

NICHE

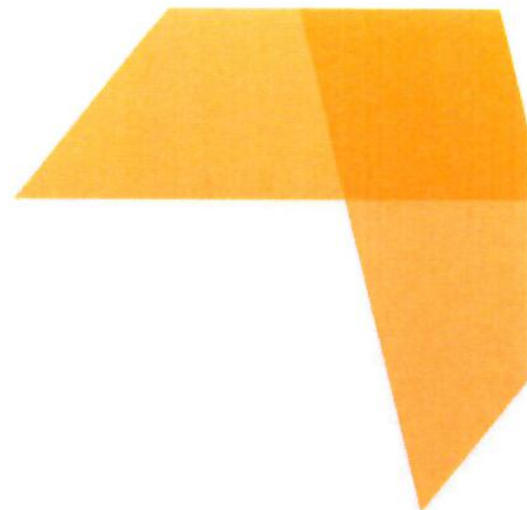
Action Plan for West Region, Romania

Partner 1

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The food sector as a whole is faced with major challenges that arise from changes in the sector's economic and noneconomic environments. The **availability of safe, sustainable and healthy food** has taken a new and pressing dimension in the light of an ever growing global population and increasing environmental and sustainability concerns.

Technology has already substantially reshaped the business models, value chains and efficiencies in this sector, but a **new wave of driven innovation is needed** to give response to this new demand. A special feature of the food production sector in Europe is that the **99% of the enterprises, generating 50% of the turnover, are SMEs**. These current challenges cannot be met by any individual enterprise but **require concerted actions and coordination of initiatives**.

Aware of the role that innovation may have in giving response to this demanding sector, the **NICHE project wish to realize its potential by effectively promoting policies in 7 European regions where food has been identified as a key sector to apply existing research and innovation strengths**.

By working together the NICHE partnership aims, by 2019 and through the improvement of existing policies, **achieve an average 15 % increase in the adoption of research and innovation solutions by food sector companies in their regions** to give response to the demand of this sector identified as high potential sector for their smart growth.

In doing so is key the creation of the right conditions to maximize all this existing potential in the way of **establishing effective open innovation ecosystems**, at both regional and interregional level, that will bring together all the relevant actors to **facilitate technology and knowledge exchange that will be translated in new products and services**.

The project will establish these ecosystems that will last beyond the NICHE's lifecycle and where involved stakeholders will benefit of a more effective and productive way of collaboration.

1. Executive summary

NICHE is an initiative, authored by the Regional Development Agency of West Region, Romania, in which regional players from 7 countries with a wealth of experience in stimulating agri-food development provide mutual support and exchange of good practices. Increasing the value of agri-food chains on a regional level is quite challenging, because of the combination of technical expertise and market linkages that is required to make a sector grow on a regional level. The expertise covered in the consortium ranges from product development and certification to regional branding, tourism marketing, and value chain development. It is combined with a broad experience of developing new

multi actor cooperation models in a variety of food products. The project enables local companies and support organisations to establish links with external expertise centres that will help them develop their value chains in the best possible way.

Following several rounds of consultation with stakeholders from the regional agri-food sector, **three main priorities for the regional agri-food sector** have been identified:

- The 1st priority is closely related to the main objective of NICHE project and refers to **increasing value for the participants in the agri-food value chain in the region**. Three food value chains have been exploited with interested stakeholders and some concrete actions are being proposed. Actors of the food value chains will be assisted to develop products, market links, certification etc. A wide range of expertise in value chain development is also available in the NICHE partnership in several sectors.
- The 2nd priority refers to **increase visibility for food products produced in West Region**. This will be mainly ensured through a pilot action deriving and funded from NICHE project and implemented by West RDA together with local stakeholders. Also, several NICHE partners have gained a thorough experience in this matter and can provide support throughout the implementation process.
- The 3rd priority concerns **certification and compliance**. At present, compliance is a struggle for most agri-food SME's in the region, while regulations change by the day. It should be exactly the other way around: compliance should be quickly done, while regulations are stable and predictable. In addition, the SMEs do not have the resources to equip their own laboratory or employ scientists, but they need sometimes very specific knowledge to innovate products or production processes. There is sufficient experience with how such expertise can be made available in partner regions, while HEI's that are willing to work for SME's are present in West Region, so the link must be created and a working business model will be developed.

2. General information

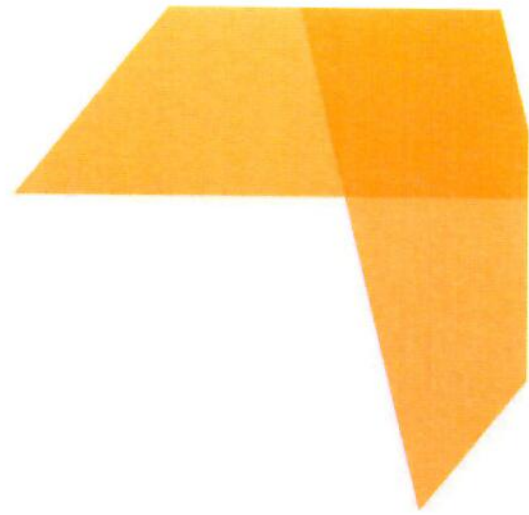
Project:	NICHE – Building Innovative Food Value Chains in Regions (PGI00049)
Partner organisation:	Regional Development Agency of West Region, Romania
Other partner organisations involved (if relevant):	N/A
Country:	Romania
NUTS2 region:	West Region
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3. Policy context

The project addresses Priority Axis 1 – Promotion of technology transfer, investment priority 1(b) having as specific objective the increase of innovation in companies through the support of innovation and technology transfer entities in the fields of smart specialization.

The Regional Operational Program 2014-2020 finances under Priority Axis 1, Operation A “Innovation and Technology Transfer Infrastructures” investments in the development of innovation and technological transfer infrastructures and the acquisition of specific innovation technology transfer services in the benefit of companies from the smart regional sectors, including agri-food. The total budget available for West Region is 7.7 MEUR.

Under the same Priority Axis 1, Operation B, the ROP 2014-2020 finances “Scientific and Technology Parks”, with a budget of 10 MEUR, whereas the Operation C finances “Investments for SMEs for the implementation of a research result in cooperation with a technology transfer entity”. The budget available for Operation C is 6.5 MEUR.



