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INNOVAGRO



Development of an innovative

network for the promotion

of extroversion of agro-food companies

in Adriatic – Ionian Area



INNOVAGRO Project Brochure

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Authors: Georgios Assonitis, Vasilis Siomadis, Eirini Sylleli,
Evangelos Grigoroudis

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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 cooperation, 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 main aim of INNOVAGRO project is the development of an innovative network for the promotion of extroversion of agro-food companies in Adriatic-Ionian Area.



INNOVAGRO project

The main aim of **INNOVAGRO** project is the development of an innovative network for the promotion of extroversion of agro-food companies in Adriatic-Ionian Area.

INNOVAGRO project focuses on the development of links and synergies among farmers, agro-food enterprises, research institutes, public authorities, and NGOs 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.

The project partnership consists of the following 10 partners from Greece, Italy, Slovenia, Serbia, & Albania:

- 3 Research Institutes and Universities with extensive experience in business innovation and rural development.
- 3 Chambers/Union of Chambers fully representing the agro- food SMEs at their territories.
- 1 Agriculture Confederation.
- 2 regional/local authorities.
- 1 network.

More specific, the main outputs of **INNOVAGRO** project are:

- ➔ The establishment of 1 **Transnational Cooperation Network** in agro-food & tourism sector during the Capitalisation Workshop, based on the results of the 7 specific thematic networking workshops, and 6 Extroversion Events,
- ➔ The development & pilot test of 1 **Virtual Transnational Business Innovation & Entrepreneurship Center (VIBIEC)**, offering support through e-incubators, e-business network platform, and other self-assessment tools.

Moreover, the main INNOVAGRO project's beneficiaries are:

- ▶ SMEs in the agrofood & tourism sector,
- ▶ Farmers,
- ▶ Business support organizations,
- ▶ R&D Institutes and
- ▶ Regional & Local Authorities,
- ▶ Civil Society Organisations

Finally, the main project's estimated impact is:

- ↳ improvement of agrofood SMEs' productivity, competitiveness and access to the international market,
- ↳ increasing the percentage of agrofood SMEs involved in networking, internalization and innovation process,
- ↳ strengthening the links between R&D Institutes, SMEs, and Regional & Local authorities in the field of innovative entrepreneurship,
- ↳ increasing the use of environment- friendly farming practices.



S.W.O.T. ANALYSIS FINDINGS

One of the most important objectives of INNOVAGRO project is to develop updated sectoral intelligence on the most important issues concerning agrofood sector that can be addressed at interregional level, in close interaction with the specific regional & national development policies of the participating countries, and this is the main aim of this deliverable.

To this aim, the project's partnership identified the **S.W.O.T.** analysis as the most appropriate approach to evaluate strengths, weaknesses, opportunities and threats within the agrofood sector, from a local/regional/national/interregional perspective, where:

- ➔ **Strengths:** characteristics that give the agrofood sector in the specific implementation area an advantage over others.
- ➔ **Weaknesses:** characteristics that create for the agrofood sector in the specific implementation area a disadvantage relative to others.
- ➔ **Opportunities:** elements that the agrofood sector could exploit to its advantage.
- ➔ **Threats:** elements in the environment that could cause trouble for the agrofood sector.

This S.W.O.T. analysis focuses on the following 6 macro topics:

- ➔ Agrofood Market/Business Environment
- ➔ Agrofood Structure
- ➔ Research/ Innovation/Technology
- ➔ Sustainable Development (environment/biodiversity)
- ➔ Human Resources
- ➔ Co-operation/Clustering/Networking

In addition, this Sector S.W.O.T. Analysis provides information about the relevance of the agrofood sector with the specific development characteristics of each participating region/country (Region of Crete, Region of Basilicata, Region of Puglia, Albania, Serbia, and Slovenia) and the relevant regional/national development policies.

More specific, the main findings of the **SWOT ANALYSIS** are presented in the following table:

STRENGTHS

- Relatively well developed research establishments & facilities in some countries/ regions (e.g. Slovenia, Crete, Puglia).
- Some regions/countries leaders in the agrofood sector (e.g. Crete, Puglia, Serbia).
- Existence of a significant number of quality agro-food products.
- Existence of rich but unexploited natural resources.
- Strong tradition in agriculture and agri-food sector.
- The great majority of agrofood companies are small but flexible & dynamic in the whole area.
- Relatively well preserved and diverse nature environment.
- Strong assets of the ADRION area in the agriculture and tourism.
- Appropriate climate, microclimatic and land conditions, rich and diverse biological resources, which are the basis for healthy and productive farming activities.
- Old and valuable farming tradition that helps effectively in strategic development planning and promises that agriculture will be important craft in the future as well.
- Relatively well educated agricultural population, which promises to be effective and productive in agriculture.
- Strategic geographical position (with ports in the Adriatic and Ionian Sea)
- Increased number of trademarks addressed for the export market.
- A young and low-cost workforce in IPA countries
- Competitive land prices in IPA countries.

