Among the main related activities that are widespread in youth enterprises, rural reception services are in first place (29.2%), such as agri-tourism, educational farms or social agriculture, followed by the processing

and transformation of company products (25,4%). In third place is subcontracting (15%). The production of renewable energy follows in the ranking with 1 youth company out of 10.

Fig. 3.7: Related activities widespread among Under40 and Over40 companies (2020)

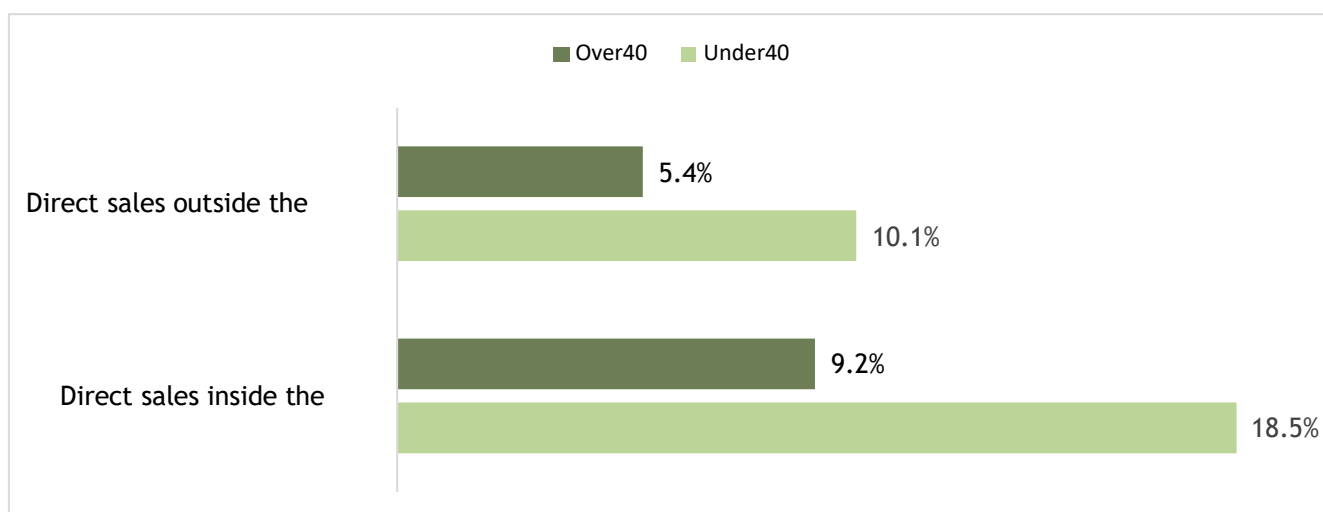


Source: Centro Studi Divulga elaboration based on Istat data

3.4 Market orientation and direct sales

Focusing on the marketing methods of the products, the data provides an interesting picture and also confirms, in this case, a greater propensity of young people towards forms of direct sales. The share of Under40 farmers who close the production chain through direct sales on the farm (18.5%) is double that of Over40 (9.2%). The same can be said for those who sell directly outside their premises, such as farmers markets, with 10% of young farmers compared to 5% of the Over40 group.

Fig. 3.8: Direct sales in the company and outside the company, Under40 and Over40 (2020)



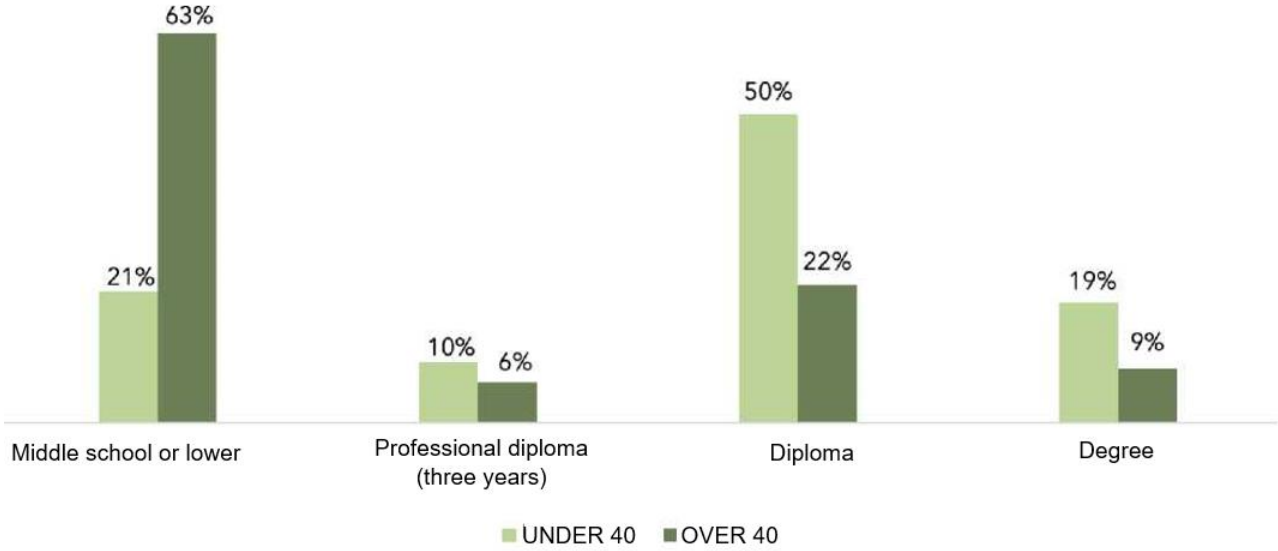
Source: Centro Studi Divulga elaboration based on Istat data

3.5 Education and training

As mentioned in the previous paragraphs, the agricultural sector in recent years has been at the centre of an intense transformation process that requires increasingly extensive and multidisciplinary skills: an evolution that attracts young people with an increasingly advanced level of education. The share of young agricultural entrepreneurs that have a diploma (60%) is double that of their Over40 colleagues who instead stands at 28%.

