





2nd Transnational Networking Workshop publication

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Web: https://innovagro.adrioninterreg.eu/



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1.1. Introduction

The ADRION area is characterized by low innovation performance, limited capacity of SMEs, inadequate cooperation among companies and research institutes, low synergies among agro-food and tourism sector and low implementation of environmentally - friendly farming practices. On the other hand, there are some strong points, such as the existence of quality agro-food products, the existence of a number of competitive and highly active research and innovation clusters, albeit with poor intraregional joint activities, and also the existence of RIS3, where transnational cooperation can focus on, in order to find solutions in the common problem of SMEs extroversion. The field is complex and requires much learning in terms of internationalization, access to market, financing, networking, innovation capacity, business transfer, entrepreneurship, cross - border & cross - sector co-operation, and environmentally - friendly farming practices. It also entails incorporation of new forms of SME development, such as design, eco-conception and corporate social responsibility. The project focuses on the development of links and synergies between farmers, agro-food enterprises, research institutes and public authorities, for:

- a) the promotion of agro-food products' extroversion
- b) the development of agro-food companies' internalization
- c) the promotion of environmentally friendly farming practices







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1.2. Second Transnational Networking Workshop in Ptuj

The Second Transnational Networking Workshop of the Interreg Adrion INNOVAGRO Project was organized by E-Institute on 8th March 2019 in Grand Hotel Primus in Ptuj.

The aim of the workshop was to create a network in the project Interreg Adrion INNOVAGRO. The goal of the project is a development of an innovative network for the promotion of extroversion of agro-food companies in Adriatic-Ionian Area. Ten partners from four countries are participating in the project: four from Greece, one from Slovenia, Albania and Serbia.

The project partnership consists of:

- three research institutes and universities with extensive experience in business innovation and rural development (Technical University of Crete, E-Institute, Institute for Comprehensive Development Solutions, University of Basilicata)
- three chambers (Chania Chamber of Commerce and Industry, Union of Chambers of Commerce and Industry of Albania and Chamber of Serbia), fully representing the agro- food SMEs at their territories
- an agriculture confederation (Italian Confederation of Agriculture)
- two regional/local authorities (Region of Crete and Province of Potenza)
- a network (Network of the Insular Chamber of Commerce and Industry of the EU)



The cooperation between companies and research institutes are not as good as they should be. INNOVAGRO project will assist companies from different countries to cooperate and exchange experiences beyond national borders. A platform will be created that will enhance the development of new innovative products with added value.

Four experts presented best practices in the field of agricultural innovative projects and a national promotion scheme.

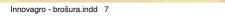
Jelena Petrov from the Public Institute RERA SD, Croatia, presented the work of the Institute RERA SD which connects the business side to research, as well as best practices in food sector from Split - Dalmatia County. The Institute is focusing on sustainable food production and food processing industry.

Ms. Petrov has highlighted as the main problems for Croatia: the decline of rural population, especially the emigration of young people from villages to towns, the closure of infrastructure in rural areas, unused agricultural land (in 2007 there was 20.000 ha unused agricultural land) and the small size of farms (0.5 ha is the average size of the farm in the region).

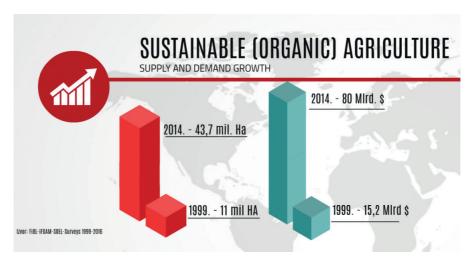
RERA SD decided to focus on following priorities: health and quality of life, food and bio-economy which are also connected to Smart Specialization Strategy of Croatia.

Supply and demand of sustainable (organic) agriculture has grown in 15 years, from 1999 to 2014. The demand side is growing at the higher paste than supply, so there is a lack of supply of 20%. The Institution is trying to close the gap with its activities in sustainable production and medical herbs.









