Rural and quality food districts as governance instruments: the Italian experience

Serena Tarangioli - INEA

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5th Workshop
Improving delivery: successful governance and networking

Europe's rural areas in action. Facing the challenges of tomorrow
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A general definition of the district

The district is identified by the following characteristics:

- close socio-economic relations between firms and families;
- geographical concentration of enterprises with specialised production in a limited area (counties or few municipalities);
- concentration of a network of small and medium-sized independent enterprises.
The typologies of agricultural districts

Empirical evidence and the need to find forms of organisation ever increasingly more responsive to the requirements of enterprises and market needs have induced the Italian legislator to legally define agricultural districts.

Italian law recognizes two typologies of districts:

- **Quality agro-food districts**, organizational entity of the *agro-food filiera*

- **Rural districts**, organizational entity of the life and economy of the rural areas
Quality agro-food districts

Quality agro-food districts are defined as a productive area which is characterized by:

- a significant economic presence,
- inter-relations and productive inter-dependence between the agricultural and agro-food enterprises.
- In addition, they comprise one or more products certified and protected by community or national laws, or by traditional or typical productions.
Rural districts

The rural district is a productive system characterized by a homogeneous historical and territorial identity. It represents an integration of agricultural activity and other local activities as well as the production of specialized goods or services which are consistent with the traditions of the territory.

The principal characteristics of the rural district are:

• presence of an elevated number of SMEs;
• multi-sectoral economy;
• importance of the agricultural sector in order to the management of territory, landscape and environment (multifunctionality of the agricultural sector);
• integration and interdependence between agricultural and other economic activities located in the territory (craftsmanship, tourism, etc.);
• presence of a range of goods and services strongly linked to the territory;
• strong sense of territorial identity shared by enterprises and other relevant actors.
The district is a socio-economic entity recognized by national and regional laws in which the following conditions are present:

- the presence of specialized enterprises,
- the availability of specialized services (transport, consultations, professional schools, etc.) and of material and immaterial infrastructures;
- the existence of networks of trust amongst people and enterprises, hence a formalization of exchanges amongst all actors and a favoring of the specialization of enterprises;
- facilitating the distribution of information for promoting the process of learning and the diffusion of innovations;
- the availability of specialized human capital on all professional levels;
- the enhanced image of the product, the productive system and the territory.
The organizational system characterizing rural and quality agro-food clusters

The activities of the district are managed by a cluster committee which is usually composed of: the enterprises, the economic and social parts, the local institutions and any other relevant part involved in the productive sector concerned.

An example of a cluster organization

The fruit&vegetable quality agro-food district of Metaponto

The cluster committee is composed of:

- 9 members representing the entrepreneurial world
- 3 members representing union groups
- 1 member that represents the local institutions of the area in which the district exists
- 1 member representing the “Camera di Commercio”
The organizational system characterizing rural and quality agro-food clusters

The cluster committee, generally:

- organizes productive phases,
- defines the acquisition and management of the production factors,
- promotes the exchange of experiences and the diffusion of organizational and technological innovations,
- promotes the relationships and the development of networks amongst enterprises,
- defines strategies to promote and market their products.
### What and where are the districts?

<table>
<thead>
<tr>
<th>Regions</th>
<th>Quality Agro-food</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Piemonte</td>
<td>Flowers of Lago Maggiore&lt;br&gt;Rice of Vercelli&lt;br&gt;Vegetables of Vercelli</td>
<td>-</td>
</tr>
<tr>
<td>Liguria</td>
<td>Flowers of Ponente Ligure</td>
<td>-</td>
</tr>
<tr>
<td>Toscana</td>
<td>Ornamental plants of Pistoia&lt;br&gt;Flowers of Lucca-Pistoia</td>
<td>Maremma</td>
</tr>
<tr>
<td>Lazio</td>
<td></td>
<td>Monti Cimini</td>
</tr>
<tr>
<td>Basilicata</td>
<td>Vulture&lt;br&gt;Metaponto fruit &amp; vegetables</td>
<td>-</td>
</tr>
<tr>
<td>Calabria</td>
<td>Sibari</td>
<td>-</td>
</tr>
</tbody>
</table>
What are the characteristics of the territories in which the districts exist?

