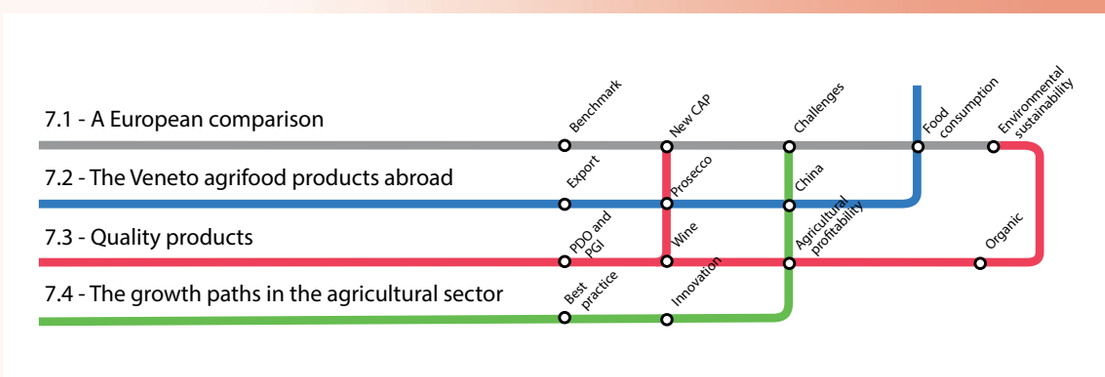
The Veneto agricultural sector, despite the many difficulties faced each day due to economic stagnation, the volatility of prices, the fall in employment, problems deriving from climate change and the reduced or lack of access to credit, strong demands in generational replacement of farm managers, the pulverisation of its companies with average sizes considerably smaller than the European average, is demonstrating the force and tenacity to generate one of the highest revenues in Europe. This is also due to the quality products appreciated abroad and imitated all over the world, with a constantly increasing turnover over the last years, capable of creating authentic symbols of the region, such as Prosecco or the renowned Veneto cheeses.

Moreover, the Veneto agriculture boasts the best practices, real growth paths within the agricultural sector, intended as producers of foodstuffs and as protagonists in the protection of the environment and promotion of the territory. These aspects are integrated with the new European agricultural and rural policy 2014-2020.



Progress and prospects for Veneto Agriculture

7. Progress and prospects for Veneto agriculture

Veneto agriculture, as we have seen in the last edition of the Statistical Report analysing the data of the 6th Agricultural Census and comparing them with the ten previous editions, demonstrates slow but relentless changes, with a gradual disappearance of the small and non-competitive farms and the timid emergence of companies of an entrepreneurial and specialised nature guaranteeing better profitability, above the European average above all for farms run by young people or those with particular specialisations in quality products.

7.1 A European comparison[1]

The evolution in the agricultural sector of the Veneto region, Italy and the entire EU area over the last ten years is largely the result of various EU policies and CAP, which have taken place over the years. Since the beginning of the EU the agricultural sector has seen the realisation of a strong common policy with defined aims and regulatory interventions, followed by enormous funding borne by the EU budget. The member states and the regions have been assigned to implement these policies, via actions subject to monitoring: incentives and financial disincentives, opportunities, obligations and prohibitions have led the companies to make production and management decisions that outline the daily outlook of the agricultural sector in its weaknesses and successes. In light of the imminent implementation of the new EU planning cycle, it would be useful to make a comparison with the 27 regions of the EU, the data of which is now available from the census, conducted for the first time simultaneously in all the countries of the Union.

On 24th October 2010, 12 million agricultural holdings were recorded (46% of which are located in Italy and Romania) amounting to 170 million hectares of UAA, 134 million cattle heads (counted in UBA[2]) and almost 10 million people employed full time.

1% of the European agricultural holdings are based in the Veneto region

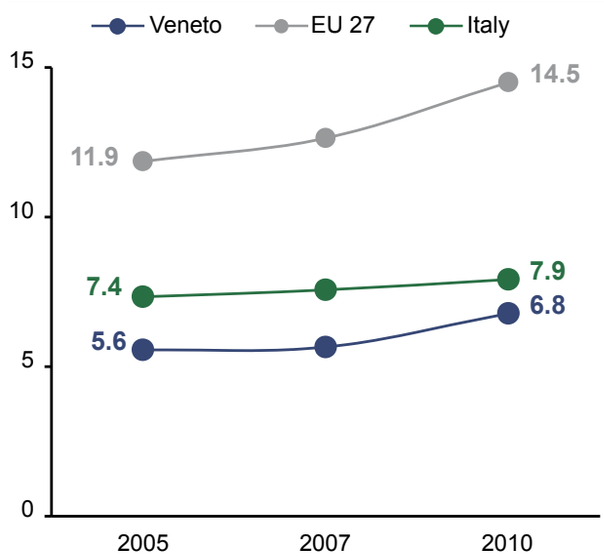
The farm dimensions

The European agricultural holdings are characterised by an average farm size of 14 hectares of utilised agricultural area (UAA), almost double the average recorded in the Veneto region (6.5 hectares) and Italy (7.9 hectares). The distribution of the surface area among the farms is highly unbalanced, considering that two European farms out of three have a UAA of less than 5 hectares and only 6% of them are larger than 50 hectares.

While the trend in the Veneto region of "small is beautiful" is confirmed in some striking productive cases, such as the wine growing sector, which with 2 average hectares of UAA per farm manages to rank the Veneto region at the top in terms of quantity and quality of wine production, it is also true that competitive margins still need to be kept with the European competitors: not all the production areas have the good fortune that our wine is earning, above all abroad!

For this reason, it is right here in the Veneto region that the most evident increase of average UAA has been recorded, compared to the data of 2007 (+20%) and with respect to the average Italian and European growth rates, recording lower increases (respectively +4.5% and +1.5%).

Fig. 7.1.1 - Average utilised agricultural area (hectares). Veneto region, Italy and EU 27 - Years 2005, 2007, 2010



Source: Processing by Veneto Region - Regional Statistical System Section on Eurostat data

[1] In order to carry out time comparisons with the States belonging to the EU-27 it was necessary to use the data originating from the previous sample surveys dating back to 2005 and 2007.

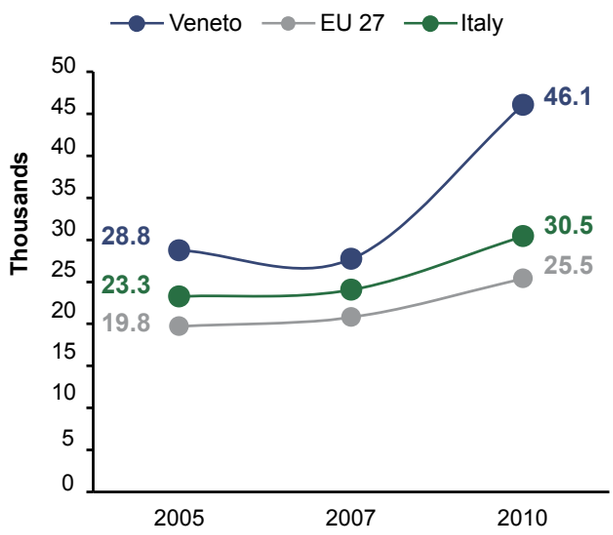
[2] LU=Livestock Unit- is a measure deriving from the conventional cattle based on the conversion of some categories of animals into equivalent adult livestock heads, via the use of appropriate coefficients based on the average food consumption of the various species and categories.

Farm profitability

The economic size of the holdings is measured via the Standard Output[3] as with the territorial sizes also in this case the distribution at the European level is very unbalanced. In fact, while the average value is equal to 25,500 euros per farm, in reality almost two thirds do not exceed 8,000 euros per farm and only 2% amount to over 250 thousand euros. Both in the Veneto region and Italy the farms are rated considerably above this value with averages respectively of 30,500 and 46,000 Euros. Again it is the Veneto region that showed a substantially higher growth than that of the previous period with an increase in profitability equal to +66% between 2007 and 2010.

