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GIs and sustainability: *“Revealing the power of PDO/PGI:the strength2food EU Project”*

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The EU project story

- (1) 1997-1999 title: “Market, Supply Chains and Institution (PDO and PGI products)” [I-CT95-0306]
- (2) 2004-2006 title: “Market and Trade Policies for Mediterranean Agriculture: the case of fruits/vegetables and olive oils (MEDFROL)” [CI:FP6-2002-SSP-1]
- (3) 2007-2010 title: “EU Food Industry Dynamics and Methodological Advances (FOODIMA)” [C.N.:044283,]
- (4) 2016-2020 title: “Strengthening European Food Chain Sustainability by **Quality** and **Procurement** policy (STRENGTH2FOOD)

Strength2Food project

*Coordinator: **Professor Matthew Gorton, University of Newcastle***

Partners: **30**

- 13 European academic partners
- 2 third country academic partners (Thailand and Vietnam)
- 3 communication and training partners
- a set of 12 international and national stakeholders from Member States and Associated countries

Main objectives of Strength2Food

- ▶ This project focus on **improving and promoting schemes that protect quality logos** (names of quality agricultural products and foodstuffs) **and take into account environmental, social and innovation-based criteria when awarding the public sector contracts to procurers and suppliers.**

Which is the role of PDO/PGI on EU
Agrofood output?

<https://www.strength2food.eu>

Ongoing project



Objectives on PDO/PGI

- ▶ **Evaluation of the Economic, Social and Environmental Impact of EU Food Quality Schemes (PDO,PGI)**
- ▶ To assess the **social, environmental and economic sustainability** of FQS
- ▶ To assess the **contribution of FQS to rural economies** and territorial cohesion
- ▶ To identify the determinants affecting the social, environmental and economic impact of FQS on food chains and rural areas and **cross comparison among case studies**

To assess the social, environmental and economic sustainability of FQS

- ▶ Thirty cases of organic, PDO, PGI schemes
- ▶ The **30 cases are spread across 14 countries** (Croatia, France, Germany, Greece, Hungary, Italy, Netherlands, Norway, Poland, Serbia, Spain, Thailand, UK and Vietnam).

“ Evaluation of the Economic, Social and Environmental Impact of EU Food Quality Schemes (PDO, PGI, TSG, Organic)“

Case studies (1)

- ▶ **Vegetable and fruits products**
 - ▶ PDO Opperdoezer Ronde potatoes (Netherlands)
 - ▶ PDO Zagora Apple (Greece)
 - ▶ PDO Olive Oil (Croatia)
 - ▶ PDO Kalocsbai Paprika powder (Hungary)
 - ▶ PGI Kastoria Apple (Greece)
 - ▶ PGI Kaszubska strawberries (Poland)
 - ▶ Organic Raspberry (Serbia)
 - ▶ Organic Tomato (Italy)
- ▶ **Dairy products**
 - ▶ PDO Comtè cheese (France)
 - ▶ PDO Parmigiano Reggiano Cheese (Italy)
 - ▶ PDO Cornish clotted cream (UK)
 - ▶ PGI Sjniëca Cheese (Serbia)
 - ▶ Organic yoghurt (Germany)
- ▶ **Meat products**
 - ▶ PGI Dalmatian Prosciutto (Croatia)
 - ▶ PGI Gyulai Sausage (Hungary)
 - ▶ PGI Sobrasada de Mallorca de Porc negre (Spain)
 - ▶ PGI Tarnasco de Aragon (Spain)
 - ▶ Organic Pork (Germany)

Case studies (2)

▶ Coffee products

- ▶ PGI Buon Ma Thouth Coffee (Vietnam)
- ▶ PGI Doi Chaang Cofee (Thailand)

▶ Cereal products:

- ▶ PGI Thung Kula Rong-hai Mali rice (Thailand)
- ▶ Organic Flour (France)
- ▶ Organic Pasta (Poland)
- ▶ Camargue Rice (France)

▶ Fish products

- ▶ PDO Moules de Bouchot (France)
- ▶ PDO Fal Oyster (UK)
- ▶ PDO Phu QUOC Fish Sauce (Vietnam)
- ▶ PGI Lofoten Stockfish (Norway)
- ▶ Organic Salmon (Norway)

Zagora cooperative



- Number of producers: 700
- Total area: 850 ha
- Total production: ~13.000 t. (2016)