WEAKNESSES

- Small investments in Protected Designation of Origin (PDO), Protected Geographical Indication (PGI), Traditional Specialties Guaranteed (TSG), and Organic products in the majority of the regions/countries.
- Low level of innovation and internalization spirit in agrofood SME's.
- Small number of effective regional and business collaborations /networks.
- Low level of providing alternative tourism's services linked with agro-food sector (e.g. Gastronomy and Wine Tourism).
- Low entrepreneurial skills and low knowledge about innovation.
- Low proportion of research personnel in agrofood companies.
- Weak technology transfer activities between R&D Institutes & companies.
- Small and fragmented farm with a high diversification of farm production.
- A new generation not sufficiently passionate about agriculture.
- Non-developed logistical infrastructures (transport, market, water, energy) in rural areas.
- Orientation of traditional and "farm made" products mainly to domestic market.



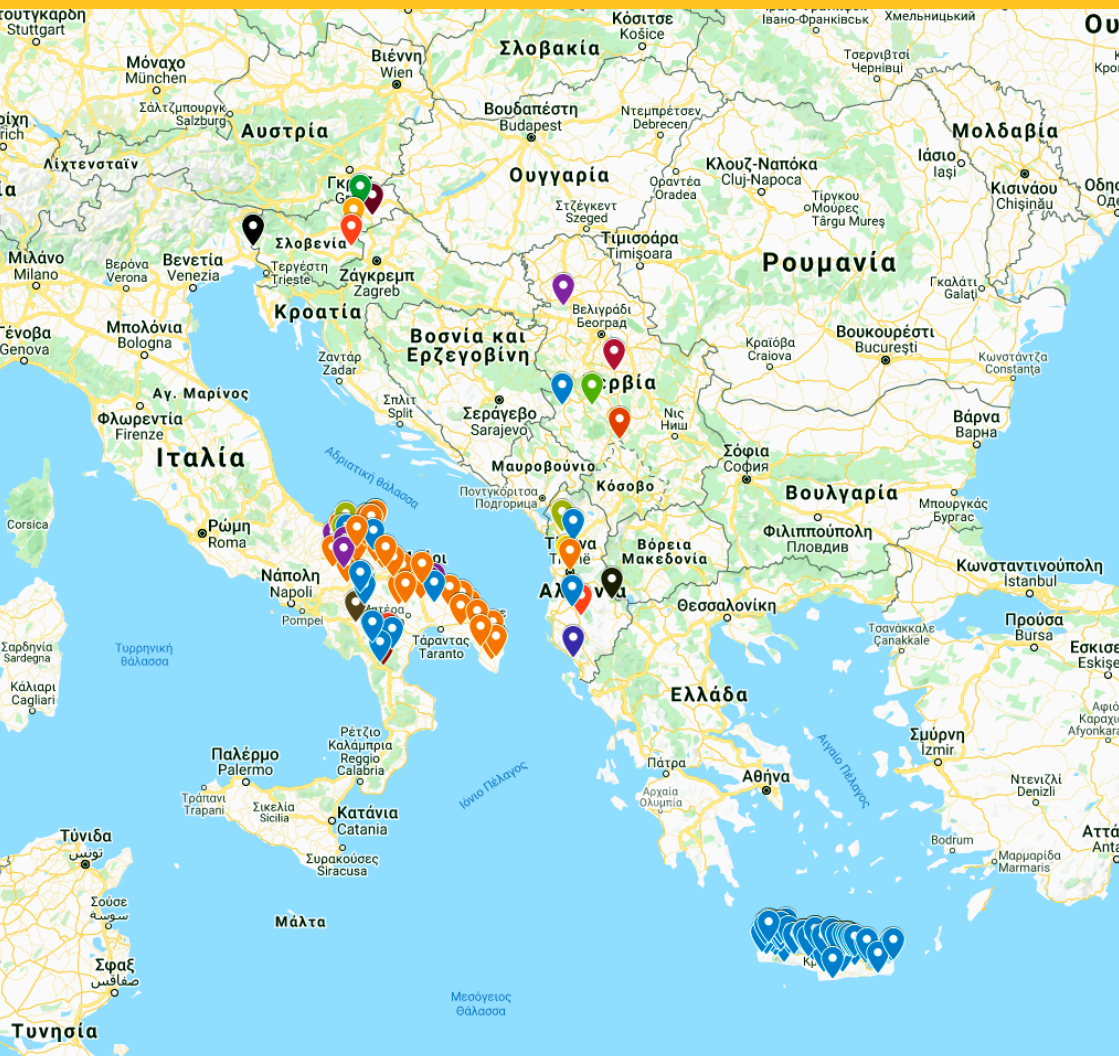
OPPORTUNITIES

- Rising investments and initiatives in R&D.
- R&D specialization in agrofood & agribusiness sector.
- Slight increase of technology & innovation from R&D Institutes to agrofood companies.
- Slight increase of networking and clustering activities in SMEs.
- Increasing skills in research through financial support and training opportunities in the field of enterprise creation, technology transfer, organizational and management innovation.
- Young generation highly skilled in IT.
- Increasingly rapid development of agrofood technology.
- High business rate creation in some regions/countries.
- Increasing commitment to sustainable development.
- Synergy around the farmers and other sectors like Tourism
- Awareness of farmers to be trained professionally and technically.
- Loan & funding Opportunities for SMEs
- Product diversification focused on actual market demand.
- Improved co-operation networks in rural areas.

THREATS

- Economy seriously affected by the economic and debt crisis.
- Increasing competition from southern countries.
- Dispersion of R&D investments and absence of priorities.
- Significant inequalities between regions and territories in term of ICT use.
- Significant differences among regions regarding R&D potentials.
- Serious recession in the majority of regions/countries.
- Difficulties of agrofood SMEs to access to finance.
- Risk of increasing environmental pollution due to the increase in tourism and agriculture activities.