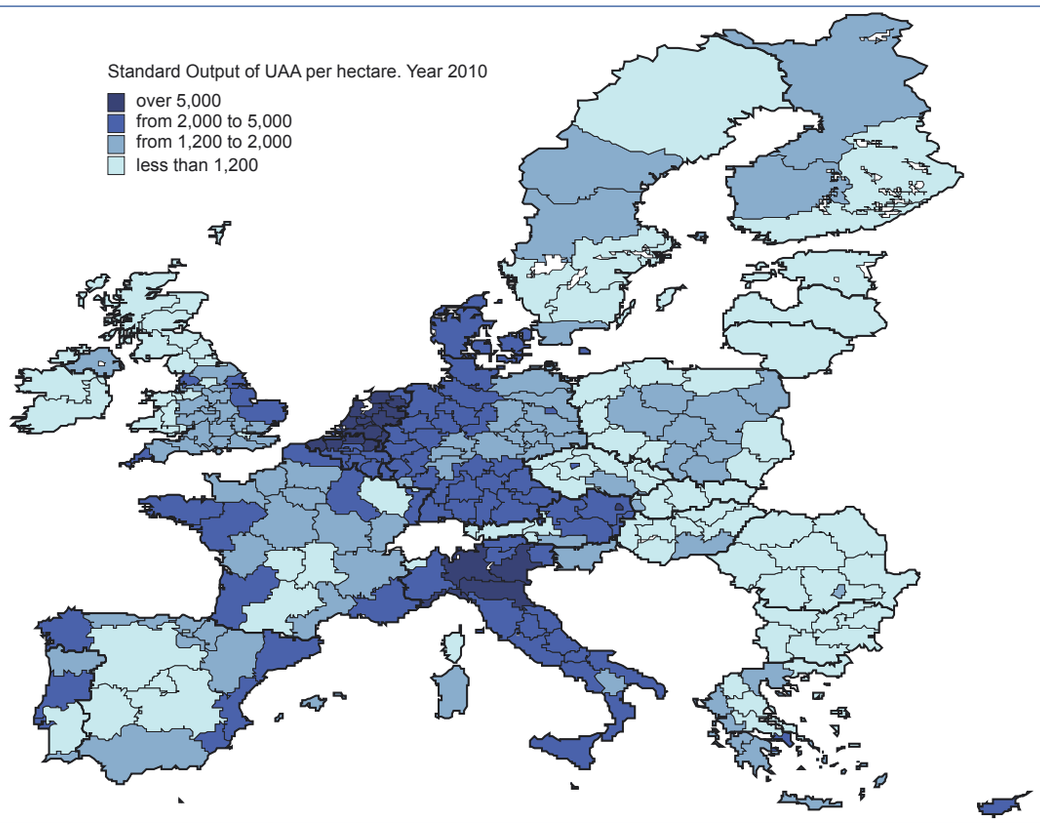
The profitability of the land, calculated in euros for each hectare of agricultural area, highlights the Veneto region as one of the regions in Europe with the highest values, along with Lombardy, Emilia-Romagna and many Dutch regions: the EU-27 average is 1,800 euros, the Italian average is 3,800 euros while in

Fig. 7.1.2 - Average Standard Output per farm (thousands of euros). Veneto, Italy and the EU-27 - Years 2005, 2007, 2010



Source: Processing by Veneto Region - Regional Statistical System Section on Eurostat data

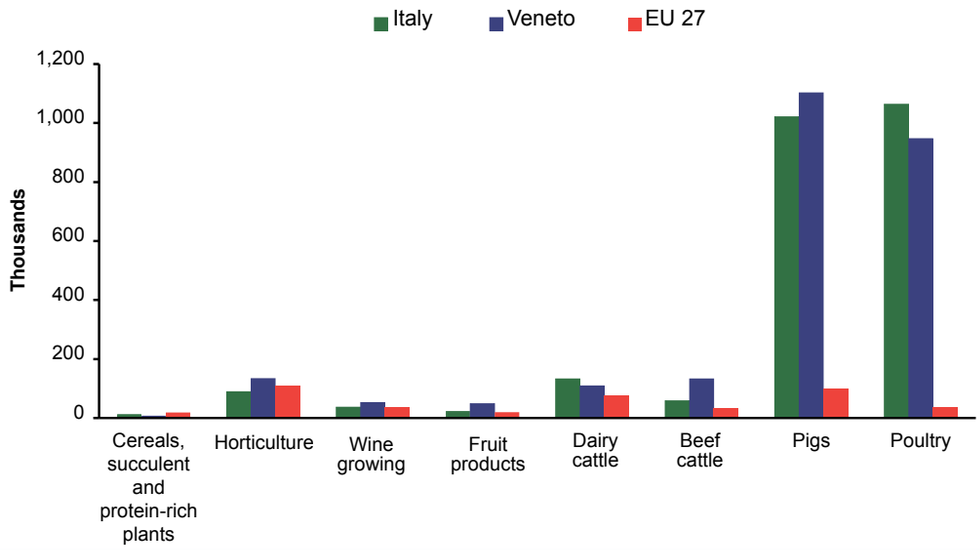
Fig. 7.1.3 - Average Standard Output per hectare of UAA (thousands of Euros). Year 2010



Source: Processing by Veneto Region - Regional Statistical System Section on Eurostat data

[3] The Standard Output is the monetary value of the production that includes the sales, reuse, personal use and changes in the stock of products, at the farm-gate price (for this general regulation of considering the prices without transport and sales costs, an exception is made only for the products for which sale is impossible without packaging: in this case the price considered is that of the packaged product).

Fig. 7.1.4 - Average Standard Output per farm for the main specialisations (thousands of Euros). Year 2010



Source: Processing by Veneto Region - Regional Statistical System Section on Eurostat data

Veneto this reaches 7,000 euros with a growth between 2007 and 2010 equal to +38% (+21% for Italy, +63% for Europe) This result is also due to the presence in the companies in our region of some of the more profitable specialisations such as poultry, pig and cattle farming, horticulture, wine making and fruit trees.

Moreover, in the Veneto region, almost all the main specialisations have average Standard Outputs per farm above the European average.

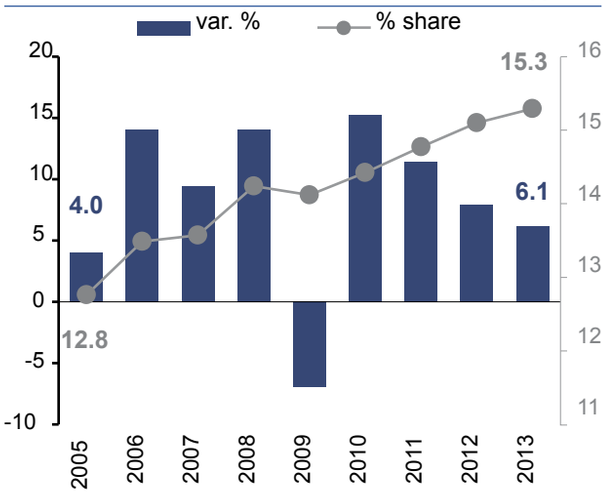
On a more detailed analysis of the more profitable specialisations in the Veneto region, it can be noted that the pig farming specialisation, one of the less widespread in Europe, produces one of the highest average Standard Outputs with a value of almost 100,000 euros per farm: the Veneto region, and more generally the Italian regions located in the Po Valley, also by virtue of the large average farm size, totalling around 500 UBA per agricultural holding, boast a profitability more than 10 times higher than the European average. For the poultry specialisation, of which the large majority of the almost 600,000 farms are concentrated in Romania and Hungary, the average Standard Output is on average little more than 370,000 euros at a European level, while in the case of the Veneto region and Italy this value is 25 times higher, and in proportion to the farm sizes almost 20 times larger than the European average.

