

Encouraging Collective Farmers Marketing Initiatives

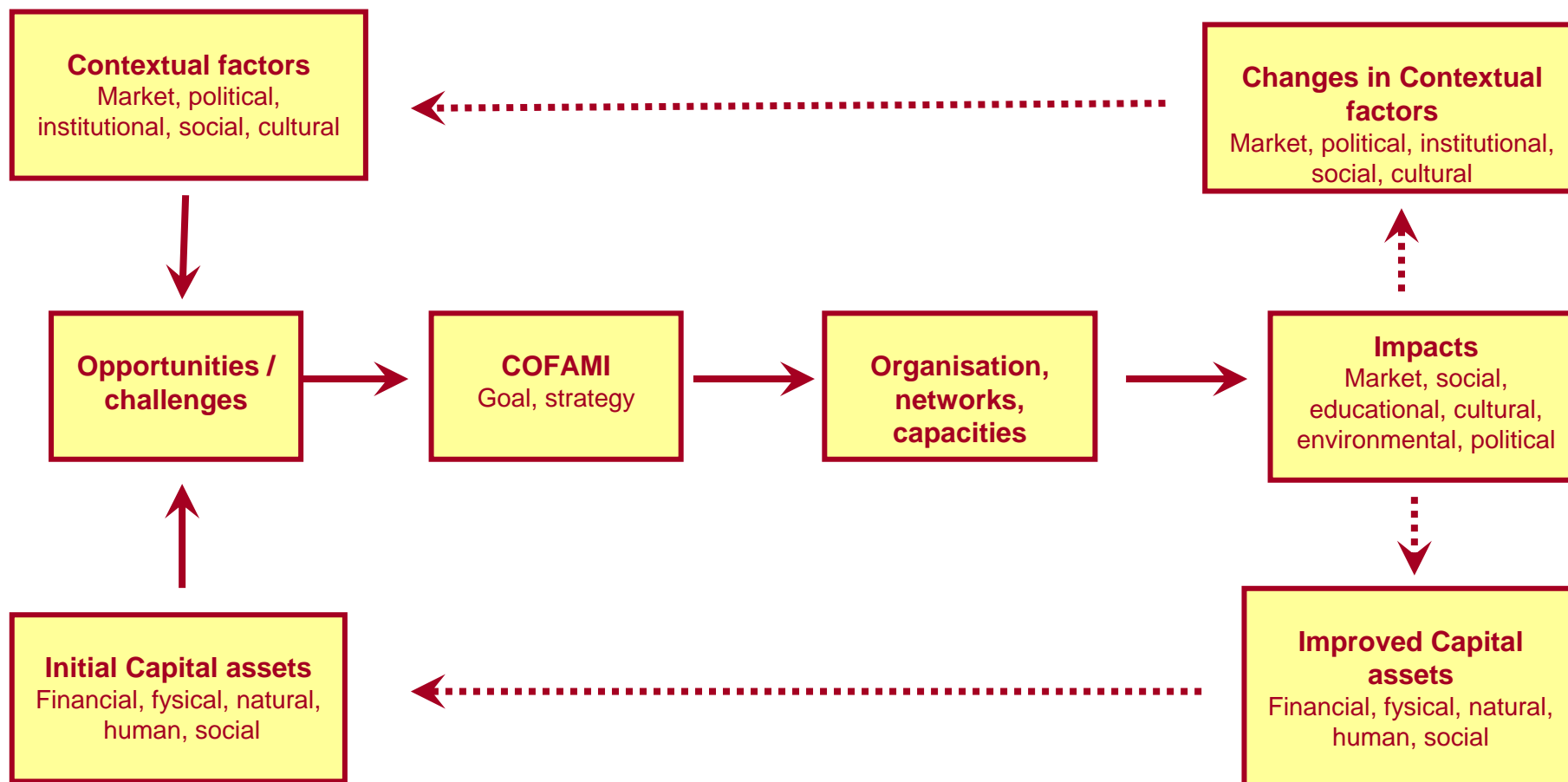
Final Conference, 8 May 2008, Brussels

Limiting and Enabling Factors for the Development
and Success of COFAMIs

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The Dynamics of COFAMIs



Contextual factors and opportunities / challenges

Place specific contextual factors

- Urban proximity / remoteness:
 - Proximity to cities may encourage P2C initiatives, dedicated markets and / or supply of services
 - Remoteness may foster territorial networks between rural / supply chain actors and serve as basis for quality differentiation
 - ICT initiatives make 'short chains at a distance' possible
- Rural attractiveness:
 - Starting point for regional quality differentiation, marketing of public goods & services and region branding initiatives