Source: FiBL-IFOAM-SOEL-Surveys 1999 - 2016

Some projects the Institute is working on:

- 4000 m² of agro-entrepreneurship incubation zone and a Center of competences in the area of Split Dalmatia region building the institution for applied research in the field of nutrition and health with very sophisticated research equipment (e.g. CO₂ extractor) to enable farmers and companies to produce products with very high added value.
- E-vineyards sensoring the vineyards in collaboration with Ericsson Nicola Tesla.
- Research projects on unused self-grown fruits and medical herbs.
- The project Starogradsko polje, Ager the goal is to reduplicate on 64 ha the Greek crop rotation on the island Hvar and later to expand it.
- The project MD.net, Interreg Mediterranean Programme the goal is to develop new Mediterranean diet related products. The school cooperatives on the islands of Hvar and Brač are part of the project.

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Croatian experiences show that their farmers do not want to be involved in cooperatives or in clusters. If you want a cluster or a formal network to be successful, it is really important that its members have some financial benefit, said Ms. Petrov.

Ms. Petrov sees the Adriatic-Ionian region as very rich region in terms of potentials: healthy and tasty food can be produced, people can collaborate together. The main problem in Croatia is not being able to talk to each other. International, Interreg and other projects can do a lot for opening up people's mindsets to communication and enhancing the collaboration.

Website: www.rera.hr



Stefi Videčnik from the Ministry of Agriculture, Forestry and Food of Republic of Slovenia presented how the Ministry is promoting local Slovenian food.

Why has Slovenian government decided to make a promotion of local food? Slovenia has a big problem keeping people in the rural areas. About 91.000 people work in food production (farmers) and food processing industry. When Slovenia entered the EU, the food market opened and now Slovenia imports a lot of food, 1.2 billion €/year. Small farms and agro-food companies







in Slovenia are having a hard time to compete with big agro-food companies from abroad. Slovenia has a weak supply chain that connects farmers, agro-chambers, food processing industry, market and consumer. The Ministry would like to strengthen this supply chain, Ms. Videčnik said.

The aim of the governmental promotion actions is to support and integrate stakeholders, strengthen food supply chain and to raise awareness among consumers on the importance of choosing the local food. Slovenian government has two possibilities: fund a general promotion with national budget or do promotion of quality schemes. For the latter Slovenia had to establish a new law on promotion which took 10 years in order to get consensus of all stakeholders.

Slovenian consumer likes to buy Slovenian food. Often consumer is confused if the product is really from Slovenia; was the product grown, produced, processed or just packed in Slovenia but is nevertheless labelled "produced in Slovenia"?

In Slovenia there were four General Food Promotion Actions from 2013 to 2015.

Main messages from different actions were:

- "Pay attention to local quality" (2013)
- "Pay attention to local origin" (2014)
- "One apple a day" (2015)
- "Local milk and milk products" (2015)



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The result from the four general food promotions from 2013 to 2015 was that the opinion of Slovenian consumers changed:

- more consumers would like to buy Slovenian products more often than before (from 66% to 73%)
- consumers check the origin of the product more often (54%)
- more people believe that "Slovenian products are tasty and of good quality"
- less people think that: "domestic products are expensive" and they are prepared to pay more for domestic products (50%)
- they prefer local (Slovenian) products due to an effective food control system

The results of the 3-year campaigns showed that people in Slovenia are prepared to pay 10% more for Slovenian food than prior to campaigns.



New quality scheme "Selected Quality Slovenia" started in 2016 which means the product has been done completely in Slovenia. This official national certificate is an assurance for production and processing in Slovenia and higher quality or special features; like higher animal welfare, better feeding







and other specialities that are of higher level. The products with this certificate are regularly controlled by independent accredited certification bodies. To this day three sectors entered the quality scheme: milk, beef, pork and poultry meat, fruit. Sectors can enter on the voluntary basis. A 6-year strategy is prepared when a sector enters the quality scheme. Slovenia already has the second 6-year strategy. The implementation of the strategy is carefully monitored and modifications done when needed in order to achieve the goals. The quality scheme is also opened to other EU countries.