1 out of 5 young entrepreneurs also has a degree, while the ratio with their Over40 colleagues is 1 in 10. In the generational comparison, the vast majority (63%) of Over40 entrepreneurs finished their education with a middle school diploma or lower, while the young farmers with a similar qualification are three times lower (21%).

Fig. 3.9: % Companies by educational qualification of the company owner (2020)



Source: Centro Studi Divulga elaboration based on Istat data

Another aspect that clearly emerges from the data analysis is the greater propensity of young people to follow professional refresher courses in the agricultural sector: roughly half declare that they have taken part in an agricultural training course against just 27% of their older colleagues. A path that also appears to be in line with what is outlined in the objectives of the Common Agricultural Policy which continues to place a development model based on the system of knowledge and innovation, the so-called AKIS Model (*Agriculture Knowledge and Innovation Systems*) which is at the centre of the European strategy.

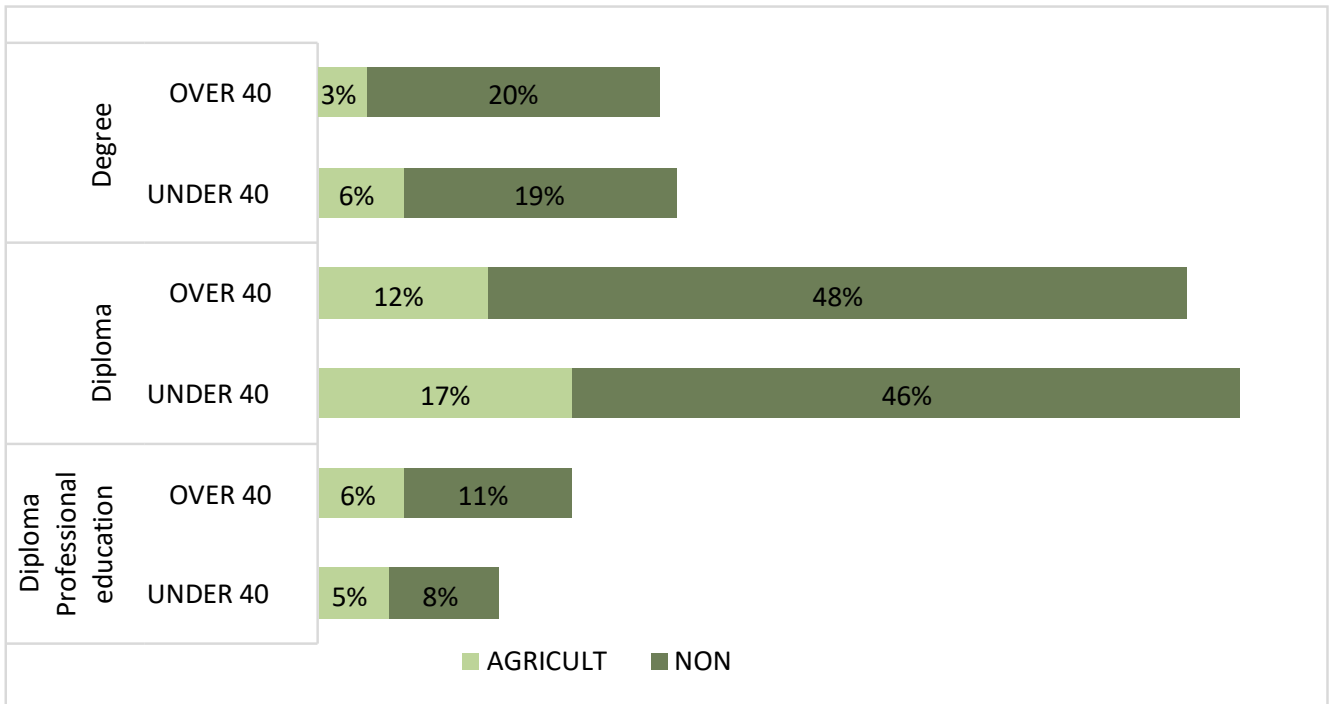
Fig. 3.10: % Entrepreneurs who have attended agricultural education and/or agricultural training courses, Under40 and Over40 (2020)



Source: Centro Studi Divulga elaboration based on Istat data

Agriculture is confirmed as the professional avenue even for those who have not undertaken a specific training course in the agricultural sector, attracting young people who come from training courses that are not necessarily agriculture-related.