- Increasing and cumulative pressure on biodiversity.
- Drain of human resources due to economic recession.
- The agrarian policies of the neighboring non EU member countries are very protective for their domestic products.
- Customs agreements between EU and IPA members aren't so encouraging to promote transnational commerce in the agrofood sector.

ENO-GASTRONOMY DESTINATIONS IN ADRIAN AREA



<https://www.google.com/maps/d/edit?hl=el&hl=el&mid=1St28tAcsCKpAtjVrYGSE3mT85n-pAYKXZ&ll=40.64616334650412%2C13.357011345416367&z=5>



INNOVAGRO NETWORK

Based on:

- ➔ the very important findings of SWOT ANALYSIS
- ➔ the conclusions of the 7 specific thematic networking workshops organized
- ➔ the results of the 6 Extroversion Events

INNOVAGRO project capitalize the existing experience from previous success or not success regional/ national /cross-border relevant networking efforts (e.g. networks, clusters, initiatives) in order to develop a new real inter-regional approach, by establishing a real Innovative Transnational Cooperation Network in agro-food & tourism sector.

INNOVAGRO NETWORK intents to link farmers & agro-food companies (production of agrofood products), tourism companies (consumption of agrofood products), Higher Education & Research Institutes, the relevant Local/Regional/National Authorities, and Civil Society Organisations, to provide to the SMEs innovative services in the field of marketing and management in order to increase their extroversion and internalisation.

More specific, the fundamental objectives of INNOVAGRO NETWORK are:

- ➔ Promoting dialogue, gaining new knowledge, and exchange of experiences among all relevant stakeholders,
- ➔ Linking with existing regional and inter-regional networks that are functional in the field of agriculture, rural development, and marketing,
- ➔ Promoting transnational clustering and networking,
- ➔ Strengthening the links among agrofood producers and final consumers,
- ➔ Promoting the main agrofood products in ADRION area (e.g. wines, olive oil products, dairy products etc.) to the internal and foreign markets,
- ➔ Promoting the most significant eno-gastronomy & culture tourism destinations in ADRION area,
- ➔ Contributing to the local/regional development, through agriculture, the protection of the environment, the improvement of human living conditions and the creation of additional employment opportunities against depopulation and abandonment of the territories,
- ➔ Contributing to the further implementation of EUSAIR strategy and the achievement of ADRION programme.