In 2017, West RDA had an essential contribution to the development of the implementation mechanism for Priority Axis 1 and the funding priorities at regional level. Significant input and recommendations of the LSG was provided, based on the findings from the baseline assessment stage and the priority areas for the regional food sector identified with the LSG. Also, a Regional Innovation Board was established at regional level, including members of the NICHE LSG, as an advisory entity in the development, implementation and monitoring of the Regional Specialization Strategy West Region and in the analysis of project ideas for innovation and technology transfer funding structures under Priority Axis 1.

At the moment, there have been received 12 letters of interest from potential beneficiaries of funding under Priority Axis 1 (A) and 2 letters of interest from potential beneficiaries of funding under Priority Axis 1 (B). The final versions of the applicants' guidelines will be published mid' 2018.

In this context, there haven't been made any references below to specific actions to be funded under the ROP - Priority Axis 1. Further information will be provided once the final versions guidelines are being published and the letters of interest reconfirmed.

<p>The Action Plan aims to impact (choose one):</p> <ul style="list-style-type: none"> ✓ Investment for Growth and Jobs programme ○ European Territorial Cooperation programme ○ Other regional development policy instrument 	
<p>Name of the Policy Instrument addressed:</p>	<p>Romanian Regional Operational Programme</p>

4. Overview of the current situation

The rationale for the regional agri-food sector can be summarised as follows:

In the pre-communist times, agri-food was an important pillar of the regional economy and relatively well developed. Regional linkages and cultural heritage favoured local production; fruits & vegetables conservation, wine and beer flourished.

During the communist regime, the food sector was thrown back in time: diversity was destroyed, the tissue of artisanal production and processing typical for the agri-food was severely damaged, local and external marketing links were broken.

Today the Agri-food 'sector' is dominated by several large players in products like cereals, meat and wine and of course multinationals. Artisanal agri-food at present is in a slow revival, but as a sector it is dispersed, SME's are hardly linked to knowledge centres, and surviving each for itself as good as they can.

The demand for good quality and healthy food is on the rise in the urban centres because of raising wages, while tourism potential is there as well. Artisanal agri-food can grow fast if it links up with new markets and new technologies.

More detailed and structured information on the regional agri-food sector in terms of innovation level and policies can be found in the three annexes to the action plan.

5. Actions

Priority area 1: Develop value chains for regional products

Action 1.1 Develop a new value chain for honey from West Region

Action 1.2 Facilitate wine producers cooperation

Action 1.3 Opportunities for eggs' value chain development

Priority area 2. Products from the Region are visible on the market

Action 2.1 (Pilot Action) Identify & market products from the region

Action 2.2 Organise 'co-sell' of regional products

Priority area 3: Certification and compliance

Action 3.1 Certify regional origin and quality of food products.

Action 3.2 Ensure physical-chemical and microbiological control of food

Action 3.3 Create a task force for compliance support to SMEs

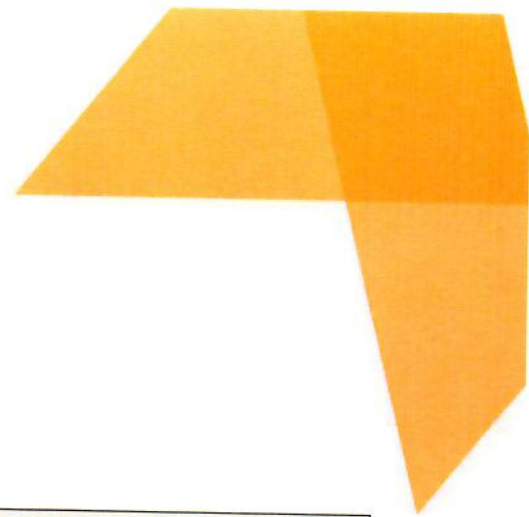
Dashboard for monitoring the NICHE West Region project

Priority area 1. Develop value chains for regional products

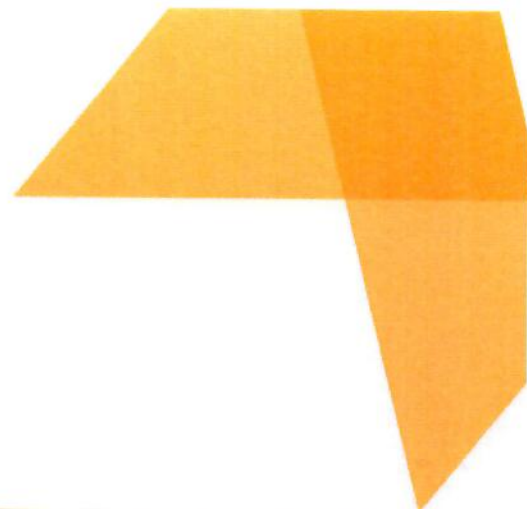
Action 1.1.	Develop a new value chain for honey from West Region
1. Background	<p>Although recognized for its rich history of beekeeping, West Region followed in the last years the national and European trend of unprecedented development of this sector. Honey production increased from 20,000 tons in 2014 to 35,000 tons in 2015, Romania ranking the highest in Europe at the time. More than half of the honey produced is exported, internal consumption being one of the lowest in EU.</p> <p>Also, the geographic conditions and the impressive biodiversity which is good for bees and pollination favour the production of high quality honey in the West Region.</p> <p>However, there are several challenges for this sector with impact both on the local beekeepers and the final consumers:</p> <ul style="list-style-type: none"> - low export price for quality honey due to the lack of branding and marketing of honey but also due to the lack of reliable testing and certification capabilities on the local market; - low internal consumption due to the lack of awareness of health benefits by the local community, but also by the presence on the market of mixtures of low quality honey coming from other EU or non-EU countries at a lower price. <p>The labelling requirements are rather permissive so that there is No. obligation for the label on the honey jar to indicate the country of origin, but the following: “blend of EU and non-EU” honey, etc.</p> <p>Also, information on territorial origin, on floral origin or on specific quality criteria although extremely important for the consumer, is No.t compulsory to be added on the label.</p> <p>Honey has never been scientifically evaluated and used as a strong selling point.</p> <p>A potential solution to these challenges comes from a successful initiative implemented in Ireland: HIVE (Honey Identification, Validation & Evaluation) project, based on a research conducted by Sligo IT. A group of entrepreneurs launched the “Active Irish Honey” brand which has gained very rapidly a high recognition of the local community.</p> <p>Everything started from the idea that much of the status achieved for instance by Manuka honey is made of its “activity level” which is expressed as the percentage of phenol present. The higher the activity level, the more expensive the honey. After testing the activity levels in</p>

