



Promoting attractiveness, competitiveness and internationalisation of Agro-food Clusters of the Med Area

The CAP: what future?



The **Common Agricultural Policy (CAP)** is confronted with a set of challenges that invite the EU to make a strategic choice for the long-term future of its agriculture and rural areas. The future CAP should contribute to the Europe 2020 objectives of smart, sustainable and inclusive growth.

In line with the Budget Review Communication, published on 19 October 2010, the CAP after 2013, **by targeting support exclusively to active farmers and by remunerating the collective services they provide to society**, would increase the effectiveness and efficiency of support and further legitimize it.

Before setting down any initial policy guidelines, the European Commission launched on 12 April 2010 the institutional debate on the future steps and development of the CAP. Based on the outcome of the public debate the Commission presented on 18 November 2010 a Communication on "The CAP

towards 2020: Meeting the food, natural resources and territorial challenges of the future" which outlines the options for the future CAP. The legal proposals will be presented in mid-2011.

The majority of contributions **identified 3 principal objectives for the CAP:**

- **Viable food production** (supporting farm income; improving the competitiveness of agriculture and enhancing farmers' share of value from within the food chain)
- **Sustainable management of natural resources and climate action** (ensuring sustainable production practices and securing the provision of environmental goods, fostering greener growth through innovation)
- **Maintaining the territorial balance and diversity of rural areas** (supporting rural employment, promoting diversification of rural economies).

Moreover, there is a "key-question" internal to the CAP: *What is the future of direct payments?* Originally directed to compensate farmers for price cuts, now they are targeted to provide basic income support and as precondition for provision of basic public goods.

More info:

http://ec.europa.eu/agriculture/cap-post-2013/index_en.htm

The positions of the member states involved in the PACMAN Project

The French government believes that in a context of prices volatility there is still a need for a strong CAP in the future.

The French government has identified four goals for the future CAP: food security of the EU; contribution to the world food balance; territorial balance of rural areas; sustainable management of the environment and climate action (<http://cap2020.ieep.eu/>).

From the perspective of the Spanish government, the traditional CAP objective of food security remains in place, while there is an increasing importance to address social and environmental values.

The current system of agricultural support has been justified on the basis of the maintenance of a strong Pillar 1 (i.e. direct payments). Rural development policy (Pillar 2) alone is not considered sufficient to allow the agricultural sector to meet the objectives set out (<http://cap2020.ieep.eu/>).

Italy considers the redistribution of direct payments based only on agricultural land used to be unacceptable¹

Italy has suggested that representative economic parameters should be also taken into account. The special breeding rights system should be preserved. Italy believed that the introduction of an obligatory green

element in direct payments would be too complex and would represent an additional burden for national administrations and farmers (<http://www.allbusiness.com/>)

Portugal position is aligned to that of the EU Commission.

Portugal agreed to introduce criteria to reinforce environmental protection and to put ceilings on payments. Portugal called on

the Commission to come forward on market mechanisms to deal with price volatility (<http://www.euractiv.com/>).

The Greek position is that the expenditure

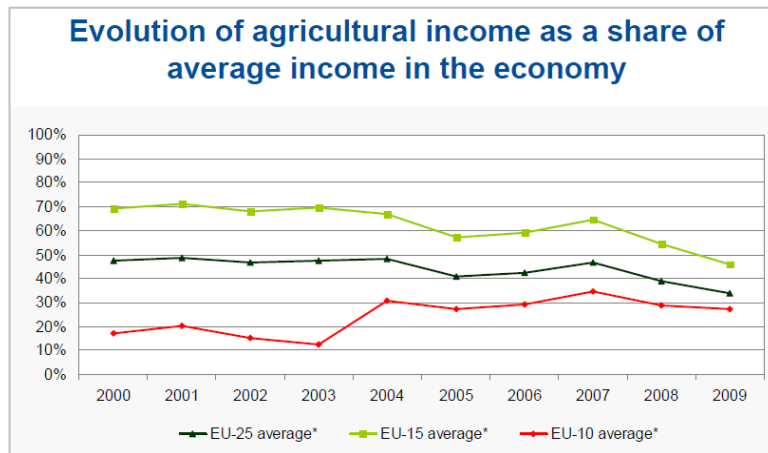
for agriculture should remain at the present level, at least up to 2013.

A reformed CAP should guarantee a fair agricultural income and decent living conditions for all small-scale farmers. According to the Greek national position, the EU should also provide a policy framework that ensures stability and security for its agricultural population. (<http://cap2020.ieep.eu/>).