Fig. 3.11: % Field of study of the company owner (2020)



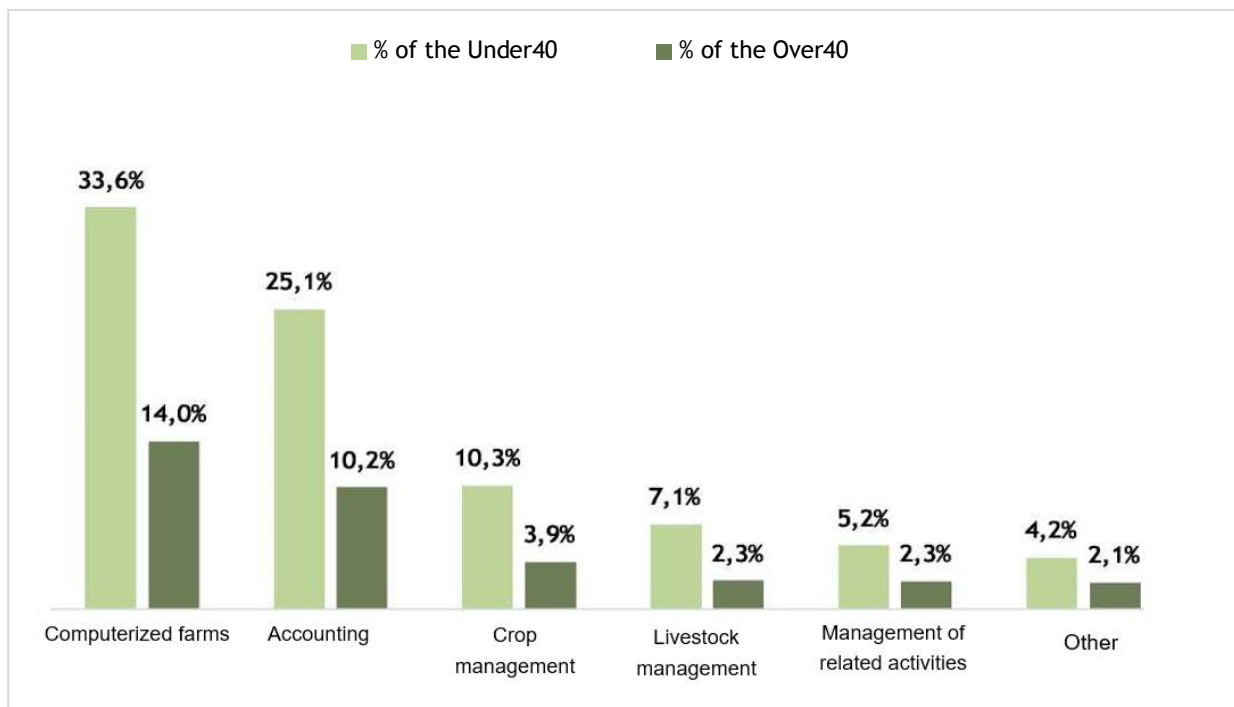
Source: Centro Studi Divulga elaboration based on Istat data

3.6 Innovation

Interesting information also emerges from the analysis of data on young people's propensity for innovation. Here too, the share of the Under40 group that adopt computerized management practices stands at double values compared to their Over40 colleagues (34% of young people compared to 14% of the Over40 group). A ample difference, with young people leading the digitization process of the agricultural sector,

which in the last decade has seen the number of digitized companies quadruple. Leading the ranking of computerized company activities: accounting management (75%), followed by computer techniques for the management of crops (31%), livestock (21%) and related activities (5%).

Fig. 3.12: Computerized farms, Under40 vs Over40 (2020)

