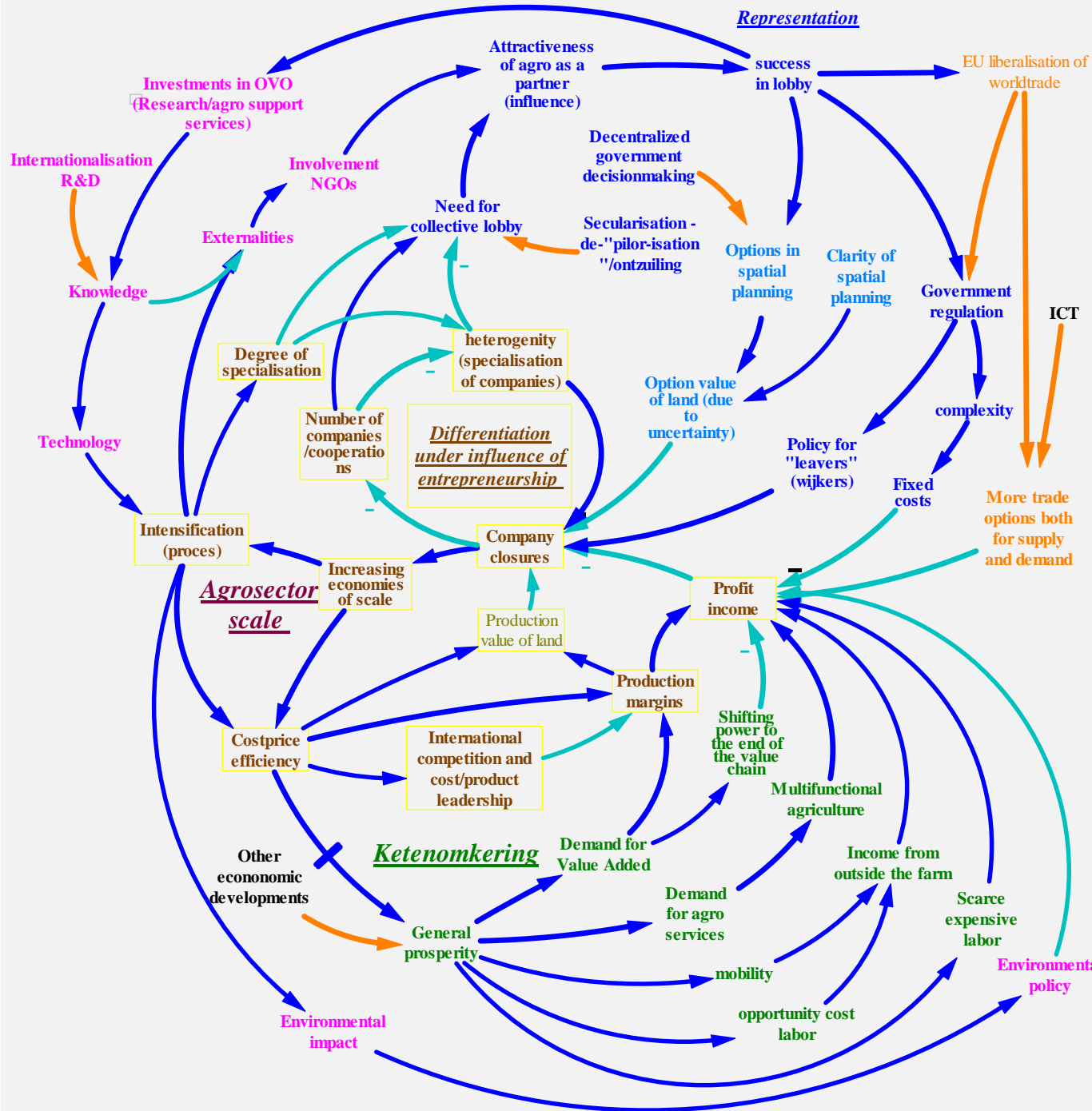


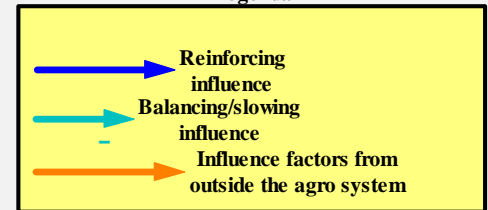
DAISY 0.1

tik <pijltje omlaag>



- 1950-1960: Consolidation starts and remains strong Agro-commodity markets
- 1970-1980: Intensification increases environmental pressures that reduces profitability via manure policy
- 1990: Lower costs prices have a delayed stimulating effect on general prosperity which results in additional demand for agro services, but also in value chain restructuring
- 1990: Competitive pressures leads to specialisation and differentiation based on entrepreneurship. The degree of organisation in the representative organisations gets lower. ∴ "stayers" take the space opened up by "leavers"
- High participation in representative organisations enables high influence on government policy on "stayers" and "leavers". (note its not winners and losers!)
- Also Lobby at spatial planning provides significant option value on agro lands by changes in Zoning plans
- Side activities
- Representation also ensure publicly financed R&D (called "knowledge policy" providing a range of budgetary options) that initially focusses on intensification and externalities management. Externalities do reduce the attractiveness of the sector as a policy partners
- Technology and internationalisation trends increase downward pressure on profits but also create new opportunities for those who can manage the new complexity
- Secularisation leads to the disappearance of the old dutch PILLAR system which had a complex effect on the heterogeneity of the sector. initially it decreased due to mergers of representative organisations. Now it increases again as a result of economic pressures

Legenda



Much of the insights had been tacit

	We know	We don't know ...
That we know	<p><i>The common view</i> <i>Soil quality</i> <i>European logistic position</i> <i>International focus</i> <i>Specialisation and professionalism</i> <i>Sectoral governance strength</i></p>	<p>TACIT COMPETENCES <i>Position family businesses</i> <i>Capital formation through fiscal policy, spatial development and environmental policy</i> <i>Trust by farming constituency in sectoral leadership</i> <i>Low IRR expectations in landbased agro</i></p>