Members of INNOVAGRO NETWORK could be the following types of entities:

- Chambers
- Associations of SMEs in agrofood & tourism sector
- Higher Education Institutes
- Research Institutes
- Agricultural Associations/Co-operatives
- Local/Regional/National Public Authorities
- Development Agencies
- Existing Clusters and Networks in agro-food & tourism sector
- NGOs (e.g. Consumer & Environment Associations)
- Gourmet & Gastronomy Associations
- Any other body relevant to the aims of the Network

Moreover, the **innovative key-elements** of INNOVAGRO NETWORK are:

- ▶ Involve stakeholders in the logic of quadruple model of innovation (entities represented SMEs, R&D Institutes, Public Authorities, and NGOs),
- ▶ Find local solutions for local problems.
- ▶ Facilitate farmers & agrofood producers to use public services and research results.
- ▶ Involve existing local / regional / national networks/clusters.
- ▶ Capitalise relevant existing good practices.
- ▶ Focus on human resources - systematizing existing specific knowledge that is unique.
- ▶ Linking agrofood sector (production) directly with tourism sector & final consumers (consumption).
- ▶ Territorial focus on Adrian-Ionian Area.

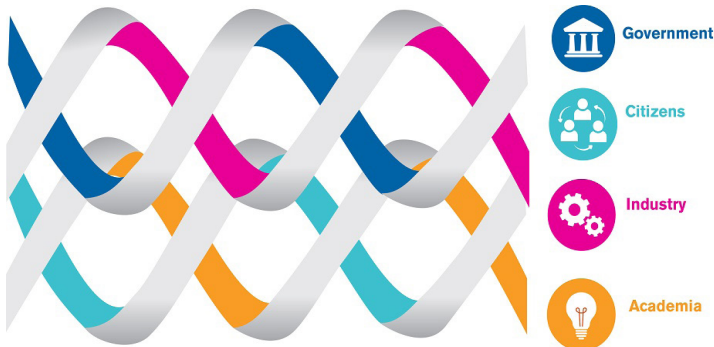
Finally, the main expected results from the establishment & operation of INNOVAGRO NETWORK are:

- ↪ improvement of agrofood & tourism SMEs' productivity, competitiveness and access to the international market,
- ↪ promoting transnational cooperation & networking initiatives at interregional & transnational level.
- ↪ increasing the percentage of SMEs involved in internationalization and innovation processes



INNOVAGRO NETWORK

- strengthening research and innovation activities and technological development in the targeted areas by assuring the interaction between R&D and SMEs needs
- setting up the basis for new strategies/policies from local/regional authorities, to support SMEs innovation in agro-food sector i
- involving policy makers, stakeholders, and civil society by increasing awareness and enhancing their relevant knowledge, competencies and skills
- increasing the implementation of environmentally - friendly farming practices
- enforcing the link between agro-food & tourism sector
- Develop & transfer to SMEs fundamental knowledge & skills in the field of innovation and internalization.



Quadruple Innovation Helix Model

VIRTUAL TRANSNATIONAL BUSINESS INNOVATION & ENTREPRENEURSHIP CENTER (VIBIEC)

The main aim of the developed **Virtual Transnational Business Innovation & Entrepreneurship Center (VIBIEC)** is to offer support through e-incubators, e-business network platform, digital tools for the self-assessment of an SME's level of extroversion, as well as other consulting e-tools (e-learning, e-library, etc.) to agro-food companies.

The main modules of VBIEC, as shown in the following diagram, are:

- a. e-business tools
- b. e-incubator
- c. e-library
- d. e-networking
- e. e-learning





The **e-business tools module** contains ten basic tools that users may download, grouped in the following 3 major categories.

➔ **Self-Assessment Tools**

- ▶ Business readiness
- ▶ Readiness for internationalization

➔ **Financial Tools**

- ▶ Break-even analysis
- ▶ Loan amortization schedule
- ▶ Startup cost calculator
- ▶ Cash flows and financial forecasts

➔ **Business Tools**

- ▶ SWOT and PEST analysis
- ▶ Business plan
- ▶ Export price calculator
- ▶ Business model canvas

The **e-incubator module** aims to help agro-food companies to develop their business ideas. In particular, every user, during registration in the platform, may declare that he/she wishes to serve as mentor. At the same time, agro-food companies may input their business ideas in ViBIEC and request a feedback by mentors.

Moreover, the **e-library module** provides an online library with information, links, legislation, best practices, etc. in the agro-food sector. This module is based on the outputs of Deliverable T2.1.1 “Collection of primary and secondary data”.

More specific, e-library provides the following major information:

- Policies for agro-food clusters or cooperation networks
- Studies related to the agro-food sector
- Laws and regulations for exports/imports of agro-food products
- EU quality schemes for agro-food products (cultivation areas, production, trade, exports, etc.)
- Regulations for innovative agro-food companies

Finally, the e-learning module offers a list of 50 topics related to the agro-food sector. Each topic includes a description of a concept, along with additional external sources. A list of comprehensive questions is also included in the e-learning module.

The ViBIEC platform is available in <https://innovagro.green-projects.com.gr/>

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