



# SOCIO-ECONOMIC IMPACT



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## Socio-economic impact of mountain supply chains

Mountain farming has a strong socio-economic dimension that should be better explored. To have a better knowledge of it different aspects needs to be analysed, such as the development of SMEs, improvement of local economy... In this context, the impact of mountain product development on employment creation has a special importance, due to the high current unemployment rates in Europe. This could be achieved by searching for good examples and strategies where employment opportunities are created through mountain farming related activities.

In line with the last European Mountain Convention in Chambéry in 2012 special attention should be given to the role of young people in the socio-economic development of mountain areas. Young people are key to ensuring the prosperity of the mountain territories, and are specially hit by the unemployment, which is linked also to the difficulties they have in starting their own business activities.



## Policy instruments

Different policies in Europe give opportunities to support employment creation and income generation. For example:

- Optional quality term “mountain product” ( EU Regulation No 1151/2012) can help farmers to secure an added value for their products in the estimation of the consumer, improving their marketability and competitiveness.
- The entrance of adequately skilled farmers into the agricultural sector and, in particular, generational renewal is supported by several European Agricultural Fund for Rural Development measures (Reg. N°1307/2013), such as: Article 14 (Knowledge Transfer and Information Actions), Article 15 (Advisory services, farm management and farm relief services), Article 19 (Farm and business development), Article 20- Basic services and village renewal in rural areas, Article 27- Setting-up of producers groups..
- Common Market Organisation measures (Reg. N°1308/2013) for wine can be interesting for restructuring and conversion of vineyards (Article 46) and Investments (Article 50).

Other European policies such as the Erasmus + programme could help with the employment and societal impact aspects of mountain farming through training and exchange opportunities for young farmers, for example.



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# Local mountain supply chain for a higher added value - Planika dairy

## Context

Planika dairy (Slovenia) was not able to compete on the global market, its size didn't allow competitive prices and the products were not positioned on the market as something special. This strongly affected the farmers in the region and it closely influenced the decision to change something or to close the facility.

## The project

Depopulation of mountain areas strongly correlates with the potential for the inhabitants to live and work there. Remote Alpine valleys have been strongly affected by depopulation and new innovative solutions were needed.

Long-term tradition was in danger due to globalisation of milk market (reduction of prices; lack of diversification, market wasn't ready to pay more). Planika dairy with its owners was able to turn weaknesses into a potentiality and it showed that the decision was a good one.

It was important that the dairy is owned by the cooperative which was established by the farmers.

It is therefore a closed loop economy bringing benefits for the farmers, maintenance of the landscape, respecting tradition and offering people the possibility to live and work in the valley. The case shows that niche – mountain product- oriented or innovative business solutions can have an important influence on other issues.

## The results

Planika dairy is now one of the most successful midsize milk processing companies and is recognised on the market as a symbol of high quality mountain products. The price they pay to the farmer is the highest in Slovenia and they created a synergy both for the suppliers and their customers. Also cooperation with the regional tourism brand (Soča valley) that they are using on the products shows good positioning on the market.

## Innovative points

- Decision to avoid global market
- Creating synergies and benefits for the whole value added chain (from farmer to customer)
- Positive influence on cultural landscape and reduction of depopulation.



# Brimi cuisine education office



## Context

The Brimi Cuisine Education Office is a joint effort between tourism companies in the Jotunheimen area with the goal of creating attractive culinary apprenticeships for young people from all over Norway.

The Brimi Cuisine Education Office focuses on celebrity chef Arne Brimi's unique culinary style, based on traditional Norwegian fare made by using fresh local produce.

## The project

The project started in 2008 with the support of local and national education system, involving the secondary schools and upper secondary schools.

The Brimi Cuisine Education Office provides two years' training in local companies for students after upper secondary school.

In order to promote their education offer, marketing activities are carried out using the web-site, emails, brochures and visits to schools.

## The results

As a result of the offered training, in 2014 20 persons were trained and passed the exam as a chef or a baker.

At the same time, the demand on local produce is increasing as knowledge is getting better, due to a good system of delivery.

Due to the high demand on kitchen expertise in the area, the graduated students are able to easily find a job.

For more information please check the webpage of Brimi Cuisine Education Office: <http://www.brimikjoken.no/>



# Eco Wine and FSC Cork: a Driving Force of Rural Development



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## Context

Vineyards and cork oak groves occupy large portions of land in Spain. Both suffer from problems related to abandonment and intensification, which have strong negative socioeconomic and environmental consequences. Through good farming and forestry practices implemented by qualified and well-trained professionals, the aim is to produce organic wine with Forest Stewardship Certified (FSC) corks, re-establishing a bond between these two complementary industries.

The objectives of the project were the following:

- 1) Sustainable management in agricultural and forestry operations;
- 2) Long-term profitability by improving the multifunctionality of operations;
- 3) Development of activities which may serve as a source of profit diversification;
- 4) Reducing the abandonment or intensification of use of soil, and preserving practices and traditions;
- 5) Improving the quality of life in rural areas.

## The project

The activities concern two main sectors: wine farming and corking, with this last sector including both forestry activities and those in the corking industry. These activities require the identification of specific geographical areas and the signing of collaboration agreements with the properties' owners and with the cork industry, preparing the good practice manual and the implementation of good practices in pilot operations.

## The results

- 1) Improved management of cork oak groves through the implementation of environmentally responsible forest management measures;
- 2) Improved management of wine farms through the application of good practices for the sustainable use of natural resources;
- 3) Creation and securing of local employment related to the sustainable management of the region;
- 4) Training of the local population in sustainable agricultural and forestry management;
- 5) Training within corking and wine industries in Spain.



## Lessons learnt

- 1) The application of simple and economic agro-environmental practices achieves great benefits for biodiversity and important agronomic benefits, improving the profitability of farms.
- 2) The economic viability of sustainable forest management is still a challenge. It may be interesting to combine forest certification with other initiatives, as payment for ecosystem services. The group certification scheme could be part of the solution.
- 3) Participatory process involving all stakeholders and training are very efficient for identifying solutions, defining action plans with clear objectives and achieve common goals.



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