	<p>several samples of honey from Donegal, it came out that most of them proved the equally high activity levels as the famous Manuka honey.</p> <p>Besides this, HIVE aims to create a new and sustainable honey production and sales model that is scalable, commercially viable and offers quality local products. They promote a testing system based upon biochip technology for the identification and certification of honey and for increasing the commercial value of the product on the international market.</p> <p>The testing system is carried out on three levels:</p> <ol style="list-style-type: none"> 1. Identification/quantification of presence or absence of pesticides, quantification of HMF levels, Identification / quantification of presence or absence of antibiotics; 2. Determination of antimicrobial activity 3. Identification of floral source –Electron microscopy for specific structures on surface of pollen. <p>A similar testing system will be implemented in a lab in West Region, Romania, which will be open to beekeepers from the area. Thus, honey testing and certification will significantly increase its value on the market.</p> <p>At the same time, new research will be undertaken to prove the antimicrobial properties of the honey.</p> <p>The objective on the medium term is to extend the implementation of the Irish model to other honey producing regions and to create a European brand promoting quality honey and its therapeutic benefits.</p>
<p>2. Action description</p>	<p>The coordinator of the action is an association of more than 70 beekeepers in West Region. The aim of the action is to ensure that the honey produced in the region is tested, certified and commercialised at a fair price on the local and international market. The main beneficiaries of the action are beekeepers who will increase their production and will get a better price and recognition for their honey at local and international levels. The indirect beneficiaries are the local consumers' community, who will get honey at a fair price and will have a good knowledge of its origin and quality.</p> <p>First steps have been made within the last year:</p>

	<ul style="list-style-type: none"> • the manager of the association of beekeepers met one the founder of H!VE project during the NICHE Launch Conference in Letterkenny, end 2016, where they set the basis of the cooperation • the Irish promoter of H!VE attended the NICHE staff exchange in West Region Romania in May 2017, where he discussed with the beekeepers and presented the model • honey samples from West Region, Romania were sent for testing in Ireland, proving high activity levels • new knowledge gained by the Romanian beekeepers with regard to the positioning of the hives according to the flora/crops available in the area • local and external partners have been already committed for a joint action to be implemented within the following 3 years <p>Next steps in 2018-2021</p> <ul style="list-style-type: none"> • The association of beekeepers will submit a proposal for funding, to set up a testing laboratory using the model of the Irish partners and to research on the antimicrobial properties of the honey • Once the proposal is approved, the association with the support of the local university and the Irish partners will create the testing laboratory. The Irish partners will transfer their know-how related to testing and certification, procedures, training, etc. The testing will use the Phenol standard test and will determine both the activity level of the honey, as well as the season and plants that produce the highest activity levels. The local university will make the research on honey properties for human health • Implementation of QR codes' labelling, to ensure the transparency of the audit trail for food safety • Sell the honey under own label on the local and international markets • Include honey from West Region under a European brand for honey promoting quality and therapeutic benefits
<p>3. Stakeholders involved</p>	<p>Association of Beekeepers - coordinating partner University of Agricultural Sciences and Veterinary Medicine Timisoara – local partner Sligo IT & H!VE - external partner</p>

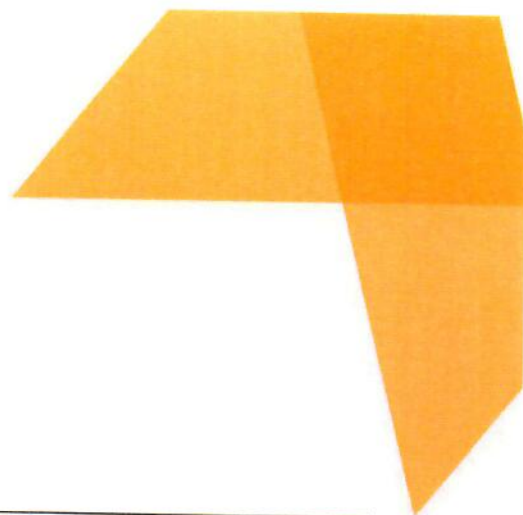


4. Timeframe	2018 - 2021
5. Costs (if any)	400 K Euro
6. Funding (if any)	EAFRD (European Agricultural Fund for Rural Development) National funds Own funds (Association of beekeepers)
7. Expected impact on SMEs (if relevant)	The testing and certification will considerably increase the honey value on the market. The label including information on territorial and floral origin, on the activity level will increase the price of the honey. Branding and marketing of local quality honey will increase the sales on the local and external market. Being part of an association will increase the opportunity to increase the sales on the international market.
8. Expected impact on innovation level (if relevant)	The model to be transferred is highly innovative, both in terms of sustainability and scalability of the honey production and sales. Using the results of the Irish researchers on the types of flora/crops producing the most active honey, beekeepers in the region will be able to position their hives thus increase the production of honey. Researches on the types of flora specific to the region will continue at local level. New research will be made at local level on the antimicrobial properties of the honey with the local university.
9. Expected impacts	KPI's <ul style="list-style-type: none"> • No. of beekeepers testing the honey • No. of beekeepers producing organic certified honey • Increase in the price of the honey • Increase in the amount of local honey sold on the international market • Increased presence on the international market (inquiries and deals) • % increase of innovative SMEs collaborating with others



Action 1.2.	Facilitate wine producers' cooperation
<p>1 Background</p>	<p>The experience of the <i>Winemakers Association of Crete</i> shows that a well organised cluster of winemakers can make a huge difference to bring the spirit of regional wine both to the local, national and international market. This was mainly done on the basis of self-organisation, although they were also able to attract public support for their activities.</p> <p>There is an important opportunity to talk to the winemakers in the region to see if they are interested to participate in developing the value chain and look at possibilities with experience of Crete Winemakers Association.</p> <p>There are more than 20 wineries in West Region, most of them are small ones, producing niche wines. An inventory amongst winemakers regarding their interest in cooperation made by a local wine shop in 2017 showed that the large wine producing companies are not really interested to associate with smaller ones, since they have sufficient resources to secure visibility and marketing by themselves.</p> <p>Small wineries would benefit more from an association than the big ones, mostly in terms of promotion and marketing. Possibly, a brand for local wines could be interesting, if embedded in a consistent market strategy.</p>
<p>2. Action description</p>	<p>Immediate actions were already undertaken:</p> <ul style="list-style-type: none"> • Meeting the winemakers at the forthcoming Wine Fair on November 17th 2017 (local wine shop) • Lobbying the idea (local wine shop) <p>Discussions with 6 wineries from the region took place end November, within the Wine Fair. 3 small wineries from the Southern part of the region are interested to start cooperating to create better visibility for their products at local and international level. They are aware of the fact that their production capacities are small, so they see a benefit in starting to work together. At the same time, they wish to sell under own brand. The other 3 wineries there present are more sceptical about the benefits of creating the network and cooperating with others, since they say that the request for their products is higher than what they can provide, they already have a good name on the local market and are also present at international level.</p> <p>Actions to be taken:</p>