Slovenia is currently in the middle of a 3-year promotion called "Our super food". Why has Slovenia decided for such a title of the promotion? It is very popular to talk about so called super food, healthy food, from all around the world. The government is trying to bring the awareness to the consumer in Slovenia that our super food is very close, at our neighbouring farms, pastures, fields, orchards and wine yards. Different tools are used during the campaign: outdoor videos, TV, radio, internet, food tastings events, street promotions etc. In the next years the government is expecting also other sectors to enter the promotion.

For the food processing industry there is more and more important where to get the raw materials. If you import the raw material you cannot put the label "Selected Quality Slovenia" on the product.

Slovenian government also has some other actions which are part of promotion to raise awareness of importance of the local food: "Day of Slovenian food". On this day all Slovenian kindergartens and primary schools have Slovenian breakfast: honey, bread, apple and milk. Also some companies joined the action and introduced Slovenian breakfast to the employees.





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The problem of Slovenian food market is that it is considered a micro-market by the big international companies. If for example Danone has made one container of yogurts "as a mistake", they ship it to Slovenia and sell it for a very small price. With such actions big companies can destroy Slovenian milk market. The consumer should realize how unrealistic the price 0,10 EUR for a yogurt is.



Website: www.nasasuperhrana.si

Marko Debeljak from the Jožef Stefan Institute presented the European Legume Innovation and Networking in Horizon 2020 TRUE Project which deals with legumes in the diet. Europe faces the problem of self-sufficiency with vegetable proteins. In Europe, the production areas of protein crops have decreased by about 62% over the past 50 years, so that Europe produces only 2 - 3% of global production. In 2016, we harvested protein crops in Slovenia at 4.327 ha, which is only 2.45% of the arable land in the structure of sowing of crops. In Slovenia, we produced less than 30% protein feedstuffs, the rest we imported from South America, with 97.5% of imported transgenic soybeans.







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The goal of the project is to develop strategies to reduce the EU's dependence on the import of plant proteins, to reduce the consumption of artificial nitrogen fertilizers and to develop sustainable products and practices in the inclusion of protein crops (proteins) in human consumption. Legumes can reduce the use of pesticides and dependence on meat. Legumes are very important part of Mediterranean diet. 24 members are involved in the project (research institutes as well as companies) from 11 countries from different European climate areas: Atlantic, Continental and Mediterranean with 24 case studies on legumes. At the end of the project all the stakeholders will be merged to a network.

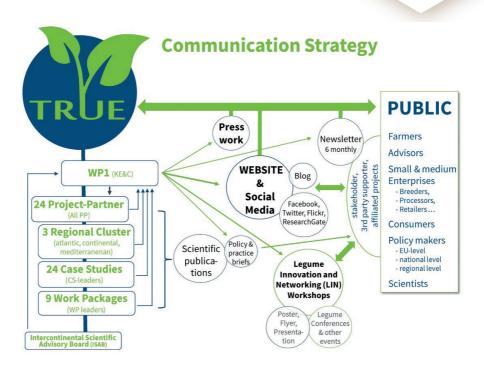
The research team of the Jožef Stefan Institute, which participates in the TRUE project, is engaged in the development and use of modern methods of artificial intelligence for the analysis, planning and management of sustainable management of natural renewable resources. The research team will develop models for assessing the individual pillars of sustainability: environmental, economic and social, their interactions and the system as a whole. Decision models will be developed for use in agricultural and production systems at local, national and European levels.

A communication strategy in the TRUE Project that ensures the communication between research, stakeholders and end-users is shown below.









The European Legume Innovation Network was introduced in the project. This is a network of interested stakeholders, who are not partners in the project, and will be connected through newsletters, website & social media, workshops and blogs in order to transfer the knowledge, experiences, research and results of the project. The network is opened to everyone who is interested: from producers, breeders, processors, retailers, consumers, policy makers etc. The network is very unofficial; it is formalized only through a letter of interest.