As regards wine growing there are over half a million farms involved in this specialisation, covering 2 per cent of the European UAA with 3.5 million hectares. The large majority of the farms are located in a handful of countries: Italy alone counts for 35 percent and, when adding Romania, France and Spain, the total amounts to three quarters of the European winemaking holdings. In terms of profitability, the average value for European companies amounts to 35,466 euros: also in this case the Veneto region is above average with over 50,000 Euros per head, while the regions with higher average values are concentrated mainly in France with an average Standard Output above 100,000 euros per farm. Meanwhile, the horticulture specialisation involves just under 200,000 companies, above all in Spain (20%), Italy (18.6%) and Poland (11.2%) amounting to almost one million hectares of dedicated UAA. The profitability of horticulture is one of the highest and has an average Standard Output of 108,000 euros per farm; in the case of the Veneto region, this value exceeds 130,000 euros, also higher than the Italian average.

7.2 The Veneto agrifood products abroad: an inexorable growth path

The acclaim gained outside Italy of the producce from our land and of our food industry is well demonstrated not only by the dizzying growth of the export, but also

Fig. 7.2.1 - % Variation of agrifood exports and % share of Italian total. Veneto - Years 2005-2013 (*)



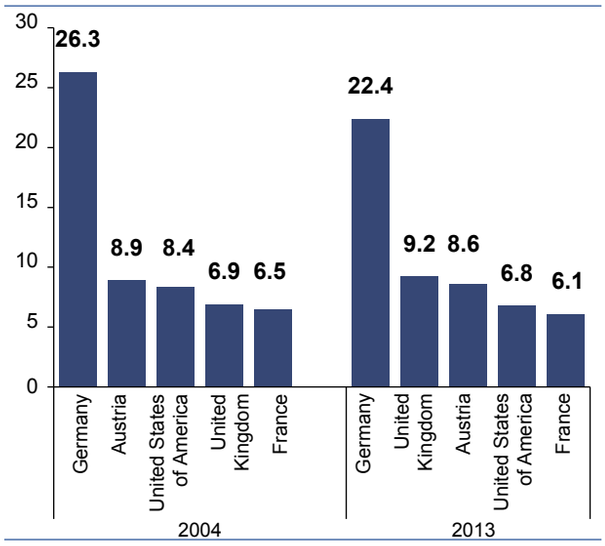
(*)2013 temporary
Source: Processing on the Veneto Region - Regional Statistical System on Istat data

by the many imitations of our cured meats, cheeses and wines and many other world famous products, victims of "Italian sounding" brands.

Exports

The value of Veneto agrifood exports has not only more than doubled over the last 10 years increasing

Fig. 7.2.2 - Agrifood exports: ranking by % share for the first 5 importing States Veneto - Years 2004 and 2013 (*)



(*) 2013 provisional
Source: Processing by Veneto Region - Regional Statistical System Section on Istat data

from 2.5 billion euros in 2004 to 5.1 billion in 2013, in a continual growth year after year, but has also eroded market shares from other Italian regions, today representing 15.3% of the Italian exports worldwide (12.8% in 2005), above all thanks to the growth of drinks, meat-based and oil-based products.

Our most important clients are historically the Germans who, with a further growth between 2012 and 2013 (+3.1%) receive almost one quarter of Veneto exports, even if over the years these are not the ones that have grown the most: in 2004 they counted for 26.4% of our exports, therefore losing market shares over the course of the decade, above all in favour of the United Kingdom, one of our top five clients.

In ten years our agrifood exports have more than doubled

In fact the British have generated a more consistent growth (+21.3% in the last year alone) and brings them to a share out of the total exports equal to 9.2%. While the first five of our importers amount to over half of the value of our exports, the two markets that have grown most in the last decade are Russia and China: even though they currently hold marginal shares of the total, respectively 1.8% with 915 million euros and 0.7% with 37 million euros, they are the two States that are most interesting and most interested in Italian and Veneto quality products, with considerable growth prospects, also in relation to the significant social changes underway and the increase of the wealth available per capita.

Our best sellers are drinks, which generated 35% of the exported value in 2013, led by the wine sales that almost represent the total with 89% of the value.

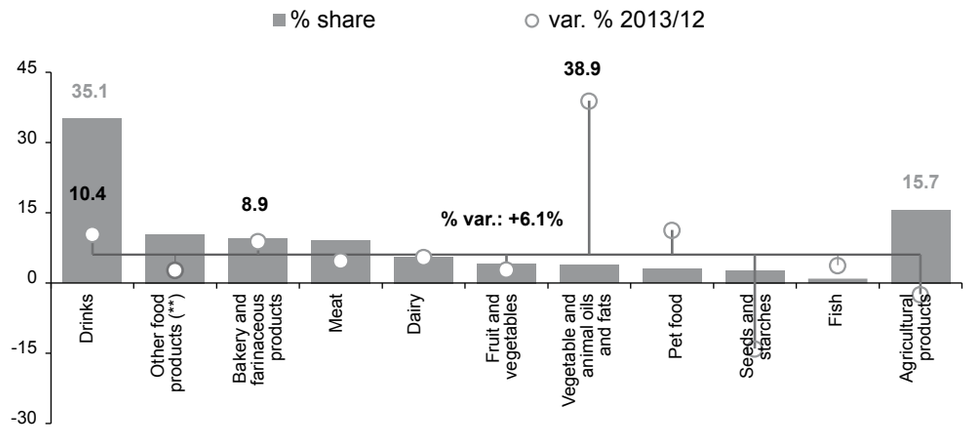
The other very popular product categories are those with a basis of sugar, cocoa, diet foods, amounting to 10.4%, our bakery products and pasta with 9.5% and our meat-based products with 9.1%.

The products with the most significant growth over the last year, with double figure values, are oils and fats (+39%). pet food products (+11.3%) and inevitablly drinks (+10.4%).

Wine

Wine definitely leads the Veneto agrifood exports with almost 1.6 billion euros in 2013 and an increase of 10% with respect to 2012 achieves a new growth record and crowns Veneto as leader of the Italian

Fig. 7.2.3 - Agrifood exports: % share by category and % variation. Veneto - Year 2013 (*)



(*) 2013 provisional
(**) includes sugar, cocoa, chocolate, sweets, tea, coffee, spices and diet foods
Source: Processing on the Veneto Region - Regional Statistical System Section on Istat data

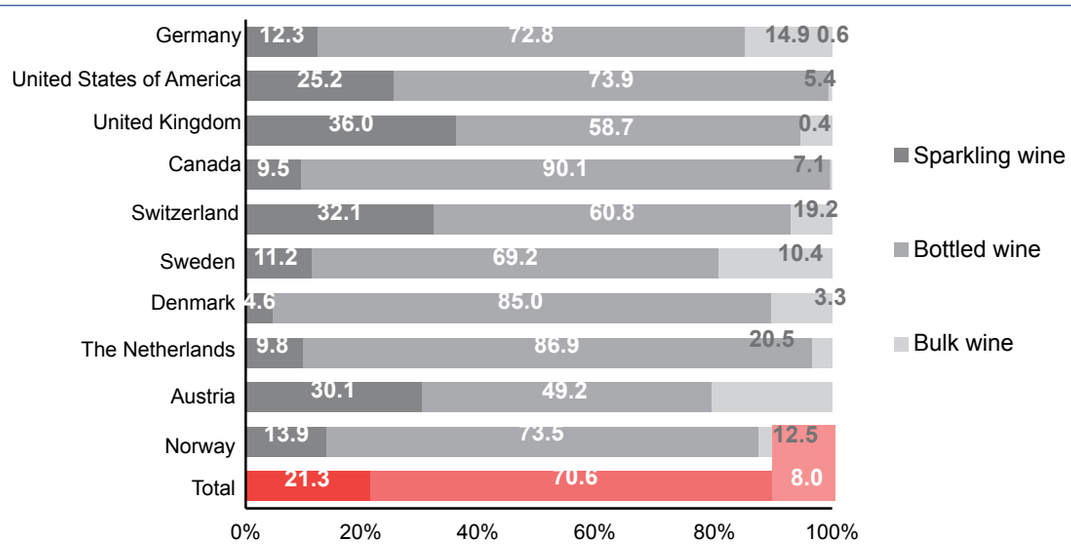
regions for the umpteenth consecutive year: an impressive 31% of Italian exports originate from our very own region!