	<ul style="list-style-type: none"> • Facilitate regular meetings with the winemakers to ensure commitment and cooperation between them (local wine shop) • Start promoting small wine producers in the neighbouring areas from Serbia & Hungary, by facilitating B2B meetings and/or company missions (WRDA through EEN) • Identify funding opportunities for marketing activities (consulting company) • Create cooperation profiles and upload them on the EEN platform to create visibility and identify international partners (WRDA through EEN) • Include winemakers in the <i>#eatLocal</i> campaign targeting restaurants and final consumers (WRDA through the pilot action, local wine shop)
3. Stakeholders involved	Winemakers, WRDA, local wine shop, consulting company Coordinator: local wine shop
4. Timeframe	2018-2020
5. Costs (if any)	N/A
6. Funding (if any)	N/A
7. Expected impact on SMEs (if relevant)	<ul style="list-style-type: none"> • Increased presence on the market: Small wineries from the region are known for their niche product in the region, but also at national and international levels (through EEN impact questionnaires) • Increased sales to local restaurants (follow up meetings with the winemakers)
8. Expected impact on innovation level (if relevant)	The combination of wine with food brings in the gastronomy perspective in marketing the region. Possibly links with gastro-ecotourism.
9. Expected impacts	<p>KPIs:</p> <ul style="list-style-type: none"> • No. of winemakers participating in promotion campaign • No. of inquiries/contacts from regional/international market



	<ul style="list-style-type: none"> • No. of deals made • % increase of innovative SMEs collaborating with others
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Action 1.3.	Opportunities for eggs' value chain development
1 Background	<p>The NICHE partnerships hosts many examples of public private initiatives that succeeded in developing both long and short distance value chains for regional products. This enabled producers to improve their products, create new ones and increase value along the chain.</p> <p>One example comes from South Ostrobothnia Region, Finland, from an initiative carried out by Foodwest, a private organisation supporting food businesses to develop new products and explore new market segments, by connecting them with technologists and experts with industry knowledge - <i>Developing and Marketing "free from" products.</i></p> <p>Another example is a good practice from Tartu Region, Estonia: <i>A food Innovation system based on Competence Centre.</i></p> <p>The Bio-Competence Centre of Healthy Dairy Products, a public private initiative covers the full chain of product development & commercialisation process starting from academic research and finishing with an end product on the market.</p> <p><i>Heart Cheese Harmony</i> and <i>Bakula Functional Jam</i> are two of the innovative products developed in cooperation by academia, industry and public sector which are already on the market, with the support of BioCC.</p> <p>In addition, the local EEN offices, represented by West RDA & Tehimpuls - Regional Innovation and Technology Transfer Centre, gained experience in establishing productive links between companies and in providing customized support to SMEs for entering international markets and improving Innovation management. The NICHE partnership now presents the opportunity for West Region to extend business to business cooperation into more permanent value chains in some areas where producers have a competitive advantage. There are four opportunities for developing the food chain for egg production from the region, namely:</p>

	<ol style="list-style-type: none"> 1. High energy power food for bodybuilders based on egg white 2. Fertilizer from poultry manure 3. Eggnog, a liquor based on egg yellow (popular in Holland) 4. New products from eggshells
<p>2 Action description</p>	<p>Next steps</p> <ul style="list-style-type: none"> • Search for technology to separate membrane from the eggshell and create new products (Tehimpuls) • Undertake a research on different ecological crops to test the efficiency of the fertilizer resulted from the poultry manure. Poultry manure is known for the high content of nitrogen, phosphorus and potassium. This product is very useful when applied as fertilizer on soils low in nitrogen. (USAMVB) • Apply for research projects with USAMVB (egg producer company, USAMVB) • Search for funding opportunities for developing new products (Tehimpuls) • Identity market segments for the newly created products (egg producer company, Tehimpuls) • Support for commercialisation on the international market (Tehimpuls) <p>An egg producer company and USAMVB already started discussing on different cooperation opportunities related to compost technologies and testing, use of the residues in pilot biogas stations at the university, possibility to start a common research project, include in a wider research developed by the university the fertilizer's testing on different crops.</p> <p>An EEN consultant from Tehimpuls already identified a technology separating membrane from the eggshell and put the egg producer company in contact with the Spanish owner of the technology. Also, the fertilizer based on poultry manure is commercialised at the moment in bulk and/or big quantities in a European country. The by-product is also being promoted on the EEN platform to find also other international partners.</p>

	Meanwhile, more testing is being undertaken for the ecological crops. There have also been discussions to get the ecological certification for the product, thus increasing its price on the market.
3 Stakeholders involved	Egg producer company (coordinator) University of Agricultural Sciences and Veterinary Medicine from Timisoara Tehimpuls (EEN)
4 Timeframe	2018-2021
5 Costs (if any)	No resources needed at the moment, this will be done through EEN by the EEN team within Tehimpuls and by the university through their research department.
6 Funding (if any)	N/A
7 Expected impact on SMEs (if relevant)	Please see section 9
8 Expected impact on innovation level (if relevant)	The company will bring new products to the market and also open new value chains with new clients. This is based on a joint effort with both intermediary and technical support from local NICHE partners, thus lowering barriers to Innovation.
9. Expected impacts	<p>KPIs:</p> <ul style="list-style-type: none"> ● No. of new products developed and ready for commercialisation (this will be checked with the company during the follow up meetings) ● Presence on the (international) market is started (this will be monitored by the EEN consultant during the regular follow up meetings using EEN monitoring tools, like the impact questionnaire). Performance indicators are: <ul style="list-style-type: none"> - No. of inquiries from international market - No. of deals closed ● % of profit invested in Innovation and research (this will be checked with the company) ● % increase in sales ● % increase of innovative SMEs collaborating with others