Mr. Debeljak said they have also initiated a cluster of EU projects which work on the same topic in order to share information, methods and results. They have identified 6 EU projects dealing with species diversity of cropping







systems, sustainable legume-based farming and delivery of food and feed. Within the cluster they try to find synergies between those projects to have the highest impact.

Mr. Debeljak stated that there is a positive trend in legumes consumption; the market growth on high protein bars which is based on legumes is 4 500% per year. The trend shows that young people do not want to eat hot-dogs anymore, they want to eat protein bars, so there is a huge market for legume products.





Website: www.true-project.eu







Roman Štabuc from Slovene Chamber of Agriculture and Forestry - Institute of Agriculture and Forestry Maribor presented a cluster of wine-producers that developed a brand Pubec.

Slovenia is very bio-diverse country and has very rich history of viticulture. Slovenia has three wine regions, nine wine-growing environments and 463 wine growing positions. In Slovenia are 28.000 winegrowers, more than 90% treat less than 1 ha of vineyard. The annual production of wine in Slovenia is between 80 and 90 million liters. The annual consumption of wine per capita is 37 liters. More than 2.300 winegrowers are bottling their wine. Wines are produced from 52 varieties, two thirds are white. The main white varieties are: Laški Rizling, Sauvignon, Chardonnay, Renski Rizling, Rebula and Malvasia. The main red varieties are: Refošk, Merlot, Žametovka, Modra Frankinja or Blue Franconian and Cabernet Sauvignon.

The wine-producers for the first time cooperated and created a common brand Pubec in 2015. It is a brand of white young wines with emphasized freshness and fruitfulness. The wines are youthful and sparkling. A young wine is a wine that is up to one year old, has 11.5% alcohol, is fresh, with low sulfur (less than 30 free and 150 total), white wine, dry or semi-dry, is a single-varietal wine or a blend. When it is a blend, no wine variety stands out. All wines must be assessed by an independent statutory institution (in Slovenia there are 5). The wine must achieve a minimum of 17 points by the Slovene 20-point standard scale for wine evaluation.

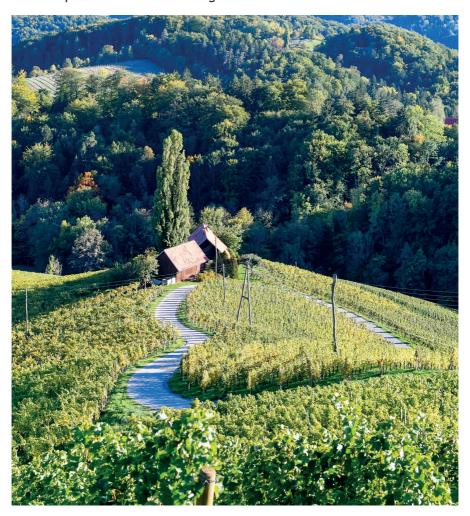
One of the results of the Pubec project was the 40% increase in sells of young wines. It is also the beginnings of cooperation, networking, joint market presentations. Pubec is a good example of Slovenian proverb that says: "In a good joint business, you can find best friends".







Slovenian wine-production still needs: mutual cooperation, business integration and networking, common presentation on the market and efficient promotion and marketing.



Jeruzalem - Ljutomer, Ormož region

Website: www.pubec.si







1.3. Building the network

- After the presentations from the experts the participants were divided into groups and brainstormed:
- the main goals and motivation for building the network
- potential members of the network
- what could be their motivation and role in the network
- what could be the member's benefits
- how the network could be organized and structured
- how to sustain the network established in the project
- how the success would look like at the end of the project









1.3.1. Network objectives

- A database on food knowledge
- To systematize information because of a lack of useful information for producers
- A link between research and producers because companies and research do not communicate