The growth over the last ten years was particularly impressive for wine; where between 2004 and 2013 the value of Veneto exports practically doubled.

Our top 3 clients, Germany, the United States and the United Kingdom count for over half of the value of exports. The boom in purchases between 2012 and 2013, considering our top 10 buyers, occurred in the United Kingdom (+29.8%) where consumers are decisively orientated towards sparkling wine amounting to 36% of the value purchased, while in the Scandinavian countries: Norway generates a +21.3% growth and Sweden +19%.

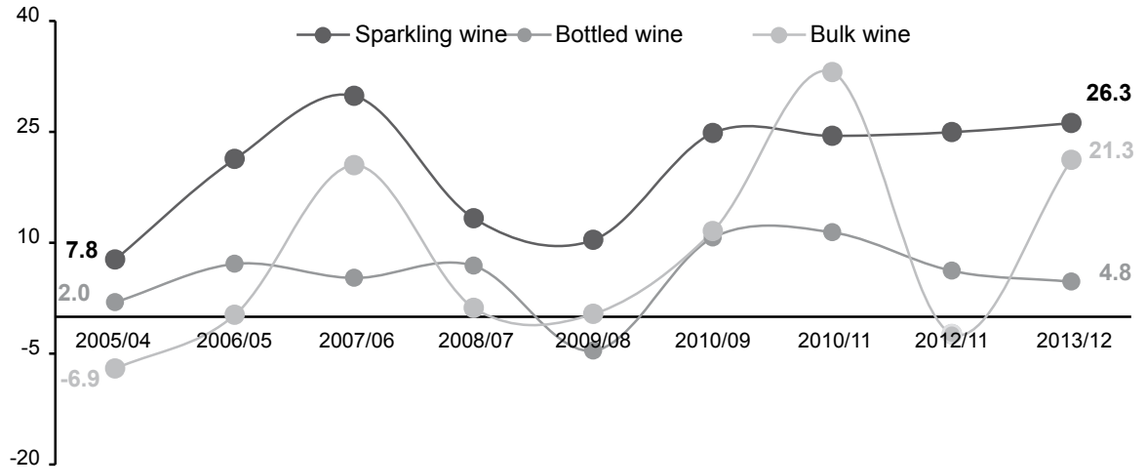
Considering the type of wine exported and the buying countries a rather interesting diversification can be noted in the preferences of each one: for example in the United Kingdom, Austria and Switzerland sparkling wine exceeds 30% of the purchased value while in Denmark it stays below 4.6%. Austria, Sweden and Germany, with values above 15% of the purchased

Fig. 7.2.4 - Percentage distribution of exports of the first ten clients by type of wine Veneto - Year 2013 (*)



(*) 2013 provisional
Source: Processing on the Veneto Region - Regional Statistical System Section on Istat data

Fig. 7.2.5 - Percentage variation of wine exports by type - Years 2004-2013 (*)



(*) 2013 provisional
Source: Processing on the Veneto Region - Regional Statistical System Section on Istat data

value have a greater tendency towards wine in bulk, while the United States and Canada show values close to zero.

Bottled wine, which is the type most sold with 70.6% of the value is particularly appreciated in Canada, the Netherlands and Denmark with values close to or over 90%.

Considering the last 10 years the most rapid growth is that of sparkling wine. Since 2010 this type of wine has never grown by less than 25% per year, to the extent that it now represents over a fifth of the value of wine that we export, while in 2004 it represented only 7.8% of the total. This growth has a lot to do with the enormous success of Prosecco, which since 2009 also boasts the award as Protected Denomination of Origin (PDO). The Glera has also become the first vine cultivated in the Veneto region covering almost 30% of the regional vineyards. In the collective imagination Prosecco is replacing other famous bubbles, ideally associated with celebration moments and also due to the high palatability of its quality/price ratio, suitable for daily consumption. Of the almost 63 million bottles of sparkling PDO wine produced in 2012 (69 million PDO bottles in total) 45% have been exported outside Italy: three quarters of the value are divided between Germany, Switzerland, United Kingdom, United States and Austria for a final value of 132 million euros, while growth between 2003 and 2012 was amazing, boasting an annual average of +21.7%!

7.3 Quality products

The Italian food and wine model is full of remarkable specialities and characteristics, so precious and promising that they could be an excellent way out of the crisis. The real added value of our agrifood is fuelled by various aspects, all equally important: the wide range of products is still unparalleled in variety, with quality characteristics superior to the average of other countries, with high and constant food safety standards for the entire production and distribution process; the Mediterranean diet, recently awarded with Unesco recognition as an intangible world heritage, guarantees nutritional values able to positively influence health and lifetime; technologies and know how of the agrifood processes and of the related sectors such as the conservation of food, processing, packaging etc. are extremely high in level; the ties with the territory are like no other, able to provide culture, art and history at the same time, so that the agrifood products can communicate intangible values that go well beyond the food aspect.

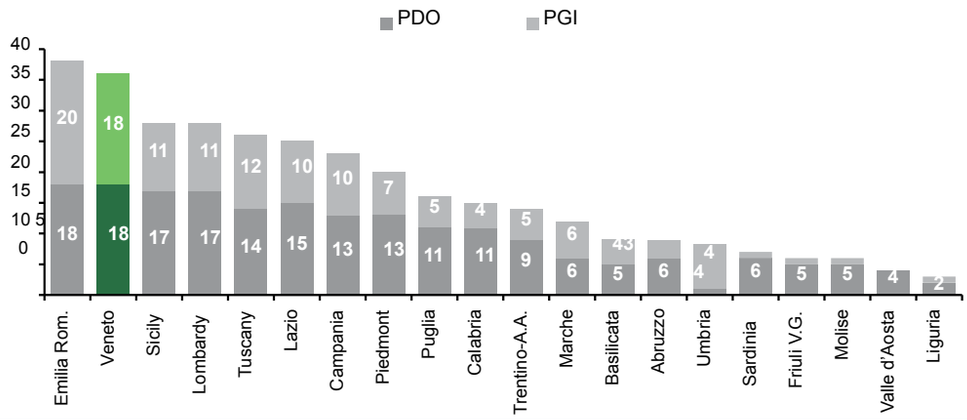
All this is fully expressed in the products certified with Designated Origin: PDO, PGI and TSG[4]

PDO, PGI and TSG

The total certifications recorded at the EU for the year 2013 amount to 1,209 (of which 15 are non-European) with an introduction with respect to the previous year of an impressive 72 new products.

[4] PDO: Protected Designation of Origin; PGI: Protected Geographical Indication; TSG: Traditional Specialities Guaranteed.

Fig. 7.3.1 - Regional classifications of the products certified PDO and PGI. Year 2013



Source: Processing on the Veneto Region - Regional Statistical System Section on Istat data

Italy, with 261 products for 2013, has for many years been the country with the most awards by far: one certified product out of five is of Italian origin, followed by France (17%), Spain (14%), Portugal (10%) and Greece (8%).

With respect to the previous year, Italy has grown further with the introduction of 13 new products, with two absolute novelties in the section of pasta: Maccheroncini di Campofilone and Pasta di Gragnano.

Italy is the country with the most Designation of Origin in the world, with the Veneto region second out of all Italian regions.

Among the various sections however, the most populated is that of fruit and vegetables with 101 products followed by cheese (47), oils and fats (43).

