

This series of informative fiches aim to present, in summary, examples of practices and approaches that EU Member States and Regions have put in place in order to implement their Rural Development Programmes in the current period. These examples want to contribute to the understanding of what has worked well and less well in the delivery of the 2007-2013 RDPs and as far as possible, draw lessons in the view of future improvement of the programmes.

Innovating Agriculture: “Fresh and ready to eat” produce in Umbria



BACKGROUND AND SCOPE OF THE PROJECT

The market of the pre-prepared (“ready to eat”) food products is constantly growing and requires more and more innovation and attention to the quality of the products. Starting from this assumption two farmers decided to try to create a new range of “ready to eat” vegetables and fruits, to be sold at local markets and in supermarkets. This idea was based on the need to improve the quality of their products, to increase the range of their offers while strengthening their position in the regional market and consequently increasing the farm viability. Conscious not to have the capacity to develop this idea without technical assistance, the farmers presented it to the Research Institute 3A. The Research Institute, considering the idea valuable, worked to build a partnership around it, involving the University of Tuscia and other companies that could help in the different technical phases of the project

EU Member State: Italy

Keywords: Innovation and cooperation for the development of new products and processes

Specific Location: Kryoneri, East Attika Prefecture

Main beneficiary/ies: A partnership, composed by the following actors, benefited of the financial support: The research Institute 3A Parco Tecnologico Agro-alimentare dell’Umbria; Dipartment of the agri-food science and technology of the University della Tuscia. Novomont SpA; Analysis srl; Three farms: Azienda Agricola Luca Treppaoli, Azienda Agricola Il Poggiolo and Azienda Agricola Pizzi Giorgio RDP Measure(s).

RDP Measure(s): Measure 124 Cooperation for development of new products, processes and technologies

Funds Allocated: Total cost: 499,400€
EAFRD: 392,400€
Private contribution: 107,000

Implementation Period: 01/01/2010- 31/12/2012

The implementation of this project enabled the farmers to reach one of their specific objectives, namely diversifying the production of fruits and vegetable. The diversification was the first step in the attempt to access other markets, in particular to try to sell the productions to supermarkets, which are usually unlikely as “clients” for small/medium farms. Furthermore the development of a line of pre-prepared products could serve the attempt to shorten the supply chain.

With the diversification and the access of new markets, a third important objective was pursued, that is the introduction of Good Management Practices in order to produce local horticultural products of high quality from integrated agriculture, suitable to be processed and sold as “ready to eat” products. Concern for the protection of the environment was also highlighted by the work done on innovative and environmentally-friendly packaging solutions.



DEVELOPMENT AND PLANNING

A detailed project plan was prepared to organise the activities within the different stages of the project and to establish specific actions and responsibilities for single partners. The involvement of different actors made it needed a detailed project plan and division of responsibilities. Being this project strictly related to agricultural activities, the project plan was very much related to the cultivation periods, which usually do not correspond to the administrative procedures.

No big risks were considered in the planning phase of the project, apart for those specifically related to the climate conditions, which agricultural activities are usually subject to, and those linked to the innovative character of the project.

To ensure the respect of different steps established in the project plan and to face the problems created by uncontrolled factors (climatic conditions mainly), the lead partner had to ask the Managing Authority (MA) for a number of extensions of the project. In spite of these few difficulties, overall the project plan was respected.



IMPLEMENTATION OF THE PROJECT

The implementation of the project required first of all an important effort of coordination between the different partners. In details, the research partners (the companies Novamont SpA and Analysis srl) undertook the agronomic studies in an experimental plot and in a second stage these processes were tested in the farms. The innovative processes so tested aimed mainly at keeping products fresher for longer, increasing their 'shelf-life' and with it the possibility for them to be sold in supermarkets. Furthermore, specific studies were undertaken to improve the organoleptic attributes of fruits and vegetables and their adaptability to be processed as '*ready to eat*' products. A special effort was carry out to develop an 'environmental friendly' packaging, which also contributed to increase the 'shelf-life' of the products.

As anticipated above, a number of extensions were asked to complete the project. One important modification was done at the very beginning of the project following some changes in the composition of the partnership. As a consequence, few changes were done to adapt the project's objectives and activities to the new partnership.

