

Training Meeting
16 December 2013
Agricultural Advisory
Centre in Krakow

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Report on Direct Selling Cases in Italy

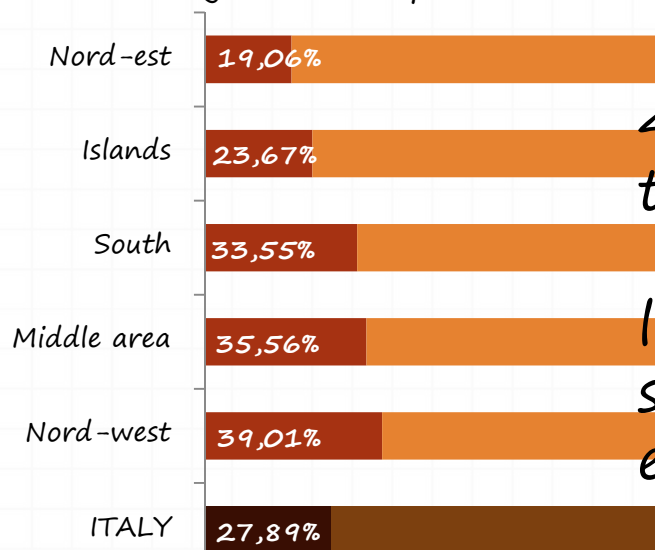
facts & figures on Agriculture trends in Italy

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Agricultural and Livestock active enterprises in Italy in 2010 are 1,620,844

274.718 companies making direct sales to the consumer

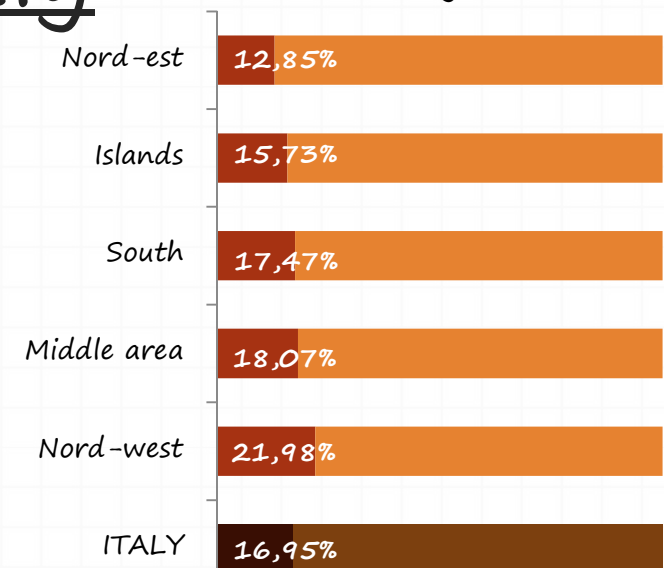
Direct selling to small shops



451.995 companies making direct sales to distribution Network

local corporate adapted for direct sales is still the place most used by agricultural enterprises (68.9%)

Direct selling to consumers



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(Istat - Italian Institute of Statistics - 2010)

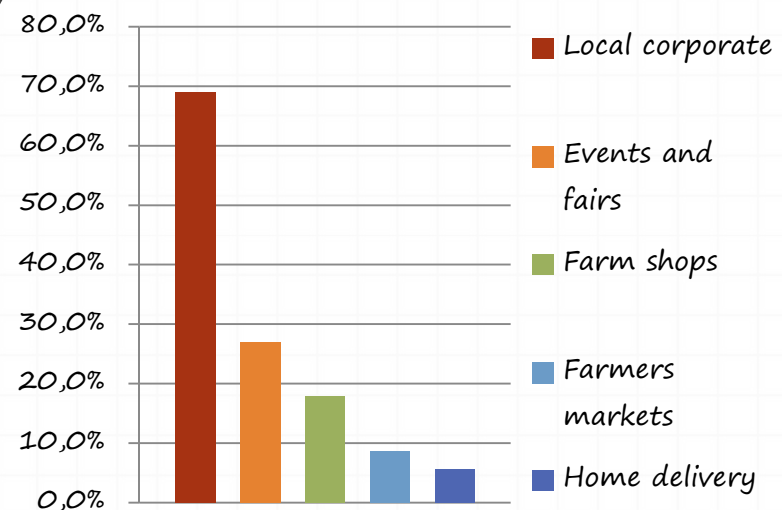
facts & figures on Agriculture trends in Italy

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- 0 Participation at events and fairs is the second most used (26,9%)

It follows:

- 0 Farm shops (17,9%)
- 0 Farmers markets (8,7%)
- 0 Home delivery (5,7%)



Direct selling's goal in Italy is getting close to consumers. It's a decision that involves investment of resources, staff and time.