With regard to regional distribution, even if all Italian regions provide at least one certified product, half of the products are concentrated in the first four: Emilia-Romagna in first place with 38 certifications, closely followed by Veneto (36), Sicily and Lombardy both with 26.

The sector of the Italian PDO and PGI, both in terms of quantities produced and turnovers achieved are in good health, growing continually in the last 3 years: the turnover from production between 2011 and 2012 grew by 2.1% reaching 7 billion euros, while that of

Tab. 7.3.1 - The first ten PDO and PGI per production turnover (millions of euros). Years 2010 - 2012

	Production Turnover			
Designation	2010	2011	2012	Var. % '12/'11
Grana Padano	1,497.7	1,735.6	1,790.2	3.1
Parmigiano Reggiano	1,162.8	1,356.9	1,315.9	-3.0
Prosciutto di Parma	900.2	991.6	981.3	-1.0
Prosciutto di San Daniele	309.1	302.3	312.6	3.4
Mozzarella di Bufala Campana	289.7	288.4	282.0	-2.2
Balsamic vinegar of Modena	242.8	260.3	261.6	0.5
Gorgonzola	216.0	249.0	250.1	0.4
Mortadella Bologna	218.1	223.8	222.7	-0.5
Alto Adige Apple or South Tyrolean Apple	140.8	170.1	220.2	29.5
Bresaola della Valtellina	199.0	215.2	216.9	0.8
Total top ten PDO and PGI	5,176.2	5,793.2	5,853.6	1.0
Total production turnover	6,233.0	6,849.8	6,991.7	2.1

Sourve: Processing by Regione Veneto - Regional Statistical System Section on Ismea data

the consumption increased by 5% reaching 9 billion. Although the concentration of the market value is decidedly restricted to the first 10 products, which in 2012 alone produced 84% of the production turnover, in reality the decreasing trend of the market share covered between 2011 and 2012 (-0.9%) shows a slight but constant growth in importance of the other minor products.

The crisis of national consumption has meant that the foreign market is confirmed as a fundamental resource for our certified products: 32% of the agrifood quality produce crosses the national borders, generating a turnover that between 2012 and 2011 saw a growth of 4.6 percent, amounting to almost 2.5 billion euros.

The cheese and meat-based products alone generate over 80% of the total turnover, confirming themselves as flag bearers of "made in Italy" beyond the national borders.

By analysing the detail the regional turnovers, as is naturally expected Emilia-Romagna is the top region of Italy, with almost 3 billion euros, especially when we consider that here the top three PDOs with the highest turnovers are produced. This is followed by Lombardy with 1.8 billion, Trentino Alto-Adige with 529 million and Veneto with 454 million. Over 80% of the production turnover is concentrated in these 4 regions.

The Veneto region with its 36 Designations of Origin, equally distributed between PDO and PGI, comes in at second place for the number of designations and in fourth place for production turnover. Almost half of the designations come from fruit and vegetables and cereals, followed by cheese with 22% of the products and meat preparations with 19.4%.

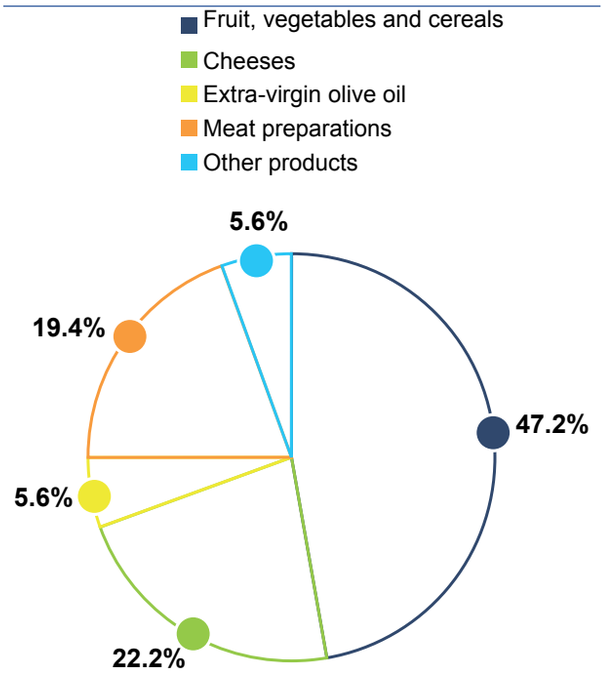
The highest production turnovers come from the section of the cheeses, above all due to numbers but also in terms of operators: considering only the prevalently regional Veneto production, in 2012 Asiago cheese totaled 88 million euros, with over 18 thousand tons of cheese produced and 9 million euros

Tab. 7.3.2 - The top ten PDO and PGI per production turnover (millions of euros). Years 2010 - 2012

	Production Turnover				
Regions	2010	2011	2012	Var. % '12/11	Impact % 2012
Emilia Romagna	2,615.9	2,897.0	2,894.9	-0.1	42.2
Lombardy	1,586.2	1,827.3	1,775.8	-2.8	25.9
Trentino Alto Adige	423.7	455.4	528.8	16.1	7.7
Veneto	361.2	417.4	454.3	8.8	6.6
Friuli Venezia Giulia	335.0	331.6	312.6	-5.7	4.6
Campania	283.3	287.3	286.8	-0.2	4.2
Piedmont	181.1	199.9	201.1	0.6	2.9
Sardinia	162.0	110.4	137.0	24.0	2.0
Tuscany	92.9	98.1	94.8	-3.4	1.4
Lazio	45.3	41.7	51.1	22.5	0.7
Puglia	22.1	33.8	34.5	2.2	0.5
Umbria	35.0	13.9	20.2	45.1	0.3
Sicily	24.2	17.5	16.8	-3.6	0.2
Calabria	11.2	9.1	13.6	49.6	0.2
Marche	15.8	11.4	11.9	5.0	0.2
Liguria	5.2	5.2	4.6	-11.5	0.1
Valle d'Aosta	26.7	25.4	24.0	-5.4	0.3
Basilicata	1.6	1.8	2.1	17.9	0.0
Abruzzo	3.0	2.6	1.9	-29.5	0.0
Molise	1.4	1.1	0.8	-27.8	0.0

Sourve: Processing by Regione Veneto - Regional Statistical System Section on Ismea data

Fig. 7.3.2 - PDO and PGI products: percentage distribution by type. Veneto - Year 2013



Source: Processing by Veneto Region - Regional Statistical System Section on Veneto Region data

achieved from the foreign sales, rating it at the top of the classification, followed by Piave, which in 2012 had a turnover of almost 17 million euros, producing almost 2,000 tons of cheese and exports for a value of 2.8 million euros, practically doubling the value of 2011. Among the other sectors the Veneto Berico-Euganeo Prosciutto stands out with a turnover of 5.6 million, the Garda olive oil with 2.5 million and Treviso chicory with 1.6 million.

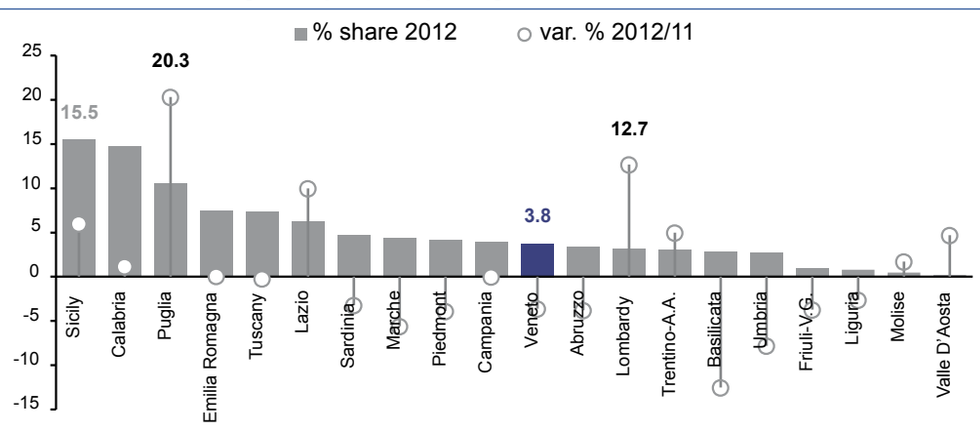
For more information on agricultural holdings, areas and amount of livestock involved in the supply chain of quality products, we can use the data of the 2010 Agricultural Census: there are slightly more than one thousand companies with crops of Designated Origin for a UAA of 13,867.6 hectares, of which 4,214.1 are used exclusively for quality production, and there are almost 3,000 companies with livestock of Designation Origin, mainly dealing with the cattle sector.

