

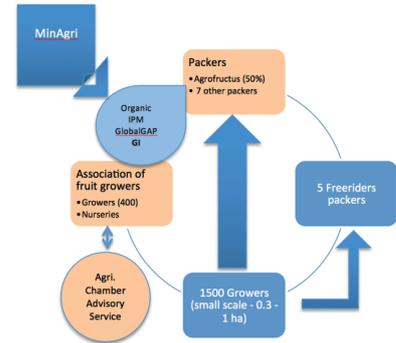


IMPROVED LINKAGES BETWEEN LOCAL AGRIFOOD COMPANIES AND MANDARINES GROWERSK NERETVA DELTA, CROATIA



01. SHORT PRESENTATION OF THE LINSA

- About 1,600 of growers mostly smallholders supply fruits to 13 packers
- The protection of the Geographical Indication (GI) Neretva Mandarin initiated in 2008 is close to become effective in 2013
- The GI process led by Agrofructus (50% of the marketed mandarines) has favoured number of new partnerships within the value chain (VC).
- The Association of the Neretva Fruit Growers, who submitted the application will be in charge of the GI management and shall become catalytic element of the emerging LINSAs and replacing Agrofructus in its leading role



02. INTERACTIONS WITH THE SOLINSA PROJECT TEAM OVER THREE YEARS

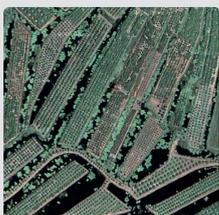
- GI registration has played a key role in bringing the value chain stakeholders together, independently of the market
- The condition for this to happen is however the GI to be envisaged by the producers and by the authority as a quality approach (EU concept) and not as a simple intellectual property tool (Ex-Yu concept)
- In absence of GI regulation enforcement by the government, innovation, changes of practices, i.e. LINSAs are not needed
- Agrofructus has been an asset and an important driving force in the GI registration in mobilising local players
However, his position of the dominant player has hindered and could be a threat for the development of the Association that many growers perceive rather as an instrument of the main packers, than “their” organisation

03. HOW TO SUPPORT A LINSA ?

- MinAgri must enforce laws and regulations to “push” producers and packers to respect code of practice, set up a traceability system
- Favour GI (vs., GlobalGAP/retailers standards) contributes to empower the network thanks to VC stakeholders greater ownership
- Big support to the fruit grower association to empower the position of growers and enhance its operational capacity:
 - organisational review of the association and the creation of committees where the different type of growers (small and large) and packers are represented
 - the set up and training of commissions for quality, promotion, and other functions of the association
 - establishment of funding mechanisms that ensure the association independency

04. QUOTATIONS AND PICTURES

A network is getting build, but its still very early to comment (...) So far joint efforts were useful, especially in offering growers participation and collaboration on the process of the GI Code of Practice elaboration.



With the break-up of the old PIK Neretva, Agrokor was first to organise production, invest in packing facilities, offer cooperation to farmers, introduce GlobalGAP and start with the GI initiative.

Satellite image used for the definition of fruit-blocks



Neretva Mandarine with their typical greenish colour

(...) more equitable position towards the packers, production costs will go up initially but a better price and more efficient production should compensate in the longer term.