

Workshop 1: Cooperation, Knowledge Transfer and Innovation

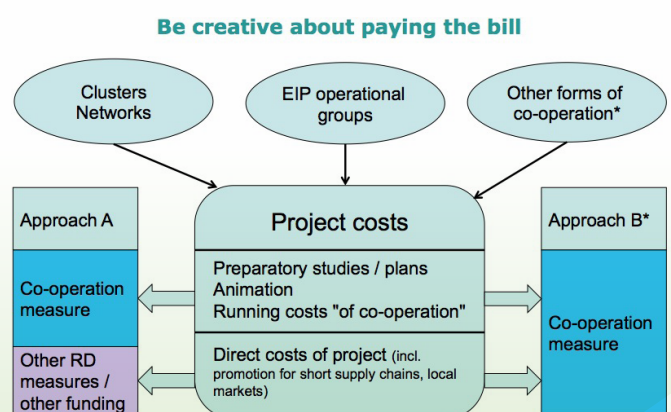


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Summary of presentations and panel interventions

'Innovation, Knowledge transfer and Cooperation in RDPs', Mike Mackenzie, DG AGRI

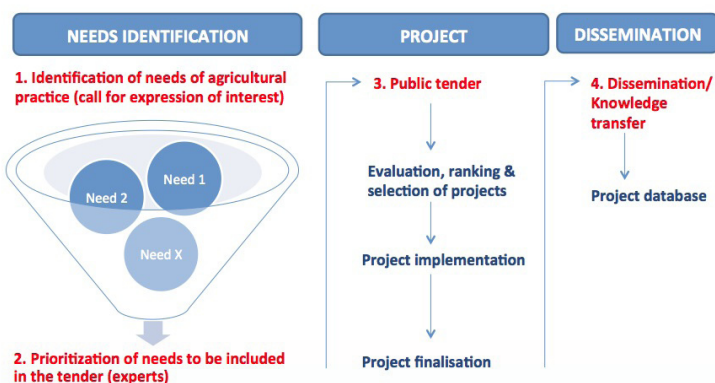
The presentation provided an overview of the progress in the preparations of the different programming elements at European level. It also illustrated key aspects of the Cooperation measure that need to be taken into account by the Managing Authorities such as eligibility rules (e.g. only new projects are eligible for support); eligible types of activities; different funding options etc. It was emphasised that the elements of the overall policy framework are to significant degree stabilised, hence Managing Authorities have been provided all of the key ingredients needed for the development of their RDPs.



'Programming Innovation', Tanja Gorisek, RDP Managing Authority, Slovenia

The presentation explained that innovation will have a central place in the Slovenian RDP 2014-2020. The EIP-AGRI will be a key tool for developing the Slovenian agricultural sector. The Slovenian MA has mapped what are the expectations from the new EIP framework and the possible pitfalls to be expected. Some preliminary ideas for the implementation arrangements to support innovation projects were presented including three steps: a) the needs identification phase; b) the project selection and implementation phase; and finally c) the dissemination of results.

How to bring EIP in practice?



'Current examples of Innovation in Rural Development', Giancarlo Cargioli, Agribusiness Development Dept., Emilia Romagna, Italy

The presentation illustrated a series of integrated projects introducing innovations in the food supply chain in the region of Emilia Romagna in Italy. These examples demonstrated in practice the effectiveness of bringing together science and practice and how different stakeholders and different RDP measures can be combined as to support innovation in the agri-food sector.



'Financial Instruments for Innovation', Karel van Bommel, Ministry of Economic Affairs, the Netherlands

According to the experience in supporting innovation in the Netherlands, the innovation process is most vulnerable when introducing a novelty in the market. At that stage the risks are too great for those developing the novelty in case of market failure. The intervention explored the possibility of using guarantees to absorb the financial impact for farmers in case of market failure. However, the use of 'off the shelf' financial instrument in RDPs needs to be always in alignment to State Aid rules.

'Innovation camps in Finland¹', Juha-Matti Markola, Network Support Unit, Finland

The intervention described the Finnish experience in using new concepts for bringing together different stakeholders to generate ideas for innovation. The Finnish Network Support Unit organised 5 innovation camps in different regions of the country. For 3 days different local actors came together to identify innovative ideas that would respond to the local needs and would contribute to the development of their region. Overall the innovation camps proved to be very successful and in fact they evolved into a network supporting each other.

'The SCAR AKIS Collaborative Working Group²', Anne Vylsteke, SCAR AKIS CWG Co-chair

Ms. Vylsteke provided an update on the work of the SCAR AKIS Collaborative Working Group in exploring the Agricultural Knowledge and Innovation Systems (AKIS) across the EU. In the third phase of its work the SCAR AKIS group will be exploring ways to better implement the EIP approach, looking at how innovation is supported in countries outside the EU, and investigating possibilities to use open data for agriculture. As a concluding remark it was noted that researchers would need incentives in order to focus on practical issues and although their role is very important in supporting innovation, it was reminded that not all innovations are produced "in the laboratory".