- Socio-cultural factors:
 - Regional differences in tradition of farmers' cooperation
 - Common political / ideological motivation
 - Strong regional cultural identity (or lack of this)

Contextual factors and opportunities / challenges

Non-place specific contextual factors

■ Market context:

- Globalization and 'price squeeze' stimulate search for added value and establishment of new chain relations / dedicated markets
- Societal demands result in new markets (non-food, green care, agro-tourism, rural landscapes and biodiversity, etc.)
- Wider societal trends offer new network opportunities (consumer lifestyle, environmental awareness, slow food, etc.)

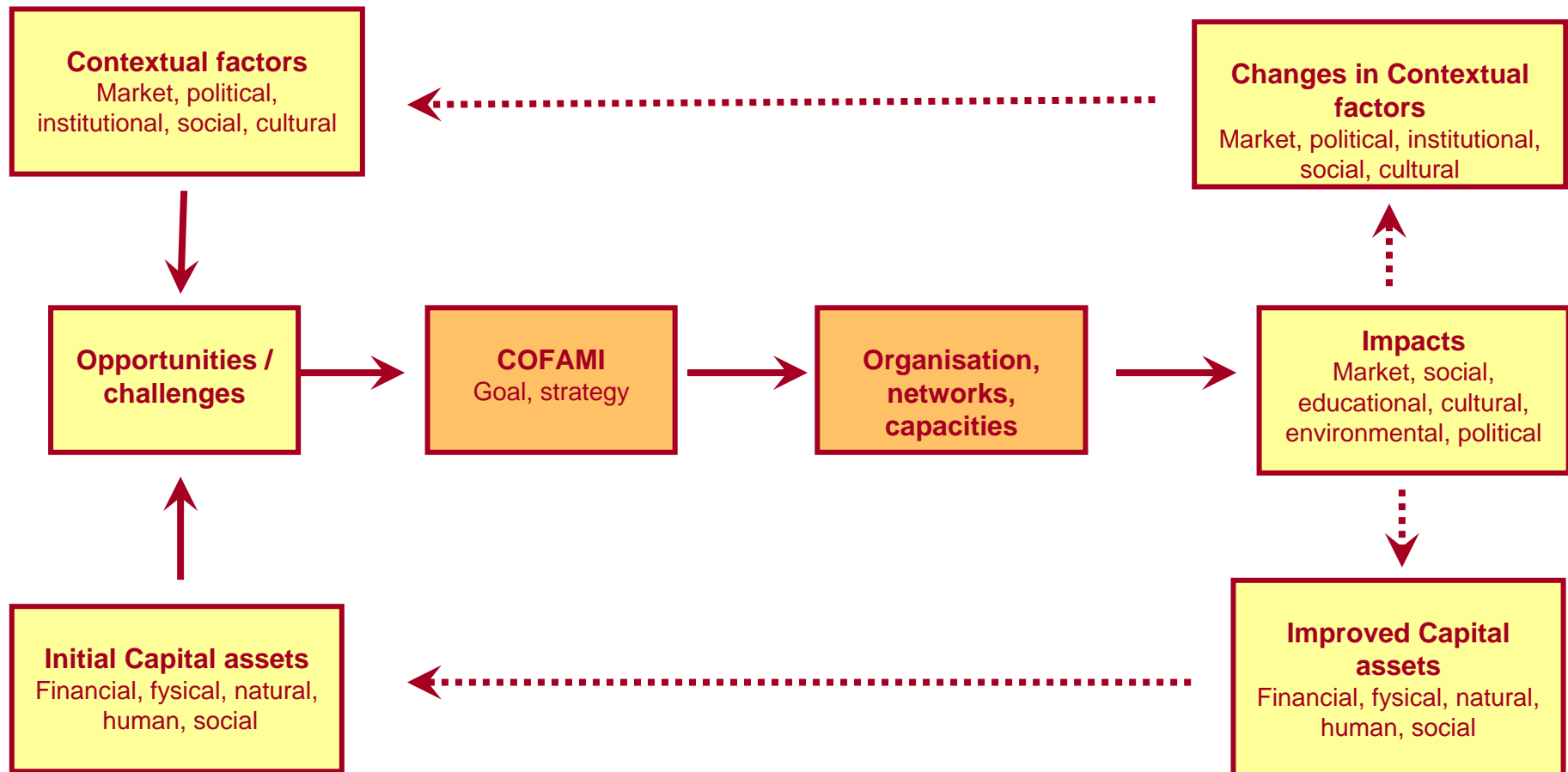
■ Policy context:

