



European Network for Rural Development

The European Network for Rural Development (EN RD) contributes to the efficient implementation of Rural Development Programmes (RDPs) throughout the European Union (EU).

Each Member State has established a National Rural Network (NRN) which brings together the organisations and administrations involved in rural development.

At EU level, the EN RD ensures the networking of these national networks, organisations and administrations.

Find out more on the EN RD website

The European Agricultural Fund for Rural Development

Exchanging information about RDP operations is an important aspect of the NRNs' and EN RD's remit. This brochure has been introduced to help encourage such information exchange by presenting examples of different types of RDP activity that received EU co-finance from The European Agricultural Fund for Rural Development (EAFRD).

All of the projects featured in the brochure have been submitted by NRNs as interesting rural development initiatives.

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Organic chicken business takes off: EAFRD co-finance helps double the productivity of a Swedish family farm

Developing new markets for new products remains important for the competitiveness of rural businesses, and Rural Development Programme (RDP) funding provided to an organic chicken farm in southern Sweden confirms that entrepreneurial spirit can thrive in Europe's countryside.



Throughout Europe many examples exist to highlight how farmers and other rural businesses can succeed in entering new market places. Success factors involved in the process include identifying a viable market niche, personal perseverance, and making good use of rural development assistance.

One such case is evident in Sweden where a small family farm has used EAFRD co-finance to help consolidate its position in the country's poultry sector.

Organic Opportunities

Organic products had not previously been prominent in the Swedish poultry market and this fact was identified as an opportunity by Birgitta and Claes Alwén who were among the first farmers in the country to establish a commercial line of organic chickens.

Located in the southern Swedish region of Bentarp, the Alwén's organic chicken business has now been running for over ten years. During this time the husband and wife team have carved themselves a firm niche in the national poultry market and experienced a steady increase in demand for their environmentally-friendly products.

Branding the meat with the company name (Bosarpkyckling) and investing efforts to inform customers about the relative benefits of their poultry production systems has helped to build and protect their market position.

Growing consumer preferences for healthy, natural products allowed the company to evolve progressively and RDP funds have recently been used to co-finance a business expansion project which doubled the Alwén's production capacity for organic *Bosarpkyckling* chickens. Six new mobile stables were constructed for the adult birds and funds were also secured for a 'baby barn' to help improve welfare and development of the younger chicks. Total project costs amounted to approximately €150 000 which was offset by a RDP grant of around €32 000, comprising 50% from the EAFRD. Bank loan finance was also used to realise the rural business expansion plan.

RDP support for the project was provided to support investment activities targeted at modernising agricultural holdings. The modernisation outcomes from this RDP project are clear and, as well as doubling their productivity, the Alwéns have also reinforced their ability to provide quality organic products to their wholesale, retail and catering trade customers.

Reputation Building

Birgitta Alwén considers product reputation to be one of the most important business tools at her disposal. She has invested significantly in building a strong brand name and the reputation of her organic chickens and she believes that finding ways to communicate unique aspects of product quality is vital for successful customer relations. In addition to the clear benefits for the environment from organic husbandry approaches -

Mrs Alwén also explains "We have a different product and the chicken has a different quality. It is much larger and has longer fibres, which gives it a different chewing resistance". The quality difference results in an improved eating experience.

These unique selling points of the *Bosarpkyckling* chickens are promoted to customers during face to face client meetings and via the *company's website*.

Internet tools provide particularly useful advertising opportunities and the *Bosarpkyckling* website hosts a video presentation about the farm and its organic credentials. This type of dynamic marketing device is increasingly popular with rural businesses because it can be both shown to new clients during business meetings, and video approaches can also help reach an even wider group of potential customers over the web or via in-store demonstrations.

Other promotional features on the company website with relevance to similar EU farm businesses include a selection of organic food recipes and a long list of press publications indicating the company's achievements. The farm has become known as a success story for Swedish organic producers and to date the Alwéns have received over 30 different study visits from groups of rural development stakeholders interested in finding out more about economically viable organic production systems.

Entrepreneurial Vision

Looking to the longer term, Mrs Alwén has a vision for further consolidating the *Bosarpkyckling*"s market position and radically reducing reliance on external productivity factors. "If we had our own slaughterhouse and packaging facilities I am sure this would make us more independent and even more competitive." She continues, "What's more, Sweden has all the qualifications to be a major exporter of organic quality chicken. We have plenty of space, clean air and water, and also salmonella-free products. There are many opportunities for new export products in these types of conditions for those who wish to take on such a challenge."



