Cooperatives in a Dynamic Market-Oriented Advisory Service System: the Case of South Tyrol

Introduction

Smallholder apple production in South Tyrol in North Italy presents a collaborative and pluralistic system of service delivery that comprises different tiers of producer organizations, cooperatives and consortia, and private and public actors, all geared towards integrating small-scale producers in a highly productive, profitable and efficient system. Apple production is the main farming activity in South Tyrol, practiced on a total area of 19 000 ha with an average landholding of 2.5 ha. Up to 95% of the producers are members of cooperatives. Over 8 000 small-scale producers have joined together in 23 cooperatives that are clustered to form two main producer organizations and the South Tyrol Apple Consortium. Today, small farmers in South Tyrol produce 50%, 15% and 2% of apples on the Italian, European and global market respectively.

Characteristics of the Rural Advisory System in South Tyrol

• Multiple actors and complementary roles within a pluralistic system
• Central role of producer organizations and cooperatives in RAS and in integrating small-scale producers in high value markets
• Effective public-private partnerships towards long-term rural development and improving the livelihoods of small-scale producers
• Autonomous system deeply rooted in the local cooperative culture
• Dynamic system constantly evolving in response to the market

Pluralistic Rural Advisory Services

RAS providers

✓ Beratungsring: overall agricultural advisory service
✓ AGRIOS: information on quality, law and regulations
✓ Cooperatives: intermediate between producers, PO and other actors
✓ Consortia: information and services about apple varieties and insurance
✓ Farmers’ Union: legal and economic advice
✓ Laimburg Research Centre: applied and basic agricultural research in South Tyrol
✓ Private Firms: equipment and specialized services
✓ Public Sector: policy guidance and regulation
✓ Cooperative of Further Education: continuous education courses and training for farmers
✓ Agricultural Colleges: organize courses for farmers in agriculture and home economics

Roles of Producer’s Organizations and Cooperatives

✓ Producers: 8 000 apple family farms search for advice through the cooperatives, the farmer’s union and for those who are members, through Beratungsring
✓ Cooperatives: 23 local cooperatives represent small producers and link them to the RAS providers by transferring information between the PO, the research center and the public sector
✓ Producer’s Organizations: (VI.P and VOG) marketing and invoicing actors of the system. They transmit information about consumer preferences and market standards
✓ Beratungsring membership based organisation founded by the small producers as a source of independent advice funded 70% by producers and 30% by the local government
✓ Farmers’ Unions: Farmer’s Union, Women’s Farmer Union, Young Farmer’s Union and Senior Farmers’ Union represent their members on economic, social, cultural and political issues

Evolution of Market Oriented Rural Advisory Services in South Tyrol

South Tyrol is an isolated region with little land available for production. In 1966, up to a 1 000 young South Tyroleans were emigrating every year. With little land and less people, South Tyrolean agriculture had to become competitive and profitable. The shift to Integrated Management and Productive intensification helped the farmers position their apples in a demanding market and maintain an important share at national, European and global levels. Today the agricultural sector provides employment to 6.1% of the population, 27% of whom are women. It also provides attractive opportunities for younger generations. The Young Farmer’s Union has about 9 100 members of whom 34.9% are women. More than half of the farmers hold training diplomas or degrees in agriculture; 14.5% of those who hold a degree are women.