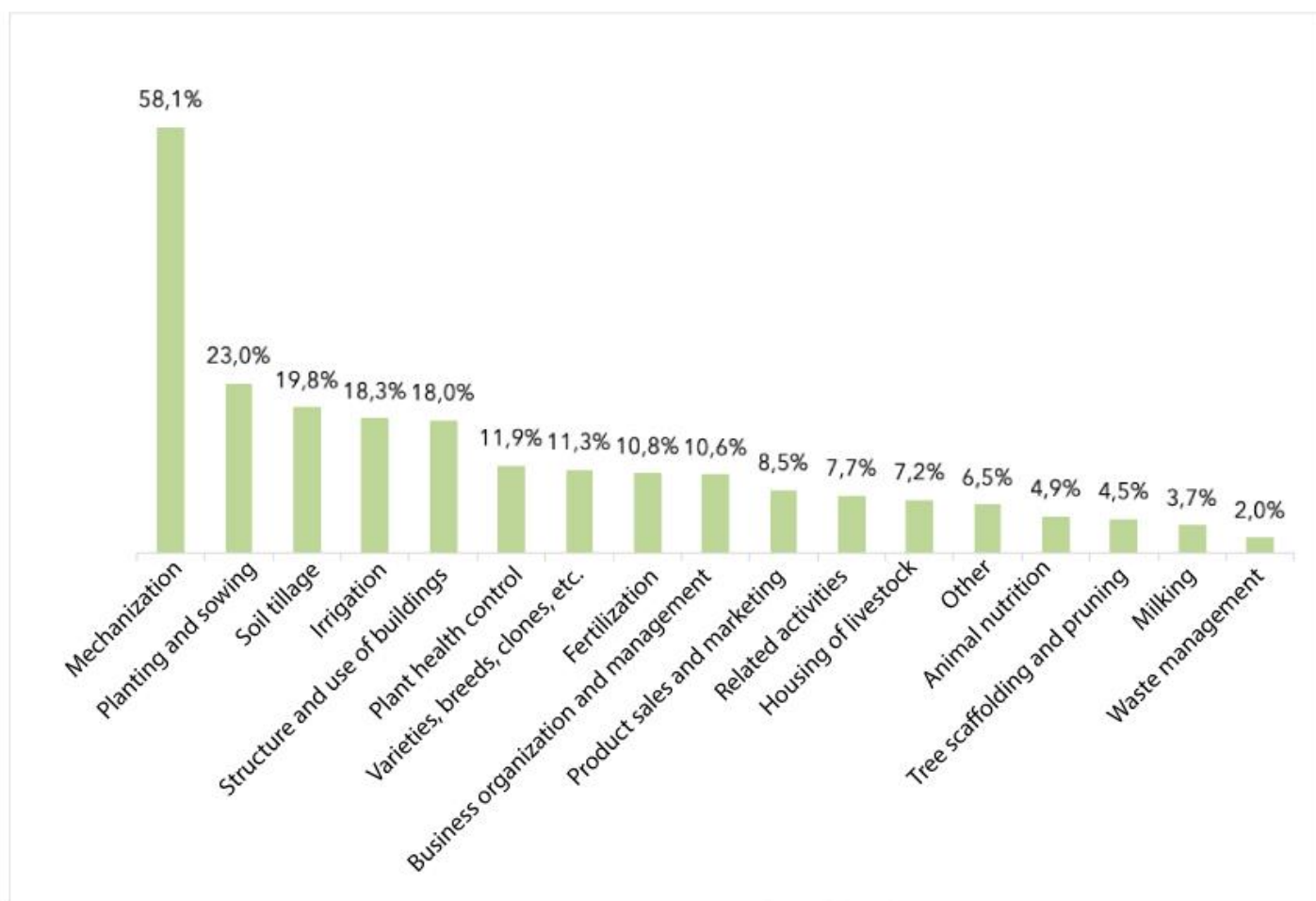


Source: Centro Studi Divulga elaboration based on Istat data

The greater propensity of young people towards adopting innovative practices and tools is also taken shape in a tangible distance in terms of business investments. Here too, 1 out of 4 young people has made at least one innovative investment in the last 3 years, while in the case of Over40 companies the share drops to 1 out of 10.

In first place we find investments in agricultural mechanization (precision farming) with 58% of Under40 companies, followed by innovative investments for planting and sowing (23%), tillage (20%) and irrigation (18 %).

Fig. 3.13: Main innovative investments made by young people (three-year period 2018-2020)



Source: Centro Studi Divulga elaboration based on Istat data

Fig. 3.14: Innovative investments divided by type of activity (2020)