RDP assistance is available to help farmers like the Alwéns turn their entrepreneurial ideas into commercial reality. More information about RDP opportunities in your area is available from the National Rural Networks. Click on the following hyperlink regarding *contact information for the National Rural Networks*.

Further information about the RDP project and Bosarpkyckling organic chickens is available from the Alwéns company website.

Organic production offers niche business development opportunities, provides ecological benefits and responds to consumer demands for environmentally-friendly food products.

Truffle festival unearths new forest income opportunities: EAFRD project harnesses the multi-functionality of EU woodland resources

Quality food products provided the impetus for a Rural Development Programme (RDP) project in Italy's Umbria region where EAFRD co-finance has supported the start-up phase for a new forest truffle festival, results of which successfully extend the local tourist season into November



Europe's forests and woodlands provide rural areas, and wider society, with a variety of products. In addition to providing 'public goods' such as biodiversity habitats, landscape features, recreational facilities and carbon sinks, EU forests also provide essential wood-based materials and act as the source of many different non-timber commodities, including mushrooms, berries, medicinal plants, nuts, seeds, oils, foliage and livestock forage.

Over 40% of Europe's landmass is covered by forests and so these types of rural products remain highly significant in terms of sustaining large proportions of EU rural economies. Member States' RDPs respond to this fact and several dedicated types of co-finance are available to support rural development projects in EU forests. Each of these different RDP forestry measures is designed to complement the multi-functional characteristics of forest resources and RDP funds can be used, *inter alia*, for forest operations associated with mainstream timber-related products as well as biodiversity conservation or tourism services.

Forest-based tourism continues to increase in popularity and one of Italy's regional RDPs has helped local communities attract visitors to the RDP territory by helping promote an innovative niche product: a forest truffle festival.

Truffle Tourism

Truffles are a form of edible fungi that grow underground and look like small balls of hard black mud. They are notoriously difficult to find and accordingly remain one of the most expensive rural products that exist. Fetching up to and over €1000 per kilo, depending on the market and type of truffle, these forest fungi possess a reputation for quality that is well known. Taking advantage of the truffles' inherent quality status makes sound business sense, and so hence the idea by community members from Fabro in Italy's Umbria Region, to found their own unique truffle festival.

Fabro is famous for its white truffles ('tartufo bianco'), which grow in very specific micro-climates in the forested areas of north-central Italy. This local distinctiveness provided the main theme for the first "Mostra Mercato Nazionale del Tartufo" truffle festival, which started in 2008 and has now become an annual event.

Receiving around €86 500 of RDP support for a two-year start-up period to encourage tourism activities, the EU-funded festival has succeeded in its aim to valorise local quality food products. This has been achieved by linking them with different tourism development strategies including visitor programmes promoting local gastronomy, cultural heritage and handicrafts.

Around 50 small food producers have benefited so far from participation in the Fabro truffle festival. Visitor numbers were high for the first two years and this is attributed to the event's uniqueness, its comprehensive range of organised activities, its strong sense of local ownership by the Fabro community and its effective communication strategy.

For example: media coverage was encouraged by offering special incentives to journalists; local institutions, schools and the Leader Local Action Group were given space to promote their involvement in the local community; and the festival's programme of events was designed to disperse income generating opportunities around the area, via organised trips into the countryside which allowed festival tourists to meet local farmers, enjoy the traditional landscape and visit attractions such as an eco-museum.

RDPs can support many types of different forest-based projects



Diversification Developments

Festival visitors also had an opportunity to meet the <u>Proverde</u> organisation, which advocates sustainable forest management in Umbria. As part of its nature protection efforts to regenerate and conserve regional forests with indigenous species, the Proverde team is developing experimental truffle cultivation plots.

Initial results from the in-forest studies reveal that truffle plantations may offer useful rural diversification opportunities. The work involved in truffle farming is relatively labour intensive, but potentially highly rewarding, and the most appropriate plots are those with relatively low fertility, which are not suitable for other types of crop production.

This example therefore highlights the scope of non-timber products to help support the diversification of EU rural economies, even in areas where land is marginal and traditional forestry is declining. Integrated approaches to the development of such rural resources have been shown to add-value by linking the uniqueness of a local forest product (the white truffle) with a celebration of local history, landscape, culture and gastronomic culture.

Additional benefits are drawn from the festival timing in November, which coincides with the few weeks each year when the rare 'tartufo bianco' reaches maturity. Therefore, this autumnal festival also helps to extend Fabro's tourist season by attracting visitors to the region during non-peak periods.