- Regional policies may serve as enabling factor (Biosphere reserves, LEADER+, RDP measures)
- National and EU policy frameworks both enabling and limiting (hygiene regulation, PDO/PGI, CMO Fruit & vegetables)

■ Institutional context:

- Existence of innovative milieus and institutional arrangements
- Support for infrastructure and investments

Strategic orientation and relevant networks

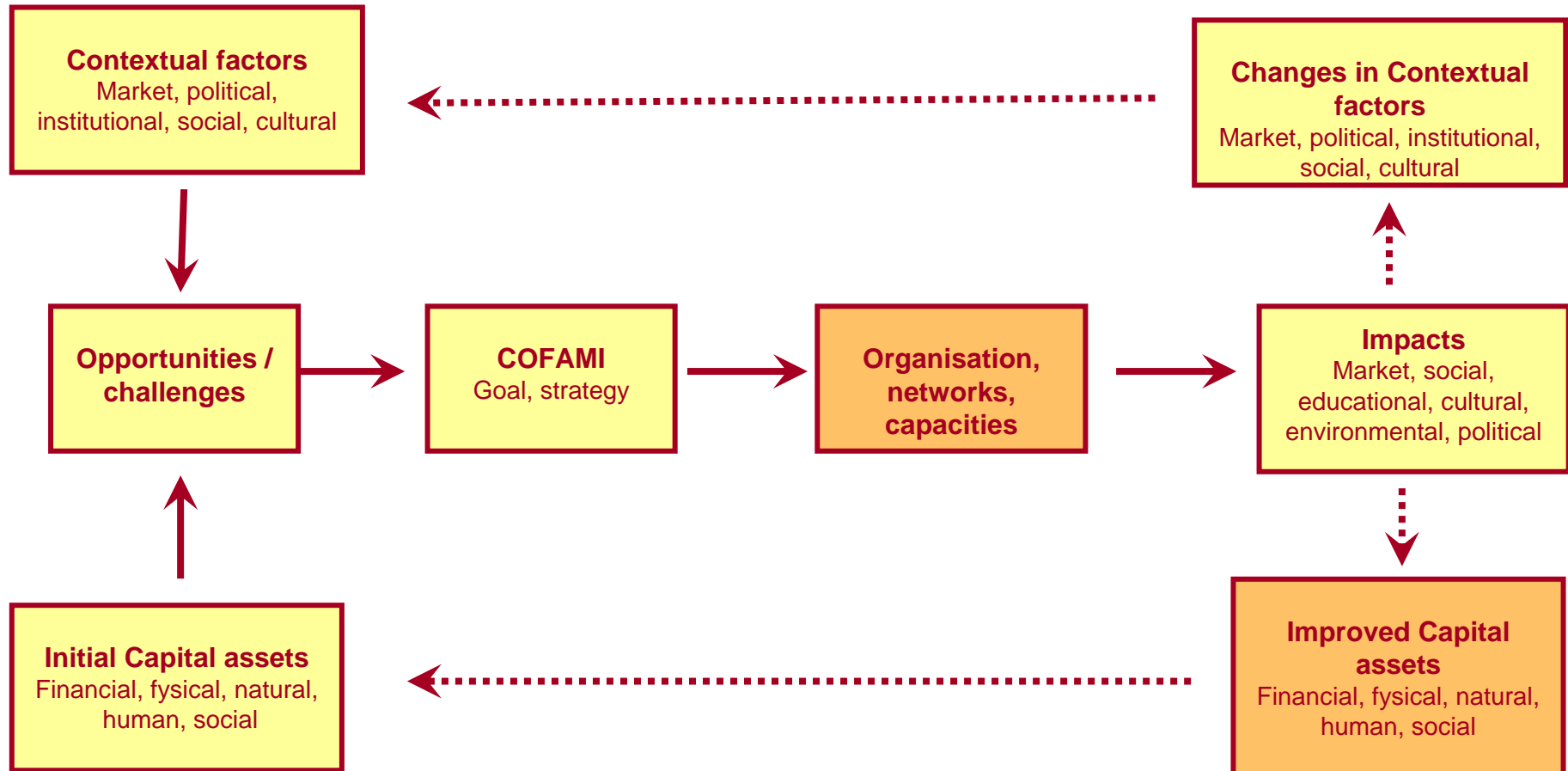


Strategic orientation and relevant networks

Limiting and enabling factors depend on COFAMI strategy

- Quality differentiation in chain networks
 - Focus on *product* quality (e.g. regional speciality, quality standards, labelling)
 - Farmer initiated, key role for new supply chain networks
- Quality differentiation in territorial networks / dedicated markets
 - Often build on *process* quality (e.g. organic, face-to-face)
 - Mostly farmer initiated, key role for new networks with consumers (direct marketing) and other rural actors
- Developing markets for new rural goods & services
 - Also initiating role of non-farmer partners and policy actors
 - Networks integrate diversity of actors (e.g. region branding)
- Developing markets for non-food / energy products
 - Role of policy actors, use of pre-existing networks
 - 'Traditional' co-operative mechanisms important (pooling volume)

