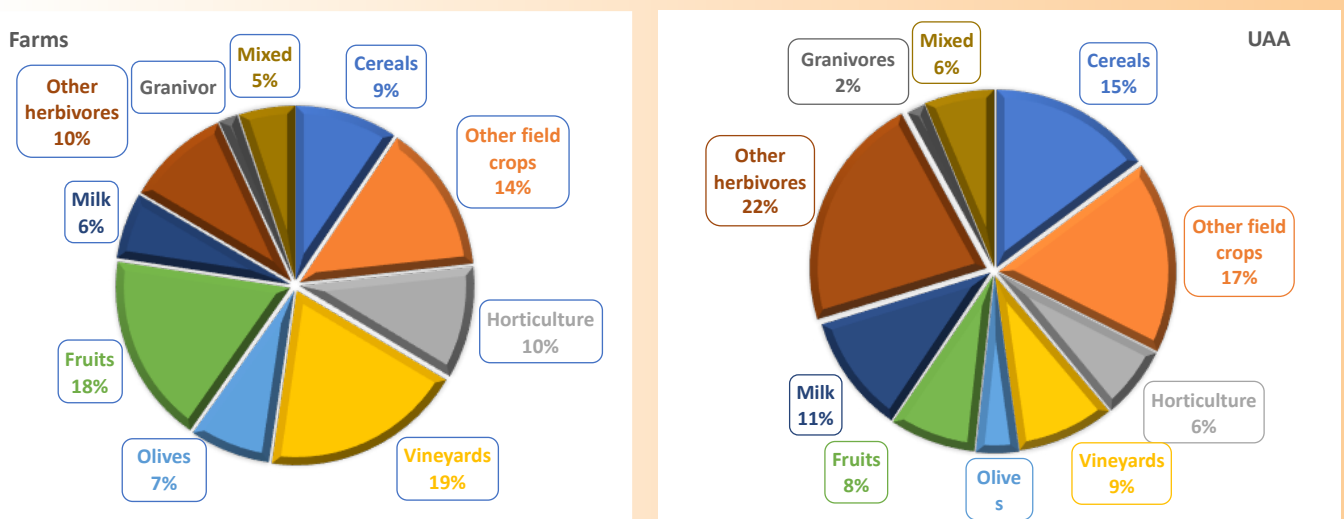


## ECONOMIC PERFORMANCE OF ITALIAN AGRICULTURAL FARMS - FADN 2022

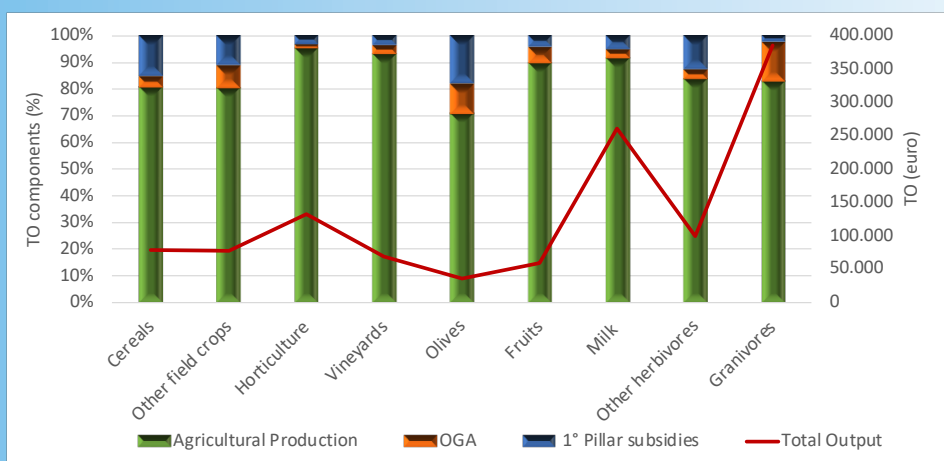
Every year the Italian FADN sample collects economic and management data of about 11,000 farms, each with an economic size above 8,000 euros of Standard Output (SO). This sample represents about 566,000 agricultural holdings, covering 93% of the Utilised Agricultural Area (UAA) and 98% of the SO. Following the established methodology, the sample is representative based on the grouping criteria: FADN Region, Economic Size and Farm Type. This factsheet presents the main results from the latest accounting year.