Farmers Market of Lucca

- 0 It borns thanks to the Project of Province of Lucca funded by Regione Toscana and co-funded by Comune di Lucca (Municipality), owner of Market Area;
- 0 It opens on Saturday and it is located in a suburban area but close to an important communication road;
- 0 Pilot project lasts 3 years (2010 – 2012) and it's total cost is 20.000,00 €;
- 0 Comune di Lucca asks a co-financing to farmers from the third year (cleaning and controls costs)
- 0 The Commettee of Market provide to program controls and selections of farmers

Farmers Market of Lucca

- 0 University of Pisa provides to controls;
- 0 The Market Rules lays down criteria for the allocation of stands to farmers;
- 0 Markets has 17 stands (8 of them are fruit and vegetable) and turnover is on average equal to 1.000,00 € for producer;

FARMERS MARKET

- 0 Types of controls on products:



- 0 visual checks of any rot, control of seasonality (1 year)
- 0 cataloging of products and planning controls (2 year)
- 0 inspections at the place of production and origin verification (3 year)



The Supply chain of fish

In 2004 (CE n. 852/2004 e 853/2004) European Commission established fishermen can sell directly their catch in small quantities (100 kg per boat per day).

Fish Market is similar to agriculture: at each step of the supply chain, there is a product's cost increases.

The result is too high costs for consumers and too low earning for fishermen. For these reasons, in the last ten years, several practices of direct selling were born:

- Fisherman Market: directly run from the fisherman or fishing cooperatives
- Ittiturismo: hospitality in the typical dwellings of the ancient fishing villages with catering services based on local or regional specialties
- Pescaturismo: tourist activity that takes place on board of small boat (artisanal fisheries)



The Forgot fish project

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Forgot Fish project was devised by Italian League Fishing in partnership with Chambre of Commerce System, restaurants' Network "Vetrina Toscana" and the following fishing cooperatives: Santa Maria Assunta di Livorno e Mare Nostrum of Viareggio (Lu).

Activities 2011 - 2012 - 2013:

- Information and awareness (: wide-spreading promotion on those types of fish not purchased because unknown to the consumer
- Direct Selling to BD (Big distribution): big numbers of retail chains and its logistics organization, allowed the direct sale of good quantities of fish (of two fishing cooperatives);
- Direct selling to "Vetrina Toscana": the fishermen of the two co-operatives have made cooking classes based on "forgotten fish" in the restaurants involved in the project: In following step, restaurants bought forgot fish to consumer;
- Lessons of cusine in hospitality training institute.



Francesca Caciolli, Project manager - Innovative services for SME (small and medium enterprises)

The Forgot fish project

Currently, the fishermen of the two Unions have created a network of businesses and have created a small logistics network of their own (4 refrigerated vans fitted with all the equipment in order to supply ones a week restaurants member of Vetrina Toscana and Big distribution of Florence

Another practice about forgot fish was promoted by the Project "Again found fish" - www.fishscale.eu is very similar and has the same goals



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G.A.S.

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Community-supported agriculture

These are groups of consumers who purchase food and non-food products, according to the principle of joint liability.

They prefer sustainable food products of small local producers.

Their goal is to get close to local production cycle.

Their number is about 400 with more than 100.000 people involved.

GAS's composition is 4-5 families for each group but it can be also 400 and as usual they have an informal organisation (no rule, no law regulates them).