Further forest developments may well now be unearthed around Europe as EU rural communities build on the Fabro's truffle fair experience and launch proposals for their own local 'berry bazaars', 'mushroom markets' and 'nut carnivals'.

More information about the RDP project is available from Stefano Cilli at the Italian National Rural Network.

During the 8th NRN meeting we have chosen to present the truffle festival project to other NRNs as an example of valorisation of different high value forest products from marginal land.

Italian NRN

Rural tourism services for disabled visitors: business development project secures social inclusion objectives

EAFRD support in Estonia has helped build the country's first disabled fishing platform, targeting a valuable niche tourism market and helping diversify economic activity in the Baltic countryside.



Disabled people represent a large proportion of the global tourism market. In the EU alone, around 37 million citizens are disabled. Access to rural tourism facilities for disabled visitors however remains limited in most parts of the countryside and business development opportunities exist in the provision of 'all-access' tourism products or services.

Understanding the needs of this niche market helps rural entrepreneurs to develop a variety of different all-access products and services, which can then provide rural businesses with useful competitive advantages.

All-access provision involves more than just thinking about wheelchairs. Accessibility refers to how easy it is for everybody to approach, enter and use buildings, outdoor areas and other facilities, independently, without the need for special arrangements.

EAFRD assistance is available through the Rural Development Programmes (RDPs) for both on-farm and off-farm tourism development projects that include all-access features. A good example of this is found in northern Estonia's Harju County where RDP funding has been used to provide all-access fishing facilities at the Oxforell rural tourism centre.

Accessible Angling

Angling is a popular rural past-time for Europeans and the Estonian Oxforell resort has been purpose-built to cater for both domestic and international fishing tourists, as well as their families. Established in 2002, the centre recently received around €79 000 from the EAFRD and €19 000 in national cofinance as part of a development package, which included €129 000 of private funding.

RDP funds were provided to support investment activities targeted at diversifying economic activity in rural Estonia. This involved developing a dedicated fishing platform for disabled visitors as well as all-access toilet facilities. Other results from the rural development project include new visitor accommodation, countryside access paths and play areas for children. Final outcomes from the RDP investment will diversify the centre's capacity to supply a larger range of recreation and business tourist services and products.

Consulting Customer Bases

Oxforell consulted an association delivering disability support during the project planning phases and this approach is highly recommended to help ensure the relevance of all-access facilities for their intended user groups. Creating links with local, regional and/or national disability organisations helps rural entrepreneurs to identify appropriate design requirements for new disabled facilities. Furthermore, such partnerships can also help build business relationships with niche markets and facilitate effective communication channels to help rural tourism operators target their advertising at specific customer bases.

Research shows that disabled people are loyal customers, often returning to places that provide good accessibility and appropriate service quality. Quality standards form an integral part of Oxforell's business plans and the centre has been officially endorsed by Estonia's Tourism Quality Programme award for its commitment to continuous improvement of customer service.



Mutual Benefits

The quality service provided by Oxforell for all of its customers provides an excellent example for other rural tourism projects. Incorporating all-access considerations within a project design can be shown to result in mutual benefits for rural businesses and disabled people.

Scope exists for encouraging cooperation among rural entrepreneurs in order to produce clusters of all-access tourism services. Such 'centres of excellence' can be developed to offer a selection of different accommodation and activity-based rural tourism facilities. Joint marketing campaigns can also be used to promote dedicated all-access holiday destinations.

Informed approaches offer the best solutions and the EU has produced a useful multilingual guide, which describes how tourist facilities, large and small, and destinations as a whole can improve the quality of the service they provide to disabled people and others who will benefit from better accessibility. Click on the following hyperlink for the EU guidance document about Improving information on accessible tourism for disabled people EN, DE, ES, FR, IT [2 MB]

Further information about the RDP project featured in this article can be found at the <u>Oxforell centre's website</u>, and also the <u>Estonian National Rural Network's database of relevant practice projects</u>.

66 Always provide the best service to clients, because bad word always spreads quicker than good word.
99

Oxforell Ltd

Disabled tourists tend to be loyal customers, often returning to places that provide good accessibility and appropriate service quality.

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Adding value to traditional rural products: Spanish almond processing business benefits from EAFRD assistance

A multitude of methods exist for adding value to rural products, and EAFRD assistance for a Spanish agri-food business highlights some of the different ways that value can be added to improve product quality and maintain levels of income in rural areas.



Rural businesses are often aware that they receive a much smaller portion of their products' final retail price than those further up the supply chain. Capturing more of this farm-to-retail price spread, is a goal of many producers and 'value-added' products offer a mechanism to increase rural incomes.