Approximately 44% of the sample farms are specialized in permanent crops cultivation, including vineyards, fruits and olives. One-third of the farms grow cereals, covering 40% of the UAA, while 17% focus on livestock, such as dairy cattle, herbivores, and granivores.



\*Herbivores includes meat cattle, sheep and goat cattle

In 2022 the Total Output (TO) of the Italian agricultural holdings is on average about 95,000 euros. Granivore farms reported the highest total output, benefiting from income from other activities such as breeding contracts with agri-food industries, contributing around 15% of their total output. Farms specialised in dairy cattle and horticulture scored best after granivores. Also farms with olives and other field cropping achieved significant output from Other Gainful Activities (11% and 9% respectively). On average, CAP Direct Payments (1st Pillar) contribute 10% to the total output, with higher contributions in olive (18%) and cereal farms (15%).

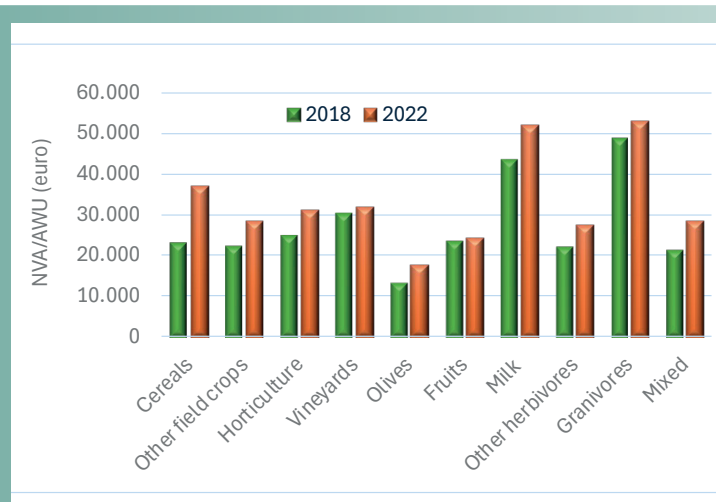
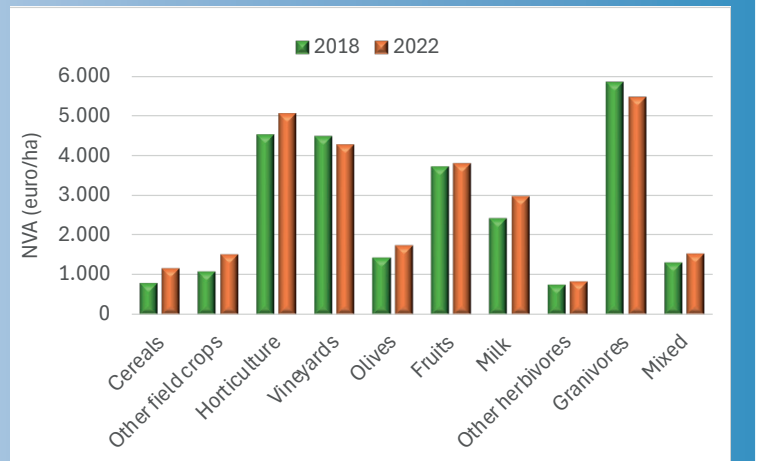


Land productivity (NVA/ha) of Italian farms follows an increasing trend as the farm economic size increases; however, the average value of single economic groups differs largely among one another. Over the years, large farms (> 100,000 euros of SO) improved the economic results reaching about 4,000 euros/ha, whereas on average the NVA/ha was of 2,200 euros/ha in 2022.