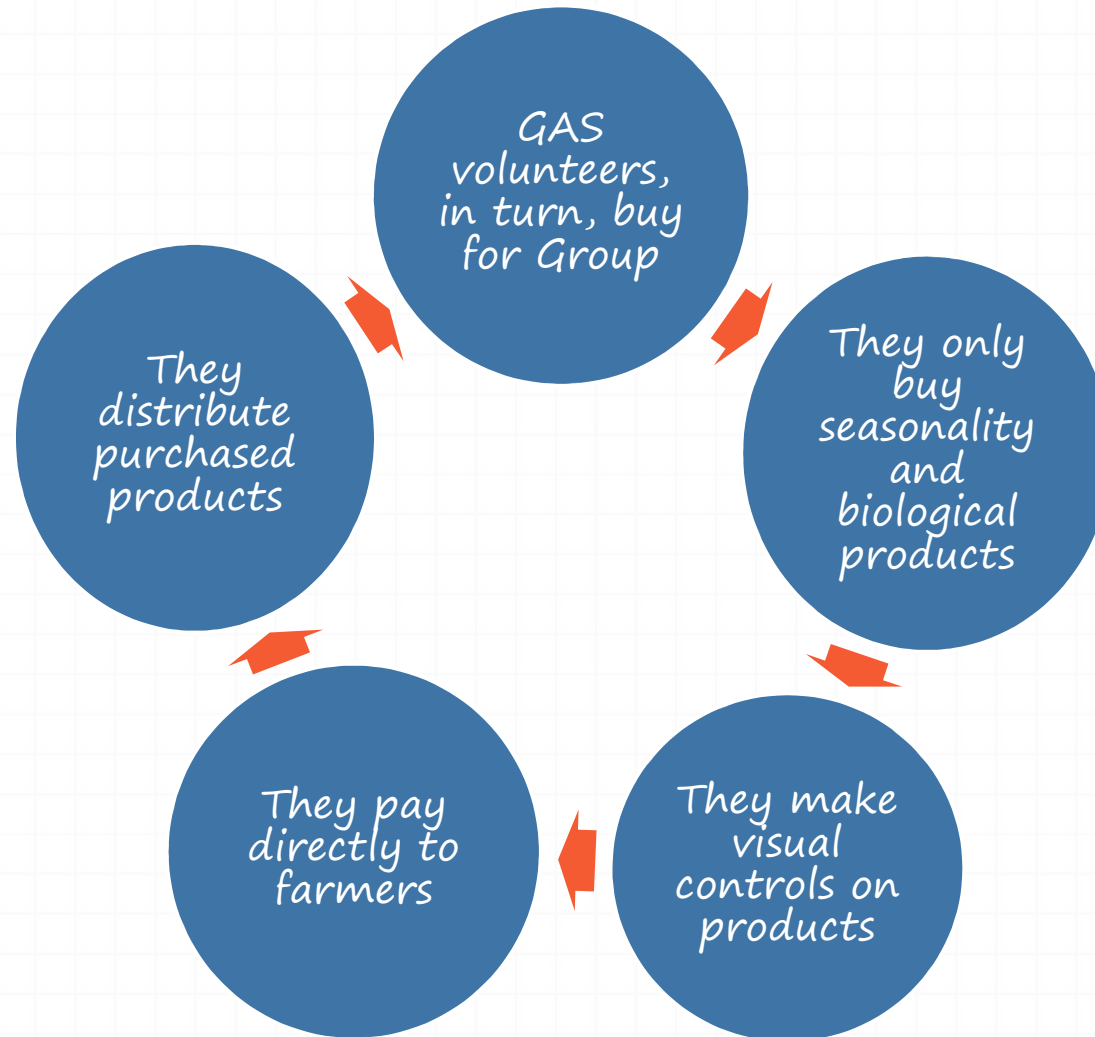
1994 - First Community-supported agriculture was born in North of Italy

1997 - Community-supported agriculture achieve a Network between them

G.A.S.

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Internal organisation of work



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G.A.S.

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Internal organisation of work

Their growth has resulted an increasing of consumer attention to products' origin. In first, GAS purchased only certified producers (Biological, IGP, IGT, etc).

Instead, currently – due to the proliferation of bureaucracy imposed on certified producers by European standards – GAS also selects producers who don't have any certification.

These producers, infact, adopt collective standards of certification based on agreed upon rules.

Such agreed rules involve some problems because there isn't any certified check system as a reference point or any certain law

Plan of distribution of raw milk

In Italy, the sale of raw milk began in 2004, the year in which the legislation has allowed the direct distribution from producer to consumer (Regulation CE 852-853-854 – 2004). In Italy national and regional government came to an agreement.

The agreement provides that the producer can sell raw milk directly to the consumer through dispensing machines, registered in accordance with current regulations, located at the farm or outside.

Farmers going to sell raw milk must submit an application to local medical corps with a detailed technical report. Producers can be active within 45 days if they don't receive any formal refusal.

Currently in Italy there are 1354 distributors of raw milk on tap in Italy (Data Coldiretti 2011).