Value-added means adding value to a raw product by taking it to, at least, the next stage of production. Incremental value can be created by focusing on the benefits associated with the product or service that arise from improved: quality (can the product provide better customer experiences or exceed their expectations?); functionality (could the product or service provide additional or enhanced functions); form (is the product in its most useful form?); place (is the product in the right place?); time (is the product in the right place at the right time?) and ease of possession (is the product easy for the customer to obtain?). By adding these types of incremental values, rural products and services can often realise higher prices or expanded market positions.

Value-added is also used to characterise products that have incremental market value due to specific product attributes, such as geographical location, environmental stewardship, animal welfare or food safety. Examples of this type of "value-added" product include locally grown or organic produce.

FAFRD added-value

Carrying out added-value actions can help retain more income in rural areas and Rural Development Programme (RDP) assistance is available to support a variety of product development projects for rural businesses from different areas on the farm-to-retail supply chain. A typical example of this RDP support can be seen in Spain where an agri-food business has used EAFRD to upgrade its almond processing capacities.

Almonds are one of Spain's traditional rural products and some €4.3 million of EU co-finance was awarded to Colefruse Internacional, a private sector business and market leader in almond products, for their recent business development project. The RDP grant, awarded to support investment activities targeted at adding value to agricultural products, contributed around 20% to the total cost of Colefruse's new state-of-theart agri-food factory, based near Valencia in eastern Spain. This new almond processing plant extends over 16 000 m2 and is part of a business expansion plan to help the company be more competitive on the global market place. RDP project benefits will thus help sustain demand for almonds from Spanish farmers.

Added-value gains from the RDP project include innovative mechanised sorting procedures to improve the selection of high quality almonds and a new almond roasting facility which will allow Colefruse to provide customers with a higher value

end-product. Additional new technology has been integrated to improve the efficiency of almond blanching and results offer a higher quality finished product with strong functionality for use in further added-value products, such as ice-cream and confectionery.

New vacuum packaging technology has also been incorporated in the agri-food factory. This not only provides Colefruse's customers with an improved shelf-life for the almond products, but it also allows the company to offer its customers a new and larger choice in the selection of almonds to be purchased. What is more, these improved packaging systems also use a different and lighter form of materials which improve customers' ability to handle, and so obtain, the company's products.

Further added-value facilitated by RDP support relates to new on-site warehouse space. The aim of this aspect of the business development project is to help the company carry out more functions than were possible at its previous premises. Thanks to the RDP project, Colefruse can now store processed or unprocessed almond products in controlled conditions and this increases overall flexibility for distributing products to customers at the right time, in the right place.



Broader Benefits

In addition to the mainstream business benefits noted above, the RDP investment has helped to improve the environmental impact of almond processing by co-financing part of the costs of high-tech low-energy waste management systems, used to treat, conserve and recycle scarce water resources. Environmental impacts are further reduced by the new technology's ability to sort waste into almond derivatives, which can be sold on as added-value oil products for use in the cosmetics industry.

Socio-economic benefits have been equally impressive and results from the RDP investments contributed to the creation of 47 new jobs, 70% of which were for women.

Further information about the broad benefits created by this RDP project can be provided by <u>Spain's National Rural Network</u> and from the beneficiary's website.

We take care of every single detail throughout the almond processes, guaranteeing product quality, excellent service and maximum food safety.

Colefruse Internacional

Rural products can be considered as a collection of benefits: the more benefits there are, the more customers will perceive the product as having higher value.

Providing local food for local people: Leader project helps improve quality of life for an island community in Scotland

The Island of Bute on the west coast of Scotland is benefitting from a Leader project that provides affordable supplies of fresh food for local people in an environmentally-friendly manner, and also creates work and training opportunities for the small island community.



Remote and isolated rural areas can experience relatively high costs of living for basic commodities such as food and other essential goods that often need to be imported long distances by road, rail, sea or air. Transportation costs can thus significantly influence the quality of life experienced by rural residents, as well as affect the competitiveness of rural businesses.

Strengthening the supply of locally-produced goods and services in Europe's countryside can help reduce dependencies on imported goods and so help reduce the cost of living, or running a business in rural areas. Improvements in quality of life can result from this sort of rural development activity and other benefits are created at the same time since less transportation leads to less greenhouse gas emissions, less traffic congestion and less wear-and-tear on rural road networks.

Leader Assistance

Problems associated with the supply of affordable fresh food for an island community in Scotland's Firth of Clyde archipelago led to the region's Leader Local Action Group (LAG) providing around £116 000 (equivalent to approximately \in 139 000) of Rural Development Programme (RDP) funds to help grow more fruit and vegetables on the island. Managed by a not-for-profit organisation, the *Bute Produce* project has established a 2.5 hectare market garden to improve the area's local food supply chain.

