

**Development of Origin Labelled Products: Humanity, Innovation, and Sustainability**

# ***D O L P H I N S***

TASK1

**WP3**

**LINK BETWEEN OLPs AND RURAL DEVELOPMENT**

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## Development of Origin Labelled Products: Humanity, Innovation, and Sustainability

## D O L P H I N S

**TASK1 - WP3 - LINK BETWEEN OLPs AND RURAL DEVELOPMENT****GUIDELINES**

The general purpose of this work package is twofold:

- primarily, to exchange methodologies and results of researches conducted by Partners involved in DOLPHINS with respect to the link between Origin Labelled Products (OLPs) and rural development;
- secondly, to draw together the state of the art with respect to the link between OLPs and rural development.

Hence several topics should be covered.

A *preliminary step* is a reflection on the concept of Rural Development adopted by DOLPHINS researchers in their works and, in general, on the concepts prevailing in European countries. In fact, given that the definition of rural areas is quite vague and variable both in economic literature and in statistical sources (often rural areas are simply “not urban”, but especially in recent times, this meaning has been substituted by a more articulated one, following the social and economic changes observed in “not urban” areas and the variability of situations and trends), the concept of Rural Development is a wider one. Rural development is no more agricultural growth or development only, but it should consider *multifunctionality* of agricultural firms and more generally *the integration of all the economic and social activities at a local level* (tourism, craft or industrial manufacturing, services, social activities). Even Rural Development policy of the European Union is more and more oriented towards a diversification of economic and social activities in rural areas, in order to increase quality of life and rural resources for local and external citizens. Besides, recent approaches consider Rural Development in an *endogenous* and *sustainable* dimension: this means that community participation in the definition of objectives (bottom-up), the role of local resources (goods, skills, contextual knowledges) and the respect of natural and social environment, take a central role in rural development process.

Given this preliminary discussion, the Work Package n.3 will identify, analyse, discuss and synthesise:

- theoretical tools useful to set links between OLPs and Rural development;
- the role of local community, of local institutions and of characteristics of local production systems/networks (with particular reference to “relational goods”) in the development of OLPs;
- the impact of OLPs on rural development, on multifunctionality of agricultural firms, and on the degree of integration of economic and social activities in the rural areas;
- the role of rural development in fostering the growth of OLPs;
- the management of rural development in its relationships with OLPs, and in particular information and transmission of skills and the role of public policies (EU and local, both general and rural policies).

On the basis of these findings, Work Package n.3 will also propose:

- recommendations to the European Commission on WTO negotiations: many of the above-mentioned topics should be linked to present dispute within WTO negotiations. The role of OLPs in fostering rural development should be stressed, together with the need of preserving rural culture, landscape, environment, traditions, within the general framework of the support to agricultural multifunctionality and rural areas diversification.
- areas of future research in the link between OLPs and rural development, for the second part of WP3 (months 9-16).

The research needs for WP3 are grouped under **7 key topics/headings**.

### **1. CONCEPT OF RURAL DEVELOPMENT**

It should be clear that the discussion on the concept of rural development is not the WP3 focus, but it is a preliminary topic. Following topics focus on relationships between OLPs and rural development; therefore the aim of this topic is not to study deeply rural development theories, but only to share some key-concepts on rural development useful for following topics.

DOLPHINS Researchers must carefully reflect on the concept of Rural Development adopted in their works on OLPs and, in general, on the concept prevailing in European countries.

- (i) What are the rural areas? What is rural development? Which are the differences between agricultural and rural development?
- (ii) What means “endogenous” rural development? What is the role of local factors and of local community/identity in rural development?
- (iii) What means “sustainable” rural development? What is the role of natural environment in rural development processes? What is the role of anthropic environment (local culture, community identity, etc.) in rural development processes?
- (iv) What is the role of economic diversification and of agricultural multifunctionality on rural development processes?

### **2. RURAL DEVELOPMENT AND OLPs: THEORETICAL TOOLS**

Research needs: a review of rural development models and theories referred to the link between rural development (endogenous, sustainable, ...) and OLPs (see also WP1) and of their local production systems (see also WP2), useful to identify and assess relationships between rural development and OLPs.