Interdipartimental university Centre's raw milk Project

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- 0 In 2008, University of Pisa executes a investment project to test a direct sale of raw milk in Tuscany;
- 0 Its Interdepartmental Centre is the owner of 1,200 hectares in San Rossore Area (Pi); 600 of these are usable as an area of pasture and the Centre also has technical staff to make controls;
- 0 At the beginning, turnover is approximately 1 ton and a half liters per day sold. Currently it's less (about 500,000.00 liters per week);
- 0 Cost per liter to consumer is 1,00 € and starting investment to make dispensing machine (located in local corporate) is 15.000,00 €
- 0 Their even break point is 15 liters per day because they don't have any external cost

"Orti E.T.I.C.I" Project

"Social farming" means a various experiences where agriculture combines its specific production function with a social function. It's a type of ethic and socially responsible farming; a tool that provides opportunities for therapy, rehabilitation, integration work and also simple welfare for disability people and with "low contracted capability" (caused by mental or physical disability, detention, drug addiction, age, immigration from non-EU countries).

According to a survey conducted by AIAB on Agriculture Organic Social - Italian Association for Organic Agriculture in Italy, in the period 2007-2010, the number of social farms in Italy has grown

from 107 to 221.

“Orti E.T.I.C.I – Ethic vegetable garden” Project

Public and private partners created Orti Etici Project:

Social Cooperative Ponteverde Onlus di Pontedera (Pi), farm firm Bio Colombini di Crespina (Pi), Interdipartimental research Centre of Agriculture Enrico Avanzi (CIRAA) of San Piero a Grado (Pi), il Biology Department of University of Pisa (DBPA)

Social
Onlus

- Manages the employment process of disadvantaged people
- Assesses and monitors the outcome of their work placement

Farm
Firm

- Deals with organic vegetable production and marketing of the product thanks to collaboration of G.A.S.

CIRAA

- Manages processes, makes available its land and technicians and uses Orti Etici Project as a field of experimentation and research in agriculture

Agriqualita' Project

Agriqualità is the Tuscany Region's brand granted to small farmers who produce with integrated farming's techniques.

Farmer have to obtain the certification of its process.

That's the way it is:

Tuscany Region:
protects the brand,
approves
disciplinary and
authorizes the
control
Organisations

Control
Organisations:
Performs initial
and annual
inspections

Farmer: applies
production rules,
ensures the
traceability of
the product

Agriqualita' Project

- 0 In 2008 a Network of small farmers producing with "Agriqualità process" decided to make a direct selling to resaturants and small food shops.
- 0 They ask for help to a shops and restaurants network called Vetrina Toscana, active in Tuscany
- 0 It is the firs sperimentation and it is co-funded by regional and local Istitution for an advertisding campain that lasts 1 mounth
- 0 Farmers network invests its financial resources and manpower to ensure the distribution (with hubbing of goods and small pickup trucks equipped for storage) for its products in 70 shops and restaurants for 1 month
- 0 The Agriqualità's products sales suddenly has a spike upward

Slow Food

www.slowfood.it e www.slowfood.com

- 0 It is a an international no-profit Association with 100.000 members in 150 Countries of world with 1.500 local offices, about 300 of them in Italy;
- 0 It was born in 1986 in north of Italy (Piemonte);
- 0 Its slogan: «good», referring to quality and typical food; «clean» referring to production respecting ecosystems and the environment, « fair and equal », that means to be conform to the concepts of social justice with reference to production and marketing;
- 0 Both the producers than the restaurateurs are inside Slow Food Network because, the firsts represent that production world that use sustainable processes and historic memory of such a territory; while, the others are the interpreters of Italian culinary tradition;
- 0 Quality and Typical products are identified through Slow Food Presidia and have a special label



Slow Food®

Slow Food

Alliance of Chefs Project

- 0 Slow Food in Italy promotes various projects and good practices between short chain: important for mention is the Alliance of Chefs Project;
- 0 It's a close collaboration between Italian Slow Food Presidia producers and cooks interested in giving priority to local products in their cuisine. The chefs have to be motivated not only to use the products for their organoleptic qualities, but also for their cultural significance;
- 0 Currently, the project has 270 restaurants and taverns as active part of Alliance in Italy. During the year, the chefs organize the "Alliance Dinners" taking place in the each local member. A portion of money from the dinner will be going to be used to initiate and sustain some Italians and foreigners "Presidia".

Vetrina Toscana



- 0 Vetrina Toscana is a project promoted by the Tuscany Region and Chambre Union System; it is a network of 1.200 members including 752 restaurants and 268 food shops. There are three regional departments involved: tourism and culture, agriculture and production activities;
- 0 Network's members sign an agreement and they undertake to acquire at least 20 certified products from local products identified as "Tuscan food product"



- 0 The Vetrina Toscana network works in a very close relationship with local producers. The aim is to enhance local food and wine, and quality of agricultural food production.