Leader co-finance was awarded in two phases to the project as part of a partnership funding package. This business start-up assistance from the RDP is predicted to facilitate a fully functional and economically viable local food supply company within three years.

In addition to selling all the produce grown in its own market garden, the project is also co-ordinating the marketing and sale of other local produce including meat and dairy products, conserves and chutneys, and fruit or vegetables grown by different island producers.

Organic production is given a priority by the social-enterprise and environmental objectives remain deeply rooted in the RDP project's business plan, which is monitoring its impact in terms of reduced 'food miles' and using its green credentials as a marketing tool among island consumers. A wind turbine is also proposed to increase self-sufficiency and reinforce the project's sustainable development potential.

Feasibility Findings

During the development phase of this Leader project a lot of careful preparatory work was carried out to ensure that the project would be able to achieve its objectives. Lessons learnt from similar bottom-up rural community ventures in Scotland, verified that the detrimental impact on community confidence from a social enterprise failure could be significant, so a thorough feasibility study was undertaken before the RDP project started.

Analysis here involved assessing the true extent of demand for different food products by the local community. Such business planning work is crucial for this type of rural development project and affordability issues can also be assessed to determine the actual purchasing power of consumers. Findings from all the feasibility work provides a realistic picture of the products local people want to buy, and how much they will be able to pay for them. Revenue forecasts can then be properly planned in advance.

Expenditure forecasting formed another key aspect of preliminary research undertaken on the *Bute Produce* project. Costs associated with installing, operating and maintaining the market garden's infrastructure were budgeted and staff costs were also factored in to help pre-evaluate the project's chance of success.

Innovative thinking during the planning phase identified an opportunity to reduce employment costs, by establishing an operating agreement with a neighbouring training college. By offering the market garden as a rural development training facility the project was able to secure access to a well supervised workforce with specialist knowledge of horticultural practices. The project thus helps to diversify the trainees' professional experience and also allows them to be involved in a beneficial local development project.

Win-Win Outcomes

Win-win benefits like these are best planned from the outset and the outcomes for this RDP project have been notable. As Alisa Clark from the *Bute Produce* team, states "our project has enabled a range of rural development benefits for the Island of Bute, raising awareness of local produce quality and engaging people in a local alternative to supermarket shopping."

She continues, "The project has worked in partnership with businesses to diversify activities and extend economic benefits from the increased uptake of local produce on the island. *Bute Produce* has also provided a platform for formal and informal learning about rural skills, growing and eating local produce, and working in partnership with local schools and voluntary groups such as an initiative supporting young homeless people."

Further details about the Bute Produce project are available on the <u>beneficiary's website</u> and more information about other Leader projects from this part of Scotland can be found on the Argyll & Bute LAG's website. The Bute Produce programme has been very successful in delivering many community benefits including social inclusion, environment, employment, health awareness and education.

Billy Miller, Bute Produce



Proper planning helps safeguard the long-term success of rural development projects.

Growing Green Care: Belgian EAFRD project boosts growth of social farming products and services

EAFRD from the Flanders Rural Development Programme (RDP) in Belgium is helping to build a growing network of new farm-based healthcare products and services, demonstrating economic diversification project opportunities that are transferable to other areas in rural Europe.



Care concepts are deeply rooted in agricultural culture and Europe's farmers have always been proud of their ability to provide the right type of care for their land, livestock and crops. This care capacity is now extending into using farms as facilities for providing healthcare to people affected by mental, social, physical disability or psychiatric conditions.

Commonly referred to as 'Green Care' or 'Social Farming', the adaption of agricultural holdings for therapeutic purposes represents a potential growth sector for farmers throughout the EU. Different types of on-farm care facilities can be developed and the most successful Green Care businesses operate in partnership with public or private sector healthcare institutions. In this way the institutions oversee the professional care services and the farmers provide the therapeutic facilities.

On-farm Green Care activity often involves relatively straightforward services such as helping Green Care clients adopt responsibility for looking after animals, taking care of crops, or managing wildlife habitats. These routine rural activities are beneficial for Green Care clients and mixed farms, containing alternatives for several separate Green Care activities, are considered ideal therapy environments.

RDPs offer co-financing opportunities to help farms adapt so they can provide these kinds of new healthcare products and services. Eligible RDP project topics include economic diversification, investment support and training for rural businesses in Green Care skills.