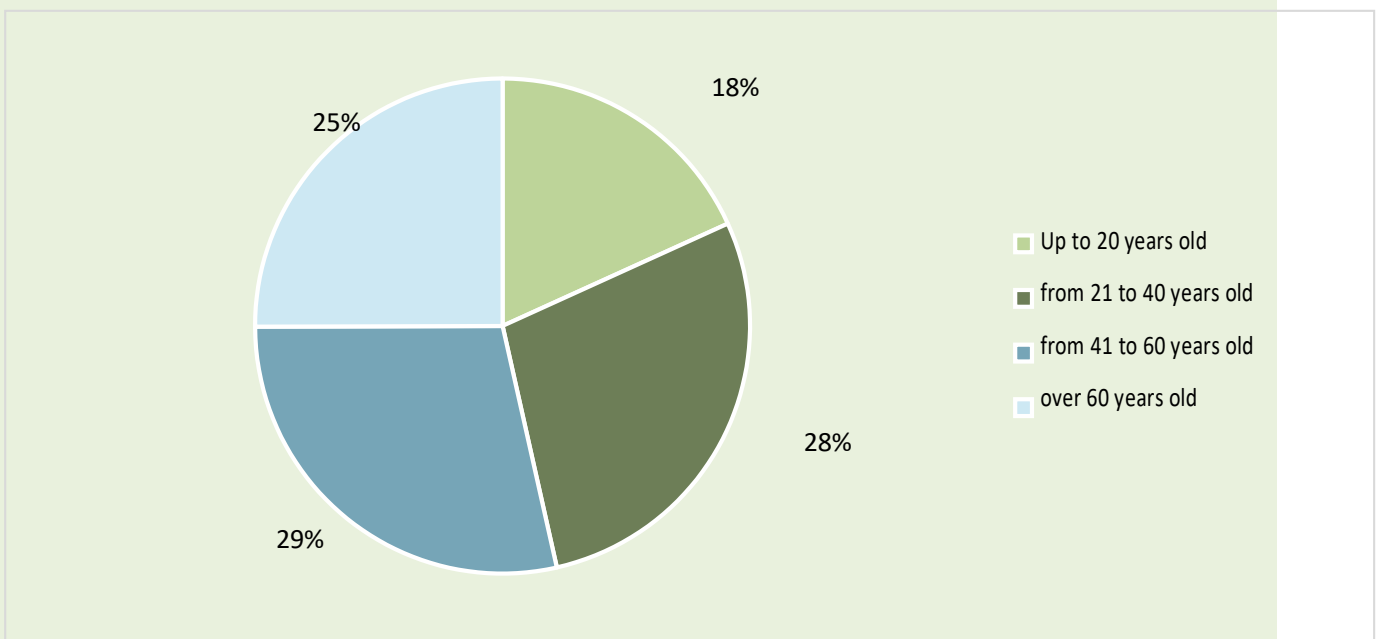
	Under40		% of the total invested		Over40		% of total investments		Total Related Activities	
LIVESTOCK	12.0%	6,946	26%	10.3%	19,799	74%	10.7%	26,745		
<i>Varieties, breeds, clones, etc.</i>	5.0%	2,896	24%	4.7%	9,069	76%	4.8%	11,965		
<i>Livestock housing</i>	3.2%	1,852	28%	2.5%	4,877	72%	2.7%	6,729		
<i>Animal nutrition</i>	2.2%	1,255	27%	1.8%	3,420	73%	1.9%	4,675		
<i>Milking</i>	1.6%	943	28%	1.3%	2,433	72%	1.3%	3,376		
AGRONOMIC	38.9%	22,556	22%	41.6%	79,956	78%	41.0%	102,512		
<i>Planting and sowing</i>	10.1%	5,880	20%	12.0%	23,094	80%	11.6%	28,974		
<i>Irrigation</i>	8.1%	4,678	23%	8.3%	15,941	77%	8.2%	20,619		
<i>Soil tillage</i>	8.7%	5,055	23%	8.7%	16,737	77%	8.7%	21,792		
<i>Fertilization</i>	4.8%	2,767	22%	5.0%	9,538	78%	4.9%	12,305		
<i>Plant health control</i>	5.2%	3,029	23%	5.3%	10,185	77%	5.3%	13,214		
<i>Scaffolding and tree pruning</i>	2.0%	1,147	20%	2.3%	4,461	80%	2.2%	5,608		
MECHANIZATION	25.6%	14,855	21%	28.4%	54,599	79%	27.8%	69,454		
MANAGEMENT AND INFRASTRUCTURES	19.7%	11,449	28%	15.1%	28,962	72%	16.2%	40,411		
<i>Facility and use of buildings</i>	7.9%	4,587	27%	6.3%	12,111	73%	6.7%	16,698		
<i>Business organization and management</i>	4.7%	2,718	29%	3.5%	6,806	71%	3.8%	9,524		
<i>Product sales and marketing</i>	3.8%	2,175	32%	2.4%	4,708	68%	2.8%	6,883		
<i>Related activities</i>	3.4%	1,969	27%	2.8%	5,337	73%	2.9%	7,306		
Other	3.8%	2,183	20%	4.6%	8,893	80%	4.4%	11,076		
<i>Waste management</i>	0.9%	518	23%	0.9%	1,778	77%	0.9%	2,296		
<i>Other</i>	2.9%	1,665	19%	3.7%	7,115	81%	3.5%	8,780		
TOTAL	100%	57,989	23%	100%	192,209	77%	100%	250,198		

Source: Centro Studi Divulga elaboration based on Istat data

Box 1: young people leaving

As of 2021, there are over 5.8 million Italians registered in the Registry of Italians Residing Abroad (Aire). Of these, 22% are between 18 and 34 years old, while a further 23% are between 35 and 49. A young population, therefore, that leaves and (often) does not return. From 2006 to today, Italian mobility (d) has grown by 87%.

Fig. 3.15: % incidence of each age group on total registrations (2021)



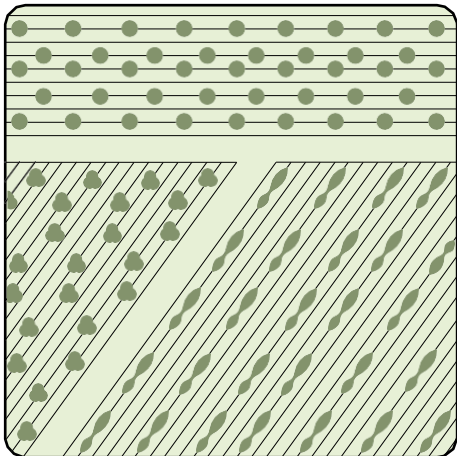
Source: Centro Studi Divulga elaboration on Aire data

The data on the agricultural sector, on the other hand, tells of different experiences. The link with the typical territory of agricultural products and food represents the cornerstone for the development of ideas and new activities by young people who, also thanks to the contribution of multi-functionality, have been capable of developing innovative and successful experiences throughout the country. The testimonies of young people who, having left Italy for new work experiences abroad, and then returned to embrace their entrepreneurial ideas in the agricultural field with extreme tenacity, represent only a synthetic picture.

In brief: the main characteristics of young entrepreneurs

- ~ Larger youth companies, despite difficulties in accessing land capital.
 - ~ As much as 2/3 of the agricultural area used by young people is rented.
 - ~ Great attention towards sustainability, innovation, training and multi-functionality:
1. Sustainability: greater orientation towards organic productions (15%) compared to Over40 companies (6%).
 2. Innovation: the percentage of Under40 who adopt computerized management practices is double that of the Over40 group (34% of young people compared to 14% of Over40).
 3. Multi-functionality: 11.6% of businesses run by young people carry out at least one related activity, such as agri-tourism or social farming; against 5.2% in the Over40 group.
 4. Training: 60% of young agricultural entrepreneurs have a diploma, double that of their Over40 colleagues who instead stand at 28%.