That we don't know	<p>(Known) UNCERTAINTIES <i>Mechanims for building trust based networks</i> <i>Focus lobby's on government versus other partners (value chain partners)</i> <i>Knowledge investments by governments and businesses</i></p>	<p>Potential BLIND SPOTS <i>High production prices as solution to food shortages</i> <i>KJ versus Ton value analysis of Bio</i> <i>Similarities and differences with markets in which family farms and coops have a weak position.</i> <i>Implications for trade policy and environmental policy</i> <i>Rol of aquaculture</i> <i>Implications of bio/fossil CH convergence (Food/feed/pharma/materials and energy)</i></p>

Dotank

DAISY structure shows rich farmers with low incomes based on trusted representation networks

- Strong asset structure of Dutch Family farms
- Low profit and income expectations
- Sectoral governance capacity

DAISY structure shows rich farmers with low incomes

- RICH: Strong asset structure of Dutch Family farms due to:
 - Fiscal policy : agro income, inheritance law, succession
 - Approach to environmental constraints
 - Covenants, production rights
 - “Warm” restructuring – buy out policy in case of overproduction
 - A “Lotery without losses”
 - Encourages overproduction
 - Low riskpremium
- Low profit and income expectations
 - Very diverse income sources: energy/windmills, government services etc
 - Low returns lead to great concern for long term value development
 - Good for sustainable development?
 - High land values leads to shift towards landless production systems
 - horticulture where land is only small percentage of total investments
 - Agroparks with landprices comparable to industrial parks
- Governance capacity that makes complexity manageable AND reduces resistance
 - Capacity to manage evolving agro systems through knowledge sector, changes in representation, evolving cooperatives and investment in knowledge
 - High trust of the sector in “insider” representatives
 - 2 non agrosector ministers in 100 years
 - Role of LEI in transparency: measuring compliance with agreed policy