Green Care in the Flanders

Belgian farmers have been beneficiaries of Green Care grant assistance from the Flanders regional RDP. Here nearly €80 000 of RDP funds were awarded, including around €15 500 from the EAFRD, to the Flemish Support Centre for Green Care ('<u>Steunpunt Groene Zorg</u>') for its programme of training and information in two Flemish Provinces: Antwerp and Limburg.

Training products and services provided by the rural skills Centre range from courses focusing on how Green Carers can use horses therapeutically, to other aspects of social farming such as horticulture or involving animals in counselling techniques for children and young people. The courses provide information about holistic care issues as well as sharing knowledge about the needs of specialised target groups.

EAFRD provided through the RDP allowed the Centre to expand its training and information services, as well as increase the quality of its capacity building products, in these and other types of Green Care areas. Training now includes the provision of practical information about legislation, comparative analysis of different types of Green Care organisational set-ups, financing possibilities, insurance requirements, quality care and partnership procedures for working with professional healthcare institutions. On-going coaching opportunities provide further support for all new care farms during their start-up phase in order to ensure a consistently high quality of client care.

Farmers' wives have found the training courses particularly popular and Green Care provides many interesting employment opportunities for women in rural areas.

Caring Qualities

Results of the training have led to the enhanced quality of Green Care provided by Flemish farms and the improved ability of individual farmers to deal with new situations and challenges arising from the day-to-day management of their care farm. A Quality Guide for Care Workers has also been produced and a network of 'Green Care ambassadors' is being established to help encourage more farmers to diversify into social services.

Networking is identified as a useful tool for growing Green Care rural businesses and Koen Wellemans from the *Flemish Rural Network* says that "the Rural Development Programme has been an important driving force in stimulating social farming in Flanders".

In addition to the provision of Green Care grant funding, he notes how the RDP Managing Authority's support for the Green Care concept, included coordinating essential cooperation with key stakeholders such as government Ministries responsible for healthcare, welfare and education. NGOs and farming groups have also been actively involved in developing the Flanders Green Care network, which holds useful demonstration value for other rural areas around Europe interested in identifying new sustainable economic diversification products and services.

Further information about the RDP project support is available from <u>Hilde Weckhuysen</u> at the <u>Flemish Support Centre for Green Care</u>.

Starting with less than 100 professional farmers offering care, we now have over 400 care farms.

Flemish Rural Network



Mobile micro-business supplies demand for local quality of life services: EAFRD fills funding gap for Finnish rural dental care

A rural entrepreneur from northern Finland has been awarded EAFRD support to help establish her new commercial healthcare business, highlighting the potential for using mobile approaches as vehicles for increasing the viability of service delivery in isolated rural communities



Quality of life is an important concept for EU citizens and rural quality of life is influenced by many different factors. Access to essential services is one of these factors and, whilst the increase in availability of e-services in rural areas is helping to ensure more equitable delivery for some services, these cannot replace other basic services such as a healthcare system.

Access to appropriate health care is a key determinant of quality of life in rural areas. However, the rising cost of health care services and dispersed population structures in a large number of rural areas, combine to contribute towards a general decline in the availability of rural health services.

Dental care is one of the health services that remains at risk, and rural areas throughout Europe often suffer from decaying local dental care provision. Such cases can be more acute in isolated rural areas containing diminishing population thresholds where the financial viability of service delivery is even weaker.

Peripatetic Provision

Mobile services represent one means of addressing the commercial challenges involved in delivering dental, health, or other service sectors in rural areas. Peripatetic approaches allow providers to reach more clients more efficiently, thus improving their overall cost-effectiveness.

Success stories in such peripatetic provision include a Finnish EAFRD project, which has helped establish an oral hygiene care service for rural patients in Northern Ostrobothnia.

Only a relatively small amount of Rural Development Programme (RDP) funding was provided for the project but this made a big difference in helping Anne Ukkola decide to launch her full-time mobile business. Having previously worked as a teacher, offering dental care support on a part-time basis, her switch to becoming a self-employed entrepreneur was aided by training in health sector business skills.

Ms Ukkola's personal investment in her career path has paid off, as she now has a busy diary of appointments for her 'Suukko' oral hygiene service. She appreciates the RDP's ability to provide her with a business start-up grant of €2435 to support investment activities targeted at the creation and development of micro-enterprises. Secured with support from the JOMMA Leader Local Action Group, Ms Ukkola's RDP funds were used to purchase portable dental care equipment, thus enabling her to run a fully functional oral hygiene service.