Cyprus public debating supports the view of a strong second pillar of the CAP

The Cypriot public authorities dealing with agriculture and rural development believe that in the post 2013 period the CAP should focus in the second pillar instead of direct payments, with a special attention to the environmental issues

(<http://enrd.ec.europa.eu/>)



THE EMILIA-ROMAGNA AGROFOOD SECTOR



The agro-food in Emilia-Romagna is known on an international level not only for combining tradition and innovation but also for achieving high standards of food quality and safety.

The regional agro-food system



The regional agro-food system is experiencing a structural adjustment process in order to maintain

its competitiveness in the world markets, with the diversification of the production, a more structured agricultural system and a greater integration with the downstream processing stage

The regional cluster is made up of about **29 thousand local units** and **168 thousand employees** (Istat - Asia, 2006).

The regional agro-food industry is characterized by the development of integrated supply chains spread all over the territory. A great contribution to the regional agro-food figures is given by **the cooperative companies and other forms of associations**, that are still dominant in many activities of processing and sales of agricultural products. They are

responsible for more than a third of the national turnover of the sector.



Products

Emilia-Romagna is specialised in local products on high quality processed according to traditional methods and in food processing machinery.

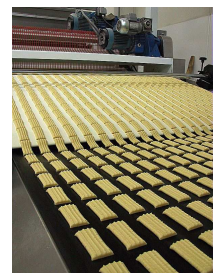
Among the **production of vegetables** the highest figures are of cereals, potatoes and vegetables (tomatoes in particular), pears, nectarines and wine. **Revenue from regional agriculture** amounted to 4.1 billion Euros in 2008. With **animal production**, cow milk stands out the most, followed by poultry, rabbits, pork and beef products and eggs.

In Emilia-Romagna there are **32 PDO (Protected Designation of Origin) and PGI (Protected Geographical Indication)** certified products, of which the most well known names internationally are Parmigiano Reggiano – Parmesan cheese, Prosciutto di Parma – Parma ham and Aceto balsamico di Modena – Balsamic vinegar from Modena.

There are more than **4,500 producers of organic products** (2008).

Food industry

The food industry is specialized in the **processing stage** but the cluster also involves other important sectors such as **agricultural machinery**, one of the region's best performing industries as well as **food packaging**. The



chilled food chain is also very efficient and well established in the region.

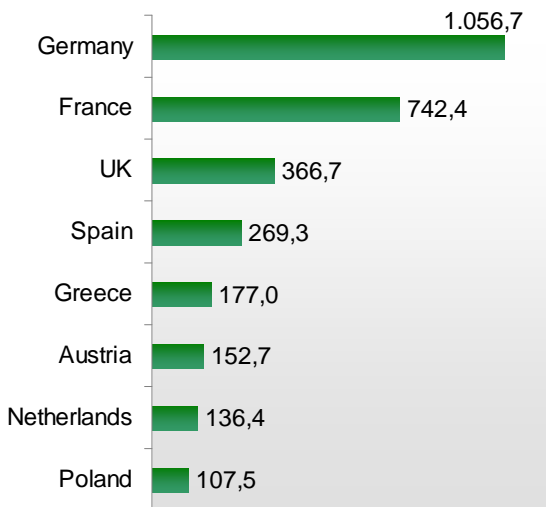
Territorial specialisations

Reggio Emilia and Modena account for the highest concentration of agricultural machinery production in Italy whereas in Bologna and Parma the production of industrial packaging machines for food products is the most competitive at global level.

Export

The cluster has a **high level of exports, 5.3 billion Euros in 2008** (17.3% of the national total) mainly to the European market (80% of total exports), followed by North America.

Main European countries for regional export (data in million Euro, Istat-Coeweb, 2008):



The various agro-food sectors represent 10.7% of total exports from Emilia-Romagna. The agricultural machinery exports sector in the region accounts for 30.2% of total national export figures.

Total exports from the cluster showed a growth trend even though the effects of the

international crisis have had a noticeable impact on some sectors

The Agro-food cluster export trends

2004-2008 +34.4%

Research and Development

The **research laboratories in the Regional High Technology Network** are



are organized in a thematic platform (an established group of research laboratories specializing in agro-food issues) and work on the quality and safety of raw materials, processing, machinery, equipment, finished products, health issues and on the enhancement and development of traditional products.