<table>
<thead>
<tr>
<th>Districts</th>
<th>Population</th>
<th>Area</th>
<th>Farms</th>
<th>UAA</th>
<th>Employed agricultural sector</th>
<th>Agro-food enterprises</th>
<th>Employed in agro-food sector</th>
<th>Agro-tourisms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vulture</td>
<td>82,501</td>
<td>1.137</td>
<td>11.124</td>
<td>73.724</td>
<td>2.634</td>
<td>159</td>
<td>1.565</td>
<td>2</td>
</tr>
<tr>
<td>on Region</td>
<td></td>
<td>14%</td>
<td>11%</td>
<td>14%</td>
<td>14%</td>
<td>12%</td>
<td>15%</td>
<td>34%</td>
</tr>
<tr>
<td>Metaponto fruit&amp;vegetable</td>
<td>89,691</td>
<td>1.225</td>
<td>12.977</td>
<td>74.281</td>
<td>5.994</td>
<td>161</td>
<td>483</td>
<td>91</td>
</tr>
<tr>
<td>on Region</td>
<td></td>
<td>15%</td>
<td>12%</td>
<td>16%</td>
<td>14%</td>
<td>28%</td>
<td>15%</td>
<td>10%</td>
</tr>
<tr>
<td>Sibari</td>
<td>209,309</td>
<td>1.823</td>
<td>27.199</td>
<td>87.131</td>
<td>12.557</td>
<td>397</td>
<td>1.093</td>
<td>34</td>
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<tr>
<td>on Region</td>
<td></td>
<td>10%</td>
<td>12%</td>
<td>14%</td>
<td>16%</td>
<td>17%</td>
<td>12%</td>
<td>26%</td>
</tr>
<tr>
<td>Monti Cimini</td>
<td>175,493</td>
<td>1.404</td>
<td>19.516</td>
<td>77.823</td>
<td>3.984</td>
<td>268</td>
<td>1.060</td>
<td>11</td>
</tr>
<tr>
<td>on Region</td>
<td></td>
<td>3%</td>
<td>8%</td>
<td>9%</td>
<td>11%</td>
<td>6%</td>
<td>7%</td>
<td>5%</td>
</tr>
<tr>
<td>Flowers of Ponente Ligure</td>
<td>477,766</td>
<td>2.702</td>
<td>25.224</td>
<td>39.120</td>
<td>13.291</td>
<td>943</td>
<td>3.574</td>
<td>53</td>
</tr>
<tr>
<td>on Region</td>
<td></td>
<td>30%</td>
<td>50%</td>
<td>57%</td>
<td>60%</td>
<td>68%</td>
<td>39%</td>
<td>36%</td>
</tr>
<tr>
<td>Flowers of Lago Maggiore</td>
<td>163,953</td>
<td>683</td>
<td>1.190</td>
<td>6.837</td>
<td>1.443</td>
<td>175</td>
<td>752</td>
<td>11</td>
</tr>
<tr>
<td>on Region</td>
<td></td>
<td>4%</td>
<td>3%</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>on Region</td>
<td></td>
<td>8%</td>
<td>8%</td>
<td>12%</td>
<td>13%</td>
<td>9%</td>
<td>9%</td>
<td>8%</td>
</tr>
<tr>
<td>Rice of Vercelli</td>
<td>399,258</td>
<td>2.349</td>
<td>5.789</td>
<td>164.214</td>
<td>7.291</td>
<td>503</td>
<td>4.236</td>
<td>9</td>
</tr>
<tr>
<td>on Region</td>
<td></td>
<td>9%</td>
<td>9%</td>
<td>5%</td>
<td>15%</td>
<td>9%</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>Maremma</td>
<td>211,086</td>
<td>4.506</td>
<td>18.015</td>
<td>206.580</td>
<td>9.583</td>
<td>423</td>
<td>2.051</td>
<td>425</td>
</tr>
<tr>
<td>on Region</td>
<td></td>
<td>6%</td>
<td>20%</td>
<td>13%</td>
<td>24%</td>
<td>16%</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Ornamental plants of Pistoia</td>
<td>141,878</td>
<td>369</td>
<td>7.310</td>
<td>11.828</td>
<td>3.456</td>
<td>163</td>
<td>766</td>
<td>24</td>
</tr>
<tr>
<td>on Region</td>
<td></td>
<td>4%</td>
<td>2%</td>
<td>5%</td>
<td>1%</td>
<td>6%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>Flowers of Lucca e Pistoia</td>
<td>389,672</td>
<td>1.852</td>
<td>18.197</td>
<td>30.878</td>
<td>6.191</td>
<td>495</td>
<td>2.573</td>
<td>95</td>
</tr>
<tr>
<td>on Region</td>
<td></td>
<td>11%</td>
<td>8%</td>
<td>13%</td>
<td>4%</td>
<td>11%</td>
<td>12%</td>
<td>11%</td>
</tr>
</tbody>
</table>
## Comparisons with other integrated instruments of intervention