She points out that the *Suukko'* service does not provide actual dental treatment and concentrates exclusively on patients who are no longer able to keep their teeth clean themselves, or for whom it is difficult to travel to dental health clinics. The project beneficiary emphasises that her patients' service needs must first be determined by a doctor, after which *Suukko* is employed to carry out the oral hygiene work.

Suitcase-Sized Micro-Business

Two suitcases hold all the equipment that Ms Ukkola needs for running her micro-business, and this portability helps increase the distances that she can cover in her predominantly rural region.

Her main client base comprises elderly people requiring care, the disabled and those being treated in private or public-sector care units. She also helps younger generations with their oral health care needs. *Suukko* provides a full range of oral hygiene services for these clients. Teeth-cleaning, tartar or stain removal from both teeth and dentures are among her most widely-used services.

Clients have welcomed the new services and Ms Ukkola is pleased with the results of her business venture. She has confirmed that viable business opportunities can be developed to meet the challenges of delivering commercial rural healthcare services in rural areas, and she was awarded a prize for her innovative business idea by the Northern Ostrobothnian entrepreneurs' association.

More information about this mobile RDP project and its quality of life benefits is available from <u>Finland's National</u> Rural Network.

RDPs ability to provide small amounts (as well as larger amounts) of gap filling funding can make a big difference to sustaining rural services and improving quality of life in the EU countryside.

This project shows that new ways exist to provide services for rural areas. By providing social care services directly to the people they do not have to travel long distances. The project also helps builds stronger partnerships between public and private sector.

Finnish National Rural Network



Win-win benefits flow from organic vineyard investments: EAFRD project helps protect rural environment and creates 30 new jobs

A combination of hard-nosed business acumen, EAFRD co-finance and personal interests in sustainable agriculture have resulted in the development of a new organic vineyard by one of Hungary's most renowned wine makers.



Organic cultivation and husbandry involve adopting holistic approaches to reduce the use of agri-chemical inputs and minimise negative impacts on natural resources. Such systems support the EU's strategic 'green growth' goals, which promote environmentally-sensitive methods to strengthen the competitiveness of agricultural, food, drink and forestry sectors.

Quality organic goods often attract premium prices and consumer demand for organically-grown rural products has steadily risen in recent decades. The ongoing outlook for EU organic producers also appears positive and Rural Development Programmes (RDPs) include various measures to help strengthen organic production systems. Agri-environment payments also make useful contributions in this area.

This RDP assistance is available for a broad spectrum of 'green goods' ranging from projects like the organic poultry farm featured earlier in this brochure to other organic RDP projects from EU farms, forests, horticultural businesses and vineyards. An example of the latter from Hungary demonstrates the win-win benefits that RDPs can help bring about, through cofinancing investments in organic production processes.

Organic Grapes

Viticulture techniques which respect the pure authentic character of grapes are appreciated by an increasing number of consumers and over 2 500 wineries in Europe produce wine made from organic grapes. This marketled incentive was a major motivating factor behind the Malatinszky winery's decision to seek RDP support for their development of a new organic vineyard in Hungary's grape growing Southern-Danube Region.

Managed by one of Hungary's well known rural entrepreneurs, Csaba Malatinszky, the organic vineyard project was designed to diversify and strengthen his winery's product range. Mr Malatinszky established his winery in 1997 and since then his status as a successful wine maker and businessman has grown markedly. Recognised by commentators for his commitment to constantly improving the quality of his wines, Mr Malatinszky views his organic vineyard as both a sound commercial investment and also an opportunity to further his interest in low-impact land use methods.

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I'm expecting enormous development in the following years because we are now over the biggest investments.

Csaba Malatinszky

Totalling over €4.2 million in costs, the new organic vineyard received a RDP grant of €1 406 900 from the EAFRD. This EU funding was provided to support the project's work in adding value to agricultural products. Mr Malatinszky also attained a further €53 000 from local government sources for infrastructure work associated with the RDP project.

Certified Quality

Extending the total Malatinszky vine coverage to around 28 hectares, the company's new organic vineyard complies with high organic standards and a management plan has been put in place which safeguards environmental aims while also maximising both productivity and quality goals. Low input viticulture methodologies include sowing special ground cover plants between the vines to provide natural soil nutrients, reducing erosion pressures and limiting irrigation requirements. Pest controls apply only organic substances and plant-based brews are also used as an alternative to agri-chemical inputs.

Organic certification is on track for later in 2010 and the Malatinszky's first commercial crop of organic RDP grapes are expected to be harvested in 2011. Work involved with the organic production systems has led to the winery creating 30 new jobs. More employment gains are also predicted in the future with Mr Malatinszky planning to build a new hotel near the vineyard in order to develop wine tourism. This additional diversification of his rural business intends to let consumers experience for themselves each step and phase of organic production processes.