During the implementation activities other little modifications were approved by the MA but they did not have any significant impacts on the results of the projects. It was pointed out though that the reason for asking the modifications was related to i) the delay in the approval of the project from the MA in the first place; and ii) the sensible reduction of the grant requested when the application was submitted. Consequently the activities initially planned in the projects could not be undertaken as they are, due to the lack of funding. This situation obliged the project holder to re-adapt the activities according to the new budget and as a consequence to ask for modifications, which become a needed condition to enable the implementation of the project.



RESULTS OF THE PROJECT IMPLEMENTATION

The results achieved by the project were those expected in the planning phase. The only exception was related to the testing of some biologically decomposable mulch, which did not give the expected results, due to unfavourable climatic conditions.

The other expected results were reached without sensible difficulties. The farmers diversified their outputs, introduced new quality products, thank to which they found new market opportunities and increased the profits of

farm activities. They also became part of the regional short supply-chain, enhanced their skills, improved their farming practises, and contributed to spreading innovation.

The cooperation between the farmers, the University of Tuscia and the technological district set up a platform for interactive and innovative entrepreneurial behaviours, which still continues after the end of the project.



LESSONS LEARNT

Factors that contributed to the success of the project:

- ⇒ The capacity to plan the activities of the projects as well as to respect what established by the plan is considered as one of the element that ensured the success.
- ⇒ The willingness of the farmers to participate in the process and to cooperate with the University department and the research Institutes involved was highlighted as the main success factor of the project. The farmers involved are young and open-minded to innovative solutions and diversification of the traditional production.
- ⇒ Taking part in this cooperation project gave the farmers the opportunity to increase their competences and capacities, and not least, they established a good relation with the research partners, which is still in place also after the conclusion of the project.

Factors that impeded the success of the project:

- ⇒ The main difficulties encountered in the implementation of the projects were of administrative nature. In fact the different partners highlighted a lack of flexibility in the administrative procedures established by the MA, which open the door to delays. The lead partner pointed out that in some cases the farmers do not accept to participate to a second project financed under M124 because of the administrative burdens they have to deal with, often for receiving a very modest financial grant.
- ⇒ Furthermore the limitations of eligible costs and the advance payments restrictions combined with the lack of credit and the consequent difficulties to receive the money from banks are considered important factors to be tackled, because they can seriously endangered the participation of farmers to innovation projects.

Resolution of problems/difficulties:

The only way to overcome the above administrative and legal issues has been persistence. In addition, the modesty of the financial grant the farmers involved in the project had to receive made it possible for them to anticipate the money and starting the project while waiting for the completion of the administrative procedures and the payments.



WHAT'S NEXT?

As highlighted already above, the results of the projects were positive and enabled the farmers to increase the viability of their businesses. They found new markets for their products and they are now part of the regional food supply chain. Most important factor for the sustainability of the business in the future, the farmers improved their skills and the established a good collaboration with the University of Tuscia, maintained also after the end of the project.

One of the two farms has already submitted an application to participate to the new call launched by the MA of the Umbria region for M124.



SUMMARY

Cooperation between the research sector and farmers to tackle challenges for the agricultural sector led to innovation, diversification and knowledge transfer in Umbria, encapsulated in the rollout of “fresh and ready-to-eat” fruits and vegetables.

Tips/lessons related to the beneficiary:

- ⇒ The definition of the partnership and the identification of partners are important steps for the implementation of this type of projects and need to be carefully undertaken. The needed change in the partnership at the beginning of the project in this case contributed to cause some delays in the implementation.
- ⇒ Willingness to cooperate from all actors involved increases the possibilities of positive results in the implementation of the projects and enables the creation of a platform for interactive and innovative entrepreneurial behaviour.

Tips/lessons related to managing authorities, LAGs and other public sector actors:

- ⇒ Future programmes could foresee some financial allocation to inform and train civil servants involved in rural development policy (within managing authorities, implementing authorities) on rural development thematic aspects and the EU institutional framework. This could be done at Member State level through the relevant implementing authority. More flexibility from the MA and PA would contribute to increase the participation of farmers to innovative projects.
- ⇒ Targeting of future measures could consider different criteria for experienced and non-experienced beneficiaries.
- ⇒ The general MA's tendency to finance the highest number of applications leads to the reduction of the contribution received by the beneficiaries supported. In fact the reduction of the contribution obliges the beneficiary to reduce the budget and consequently change the action plan and adapt it to the reduced cost of the project. It could be more effective to finance only those projects that are considered more valuable in terms of results, avoiding reduction of the contributions approved.
- ⇒ Solutions to overcome the difficulties related to the lack of credit, such as for example the advanced payments (not granted for M124 in Umbria), should be found.