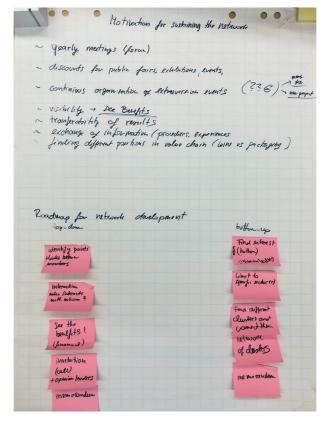








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- Enable the flow of information for the value chain because producers do not know the value chain info and do not collaborate
- Internalization of agro-food companies → llimit ambitions geographically
 → a pilot
- 100 members in the network → 20% do business and collaborate after a certain time: n + 2 (2 years after the project end)

Innovative aspect

- Local solutions for local problems
- Producers use public services
- Cluster of clusters
 (clusters function, network
 benefiting, integrated
 knowledge about cluster,
 good practice)
- Focus on human resources
 systematizing existing
 specific knowledge that is unique
- Region specific for Adrian-Ionian

Impact of the network:

- Experience keepers and seekers (knowledge, innovation)
- Quality, innovation and collaboration







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1.3.2. Benefits for the network members

Private

- Increasing export of products
- Lowering the costs of products
- Development of new products
- IInnovative re-use of by-products → circular economy
- Improved quality of products
- Improved strategic thinking (based on information about latest developments)
- Increasing incomes
- Solving common problems (disease...)

Public

- More jobs
- Better supply of quality products (to schools...)
- Improved number of quality services for private sector









Scientific

- Wider field for implementation of research
- Connection with private sector
- Networks as source of expert knowledge

• NGO's

- Increase awareness of quality (healthy) food
- Better quality of life (health)

1.3.3. Motivation for sustaining the network

- Yearly meetings (forums)
- Discounts for public fairs, exhibitions, events
- Continuous organization of extroversion events (costs, members fee, new projects)
- Visibility (see the benefits)
- Transferability of results
- Exchange of information (procedures, experiences)
- Finding different positions in value chain (wine vs. packaging)

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1.3.4. Roadmap for network development

Top - down

- Identify points and links between members
- Interaction who interacts with whom?
- See the benefits (financial)
- Invitation (call) and opinion leaders
- Memorandum

Bottom - up

- Find interest (from the bottom)
- Opinion leaders
- Limit to specific sector(s)
- Find different clusters and connect them
- Network of clusters
- Memorandum

Network members

- Agro-food companies SMEs
- Research institutes
- Chambers
- Local/regional authorities
- Wholesales
- Exporters/importers
- Consumers associations
- Universities, students







- Farmers/cooperatives
- NGO-healthy food, reduce hunger
- Buyers (distributors, deli-chains etc.)
- Existing clusters
- · Associations of farmers, buyers, agro-food companies

Role

- To give feedback, data information
- To exchange experiences
- Real networking among everyone
- To bring the challenges to the network
- To find solution by advising
- To bridge the supply and demand in the agro-food sector
- To spread information among the members of the network
- Policy making
- Funding
- Public audience
- Transfer and exchange knowledge and experiences
- To search for new opportunities

Structure

- All "normal" partners one type of membership
- Different fees for: Business members, study/research members, social







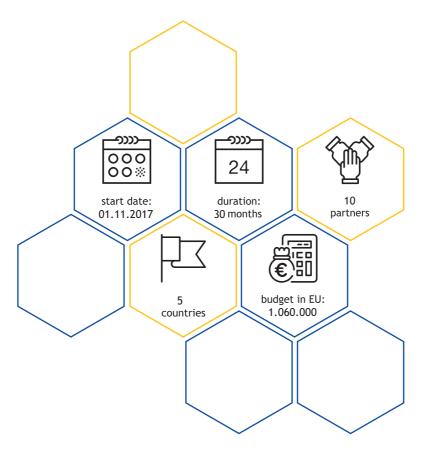
members (also possible in kind contribution for the last two)

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• Members of steering committee/simple members

Cooperation

- A memorandum of understanding (MoU) is needed
- A Partnership Agreement in case of funding









Development of an innovative network for the promotion of extroversion of agro-food companies in Adriatic - Ionian Area

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