4.

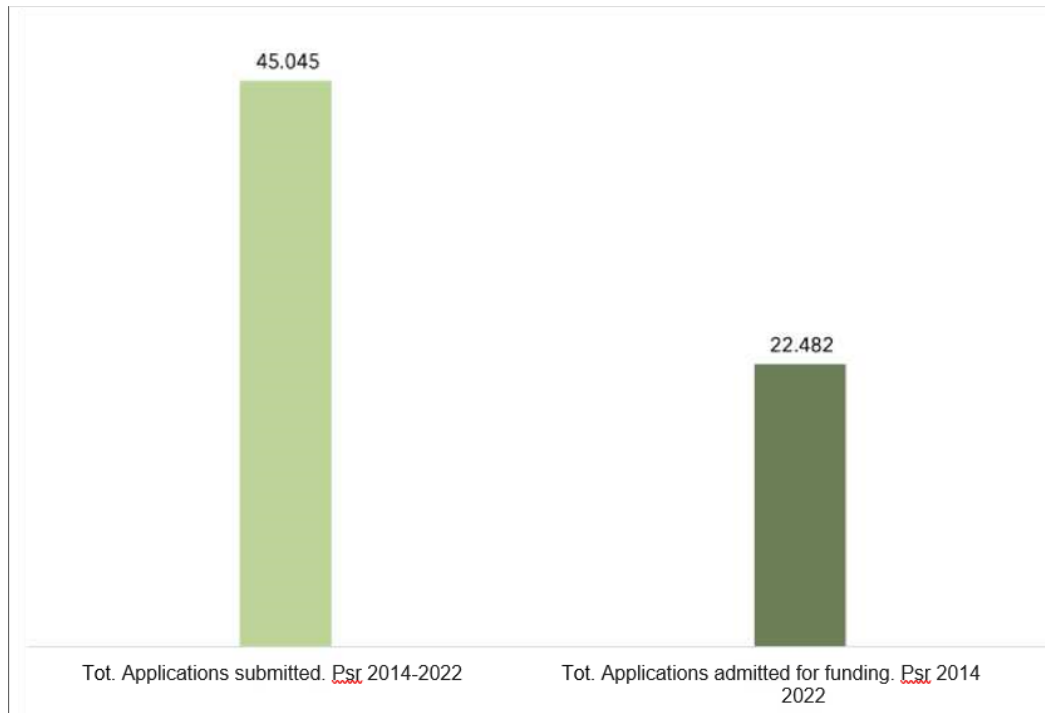


4. The role of policies, implementing the Psr

The 2014-2020 Psr (rural development programming), extended to 2022 due to a series of events that slowed down the institutional negotiation of the new CAP (common agricultural policy), has allocated around 1.7 billion euros to intervening work aimed at favouring the establishment of young people in agriculture (National Rural Network). This is, in particular, the sub-measure 6.1 - 'Start-up aid for young farmers', part of Measure 6 - 'Development of agricultural companies'. At the dawn of the new programming period, and therefore having reached the final phase of the 2021-2022 transition period, this paragraph intends to investigate

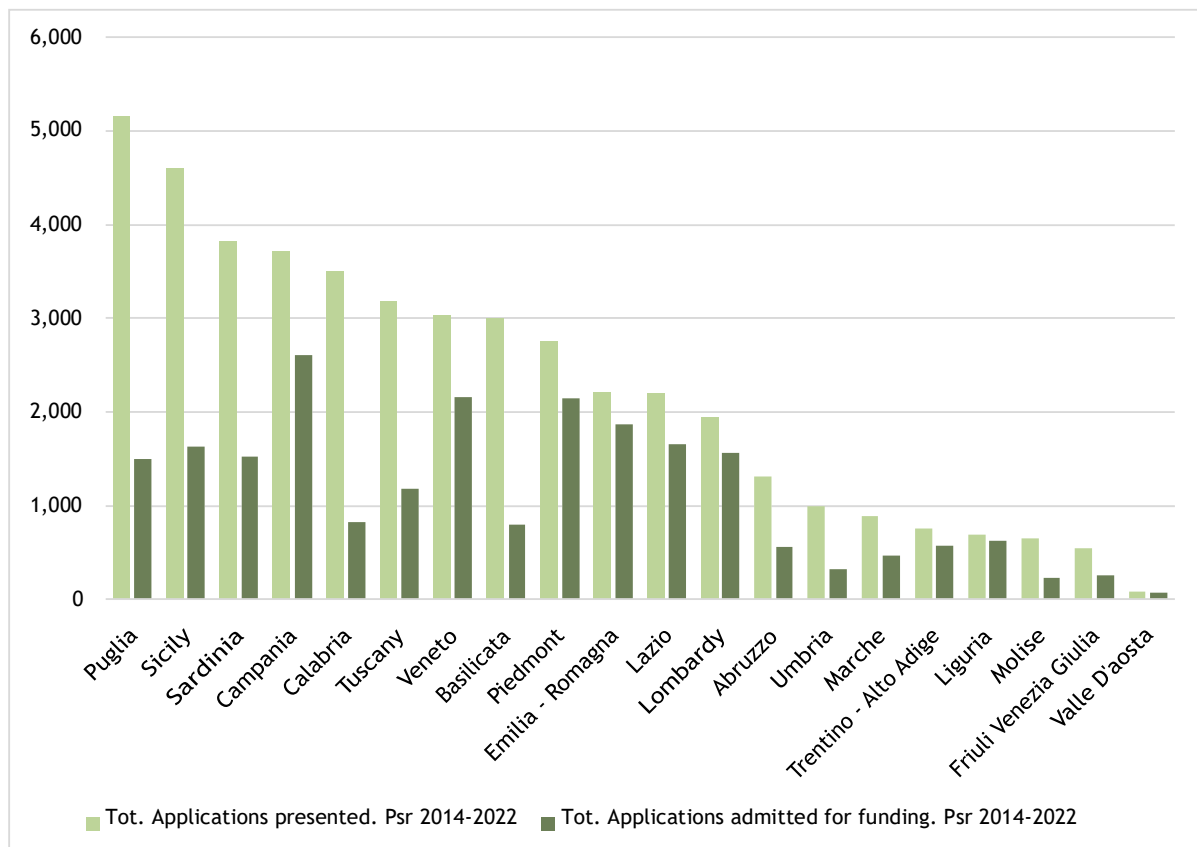
the context in which the applications for funding were submitted by young farmers. A comparison that will enable to highlight the possible gap between the demand and supply of policies in support of young people. In July 2022, according to an internal analysis by the Centro Studi Divulga on primary statistics referring to the 2014-2022 Psr, over 45,000 applications had been submitted. Of these, only half (22,482) were eligible for funding. In practice, therefore, 1 out of 2 young people will not be able to benefit from the opportunities provided by rural development for settling in agriculture.