More information about this organic RDP project is available from the <u>Malatinszky winery website</u> and details about other RDP opportunities in Hungary can be provided by the <u>Hungarian National Rural Network</u>.



RDPs can make important 'green growth' contributions to Europe's 2020 strategy for growth and jobs.

Integrated approaches valorise local potato products: EAFRD support champion supply chain cooperation in Austria

Cooperation between providers of rural services and producers of rural products in a small Austrian region has led to the successful founding of an area branding initiative, which demonstrates the development potential from investments in value chain approaches.



Globalisation trends exert increasing pressure on the producers of rural products and providers of rural services. Centralisation and consolidation within such supply chains remain ongoing issues for rural businesses, and these demands weigh particularly heavily on the EU's food and drink sector, where specialist and smaller businesses are required to be innovative in order to retain competitiveness.

Innovation manifests itself in many forms and cooperation between different stakeholders in a supply chain, is now established as a relatively well proven method to strengthen business and product competitiveness. Supply chain cooperation has been shown to help producers achieve more direct sales by creating opportunities to access new markets, and to access existing markets more efficiently.

Additional benefits emerge when stakeholders cooperate to convert supply chains into value chains. This type of intervention requires coordination and involves analysing where value can be added along the supply chain to enhance factors such as quality or consumer choice, with the ultimate goal of increasing revenue for those businesses involved in the chain.

Varying sizes of value chains exist and shorter value chain solutions are becoming more prominent in rural Europe. These work well when they build on demand for local, fresh and trusted produce. Evidence for this approach is shown in Austria where the Rural Development Programme (RDP) has provided funding to help develop a value chain based around an area branding initiative focused on local potato products.

Potato Promotion

Potatoes represent an important Austrian food crop and according to local folk law from the country's Lainsitztal region, located in Lower Austria, this small upland community is the birthplace of Alpine potato production. A group of Lainsitztal farmers have taken advantage of this cultural phenomenon by joining forces with food providers and tourism services to create a value chain around locally-grown organic potatoes.

RDP co-finance of \le 10 000 was awarded to the Lainsitztal potato promotion project as an integral part of an area branding initiative. These funds have been well used to strengthen cooperation between organic farms, restaurants and hotels in the mountain territory which now markets itself internationally as the *Erpfiregion Lainsitztal* potato region.

Over 25 local businesses have participated in the RDP initiative which opened up new regional and national markets, as well as led to new marketing strategies using internet sales techniques, farm-gate sales, and direct sales to major customers.

Additional development outcomes from the project include a specialised *potato cookbook* publication containing recipes that encourage more consumers to consume more potatoes in more and different ways. Readers' favourites from the recipe book comprise such delicacies as potato and wild garlic strudel, Waldviertel potato pie and salads from little-known locally-grown species like the distinct blue potato.

These and other potato dishes are promoted widely through Lainsitztal food outlets and the value chain team has even gone as far as developing the concept of potato holidays that cater for tuber enthusiasts during harvest periods. Accommodation packages and potato events are organised during this time to offer a novel and niche tourism experience, which helps to extend the local tourist season.

Imaginative uses have been designed for a diverse mix of potato products. Stretching from health and beauty hot potato wraps that are advertised as a natural remedies for improving well-being, the Lainsitztal potato product range also contains special potato creams that refresh skin organically and other potato treatments are available that "bring the body back into balance".

The people of Lainsitztal have shown that innovative thinking can go a long way in terms of attracting tourist income and their inspiration for potential uses of a basic food product like potatoes appear unlimited. Younger tourists for example are treated to the fun of potato printing and further alternative creative purposes are found for the tubers as a raw material for producing saleable textiles and paper handicrafts.

Business Benefits

Business confidence received a boost from the RDP initiative and knock-on results recorded after the first two years of operation reveal that: productivity has risen to supply increased deRDP support for value chain activity helps to safeguard existing rural businesses, encourage growth and catalyse multiple local economic benefits.

mand for the organic potato; farmers have been able grow and sell a wider product range of varieties; and new facilities have been built to store the larger harvests. Tourism and restaurant trades have also benefitted from the success of the combined area branding and potato product valorisation project.

Contact the <u>Austrian National Rural Network</u> for further details about how Austria's RDP helped promote the Lainsitztal potato initiative and information about the full range of participating businesses is available from the project website.

The products that can be made from potatoes are as diverse as the potato varieties themselves.

Erpfiregion Lainsitztal



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