- (i) Rural development (endogenous, sustainable) models and the role of local resources, both tangible assets and intangible assets.
- (ii) Local production systems models and the role of “relational goods” and contextual knowledge and skills.
- (iii) Rent seeking models.
- (iv) Interactions between local factors/forces which start a transformation process of rural local systems, and external factors/forces which deeply affect social and production structures at local level.

### **3. THE ROLE OF LOCAL COMMUNITY AND OF LOCAL PRODUCTION SYSTEMS**

Research needs: study and assessment of the relationships between OLPs and local human and production system, given that typical products are deeply interconnected with their “terroir”.

- (i) The role of local rural community in the development of OLPs. The role of public local institutions. The role of private local (intermediate) institutions. The role of professional bodies.
- (ii) The relationships between OLPs and local culture and identity.
- (iii) The role of local production systems characteristics in the construction of typicity and in the efficiency/effectiveness of the chain (*filière*).

- (iv) Local community, local production system and EC Reg.2081/1992. Which is the role of public and private institutions in PDO-PGI recognition process? How does institutionalization of OLPs (PDO-PGI) change the relationships between OLP and local resources and community?

#### **4. IMPACT OF OLPs ON RURAL DEVELOPMENT, MULTIFUNCTIONALITY AND ECONOMIC DIVERSIFICATION**

Research needs: a review of findings of empirical studies on the (direct and indirect) impact of OLPs on different dimensions of rural development, with the purpose of identifying and typologizing the role of OLPs in supporting rural development process and of identifying methodologies of evaluation and measurement. In particular identification and assessment of:

- (i) Impact of OLPs on the use and remuneration of local specific resources (agricultural and not agricultural); impact of OLPs on employment and income of rural firms (agricultural, craft and industrial, services, tourism) and rural systems.
- (ii) Impact of OLPs on environment and sustainability in rural areas, on protection of biodiversity, etc.
- (iii) Impact on OLPs on development of new economic activities and on integration of economic and social activities in the rural areas; impact on OLPs on multifunctionality of agricultural firms.
- (iv) Effects of Product Specifications (Reg.2081/92) on the above mentioned elements.
- (v) Theoretical and analytical tools, indicators, evaluation methods.

#### **5. IMPACT OF RURAL (ENDOGENOUS AND SUSTAINABLE) DEVELOPMENT ON OLPs**

Research needs: a review of findings of empirical studies on the (direct and indirect) impact of rural development (in particular endogenous and sustainable rural development) on OLPs, with the purpose of identifying and typologizing the different ways rural development process can foster the growth of OLPs, and of identifying methodologies of evaluation and measurement. In particular identification and assessment of:

- (i) Rural development and marketing in rural areas: the role of tourism, rural tourism and agri-tourism, and the role of “wine routes” and of in general “product-routes”.
- (ii) Environment and OLPs: the role of landscape and of environmental, cultural, artistic resources in the marketing of OLPs products.
- (iii) New OLPs promotional and marketing methods linked to rural development.
- (iv) Theoretical and analytical tools, indicators, evaluation methods.

#### **6. RURAL DEVELOPMENT MANAGEMENT**

Research needs: an analysis and a review of findings of empirical studies on tools and methods with reference to the management and assessment of information and communication for OLPs in rural areas. How information on OLPs is stored and diffused within rural areas? What kind of initiatives have been taken in order to stimulate the involvement of local community (ex. museums, schools, training course, restaurants, seminars) in OLPs?

In particular identification and assessment of:

- (i) Role of communication and information
- (ii) Role of education and training, methods of storage and transmission of contextual knowledge, role of research institutions and technological innovation for OLPs
- (iii) Role of local institutions (public and private)

#### **7. RURAL DEVELOPMENT AND PUBLIC POLICIES**

Research needs: an analysis and a review of findings of empirical studies on the typologies of public policies concerning OLPs in a context of rural (endogenous and sustainable) development, on their effects on links between OLPs and rural development, and on methodologies of evaluation.

In particular identification and assessment of:

- (i) Analysis of public policies affecting the link between OLPs and rural development and identification and categorization of the effects on OLPs

- (ii) National-Local rural development policies: experiences and evaluations with reference to effects on OLPs
- (iii) EU rural development policies: Agenda 2000, Structural Funds, LEADER.
- (iv) Theoretical and analytical tools, indicators, evaluation methods.