Fig. 4.1: Applications by young people for the Psr 2014-2022, presented and admitted (data as of 31 July 2022)



Source: Centro Studi Divulga elaboration based on primary statistics

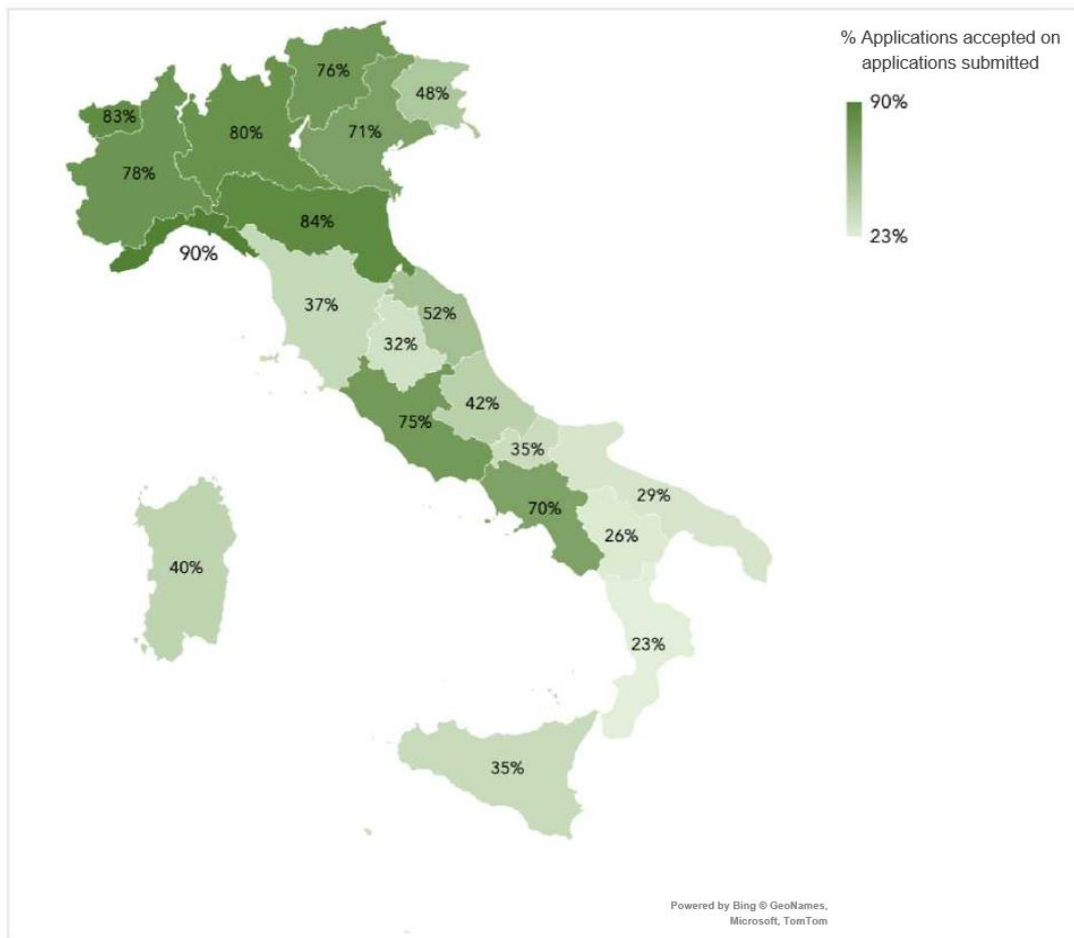
Fig. 4.2: % Applications by young people for the Psr 14-22, presented and admitted by region (data as of 31 July 2022)



Source: Centro Studi Divulga elaboration based on primary statistics

The situation appears to vary from region to region. In absolute values, Puglia holds the highest number of applications presented (5,157) then Sicily (4,600) and Sardinia (3,828). Followed by: Campania (3,723), Calabria (3,500), Tuscany (3,176), Veneto (3,028), Basilicata (3,002), Piedmont (2,757), Emilia-Romagna (2,207); Lazio (2,199), Lombardy (1,950), Abruzzo (1,317), Umbria (999), Marche (886), Trentino-Alto Adige (752), Liguria (695), Molise (647), Friuli- Venezia Giulia (544) and Valle d'Aosta (78).

