EU CAP NETWORK GOOD PRACTICE REPORT

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Cooperativa del Campo de Navaconcejo

A cooperative of small fruit producers in a mountainous area implementing Operational Programmes to improve its position in the value chain.

EAGF-funded projects

Location: Navaconcejo, Extremadura, Spain Programming period: 2014-2020 Priority: / Focus Area: / Measures: / Funding: EAGF: Total 131 169.72 (EUR)

Types of interventions in certain sectors:

> Fruits and vegetables sector: 128 534.54 (EUR)

Direct payments:

- Basic payment for farmers (decoupled direct payment): 1 721.92 (EUR)
- Payment for farmers observing agricultural practices beneficial for the climate and the environment (decoupled direct payment) or 'green payment': 899.25 (EUR)
- > Reimbursement of extendable credits from the previous year: 14.01 (EUR)

Timeframe: 2022 to 2022

Project promoter: Cooperativa del Campo de Navaconcejo Tel: +34 600 495 284 Website: www.cerezasdenavaconcejo.es

Summary

The Cooperativa del Campo de Navaconcejo is a recognised Producer Organisation (PO) located in the north of Extremadura, Spain. The cooperative includes around 300 small farmers producing mainly cherries, chestnuts, plums and figs in mountain areas. The region faces major challenges relating to depopulation and a lack of generational renewal. The PO is led by producers, who can access CAP funding to improve, standardise and commercialise their own production while being committed to high environmental standards.





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Project results

- The main result achieved by the PO is a general increase in the competitiveness of its members.
- > The cherry varieties grown by the members of the PO are chosen for their resistance to pests and diseases, their lower water requirements and their longer shelf life, thus producing a more competitive product.
- > The Operational Programme allows producers to share the costs relating to the quality and technical aspects of their activities and for the commercialisation of their products, all of which contribute to improving their position in the agri-food value chain.

Key lessons and recommendations

- Cooperation in the agrarian sector, as part of the food value chain, is an essential part of competitive agriculture and livestock farming and for increasing the capacity for commercial negotiation and shared input costs as well as access to technical advice.
- > Operational Programmes are a key tool of the CAP in the new programming period. They can improve the competitiveness of recognised POs, using EAGF funds to implement and maintain targeted measures.
- It is also important that Operational Programmes can now be applied beyond fruit and vegetable production. Producers from other agrifood sectors should take advantage of the opportunity provided by the CMO regulation.

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Context

Cooperativa del Campo de Navaconcejo was founded in 1937 in the Jerte Valley, Extremadura region, Spain. Since 2011, the cooperative has been a recognised Fruits and Vegetables Producer Organisation (PO), bringing together around 300 small producers of fruits in a mountain area, producing, standardising, and commercialising their own production. The cooperative mainly produces Picota cherries, chestnuts, plums and figs. The average total production is around 2 000 tonnes of fruit a year.

The cooperative is certified at the Integrated Farm Assurance (IFA) GLOBALG.A.P. standard, based on Good Agricultural Practices. This is a global standard for responsible farming practices at primary production level and covers the entire production cycle from pre-harvest activities (such as soil management and plant protection product application) to basic post-harvest handling. This standard, operating for over 20 years, is aligned with the United Nations Global Compact Food and Agribusiness Principles and the Sustainable Development Goals.

The cooperative is also certified in accordance with the standards of the Protected Designation of Origin (PDO) Cereza del Jerte, which exclusively protects cherries for fresh consumption of the species Prunus avium (L.). All PO members operate according to the requirements set down by the PDO designation.

Some of the PO producers are also committed to cultivating their production according to the minimum organic standards set down in Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 - on organic production and the labelling of organic products - and repealing Council Regulation (EC) No 834/2007.

The PO is led by growers who produce, standardise and commercialise their own production. Being a recognised PO means that the cooperative can access EU funding through the implementation of Operational Programmes (OP). Since their recognition as a PO in 2011, they have implemented three OPs: in 2012-2016, 2017-2021, and currently 2022-2024.

Objectives

The philosophy of the cooperative is to achieve optimal economic profitability as well as the social and sustainable development of the territory. They pursue this by maximising synergies and integrating farmers and partners; by supporting the personal and professional development of the staff; by establishing mutually beneficial business relationships with customers, suppliers and collaborators within the supply value chain; and by providing healthy and quality products to consumers.

As a recognised PO, Cooperativa del Campo de Navaconcejo must comply with a number of economic and environmental sustainability objectives, according to the CMO regulation. These include planning production to meet demand; concentrating supply and placing products on the market; optimising production costs and returns on investments; stabilising producer prices; respecting environmental and animal welfare standards; contributing to a sustainable use of natural resources and to climate change mitigation; as well as engaging in research and innovation.