The average UAA of these agricultural holdings is substantially higher than the regional figure amounting to 11 hectares. The average age of the farm manager is lower than the average of the colleagues and equal to 54 years, and consequently the educational qualifications are also on average higher. There is a higher presence of males, making up 86% of the farm managers (the Veneto average is 75%), a higher rate of computerization equal to 17.2% of the companies (5.4% the Veneto average), and the use of non-agricultural remunerative activities more than two times the Veneto average. The direct consequence is that the average profitability of the companies specialised in Designated Origin products, calculated in Standard Output, is decidedly higher with respect to the average, with a per capita value that exceeds 200,000 euros.

Organic farming

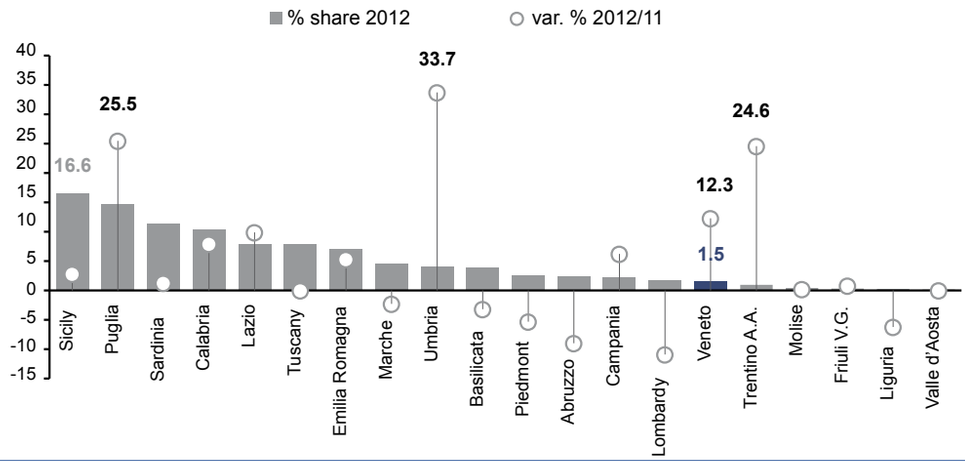
Organic agriculture is another section aimed at the maximum product quality and has witnessed a dizzying growth over recent years: in Europe from 2004 to 2012 the areas using this farming method doubled, to the point that it now represents 30% of the global organic surface, with 11 million hectares of land. The Countries with the larges areas are Spain, with over 1.6 million

Fig. 7.3.3 - Classification of the organic operators per region: % share and % variation. Year 2012



Source: Processing by Veneto Region - Regional Statistical System Section on SINAB data

Fig. 7.3.4 - Classification of the organic cultivated area per region: % share and % variation. Year 2012



Source: Processing by Veneto Region - Regional Statistical System Section on SINAB data

hectares, Italy with 1.2 million and Germany and France with little more than 1 million. Italy, among other things, is included in the top 10 countries in the world both for area and number of operators in the organic sector, on the increase between 2011 and 2012 respectively by 6.4% and 3%, with situations differing on a territorial level: while Puglia is the most active region with the most important variations both in terms of area and number of operators, it is Sicily that is the undeniable leader from every point of view.

Veneto, while representing 3.8% of the almost 50,000 national operators and 1.5% of the farmed area, has shown a certain dynamism with an increase of the organic UAA by 12.3% and a substantial stability of the operators, slightly decreasing with respect to 2011 (-3.6%). As regards the organic agricultural holdings, from the data of the 2010 Census, it appears that they are larger than the national average, with a UAA per holding over 20 hectares, half of which is dedicated specifically to organic crops, an average age of the farm manager below or equal to 53 years, a rate of computerisation decidedly high and equal to almost one third of the farms, and use of non-agricultural remunerative activities, five times higher than the average of the other farms (20% compared to 4.6%).

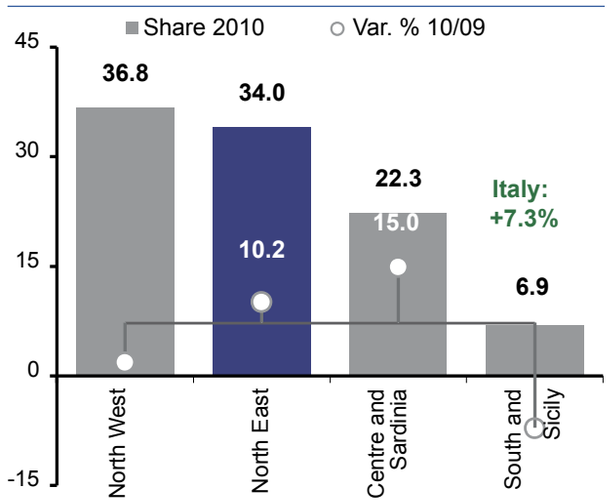
Also in this case all this guarantees an average income per farm above the Veneto average and equivalent to almost 180,000 euros.

And whereas in Italy food consumption between 2011 and 2012 decreased by 1.8%, the consumption of organic food for the umpteenth consecutive year have shown an increase and between 2011 and 2012 gained 7.3 percentage points: the organic sector does not seem to suffer from the crisis, in fact it has been growing since 2005 due to the increasing attention of the consumer both regarding their health and respect for the environment.

The organic product consumption is constantly increasing

The regions of the North West represent the highest amount of consumption, although for 2012 their growth was below the Italian average; the regions of the North East, which represent 34 % of the packaged organic expenditure have increased in double figures (+10.2%), while the regions of the Centre are those that have achieved the highest growth and are equal to +15%; however consumption in the regions of the South are on the decrease.

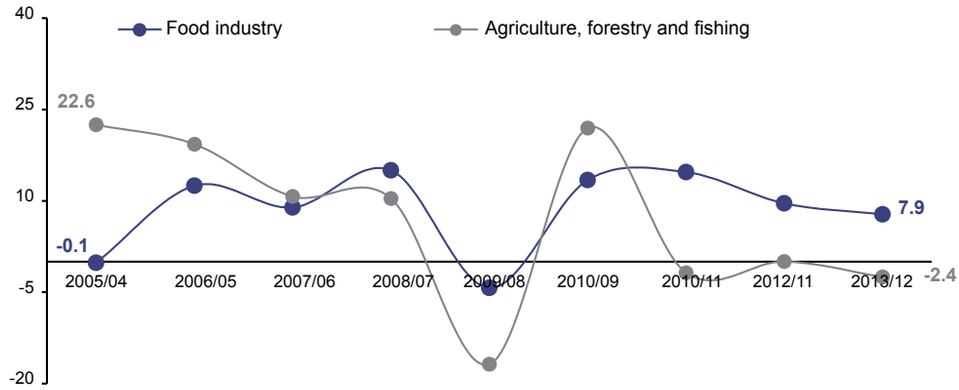
Fig. 7.3.5 - % impact per geographical area and % variation in consumption of packaged organic products. Italy - Year 2012