Priority area 2. Products from the Region are visible on the market

Action 2.1.	Identify & market products from the region
1. Background	<p>Local and healthy food is currently facing a revival process in West Region, following some decades when the tissue of local artisan producers and processors was severely damaged, when local and external marketing links were broken.</p> <p>But this niche of the food sector is still not visible enough on the local market for the final consumers, it is also hardly linked to local food processors, local retailers and restaurants. The local food SMEs strive to survive, showing low innovation level and weak cooperation linkages within the value chain.</p> <p>At the same time, the demand for good quality and healthy food is on the rise in the urban centres, while tourism potential is there as well. So this food niche can become competitive if it becomes more visible on the local market, if the access to new technologies and innovation cooperation within the value chain becomes more effective.</p> <p>Several discussions with the NICHE local stakeholders' group on this issue took place and a collaborative project with a threefold objective was agreed to be the best approach:</p> <ul style="list-style-type: none"> - to create a local food culture by raising awareness and intensive promotion of artisanal local products to food processing companies, retailers, restaurants and final consumers in the region - to boost innovation of local produce - to increase cooperation within the local food value chain by developing the network of food actors in the region <p>Thus, the pilot action's aim is fully compliant with NICHE project's main objective, targeting at the same time local food businesses and local food value chain development.</p> <p>Steps to be taken:</p> <ol style="list-style-type: none"> 1. Identify the local producers 2. Create an identity for food products from the region integrating the <i>local, artisanal</i> and <i>natural (healthy)</i> elements 3. Develop an interactive map including all products sharing the identity 4. Run a campaign to intensively promote the identity & interactive map with two target groups: <ul style="list-style-type: none"> • Encourage local community to Eat Local first • Encourage local specialized shops, restaurants, hotels to Use Local first and promote local produce

5. Develop the network of actors in the food value chain to back up and ensure the sustainability of the initiative
6. Link the initiative with tourism and “Timisoara European Cultural Capital 2021” project, so that local produce will be extensively promoted to tourists via hotels and restaurants, tourist shops and attractions, airports, etc.

Main outcomes envisaged:

- increased local producers’ base
- restaurants and local retailers focusing more on local food
- increased awareness regarding local food for final consumers
- increased confidence in local food
- growing network of actors of the food value chain
- increased cooperation within the food value chain

For doing this, the coordinating team is looking at viable business models to sustain the initiative on the long run, already implemented in NICHE regions, such as the **Food Coast** (Donegal, Ireland) and the **Agronutritional Cooperation of the Region of Crete** (Crete, Greece).

The pilot action clearly arises from the priorities identified with the local stakeholders’ group and finds its models in two successful practices from two NICHE regions: Food Coast (Donegal, Ireland) and Agronutritional Cooperation of Crete (Crete, Greece)

The Food Coast – Donegal’s Good Food Initiative was developed by Local Enterprise Office Donegal as a programme to support development, growth and quality in Donegal’s food sector. It is acting as a central platform for establishing Donegal as a “Food County” – a place with a vibrant food culture and food economy, having two main objectives: to encourage a local food culture, to encourage and develop food start-ups. The Food Coast programme is open to anyone with an interest in the county’s food sector – from start-up businesses to established primary producers, farmers, manufacturers, distributors, retailers and restaurateurs.

Some more research has been made by PP1 and in depth discussions took place with the coordinator of the initiative in Letterkenny, end November 2017 on how things started, what had to be done before the



programme was launched and here are some main recommendations, also considered by the pilot action:

- have a good knowledge of the local produce
- identify what's so special about the region in terms of food
- create the identity for local produce
- raising awareness - events, food trainings with the involvement of food ambassadors
- focus on added value niches, like artisan producers

In the island of Crete, the context was similar to the one in West Region, Romania, this being the first reason for the GP to be considered for transfer.

Many no name agricultural products are produced in Crete, with their price usually being low. Most of them have no packaging or promotional policy, no label or no quality certification. The Agronutritional Cooperation of Crete is a first attempt in Greece to meet an important need as the development of a dynamic primary sector.

The main elements considered by the pilot action is the creation of an identity for food produced locally, but also distinguish them by their quality standards. So, besides the quality and origin of the food products, the pilot will also define and include the "natural" (healthy) element when defining the identity, as the Greek did.

Another element considered by the pilot action – linking local food products to tourism is very well explained by the Cretan model. This has been intensively documented by PP1 and will be one main component of the pilot, given the huge opportunity provided by "Timisoara Cultural Capital 2021".

The theme tackled by the pilot action is mainstream at European level, proved also by the multitude of models already implemented in other NICHE regions. It has become more and more popular in West Region, too, but it needs to be addressed in a step by step approach and an integrated way at the same time. This type of collaborative project would certainly take a big step forward in creating innovative food value chains in the region.

If the testing is successful, the model will be implemented at a larger scale through the development of a large scale initiative - the creation of a logistic centre for local producers including an interactive platform integrating local products. This is an initiative which is in discussions by a group of local stakeholders, but no financial support is envisaged at the



