How can market valorisation of locally sourced products (in this case wood and livestock breeds) contribute to enhancing rural vitality and preserving habitats?

**IN BRIEF**

This case focuses on improving rural vitality and the socio-economic position of the local population through improving the market valorisation of locally sourced meat from traditional breeds and mountain wood with the establishment of value chains. The sustainable practices traditionally used here have contributed to the preservation of permanent alpine grassland and forest habitats and traditional breeds, which constitute both important genetic resources and cultural landscape.

**ACTORS**

Farmers and associations, processors, craftsmen, tourist farms and operators, hotels and catering establishments, municipalities, consumers and tourists, extension services, and cooperatives.

**AGRO-FORESTRY IN THE SLOVENIAN ALPS**

**SLOVENIA**

Upper Savinja Valley
Barriers include strong individualism, lack of interest for collective action, risk aversion, lack of trust, and lack of coherent marketing strategy. Value chains are weak, primary producers especially are struggling, due to competitive pressures and poor performances of local downstream industries.

For meat, the CAP causes financial dependency reducing incentives for change and strict controls on hygiene/animal welfare standards are an obstacle for small producers. For wood, there is a knowledge gap regarding wood properties and lack of experience in establishing a certification system in the wood processing sector.

**Environmental and Social Benefits**

- Maintaining or restoring a high level of landscape character and cultural heritage
- Achieving or maintaining the presence of diverse and sufficiently plentiful species and habitats (ecological diversity)
- Achieving or maintaining a good level of public access to the countryside to ensure public outdoor recreation and enjoyment
- Achieving or maintaining active and socially resilient rural communities

**Transferability / Key Success Factors**

1. Favourable market demand trends for mountain wood and traditional livestock products, as quality products with certified origin.
2. External actors - Ljubljana university and the Forest service - provided the impulse needed for local actors to organise their collective action.
3. Awareness of the need to establish a separate value chain for these products.
4. Ideas about how to develop the certification initiative attracted the interest of key individuals.
5. Cooperation, commitment and communication emerged as three key success factors.

**Drivers**

**National & Regional Drivers**

- Rigid legal frame (e.g. forestry regulations, food hygiene standards), stability of the system but also strong requirements inhibiting market initiative
- Weak agriculture and forestry-based value chains (vertical & horizontal)
- Dynamic and skilled SMEs, esp. in the processing of primary products

**Private Drivers**

- Market demand for quality, sustainable products with known origin
- Private initiatives (esp. wood certification scheme)
- Traditional values and adaptability of locals
- Initiatives of key individuals

**Barriers to Overcome**

Barriers include strong individualism, lack of interest for collective action, risk aversion, lack of trust, and lack of coherent marketing strategy. Value chains are weak, primary producers especially are struggling, due to competitive pressures and poor performances of local downstream industries.

**What Are the Main Drivers?**

<table>
<thead>
<tr>
<th>DRIVERS</th>
<th>NATIONAL &amp; REGIONAL DRIVERS</th>
<th>PRIVATE DRIVERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support for collective actions, to strengthen local value chains (RDP - Measure Cooperation; Smart Specialisation Platform)</td>
<td>Rigid legal frame (e.g. forestry regulations, food hygiene standards), stability of the system but also strong requirements inhibiting market initiative</td>
<td>Market demand for quality, sustainable products with known origin</td>
</tr>
<tr>
<td>CAP payments (DP, LFA/ANC)</td>
<td>Weak agriculture and forestry-based value chains (vertical &amp; horizontal)</td>
<td>Private initiatives (esp. wood certification scheme)</td>
</tr>
<tr>
<td>Administrative complexity of CAP payments (decline of AEM exp.)</td>
<td>Dynamic and skilled SMEs, esp. in the processing of primary products</td>
<td>Traditional values and adaptability of locals</td>
</tr>
</tbody>
</table>

**Factor**

<table>
<thead>
<tr>
<th>FACTOR</th>
<th>MEAT</th>
<th>WOOD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market potential exists and is recognized</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>Awareness of the need to establish a value chain</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Interest of key individuals and networking</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>Human factor for leading collective action</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>Cooperation, commitment, communication</td>
<td>✗</td>
<td>✓</td>
</tr>
</tbody>
</table>