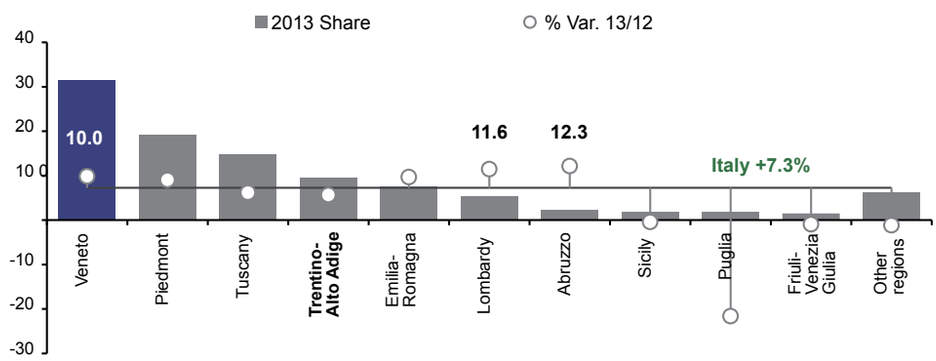
Source Processing by Veneto Region - Regional Statistical System Section on Ismea data

VENETO FOOD PRODUCTS INCREASINGLY POPULAR ABROAD

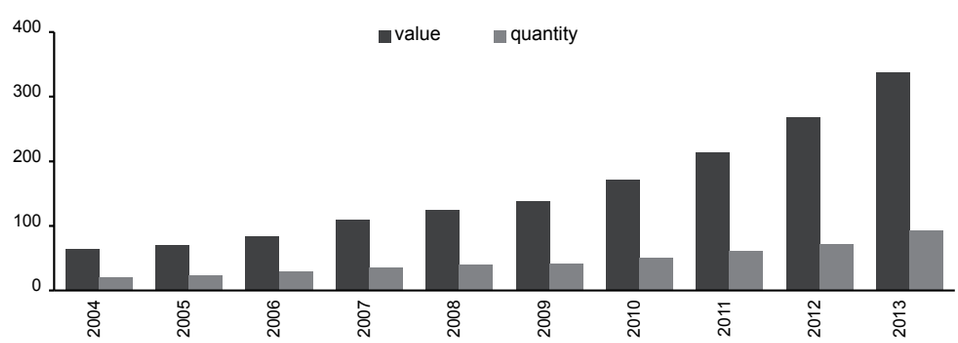
Food exports on the increase ...
Percentage variation of the agrifood exports by type. Years 2004 - 2013 (*)



… Above all thanks to the wine…
Annual variation and % share of the value of exports of wine per region - Year 2013 (*)



… with more and more appreciation for our sparkling wines…
Exports of sparkling wine: value (millions of euros) and quantity (millions of quintals). Veneto -Years 2004 - 2013(*)



(*) 2013 provisional data
Source: Processing by the Veneto Region - Regional Statistical System Section on Istat data

7.4 Growth paths in the agricultural sector[5]

In June 2010 for the purpose of relaunching the economy of the European Union and preparing for the challenges of the forthcoming years, the European Commission launched the Strategy "Europe 2020", an agenda of economic and financial reform for the competitiveness of the EU with a medium term vision identifying three essential priorities that reciprocally reinforce each other:

– intelligent growth, for an economy of knowledge and innovation;

– sustainable growth for a more efficient economy in terms of the most green and competitive resources;

– inclusive growth, for an economy with a high employment rate that favours social and territorial cohesion.

Thus when speaking of "growth paths" it is natural and necessary to refer to these priorities, which are not only applicable to just a few socio-economic sectors but can be usefully applied also to the agricultural sector in the broader sense, as producers of food goods and as the main player in the protection of the environment and the promotion of the territory. These are aspects that are integrated with the new European agricultural and rural policy 2014-2020. For these reasons, it is interesting to present three concrete examples of growth paths in the agricultural sector within the framework of the three objectives mentioned above.

Intelligent growth: Kiwiny, from the province of Treviso to the United States

The entrepreneurs with far-sighted aims deserve attention, even more so in a period of great financial difficulty. Philipp and Manuel Breitenberger, originally from South Tyrol but active with their organic kiwi production and processing farm in Giavera del Montello, in the province of Treviso, are demonstrating that in the face of crisis, being farsighted always pays off. In 2013 the turnover of their farm doubled with respect to the previous year and new promising projects stand out on the horizon. In just a few years, the small agricultural holding created by their father became a niche company known throughout Europe and also overseas, where it seems that the range Kiwiny - the products processed by the Agricultural Holding Breitenberger - have become extremely popular.

The decision of the Giavera brothers to diversify company production was the key to their success. To produce only fresh products, albeit organic and high quality, with all the risks that this brings in relation to the certainty of results, evidently no longer met the needs of the new and more ambitious company aims, which precisely looked further than this. From here came the intuition to transform the part of the production that cannot be sold (undersized produce etc.) into a series of products packaged with a variable base of organic kiwi and concentration of organic fruit juice (grapes, apples, pear, coconut, bananas).

The special characteristics of the Kiwiny shakes, juices and jams, but above all the entrepreneurial talent demonstrated by the two brothers of Giavera soon led to the success of the company, which in 2013, in the 10 hectares of property, produced 3,500 quintals of organic kiwi (with an additional 2,500 quintals purchased from other small Veneto producers). Both the fresh organic products and the full range of processed products now find outlets as well as in the regional and national market (10%) above all in the European markets (80%), in the United States and in Canada (10%), while some Asiatic markets have already shown an interest in the Kiwiny line.

Another strength of the Treviso company was that of knowing how to invest in technology, in the creation of a new generation line of kiwi sizing and packaging and a large photovoltaic platform. This investment allowed not only to significantly reduce energy costs requested by the production lines, but also to provide surplus energy as part of the concept of "agricultural diversification".

Moreover, the development of the company was also largely thanks to the funds obtained via the Veneto Rural Development Programme 2007-2013 and other programmes, including the European ones (above all the Project "App4Inno" for which Veneto Agriculture is the Leader partner) which, overall pushed the Breitenberger brothers to make important investments over recent years.

Philipp and Manuel, along with five other employees of the company, are however already looking to the next goals. Among these are some new products to enrich the Kiwiny range and aimed at the babyfood line. Another "top secret" product that is being tested in collaboration with the University of Padua is already arousing great interest among the operators.

[5] By Veneto Agricoltura.

Sustainable growth: the case of "ValleVecchia"

The innovation takes inspiration from a dream or more simply from an idea. It aims at modifying the status quo by introducing practices and/or improvements that allow the evolution or revolution of the previous situation, constituting a new and more satisfying status quo. Is this affirmation only applicable to daily life or to the entrepreneurial action, or can it also be translated into corporate activities such as that of the territorial, agricultural and environmental management? And are the expected results only of a production and/or corporate nature, or do they cause effects with a positive and pseudo-unexpected impact on apparently offshoot sectors such as income-generating activities? The question is redundant and we can find out why by looking at the "ValleVecchia" case in detail.

The coastal agro-environmental district of ValleVecchia between Caorle and Bibione (Veneto) extends over around 900 hectares, a result of one of the last long-term land reclamation activities in the 1960s involving the entire Eastern Veneto region over the last century. Today it is one of the most important coastal sites of the Network Natura 2000 in Veneto; with 750 of these hectares owned by the regional authority and assigned to the management by Veneto Agriculture. The area is characterised by the presence of an ecosystem made up of numerous habitats, both priority and of species that are rare and at risk. The regional farm also performs research and experimentation activities of great importance in the regional agricultural context.

The first interventions of environmental redevelopment of the site of ValleVecchia began in 1994 with the conversion of 14 hectares of agricultural crops close to the mouth of the Baseleghe canal into woodland. The initiative, the result of a collaboration between Esav and the Regional Forestry Agency, bodies which later merged into Veneto Agricoltura, started a vast redevelopment project of the Pilot Demonstration Agricultural holding ValleVecchia, implemented in two subsequent Programmes.

The first (1997-2003) was implemented in three executive stages for a total expense of around 7 million euros, financed with CIPE funds in collaboration with the Regione Veneto and Consorzio di Bonifica Pianura Veneta tra Livenza e Tagliamento.