Fairs

There are **8 international trade fairs** that are connected either directly or indirectly with the cluster.

International trade fairs in Emilia-Romagna connected with the agro-food supply chain



CIBUS



MACFRUT



Sigep



MEC-PACK



sapore
TASTING EXPERIENCE



eima
international



sana



R2B DAYS
RESEARCH TO BUSINESS

EFSA in Parma



The **EFSA, the European Food Safety Authority**, has its headquarters in Parma. The system of regional universities (in particular Bologna,

Parma and Piacenza) and training courses provides **qualified workforce** for the cluster companies.

NEWS AND EVENTS

LMC congress 2011 – “foodINfront”



On the 23-24 May 2011 the city of **Odense**, in **Denmark**, will host “**foodINfront**”, a two-day LMC

Congress organised by the Danish Center for Advanced Food Studies.

FoodINfront will explore the interdisciplinary theme of the '**Grand Challenges**' from all angles of food science, especially searching for sustainable solutions in the following areas representing some of the focal points of the LMC research strategy:

- 1) **Food security** to ensure enough food for the world's growing population
- 2) **Sustainable food production** to address the tightening supplies of energy, water and food
- 3) **Food & health** to improve and secure quality of life of an ageing society.

Further information is available on the website <http://lmccongress.dk/>

CIAA congress 2010 – People, Planet, Partnership



The CIAA 2010 Congress took place on the 18th – 19th of November 2010 in Brussels.

The **CIAA (Confederation of the Food and Drink Industry of the EU)** represents the largest manufacturing sector, major employer and exporter in the EU. The Conference represented a unique moment to discuss together important issues related to the **European Food and Drink Industry's vision for 2020**. Three key themes: **People, Planet and Partnership**.

Industry representatives were called to actively commit for preservation of raw materials, water, and energy – a “business critical” for Europe's food and drink industry. Exciting opportunities and new solutions can be offered by innovation in order to drive sustainability throughout the entire food supply chain.

For more information on CIAA and its activities, please visit: www.ciaa.eu



PACMAN STATE OF THE ART

PACMAN started on October 1st involving 10 public and private bodies belonging to 6 MED countries (IT, FR, EL, ES, PT, CY), whose important agrofood sector strongly contributes to EU economic growth, cooperating to set effective and synergic actions to enhance new solutions for agrofood clusters' competitiveness, internationalisation and innovation.



On 25th and 26th October the **kick off meeting** was held in Bologna (Italy) to launch the project and start an operative active

cooperation among the participants.

A project **capitalization plan** with EFSA was proposed and discussed as to guarantee capitalization actions and networking.

Experts from all PPs started working on the drafting of shared methodologies for mapping and analyzing each country agro-food economic sectors and segments, providing regional information on socioeconomic issues, programmes, policies. A possible **model of representation of agro-food chain** - netchain - was also proposed together with **measurable indicators** to identify 3 main segments of the agro-food chain linked to the project main objectives (i.e. innovation, competitiveness, internationalisation). PPs selected 3 best practices of international projects aimed at innovation, internationalisation and networking in the agro-food sector whose experience they want to capitalise in PACMAN.

The main objective was to identify what are the key issues that the methodological guidelines must work with in developing a common vision for the MED agro-food cluster. As a matter of fact, the

methodological guidelines produced are the milestone to start planning the following phases of Component 3. In particular, Task 3.1 Methodology provides a conceptual framework which will be further and adequately implemented in the following Task 3.2 Analysis of the agro-food clusters.

The guidelines produced supported PPs during the **second interim management meeting**, held in Murcia (Spain) on 9 March 2011, in adopting a **common methodological framework** for the analysis of the agro-food system and for identifying the three segments on which to focus project activities.

Project communication tools were also agreed upon as to develop a



project communication plan and create the main information and promotional tools and materials: logo, corporate

image, website, leaflet, e-newsletter. **www.pacmanproject.eu** is the first output of the PACMAN operation. Designed as a portal, it is structured in several thematic areas easily and immediately accessible, useful and flexible. The PACMAN portal responds to the aims of the project, through a clear vision of the overall contents of the project, a detailed description of the partnership and updated news and information of ongoing events at European level on the agrofood sector. The project is also advertised through social networking tools such as Facebook [http://www.facebook.com/reqs.php#!/page s/PACMAN-project/192448360784477?sk=wall](http://www.facebook.com/reqs.php#!/page_s/PACMAN-project/192448360784477?sk=wall)