After a decline in 2019, all farm sizes saw improvements, with medium and small farms experiencing a 15% increase compared to 2018.

In the last five years, the Net Value Added (NVA/ha) has risen in all types of farms in Italy, except for vineyard and granivores which have been mostly affected by the increase in energy costs in recent years.

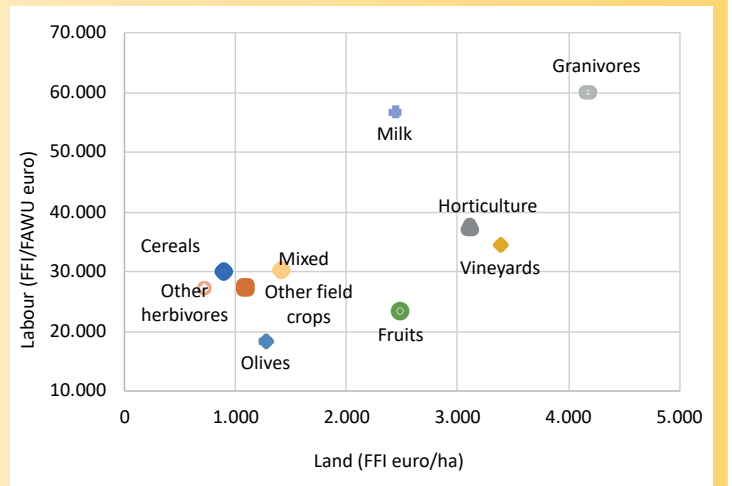
Granivores, horticulture and vineyard farms report the higher average of NVA/ha, with granivores and horticulture reaching 5,000 euros/ha and vineyards averaging 4,000 euros/ha.



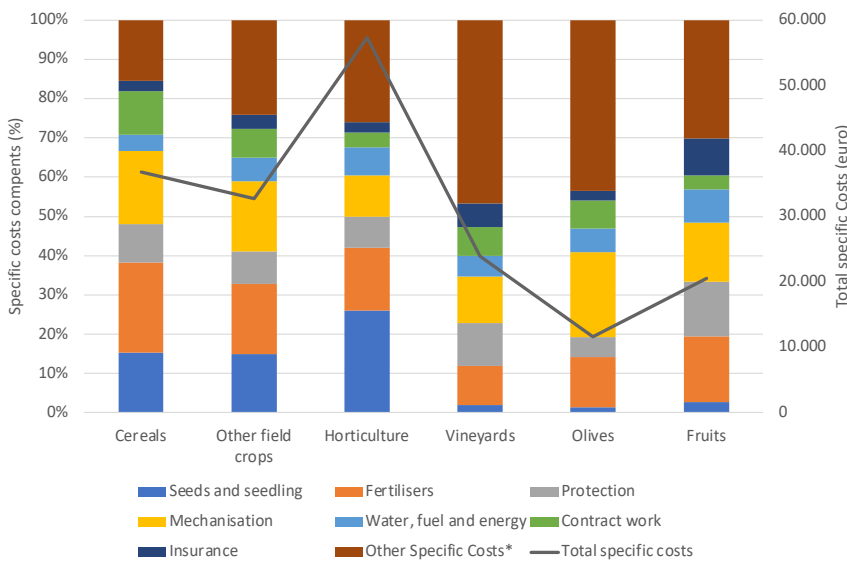
Over the last five years, labour productivity (NVA/AWU) has improved overall, with significant improvements in cereals (+58%) and olives (+30%). Results of the fruit and wine farms, however, remain basically stable. Compared to 2021, only vineyards recorded a negative trend, due to the high incidence of current costs.

In 2022, horticulture and viticulture farms were among the most profitable, with incomes exceeding 3,000 euros/ha (FNVA/UAA), driven by intensified production in horticulture and the high value of processed products in viticulture (e.g., PGO/DPI wines). Granivores represent an exception reaching the highest results, due to the peculiar production structure (landless farms and highly mechanized farming systems).