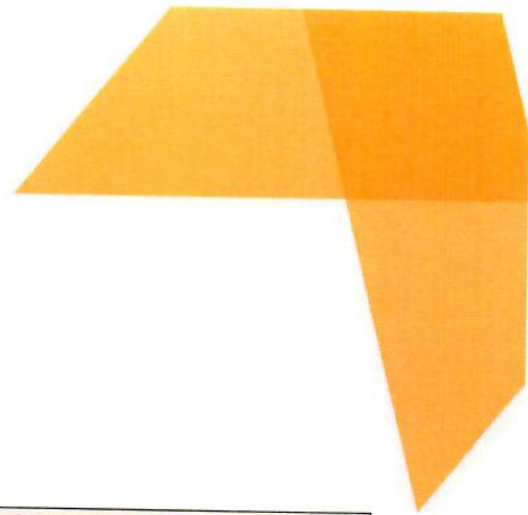
	<p>moment. So, the pilot action will be the starting point for this initiative, a small scale project measuring the impact it could have at regional level, proving its necessity for the development of the value chain and its need to be supported under operational programmes. (PP1 can influence the ROP, but also make recommendations for other operational programmes)</p> <p>Last but not least, the pilot action is a prerequisite for future projects (to be funded under operational programmes) contributing to strengthening the competitiveness and viability of primary production and food industry in the region, secure continuity of the sector, promote the food-related innovation and reinforce cooperation within the sector.</p>
<p>2. Action description</p>	<p>Steps to be taken:</p> <p>1st semester</p> <ul style="list-style-type: none"> - Set up the working methodology and KPIs with the working group (coordinator & local stakeholders) - Define the criteria for local produce - Identify and contact food producers in the region meeting the criteria defined - Design the interactive map <p>Outputs:</p> <ul style="list-style-type: none"> • 1 meeting with the working group • criteria agreed by the working group • structure and design of the interactive map <p>2nd semester</p> <ul style="list-style-type: none"> - Create an identity for local produce - Finalise the interactive map - Start the "Eat Local first" campaign targeting local community - Extend the promotion campaign of local produce towards local retailers, food processors and restaurants, airport, etc., by relating it to tourism opportunities <p>Outputs:</p> <ul style="list-style-type: none"> • 1 meeting with the working group • identity for local produce agreed • interactive map of local producers finalised • 1 promotion campaign organised <p>3rd semester</p> <ul style="list-style-type: none"> - End the campaign - Ensure long term commitment of stakeholders to the network - Monitoring results' achievement and measuring impact <p>Outputs:</p>



	<ul style="list-style-type: none"> • 1 meeting with the working group • Monitoring completed
3. Stakeholders involved	<p>West RDA (coordinator) Local food producers and processors University of Agricultural Sciences and Veterinary Medicine from Timisoara Tehimpuls – Regional Innovation and Technology Transfer Centre Association for Multidisciplinary Research from West Region Chambers of Commerce Regional Cluster for Packaging</p>
4. Timeframe	2018-2020
5. Costs (if any)	31550 eur (pilot)
6. Funding (if any)	NICHE budget for pilot action (Interreg Europe)
7. Expected impact on SMEs (if relevant)	
8. Expected impact on innovation level (if relevant)	
9. Expected impacts	<ul style="list-style-type: none"> • increased visibility on the local market • increased awareness regarding local food for final consumers • growing network of actors of the food value chain • increased cooperation within the local food value chain

Action 2.2.	Action 2.2 Organise 'co-sell' of regional products
1. Background	The NICHE consortium provided a good opportunity for referral and cross sell, in which own channels are being used to promote/sell products of other partners. For example, prestigious restaurants in Ireland and Northern Ireland allocate space with high visibility for promoting and selling local products to anyone who enters their

	<p>restaurants. Specialized shops selling only local products can be found in any touristic area in all NICHE regions. The impact for the local producer is high, both in terms of visibility and trust on behalf of the final consumers, leading to increased sales.</p> <p>There has been also identified one example in Hunedoara County in West Region.</p> <p>ProHD (www.prohd.ro/) is an informal network of local producers from Hunedoara County that was initiated by a company producing eggs and poultry from Hunedoara. In 2011, the company started with a small shop under the name of ProHD, where only local products were marketed and sold. Now there are 11 such shops in the county, small producers can join and sell the products in those shops.</p>
<p>2. Action description</p>	<p>The action proposed by the local stakeholders is a bit different from the ones presented above, by focussing more on bringing together related food products, which can be consumed together. In this regard, a matrix of products will be designed, as a mix of local products which are related to the main product in the shop. e.g. a shop selling bread and pastry can also promote and sell flour, seeds, oils, jams, etc. Once the producers have the map of food producers from the region, it will be easier to do the matrix.</p> <p>Next steps:</p> <ul style="list-style-type: none"> • Create the matrix of products • Organise regular meetings with the local producers to further lobby the idea and ensure their commitment
<p>3. Stakeholders involved</p>	<p>Local producers & processors Tehimpuls</p>
<p>4. Timeframe</p>	<p>2019-2020</p>
<p>5. Costs (if any)</p>	<p>N/A</p>
<p>6. Funding (if any)</p>	<p>N/A</p>
<p>7. Expected impact on SMEs (if relevant)</p>	<p>The SMEs will increase their visibility and sales at local level.</p>



<p>8. Expected impact on innovation level (if relevant)</p>	<p>The impact on innovation is not technical but institutional. Small scale producers will be enabled to create marketing and sales links based on mutual cooperation.</p>
<p>9. Expected impacts <i>Include KPIs Make sure you refer to your specific self-defined indicators when applicable.</i></p>	<p>KPIs:</p> <ul style="list-style-type: none"> • No. of SMEs participating in the sales' network (the participating SMEs will also be part of the network of local producers, so it will be easy to monitor) • No. of shops implementing the cross sell (the same as above) • Total amount of cross sales (this will be monitored by the shop selling other local food products in their annual financial reports) • % increase of innovative SMEs collaborating with others

Priority area 3: Certification and compliance

Representatives from food companies from West Region, Romania that attended the study visits in Ireland, Northern Ireland - UK and Estonia noted two important differences with the situation in Romania: i) regulations for food quality are clear, feasible and based on cooperation with the regulator and ii) local SMEs have easy access to specialised expertise for product development and testing.

In contrast, SMEs in the food sector in West Region face difficulties with compliance. The regulatory framework for SME's is difficult to understand (and at times ambiguous) while technical assistance for SMEs is not at hand. Therefore, the cost of compliance for SMEs is extremely high; company managers estimate that about 1/3 of their time is required for compliance only.

Large companies do not suffer from this problem, because their market power makes it easier to impose their practice on the regulators, and they have superior knowledge.

Hence, the idea rose of a task force that would enable the companies to exchange and gather the know-how to deal with compliance effectively, including specialist support for product certification.