Activities

In the framework of the OP implemented between 2022 and 2024, the PO Cooperativa del Campo de Navaconcejo is implementing the following actions:

- Improving farm infrastructure, field facilities and production methods (machinery, equipment, vehicles, seedlings) to improve production. CAP funding has enabled, for example, the purchase of brush cutters, chainsaws and pesticide application equipment.
- Improving product quality through better traceability systems, certification of quality systems (GLOBALG.A.P. and British Retail Consortium standards, required by retailers), organic production and Protected Denomination of Origin (PDO) 'Cereza del Jerte' certification. The OP covers 50% of the annual costs of these food safety certifications and audits.
- Commercialising products through the acquisition or construction of infrastructure and equipment (scales, thermometers, grading machines, lift forks, optical grading machine for the grading of cherries by colour, size and defects identification, reducing manual production costs etc.), as well as market research and commercial promotion.
- Guaranteeing its members access to market crisis management systems. This includes funds for no cost / no price distribution, to avoid oversupply in the markets and a resulting decrease in prices. This system is a key tool to regulate markets, channelling the oversupply to food banks.
- Implementing actions to combat soil erosion, for instance through the incorporation of pruningresidues in the field or the use of natural plant protection systems in ecological production.



- Realising 'green' investments, including investments in the modernisation of irrigation systems, improved water management and investments in solar energy on farms.
- Providing training in environmental issues and activities to raise environmental awareness, e.g. reduction of pesticides, soil management, water management, etc.

The cooperative is also the owner of a small farm next to its processing facilities and for this they also receive direct CAP payments on an annual basis.

Main results

The main result achieved by the PO is a general increase in the competitiveness of its members. Thanks to the Operational Programmes, the PO has been able to sell its products on competitive markets, including Spain, the UK and other EU countries. The products are mainly sold to retailers, but also in wholesale with high-quality standard demands, but also higher prices. These market relationships are based on trust and reliability and are profitable for both producers and retailers.

More specifically, the OP allowed the cooperative to achieve the following results:

- Cherry varieties used by the members of the PO are chosen for their resistance to pests and diseases, their lower water requirements and their longer shelf life, thus producing a more competitive product.
- The producers have developed a common soil management plan, which considers the nutritional needs of the crops and helps to maintain soil fertility and avoid erosion. Cherry trees are cultivated in terraces on mountain slopes, supporting the soil with stones and/or ivy – thus protecting the landscape and the environment.
- Nutrients and fertilisers are applied in a targeted way, based on soil analysis/technical data, in order to meet nutrient demand whilst avoiding soil and water contamination. This action improves economic and environmental sustainability by using minimum resources to achieve the maximum benefits for production.
- The small farmers in the PO produce their fruit using an integrated pest management system. A common pesticide list has been approved by the technical department of the PO, together with the regional government. Integrated pest management requires careful consideration of all available pest control techniques and the subsequent integration of appropriate measures to reduce the development of pest and diseases while keeping pesticides

to levels that are economically justified and minimising the risks for human health and the environment. The use of beneficial insects is preferred to synthetic pesticides, for example, Coccinella septempunctata, Adalia bipunctata or Chrysopa sp. are used to fight the pest Myzus cerasi.

- Food safety is a key aspect of fruit production. The producers only use the active substances included in the approved pesticide list, which is based on EU legislation and regional recommendations about the pests and diseases of the production area for different crops. The Maximum Residues Level (MRL) is monitored through multi-residues analysis of pesticides in ISO17025-accredited laboratories. Thus, the PO aligns with EU strategies to reduce the use of pesticides in agriculture.
- > Water management is crucial, as climate change makes water an increasingly scarce natural resource. The PO promotes better water management through efficient irrigation systems and the presence of small water storage facilities in the farms to collect rainwater and use it during the summertime.
- > Waste and pollution management are also crucial. Wood from pruning is crushed, triturated and used to enhance organic matter in soil, improving its fertility. Recyclable materials from cherry production are collected and segregated. Thus, waste and pollution are avoided or minimised.
- The Operational Programme allows producers to share the costs relating to the quality and technical aspects of their activities and for the commercialisation of their products, all of which contribute to improving their position in the agri-food value chain.





Key lessons and recommendations

- Cooperation in the agrarian sector, as part of the food value chain, is an essential part of competitive agriculture and livestock farming and for increasing the capacity for commercial negotiation and shared input costs as well as access to technical advice.
- > Operational Programmes are a key tool of the CAP in the new programming period. They can improve the competitiveness of recognised POs, using EAGF funds to implement and maintain targeted measures.
- It is also important that Operational Programmes can now be applied beyond fruit and vegetable production. Producers from other agrifood sectors should take advantage of the opportunity provided by the CMO regulation.
- A profitable agricultural sector is key to both retaining population in rural areas and to attracting new residents. It therefore requires support from the new CAP.
- Innovation and modernisation need to be continuously developed and improved (for instance, in this case, the purchase of an optical grading machine for the grading of cherries by colour, size and defects identification, reducing manual production costs).
- Certifications related to Good Agricultural Practices, PDO or organic production are key to differentiate production and to gain the trust of consumers.

Additional information:

- > www.globalgap.org/es
- > <u>cerezadeljerte.org</u>