- The Agricultural Cooperative Union of Zagora-Pilio is one of the oldest cooperatives, since it was **established in 1916** by 199 people of Zagora
- The first apple with EU quality scheme (PDO)
- Refrigeration facilities of 55.000m³ with 10.000 t. capacity
- The Cooperative owns two market stores at the two main fruit & vegetables wholesale markets of Athens and Thessaloniki

Zagora cooperative supply chain

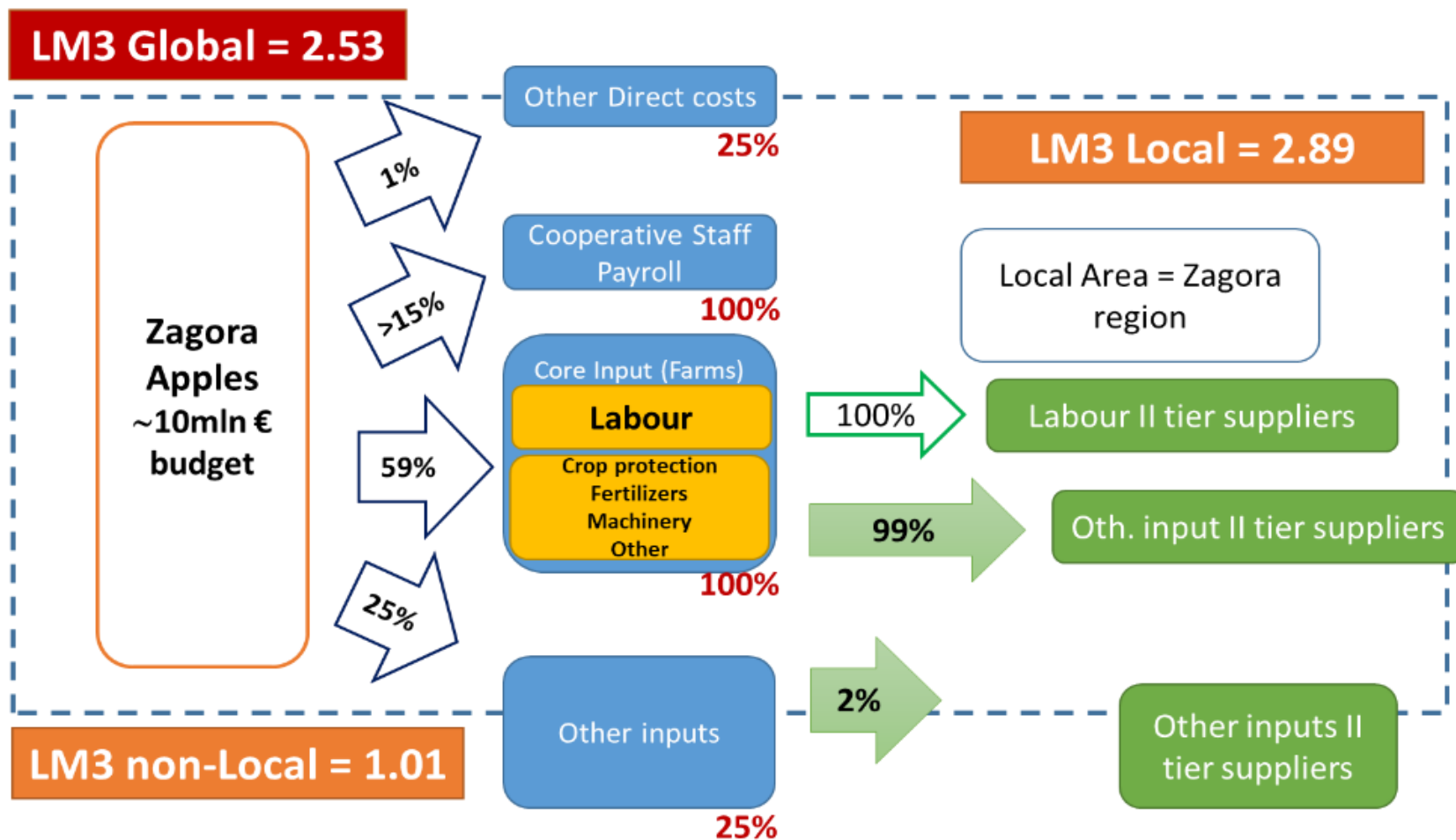


Economic & Social Aspects of PDO Zagorin apple

Variable	Zagora coop.	Producers (average)
Turnover	10.107.900 €	12.420 €
Price	0,78€/kg (stakeholders and retailers)	0,46 €/kg
Production	12.999t	27t (per farmer)
Production cost	24,8%	28,9%
Wages	15,4%	35,8%
Workforce	167 (locals)	5 (family work + foreigners)
Female employers	56%	36%
Education: Secondary	73%	64%