First of all this envisaged the digging of a canal surrounding the coastal woodland and a parking area for vehicles of the visitors heading to the beach, with the placement of railings: initiatives thus aimed more at the management of visitor flows and the protection of the coastal habitat. At the same time the works of renaturalisation began with the creation of preliminary wetlands area of 30 hectares, the planting of rows of trees along the main dirt paths and the extension of the woodland and the farm hedges. In 1998 with the completion of the parking area, a first network of cycle paths was created as well as educational-naturalistic structures, a further extension of 60 hectares of the coastal woodland, the planting of 8 km of country hedgerows and the formation of a second wetland area of 19 hectares. Finally in 2001 the network of visitors paths, the visitors centre and some educational structures (roof terraces and hides for wildlife observation) were completed, including another 40 hectares of wood, 5 km of country hedges and the flooding of a third wetland area of around 15 hectares.

With the second Programme (2005-2008) implemented as part of the EU funds LIFE and Docup Ob 2 (the latter by regional management), Veneto Agricultura completed six executive stages for a total of around 5.7 million euros. This focused on management of the water system, implemented with supervision by the Faculty of Hydraulic Engineering and the scientific collaboration of the Laboratory of analysis of the environmental systems of the same Padua Faculty of Engineering to rationalise the fresh water from rainfall, storing it in wetlands created for this purpose. At the centre of the Valley a large basin was built, into which 150,000 m3 of fresh water was conveyed and stored in areas of phyto-purification covering an area of around one hectare. In order to favour the activities of observation and nature tourism, the wetlands were equipped with information and educational posters and with roof terraces and observatories, connected by routes that are partly sheltered. This was to encourage school groups and birdwatchers without disturbing the wildlife in the basins, thus safeguarding and increasing biodiversity.

Another area of intervention concerned the management of nature tourism: completion of the network of nature paths and the placement of educational charts that provide visitors with information

on the habitat and local species, as well as the creation of a services and information centre in the form of a large country house in the parking area of the beach and of the Environmental Museum of Vallevecchia (MAV). The biodiversity of the area is demonstrated by the continual sightings of new species in this area, observed for the first time in the Veneto region or in Italy (this case refers to lepidoptera above all) as testimony once again to the environmental importance of Vallevecchia throughout the Upper Adriatic. At the end of a decade of interventions of territorial and environmental redevelopment the cultivated farm area has almost halved, passing from around 630 hectares to around 320 hectares with the planting of around 300,000 plants. ValleVecchia has therefore assumed the characteristics of an experimental area, destined at pilot projects for eco-compatible agriculture, the use of the water resources, management of nature tourism, teaching of natural sciences, and of nature research, striving the achieve objectives of sustainability in the management of beach tourism, implementing the latter with alternative methods and with less impact on the environment with respect to those of the nearby centres of Caorle and Bibione. A further aspect that enhances one of the most important tourist and coastal areas in Italy and that bridges a gap in the tourism supply of the territory of eastern Veneto.

Inclusive growth: Durello, ancient history with a modern outlook

In the rich and varied Italian setting of sparkling wines, the Lessini Durello DOC, produced on the hills between Verona and Vicenza is acquiring a commercial space and impressive visibility. A curious name, perhaps not yet well enough known, that derives from the vine itself. This vine is native to the territory since prehistoric times, as testified by the discovery of fossilised vines from Bolca and the upper Valle d'Alpone. Durello is vigorous, resistant to disease and capable of adapting to clay-like soil, even better so if of volcanic origin: the name actually derives from the hardness or total acidity of its grapes. Given these properties it was used traditionally only in its straw wine version, but its marked acidity, full body and fascinating persistance have inspired enthusiasts to search for other means of expression in the glass. Therefore in Lessinia, the terroir of Durello, the land on which the Regional Nature Park of the same name stands, the producers started to discover a strong vocation for sparkling wine, both with the Charmat and Classic method.

In the Veneto region, dominated by the major names, this small farm seems to have made the right choices for growing well and quickly. 2013 marked the first 25 years of the DOC of the Lessini Durello: a period in which its production identity and awareness of the original value of the production area was consolidated. In particular, thanks to the far-sightedness of the historical producers, in 1998 the Consortium of protection was founded, which with great vitality launched the development policy of the collective label. In 2000 the rules for wine production were modified with the aim of safeguarding the territorial values expressed by the DOC, opting to change the name of the designation to Monti Lessini. In parallel, the actions of the Consortium and of the individual wine cellars allowed the rapid and constant growth of the value of the Durello vine. Thus in 2009 on the basis of a new analysis, a further modification of the production discipline was requested which became effective in 2011. In practice there are now two types of wine produced on these beautiful Vicenza-Verona hills: the Lessini Durello DOC that identifies the sparkling wines made from "durello" and the Monti Lessini DOC that instead include still wines, white wines, red wines and straw wines. Today the data affirms the choices made: on the basis of the analysis of the production and consumption trends of 2013 it appears the DOC of Lessini Durello is expected to reach almost 700,000 bottles with a net growth compared to the previous year of over 14%. An important result, definitely supported by the introduction of the new discipline of "splitting" production, which offers a further identity to the Durello Spumante, the real jewel in this designation. This is combined with the promotional activity coordinated by the Consortium, recently recognised by the Ministry of Agricultural, Food and Forestry Policies, in relation to its strength of representation in performing "erga omnes" the activity of promotion and protection of the DOC.

However, at this point it is necessary to be far-sighted when analysing the situation, to enable future challenges to be faced with determination. It is certainly favourable that this designation covers an area that is clearly defined and purely hillside, boasting an impressive history. Moreover, it is also taken into consideration that alongside two cooperative wine growers' associations that retain 80% of production, many wine bottling centres are growing, without

forgetting the undeniable interest on the market in the less famous sparkling wines, with respect to the "mainstream bubbles"

However the downside lies in the fact that Durello is the name of the vine, and therefore can be planted anywhere. It is therefore urgent that initiatives aimed at protecting and safeguarding the current and potential value of this fresh and promising Veneto designation are implemented.

How does the Veneto manage to produce one of the highest average revenues in Europe?

A large part of the responsibility for this revenue comes from the presence of specialisations that are particularly remunerative, such as the breeding of birds and pigs, horticulture and fruit growing. And although the majority of Veneto farms are specialised in crops, which in terms of profitability produce a lower average value per farm, and farm profitability is even more unbalanced with the majority of income generated by a few large specialised companies and a myriad of small companies that find it difficult to keep up, it is also true that the latter play an important role in the food supply for the territory and in the protection of biodiversity, with the great opportunity of adding to the agricultural income the results of good practice of multifunctionality, able to increase the added value of local agricultural productions.

The international settings change rapidly: how important is it to allocate our agrifood productions to exports?

While the international context is in rapid evolution and it is difficult to predict the long-term outcomes, it is also true that our quality products are now known in every corner of the world, to the extent that they are the most imitated and counterfeited ever: in addition to the protection of our designations it is therefore necessary to implement thorough injitiatives for the cultural promotion of Italian and Veneto products, inextricably linked to a territory, a tradition, a history and a culture. In fact, while wine is our flag bearer, there are still a myriad of products that are still undervalued because they are not sufficiently well-known, but are potentially able to become a large source of income also for the small farms unable to face foreign markets alone.

Average Standard Output (euros per farm) in 2010:
***EU 27**: 25,450;*
***Italy**: 30,514;*
***Veneto**: 46,117*

*Agrifood exports (billions of euros) in 2013 and % variation: **Italy**: 33.4 billion and +4.8% ; **Veneto**: 5.1 billion and +6.1%*

*Turnover from production of Designated Origin products (billions of euros) in 2012 and % variation: **Italy**: 6.9 billion and +1.2%; **Veneto**: 0.5 billion euros and +8.8%*

*% variation of consumption of packaged organic products in 2012: **Italy**: +7.3%; **North-East**: +10.2%*