The lowest values are achieved by farms with other herbivores and cereal crops, which do not reach 900 euros of FFI/ha. In terms of profitability of labour with FFI/FAWU values above 55,000 euros, dairy cattle are at high levels, close to granivores.



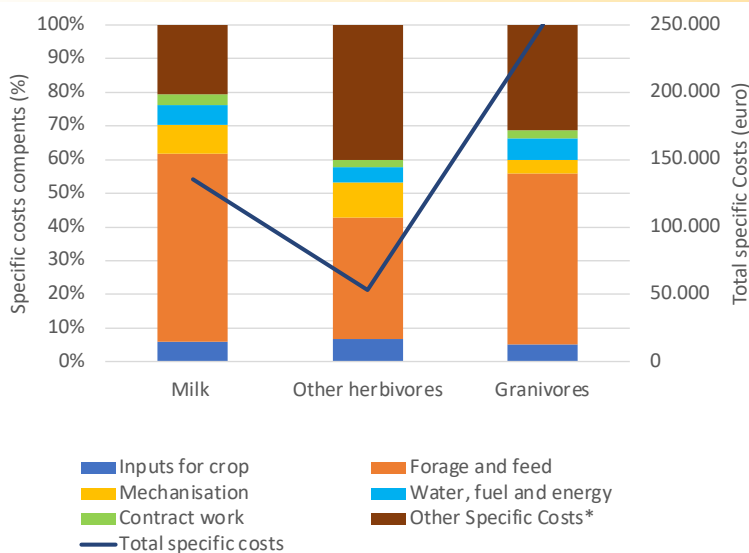
Cost structure vary significantly by farm type. In crop farms, current costs range from 11,000 euros for olive farms to 60,000 euros for horticultural crops. For livestock farms, costs such as feed and third-party services range from 53,000 euros in herbivore farms to 250,000 euros in granivore farms. Compared to the previous year, the increase in current costs was significant, up to 30% more for vineyards and granivores.



In horticultural farms 26% of current costs are due to seeds and seedlings purchase, while the cost of fertilization has the greatest impact in cereals farms (23%).

In agricultural holdings with vines and olive orchards, the costs for the processing of the agricultural products (included in other specific costs) account for over 40%.

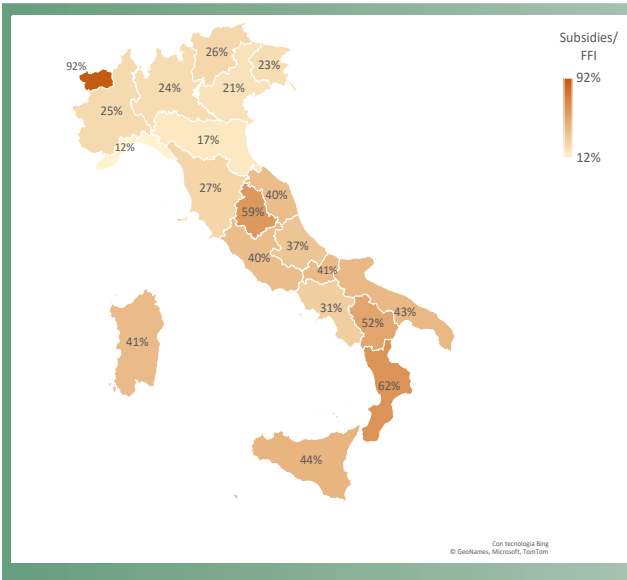
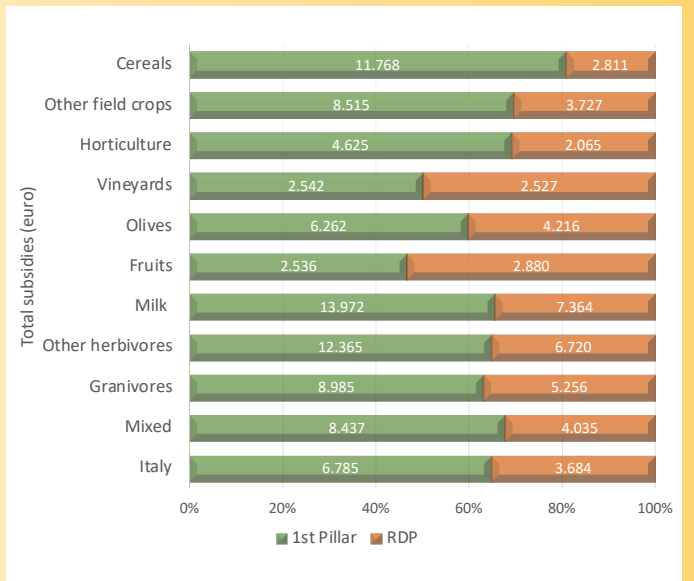
\*Other specific costs include processing and marketing costs, costs for land and OGA