Action 3.1.	Certify regional origin and quality of food products
1. Background	<p>The conditions for certifying organic food are rather strict, pricey and take about 3 years to get off the ground.</p> <p>In Romania, the control and certification of organic products are currently ensured by private inspection and certification bodies. They are approved by the Ministry of Agriculture and Rural Development, based on the criteria of independence, impartiality and competence set out in Order No. 895/2016 for the approval of the Rules on the organization of the inspection and certification system. The approval by the Ministry of the inspection and certification bodies is necessarily preceded by their accreditation by a body authorised for that purpose (RENAR).</p> <p>Reference values that are used for organic food products are set in different regulations:</p> <ul style="list-style-type: none"> - Production and labelling of ecological products: http://eur-lex.europa.eu/legal-content/RO/TXT/HTML/?uri=LEGISSUM:f86000&from=RO - Regulation (EC) No. 1333/2008 of the European Parliament and of the Council of 16 December 2008 on food additives (Text with EEA relevance), http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32008R1333 <p>Given this context, it could be feasible to develop an alternative system that certifies the local origins of the food and the quality of the product</p>

	<p>reflected in the way it is made, like we saw in Ireland with their “Food Coast” Mark of Origin and in Greece with the “Crete” label for the “Basket of Goods of Crete” created by the Agronutritional Cooperation of Crete.</p> <p>If the Irish example refers to the certification of the origin of the products only, the Greek example includes also the standards for quality certification. Existing criteria for certification from both regions will be made available for the working group in West Region. The creation of standards for the certification of products included in the “Basket of the Region” with the brand “Crete”, enhanced the quality of their identity and their commercial value to markets inside and outside Crete. The implementation of the standards and the certification of companies must be followed by an intense visibility and promotion at local and international levels.</p> <p>Some research has been done and stakeholders already suggested some definitions for “local” and “quality” food.</p>
<p>2. Action description</p>	<p>Next steps to be taken:</p> <ul style="list-style-type: none"> • Agree on the definitions for ‘local’ (origin) and ‘natural’ (quality) (local food company) • Identify the processes or products that will be certified (USAMVB) • Define the criteria and standards for origin and quality certification of local products (working group) • Organise the #eatLocal campaign (West RDA through the pilot action) • Measure the impact for the local consumer (West RDA through the pilot action)
<p>3. Stakeholders involved</p>	<p>Actors involved are: Local producers, Cluster for Packaging, Technical Universities, Tehimpuls Coordinator: USAMVB (certification) & WRDA (campaign and monitoring)</p>
<p>4. Timeframe</p>	<p>2019-2021</p>
<p>5. Costs (if any)</p>	<p>Information not available at the moment</p>
<p>6. Funding (if any)</p>	<p>Information not available at the moment</p>

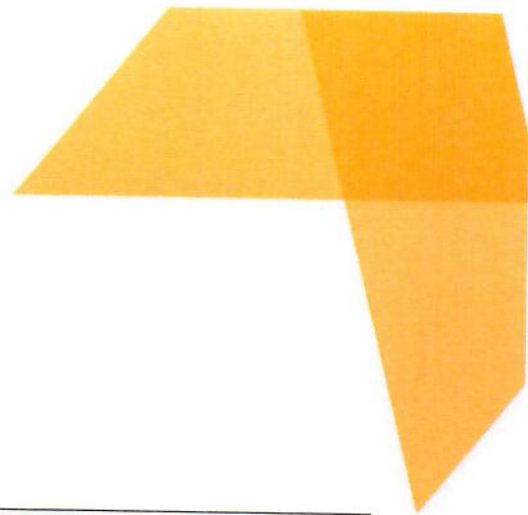
7. Expected impact on SMEs (if relevant)	
8. Expected impact on innovation level (if relevant)	The innovation has a technical and an institutional component. Developing a certification implies a lot of technical details to be solved. It also requires a lot of coordination amongst the stakeholders that are involved.
9. Expected impacts	<p>KPIs:</p> <ul style="list-style-type: none"> • No. of SMEs that participate with their products • No. of wholesalers that participate • Increase in sales per SME (financial annual reports) • Final consumer satisfaction (through a survey conducted at local level)

Action 3.2.	Ensure physical-chemical and microbiological control of foods
1. Background	<p>The partnership provides several examples of integrated packages of services for food SMEs which could be inspiring for the proposed action, like FoodWest Ltd. in Finland, Foodovation Centre in Derry, the Bio-Competence Centre of Healthy Dairy Products in Estonia.</p> <p>FoodWest in Finland provides a range of supports such as mentoring, kitchen incubation space, market research, technical expertise and industry reports for businesses looking to develop new and innovative food products. Foodwest Ltd. assists SMEs with all the stages of an Innovation project from market research and product development through to branding and marketing. The Foodovation Centre, as part of the North West Regional College in Derry provides new and existing food producers with kitchen space and technical expertise. With the support received, companies have developed new products for market, increased efficiency, increased Innovation and employed additional staff within the businesses. The College has worked with businesses to look at local provenance within their food Innovations and encouraged the businesses to look at global market opportunities by developing new products that can have market potential outside the Northern Ireland region.</p>

	<p>BioCC (Bio-Competence Centre of Healthy Dairy Products) in Estonia covers the full chain of product development & commercialisation process starting from academic research and finishing with an end product on the market. BioCC is established by Estonian companies and Universities in frame of Estonian Competence Centre Programme. BioCC is structured, long term RTDI collaborations in strategic important areas between academia, industry and the public sector.</p> <p>The university has the laboratory equipment, but they need support to find clients amongst SMEs and to develop the right service package for them.</p>
<p>2. Action description</p>	<p>USAMVBT offers a wide range of laboratory analysis for food control. In the first stage, it would be helpful for food companies to provide an overview of these services covering the following information:</p> <ul style="list-style-type: none"> ● Specify the services in the relevant food subsectors (bakery, dairy, meat, etc.) ● Specify the type of analysis, expertise available ● Specify the fees ● Mention the type of authorisation that the laboratories have ● How research results are promoted and new ideas for SMEs generated <p>In the second stage, a more specific offer for SMEs in the food sector will be prepared.</p> <ul style="list-style-type: none"> ● Specify the technical offer and the conditions of all the services (USAMVB) ● Identify which other tests and analysis are needed by the food companies ● Search for funding sources for RENAR accreditation ● Make a profile for the RENAR accredited services provided by the university and promote them to local companies and in Serbia/Hungary (Tehimpuls, EEN) <p>The condition of services, type of analysis, expertise available, fees and authorisations offered by USAMVBT Chemical and Microbiological Research Platform will be presented during meetings and workshops with food businesses, promotion of the services will</p>