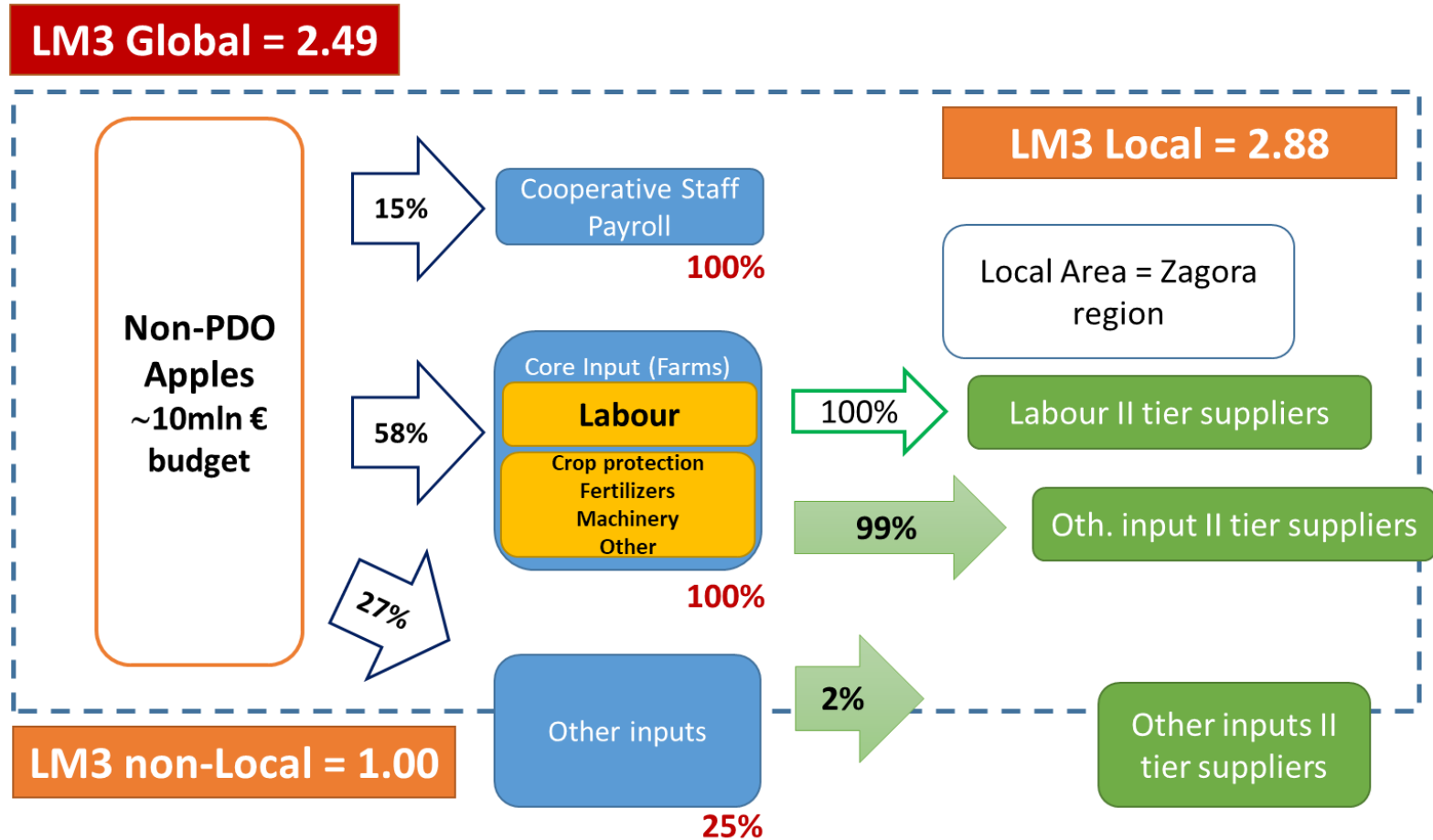


Economic Impact of PDO Zagora apple



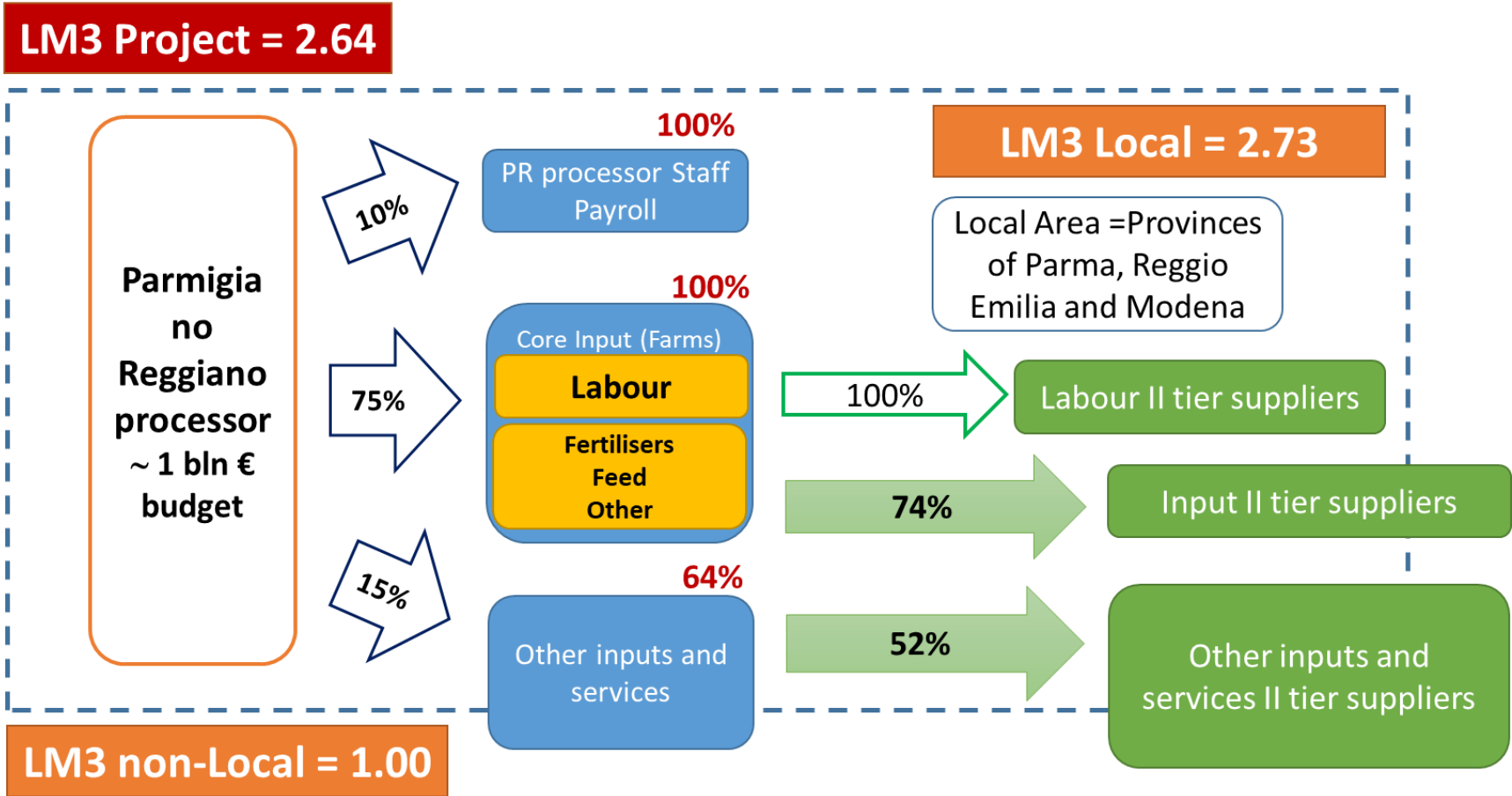
Source: Greece Country Report D5.2, Strength2food (2018)

Economic Impact of the Reference apple (Kissavos cooperative – conventional apple)



Source: Greece Country Report D5.2, Strength2food (2018)

Economic Impact of PDO Parmigiano Reggiano



Source: Italy Country Report D5.2, Strength2food (2018)

Scenario: All suppliers are local

Budget/project total (R1)	Local suppliers 8.179.093	
	Within local area	Outside local area
Direct Spend (apple supply)(R2)	6.607.937	
Payroll (R2)	1.554.950	
Other direct costs (R2)	16.206	
Total Local Spending (R2)	8.179.093	0
Local respending (farmers) (R3)	5.939.817	668.120
Payroll respending(R3)	1.294.944	260.006
Other costs respending(R3)	10.804	5.402
Total Local Spending (R3)	7.245.566	933.528
Total spending impact	23.603.752	
LM3	2,89	

Assuming all the suppliers are located in the local area, the LM3 would correspond to 2.89 or “for every € spent by the cooperative, the local economy benefits from by 1.89 € ”



Thank you