1 http://enrd.ec.europa.eu/app_templates/enrd_assets/pdf/value-of-rural-networks/2.rural-innovation-camps-finland.pdf
2 http://ec.europa.eu/research/agriculture/scar/groups_en.htm

'Innovation and short food supply chain in France', Brigitte Midoux, National Rural Network, France

In the new programming period supporting short food supply-chain will be an important priority for many of the French regions. A study supported by the Ministry of Agriculture and carried out between 2010 and 2013 provides a major reference at national level, looking at the different factors that affect or play an important role in the development and marketing in the local food supply-chains. Innovation is approached as a cross-cutting theme. Case studies about new and original initiatives were collected and analysed in the view of highlighting success and critical factors. The outcomes of the study are presented in a report and accompanying summary fiches with the aim to disseminate such innovative practice and promote their use by farmers, project promoters, advisors and those involved in planning innovation in this sector. Find more information on the study at the following link (in French): <http://site.gulliver.com/b20110729b0/web/dossiers/reference-circuit-court/INNOVATIONS.pdf>

All presentations delivered at the workshop on cooperation, knowledge transfer and innovation can be found online at: http://enrd.ec.europa.eu/en-rd-events-and-meetings/seminars-and-conferences/successful-implementation-of-rdps/en/presentations-of-successful-implementation-of-rdps_en.cfm

Key Discussion Points

In line with the priorities defined in the Europe 2020 strategy for smart, sustainable and inclusive growth the 2014-2020 rural development programmes (RDPS) will be strongly geared towards fostering innovation and knowledge transfer. This fact is reflected in the new regulation for rural development that provides for an **extensive set of tools supporting innovation and knowledge transfer** and it is up to the Member States to make the best use of the available tools.



Ideas generation

Identifying the **real needs of farmers and agri-rural businesses** and devising ways for bringing forward new ideas to address these needs, should be the starting point for RDP Managing Authorities and implementing bodies. National Rural Networks (NRN) can play a substantial role in this process as demonstrated in the case of innovation camps in Finland. **National Rural Networks** will be a valuable tool for the innovation process. As indicated by the example of innovation camps in Finland, NRNs can represent platforms through which different stakeholders can come together and generate new ideas for innovative projects, eventually contributing to establish cooperation initiatives under the EIP. NRNs can offer partner search facilities and establish databases for knowledge transfer and exchange. Initiating and facilitating events or translating concepts into terms that different stakeholders can easily relate to will constitute key components of the innovation process overall.

Implementing innovation

Realising the RDPs' full potential to foster innovation will depend on how effectively Managing Authorities will address the challenge of developing well thought through objectives and translating them into **coherent eligibility rules and selection criteria** that prevent dead weight.

Pre-selection of themes could be helpful in identifying possible project ideas and bringing together different stakeholders. In order to maximise the added value the selected themes should be of interest to as many farmers as possible. Administrations may not have the **required specialist knowledge** to assess the needs and potentials for innovation since innovation can be technical or content specific. **Experts' support** providing impartial and qualitative assessment was recommended as to overcome this constraint.

There was widespread agreement that **good cooperation and common understanding** between Managing Authorities and Paying Agencies will be vital for effective innovation support and it will need to be established at an early stage. **State Aid rules** are a factor that administrations will need to pay special attention to ensure that RDP support is always fully compliant.

Defining successful innovation projects in terms of policy implementation is not always about achieving increased yields, increased gross added value (GVA) or achieving economic viability. Even if a novelty was tested in practice and failed, **added value is created through gaining and sharing knowledge and experience**. Hence from

the administration's perspective a good project should be assessed on the basis of its quality and crucially on how well it was implemented. A possible qualitative criterion mentioned was the **broad and active engagement of farmers and other stakeholders**.

Successful and sustainable innovation

Managing Authorities should acknowledge that setting up partnerships and Operational Groups around innovative projects will require time before they become fully operational. The participants noted that researchers will be a key component in the innovation support process; however, they will need to be incentivised to get involved. **Linking theory and practice will require more than just bringing together researchers and farmers.** This dialogue will need to be facilitated and further consideration will be needed towards inventing ways to overcome "language" barriers. Nevertheless research is not the only 'source of innovation' and the EAFRD will not fund purely scientific research. In smaller Member States where the market does not provide sufficient services for innovation support, transnational approaches could be considered.

Financial instruments such as guarantees could be used to reduce market risk – 'plugging the gap' in completing the innovation cycle. However, there might be complications when using 'off the shelf' financial instruments in the agricultural sector (i.e. within RDPs) as it must be ensured that the support is fully **compliant with the State Aid rules**. Overall, guarantees should be used only if a sector is suffering from market failure risks and testimonies from studies are required to certify this. In any case RDPs offer a wide range of possibilities that should be exploited before resorting to the use of such instruments.

Combining different RDP measures could cover most of the costs in innovative projects. Different calls for tenders offering support from various measures could be initiated to cover animation and setting up of partnerships or project implementation. The role of Managing Authorities will be vital to ensure the necessary level of flexibility.

Ensuring that information will reach the ground level stakeholders will be a crucial component of innovative projects under the cooperation measure. In order to respond to this necessity for information and dissemination of results RDP support can be used for farm and/or forest visits, demonstration projects etc.