	<p>be further ensured through promotional materials and regular posts on the platform's website.</p> <p>Regarding the promotion of research results, the University aims to involve as many business partners into research projects and to apply for UE and National funding. They are connected through the scientific secretariat with the existing internal and external research sources and they can provide information to SMEs interested in this aspect.</p> <p>Also, the university will organise thematic workshops where new research ideas with application in production will be generated through direct discussions with members of food industry companies.</p>
3. Stakeholders involved	<p>Coordinator (USAMVB)</p> <p>Food SMEs</p> <p>Tehimpuls</p>
4. Timeframe	2018-2021
5. Costs (if any)	Information not available at the moment
6. Funding (if any)	Information not available at the moment
7. Expected impact on SMEs (if relevant)	
8. Expected impact on innovation level (if relevant)	
9. Expected impacts	<p>KPIs:</p> <ul style="list-style-type: none"> • No. of companies using the integrated package of services for food SMEs • No. of research projects developed in partnership by the university with food businesses • No. of new products developed with the support of the university • No. of information sessions organised by the university • % increase of innovative SMEs collaborating with others

Action 3.3.	Create a task force for compliance support to SMEs
<p>1. Background</p>	<p>Food SMEs face difficulties in their relations with regulators, mainly due to the lack of transparency and clarity of the regulatory framework and weak communication with authorities. Therefore, the cost of compliance for SMEs is extremely high, company managers estimate that about 1/3 of their time is required for compliance only.</p> <p>Hence, the idea rose of a task force that would enable the companies to exchange and gather the know-how to deal with compliance effectively.</p>
<p>2. Action description</p>	<p>Next steps::</p> <ul style="list-style-type: none"> ● Create a platform for discussions (Tehimpuls) ● Search for private expert/consultant in food regulations to support the food companies in the relation with the control authorities (Tehimpuls) ● Make an inventory what food companies need to do in order to comply with regulations (Private consultant) ● Organise a pilot initiative for control authorities to become more transparent and to learn how to give recommendations to the food companies before giving penalties
<p>3. Stakeholders involved</p>	<p>Food companies Tehimpuls Universities Cluster for Packaging</p>
<p>4. Timeframe</p>	<p>2018-2020</p>
<p>5. Costs (if any)</p>	<p>Information not available at the moment</p>
<p>6. Funding (if any)</p>	<p>Information not available at the moment</p>
<p>7. Expected impact on SMEs (if relevant)</p>	
<p>8. Expected impact on innovation</p>	



level (if relevant)	
9. Expected impacts	<p>KPIs:</p> <ul style="list-style-type: none"> • No. of SMEs participating in the compliance program • % of management time spent on compliance

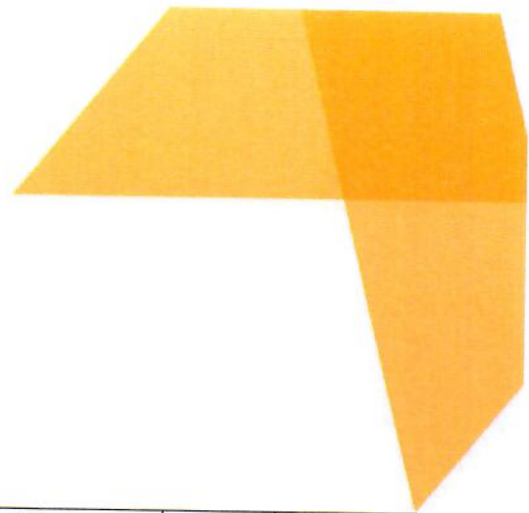
6. Monitoring and Impact of the action plan

Dashboard for monitoring the NICHE West Region project

Action	Source	Method	Base	Ambition
1.1 A new value chain for honey from West Region				
No. of beekeepers testing the honey	Beekeepers' Association	records	0	5
No. of beekeepers producing organic certified honey	Beekeepers' Association	records	0	10
Increase in the price of the honey	Beekeepers' Association	records		30%
Increase in the amount of local honey sold on the international market	Beekeepers' Association	records		50%
No. of inquiries from new markets	Beekeepers' Association	records	0	5
No. and value of deals from new markets	Beekeepers' Association	records	0	2
% increase of innovative SMEs collaborating with others	Beekeepers' Association	records		30%
1.2 Promote a winemakers' association				

No. of winemakers participating in promotion	Wine shop	records	2	5
No. of inquiries/contacts from new markets	EEN	records	0	3
No. of deals made	EEN	records	0	1
% increase of innovative SMEs collaborating with others	Wine shop	records		5%
1.3 Opportunities for eggs' value chain				
No. of new products developed	Egg producer	records	0	3
No. of products ready for the market	Egg producer	records	0	2
No. of inquiries for new products from international market	EEN	Contact log	0	5
No. of deals closed	EEN	Idem	0	2
% increase of profit invested in innovation and research	Egg producer	Accountant		5%
% increase of innovative SMEs collaborating with others		records		
2.1 Pilot Action: Create an identity for regional food				
No. of producers on the interactive map	WRDA	records	0	>20
No. of participants to Eat Local First campaign	WRDA	records	0	>5
No. of consumers reached with Eat Local First	Partners	records	0	>50
Final consumer satisfaction	WRDA	Local survey		4 star
2.2 Cross sell of regional products				

No. of SMEs participating in the sales' network	Food company	records	0	5
No. of shops implementing the cross sell	Food company	records	0	4
% increase of innovative SMEs collaborating with others	Food company	records		30%
3.1 Certify regional origin and quality of food products				
No. of SMEs that participate with their products	WRDA	records	0	10
No. of wholesalers that participate	WRDA	records	0	5
Increase in sales per SME (financial annual reports)	Partners	records		5%
Final consumer satisfaction	USAMBV	Local survey		4 star
3.2 Ensure physical-chemical and biological control of foods				
No. of information sessions organised by the university	USAMBV	records	0	3
No. of food companies using the 'food service package'	USAMBV	records	0	7
No. of research projects developed in partnership by the university with food businesses	USAMBV	records	0	3
No. of new products developed with the support of the university	USAMBV	records	0	5
3.3 Create a taskforce for compliance support to SME's				
No. of SMEs participating in the compliance program	Tehimpuls	records		3



% of management time spent on compliance	Food SME's	Client survey	30%	15%
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7. Signature

The Regional Development Agency of West Region, Romania agrees to support and promote the implementation (and where appropriate implement) the plan detailed above.

I confirm that I have the required authority of my organisation to do so and that the required authorisation process of my organisation has been duly carried out.

Date: May 29th 2018

Name and position:

Sorin MAXIM, General Director West RDA

Signature:

Stamp of the organisation (if available):