Internal organization, capacities and life-cycle stages



Internal organization, capacities and life-cycle stages

Limiting and enabling factors depend on life-cycle stage

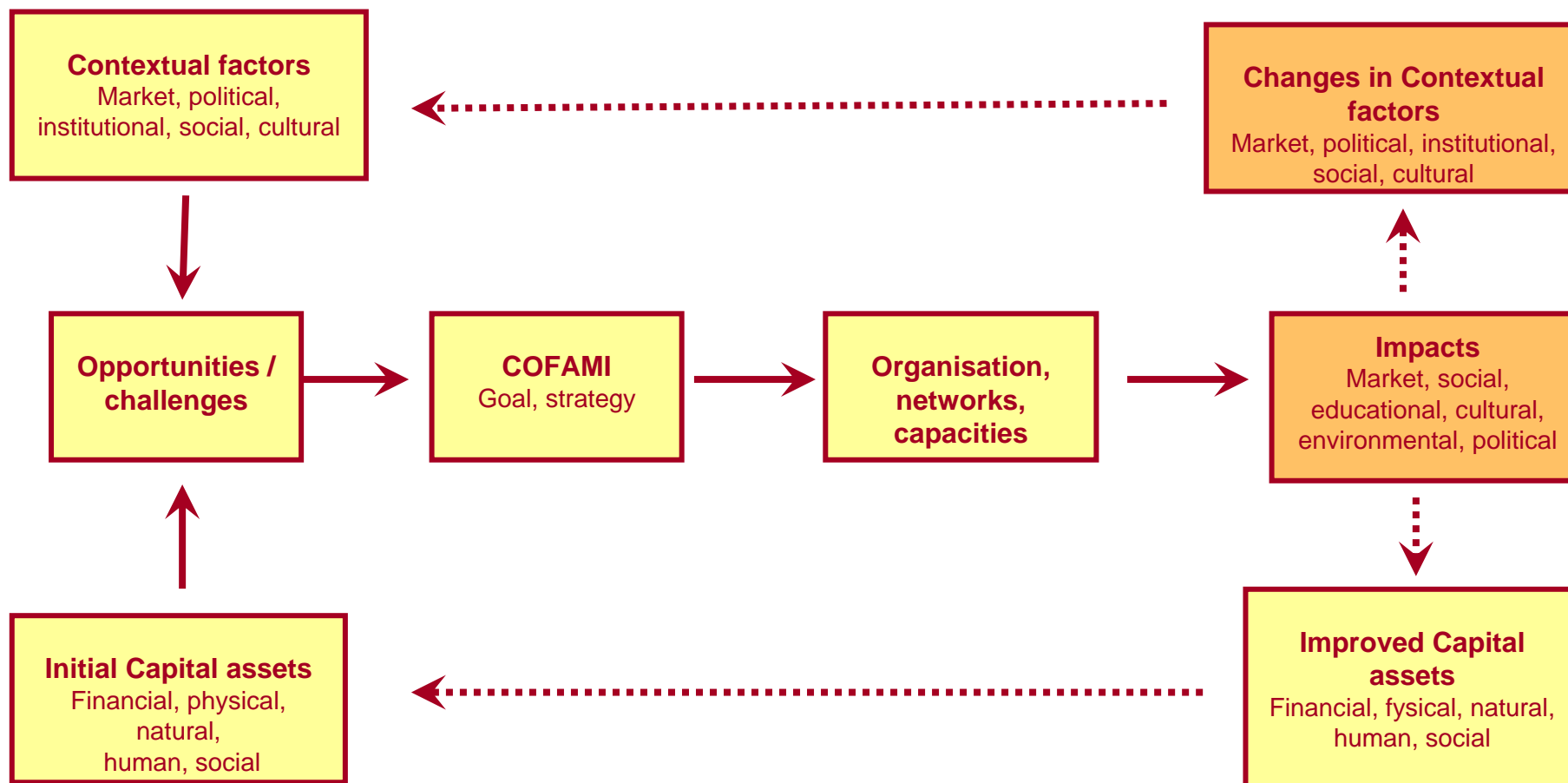
■ Founding phase

- Role of key initiators & leadership
- Different types of (bonding, bridging and linking) social capital
- Initial financial support requires formalisation of organisation
- Internal coherent view on strategy needed (common ideology, diversity of actors)
- Role of pre-existing networks for resource mobilisation (positive) and path dependence (negative)

■ Flexibility and capacity to adapt to changing contexts

- Reaction to changing trends (reactive and proactive)
- Learning from shocks to build up resilience
- Creating a learning milieu (continuous professionalization)
- Internal communication / democracy vs. efficiency

Translation into impacts and performances



Translation into impacts and performances

- COFAMIs result in improved impacts in terms of social, economic, and environmental rural development aims
- Positive impacts are observed in all fields, but positive social performances appear a prerequisite for delivering other (market, environmental) impacts
- COFAMIs develop activities and deliver impacts over longer periods of time
- Relevance of and scores on different impacts depend on: regional context, strategic orientation, size and life cycle stage

Translation into impacts and performances

- Social performance
 - Internal: sense of belonging (**size, strategy**)
 - External: trust in food, urban rural relations (**size, strategy**)
- Market performance
 - Premium prices, market shares, contribution to rural economy (**size, life-cycle stage**)
- Environmental performance
 - Reduced negative impacts (e.g. pollution, food miles) (**strategy**)
 - Positive effects through production practices (**strategy**)
- Educational performance
 - Innovation and learning capacity (**size, strategy**)
- Cultural performance
 - Traditional farming practices, gastronomic traditions, regional identity (**strategy**)
- Political performance
 - Lobbying capacity (**size, life cycle stage, strategy**)

Conclusions

- Limiting and enabling factors for development and success of COFAMIs depend on regional context, strategic orientation and life-cycle stage
- COFAMIs result in improved rural development aims, but deliverance of impacts requires time
- Successful COFAMIs manage to:
 - Tune their strategic orientation well to region-specific opportunities & challenges
 - Mobilize relevant actors and build strong and coherent networks that fit with their strategy
 - Adjust their internal organization to available capital assets and stay adaptive to changing conditions
 - Succeed in building social capital and translate this over time into other (market, environmental, etc) impacts