More than half of total cost of inputs in livestock farms is represented by purchased feedstuffs (dairy cattle and granivores). The second most relevant cost item is related to the processing of raw material (milk or meat), transport and slaughter.

\*Other specific costs include processing and marketing costs, costs for land and OGA

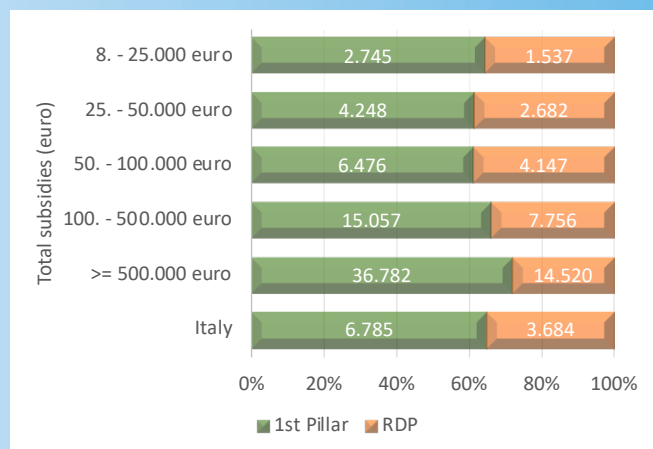
In 2022, the total public subsidies paid by the CAP as income support (1st Pillar) and in the 2nd pillar by the regional RDPs, amount on average to around 10,000 euros per farm. Support from the 1st Pillar represents the largest source of public financing for almost all farm types, with an average of 65% of total aid over the TO and a peak of 80% in cereal farms, for which direct payments represent substantial financial support. Rural development aid is on average 35%, up to 50% in wine and fruit growing farms. This distribution reflects the production characteristics of vineyards and fruits farms, which tend to invest more in production and processing facilities. In absolute value, farms with dairy and other herbivores cattle receive the highest levels of income support, due to pastures and coupled payments for cows and slaughter.



The proportion of subsidies as a part of Family Farm Income (FFI) varies significantly across Italian regions with Valle d'Aosta receiving the highest (92%), followed by Calabria (62%) and Umbria (59%). In contrast, regions such as Liguria, Emilia-Romagna, and Veneto see lower subsidy impacts (around 25%) due to more profitable, intensive and high-added value farming practices.

Overall, CAP support is the largest source of public financing, regardless of farm size. As a farm's economic size increases, the total farm payments also rise. On average, these payments account for 40% of Family Farm Income FFI.

For farms with less than 50,000 euros in economic size (ESU), 1st Pillar subsidies contribute up to 50% of their income. In larger farms, these subsidies contribute up to 30% of their FFI.



For further information <https://rica.crea.gov.it>  
2022 FADN data are provisional

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