<table>
<thead>
<tr>
<th></th>
<th>Quality Agro-food an rural districts</th>
<th>Integrated project of filiera</th>
<th>LAG under Leader approach</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Origin</strong></td>
<td>In spontaneous way, when exist same condition</td>
<td>They are promoted by public institutions to develop the local productive system</td>
<td>They are promoted by public Institution to develop the local productive system</td>
</tr>
<tr>
<td><strong>Management system</strong></td>
<td>Cluster Committee, where the central actors are the enterprises</td>
<td>Management committee, the composition of the committee varies.</td>
<td>Local action group, where is important the representation of public actors</td>
</tr>
<tr>
<td><strong>Objectives</strong></td>
<td>To manage the economic or territorial system</td>
<td>To develop an economic system</td>
<td>To develop a territorial system</td>
</tr>
<tr>
<td><strong>Role</strong></td>
<td>To participate in the definition of sectorial or territorial policy</td>
<td>To apply sectorial policy</td>
<td>To apply territorial policy</td>
</tr>
</tbody>
</table>
The role of the districts in the local development system

The district is an important instrument which can:

- Promote and sustain the establishment of relationships among enterprises;
- Enhance the territory’s image through promotional and innovative projects;
- Establish an optimum environment to favor an efficient and profitable production chain;
- Promote cognitive and informative activity finalized to study and monitor the territorial or sectorial problem;
- Promote dialogue and participation amongst local actors;
- Promote the growth of employment;
- Promote integration and participation within the management system to improve the quality of the territory and the development of the economic system;
- Promote the participation of stakeholders into the development of regional policy.

Bottom up approach
The district as a governance instrument
Strengths

- Enhanced role of enterprises in the local development process,
- Bottom up approach,
- Relationships between enterprises,
- Integration of the productive system within the cultural and social context,
- Development of networks

Weaknesses

- Identifying local concerns and issues, especially in the case of the rural districts;
- Defining the role of local institutions;
- Overcoming legislation for the identification of the function of districts in the local development process.
The role of districts in the Italian rural development policy

The Italian NSP for Rural Development 2007-13 relating to the quality of agro-food and rural districts foresees a role for the development of agricultural systems and the promotion of changes in the rural areas.

In cases where the correct conditions are present, the districts could also activate a plan of development according to the LEADER approach.
The role of districts in the Italian rural development policy

All the regional RDPs promote:

- measures of support for the creation and development of districts;

- consultation with districts in the development and implementation of rural development policy.
Concluding remarks

- The district is an innovative tool of territorial governance which promotes the development of the agricultural sector and rural areas.
- Through the promotion of districts, territories can develop and utilize local policies and sustainable development projects to drive local socio-economic dynamics.