Fig. 4.3: % applications admitted by region out of applications submitted (data as at 31 July 2022)

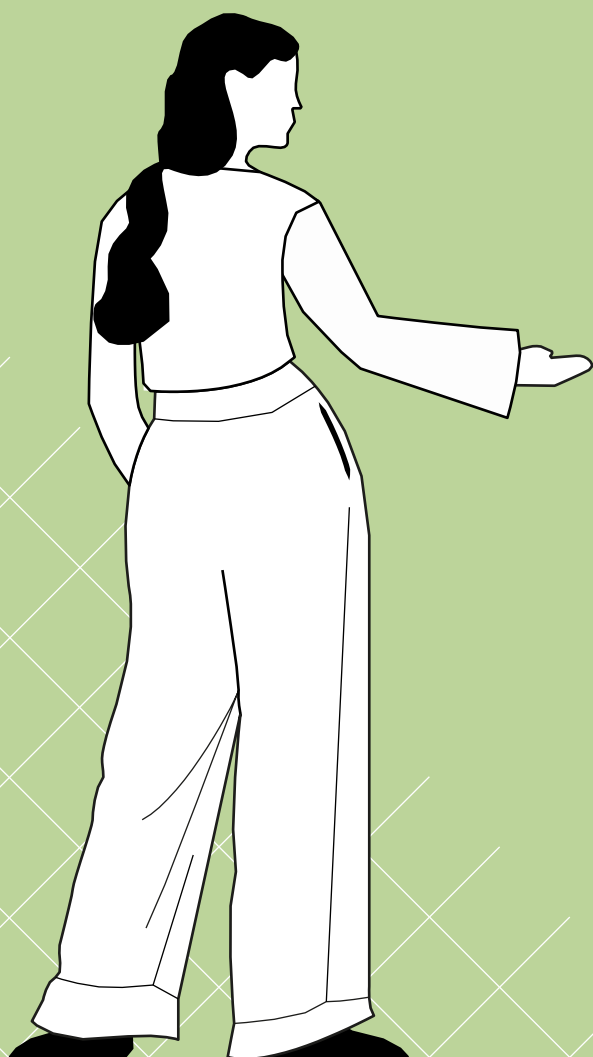


Source: Centro Studi Divulga elaboration based on primary statistics

Generational renewal in agriculture remains one of the priorities on the EU political agenda also in the 2023-2027 CAP with a specific dedicated objective, the seventh, which supports interventions aimed at attracting young farmers and new farmers and facilitating sustainable entrepreneurial development in rural areas. The main tool implemented by the CAP Strategic Plan concerns the initial settlement in agriculture, in line with the provisions of the previous regional rural development programming (Psr). This instrument, in fact, was launched in the 2000s and has consistently been reconfirmed since then. Compared to the past, the main change concerns the possibility given to the National CAP Plan to implement a 'unitary' strategy, making synergistic use of the various tools available: from the initial (EAGF) to the second pillar (EAFRD). As far as direct payments are concerned, there is a 'Complementary income support for young farmers' which aims to provide additional income support during the start-up phase. An annual decoupled payment per hectare and in addition to the guaranteed basic premium for up to 5 years for the newly-established young people. Going back to the interventions envisaged in the context of rural development, as previously mentioned, the support for

the initial settlement of young agricultural entrepreneurs is confirmed with some innovations. With regard to this intervention, Italy has decided to use the option of flexibility between pillars, transferring 1% of the allocation for direct payments, equal to 36.2 million euros, to the Fund for rural development and specifically for the settlement of young people in agriculture. Overall, over 900 million euros in resources have been allocated to support interventions for settlements in rural development for the entire programming period (Pianeta Psr). The Measure envisages a ceiling of 100,000 euros (compared to 70,000 in the previous planning period) which can be granted in the form of a capital account bonus, through recourse to financial instruments or through a combination of the two previous hypotheses. The methods and amounts granted, as well as the selection criteria are established by the individual Regions. These tools represent a non-exhaustive picture of the opportunities provided for young people in agriculture in the context of the 2022-2027 CAP, which can also be integrated with reward mechanisms and guaranteed priorities for young people's access to a wider range of rural development measures.

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Notes

- a. The analyses implemented in this study were developed on Istat, Unioncamere and Eurostat data elaboration. As a result, given the heterogeneity of the sources taken into consideration, the ranking criteria for young entrepreneurs and/or youth workers vary between Under35 and Under40.
- b. In the case of data referring to European employment, the age group surveyed by Eurostat is taken as the reference, i.e. young people under the age of 40.
- c. The comparison refers to the 3rd quarter of 2022 with an annual average of the years considered.
- d. Italian mobility: indicates young Italians moving abroad.

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