How to test Daisy hypotheses on drivers of sustainable agro innovation

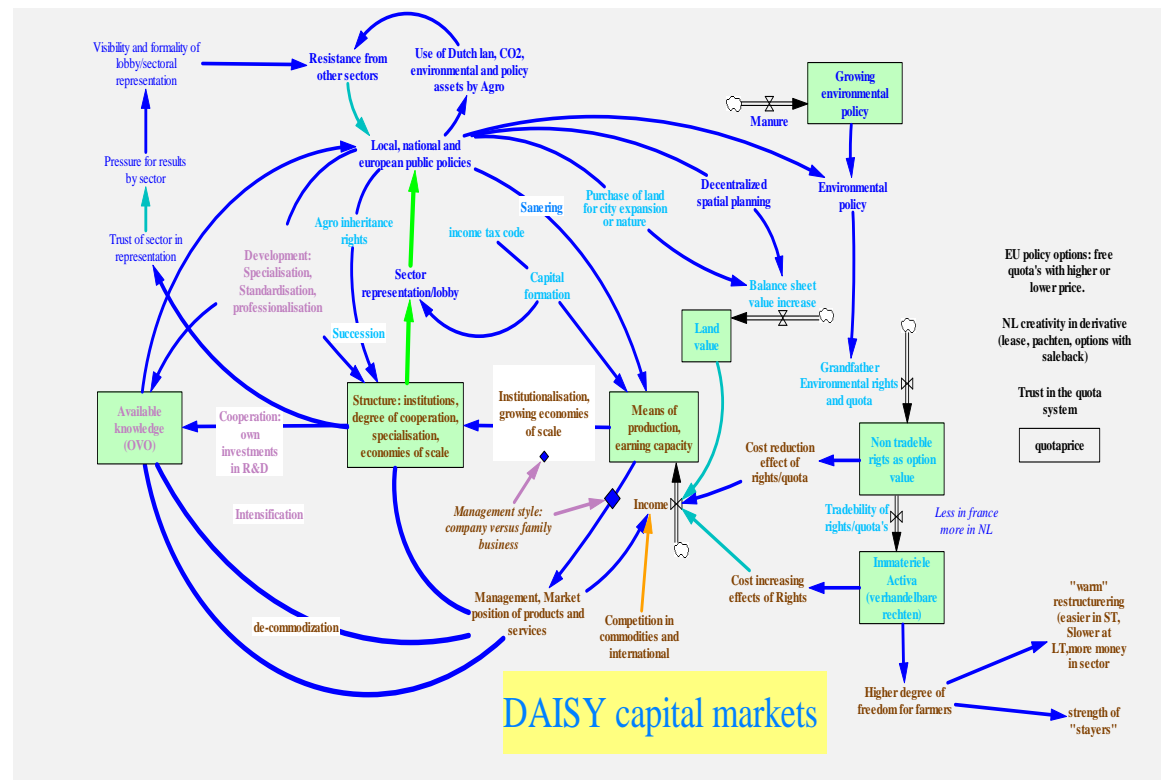
Family based farming

1. Farmers are landdevelopers with agro, rather the agro producers using land
 - Agro as a license to operate in the landbusiness rather than land as a key resource for agro.
 - Landgebonden landbouw: via project ontwikkelaars
 - Kassen – manage overgang naar woningbouw
2. Family farms as multipurpose businesses can manage land sustainably
3. Cooperatives help family farms to manage their supply chains
 - Production to ensure competitive supply
 - Marketing/sales cooperatives to improve market access and strengthen value capture

Low costs financing

1. Balance sheet structure should be as main driver for business development rather than the P&L/cashflow
2. Low costs capital through tax free status for profits/succession/investments and very low risks extends horizons
3. External financing of innovation is needed to compete with “more of the same”

- Essential given low ROI



Trust based influence

- Influence through trusted insiders enabled by vertically integrated systems (rather than through confrontation) were critical for success of Agro innovation by allowing for relatively complex, nuanced solutions
 - Trust based because representatives come from the production sector rather than from the companies in the value chain
 - Trust based alliances can be build and need rebuilding
 - Farmers speaking the language of politicians and businesses
 - Among others:
 - Tax policies
 - Spatial planning
 - Permits conditions for production, new businesses
 - Regulations on smells, environment,
 - Trade policies and restraints, e.g. on meat imports, sugar etc
 - Access to know how and technologies – what is being done? How do they do it. coaching
 - Subsidies for new technology development : transforum/fes/...
 - Subsidies for leavers/managed exit



Fit with Sustainability

1. DAISY is essential for sustainability because
 - Multi business long term focussed landvalue developer
 - value of sustainability to end up with the owner/operator
 - green services, land and water quality
 - Sustainability markets CO2 compensation/windmills,
 - Healthcare , recreation, arts etc.
 - Advisory/management services
2. Asset option development drives sustainable value creation, e.g. by building value around the ability to manage constraints.
 - Cap and trade as asset builder/tradeable vergunningen etc.
 - Asset options can be influenced
 - Long term horizon through low IRR

Action learning programs integrating a diversity of learning techniques:

Status

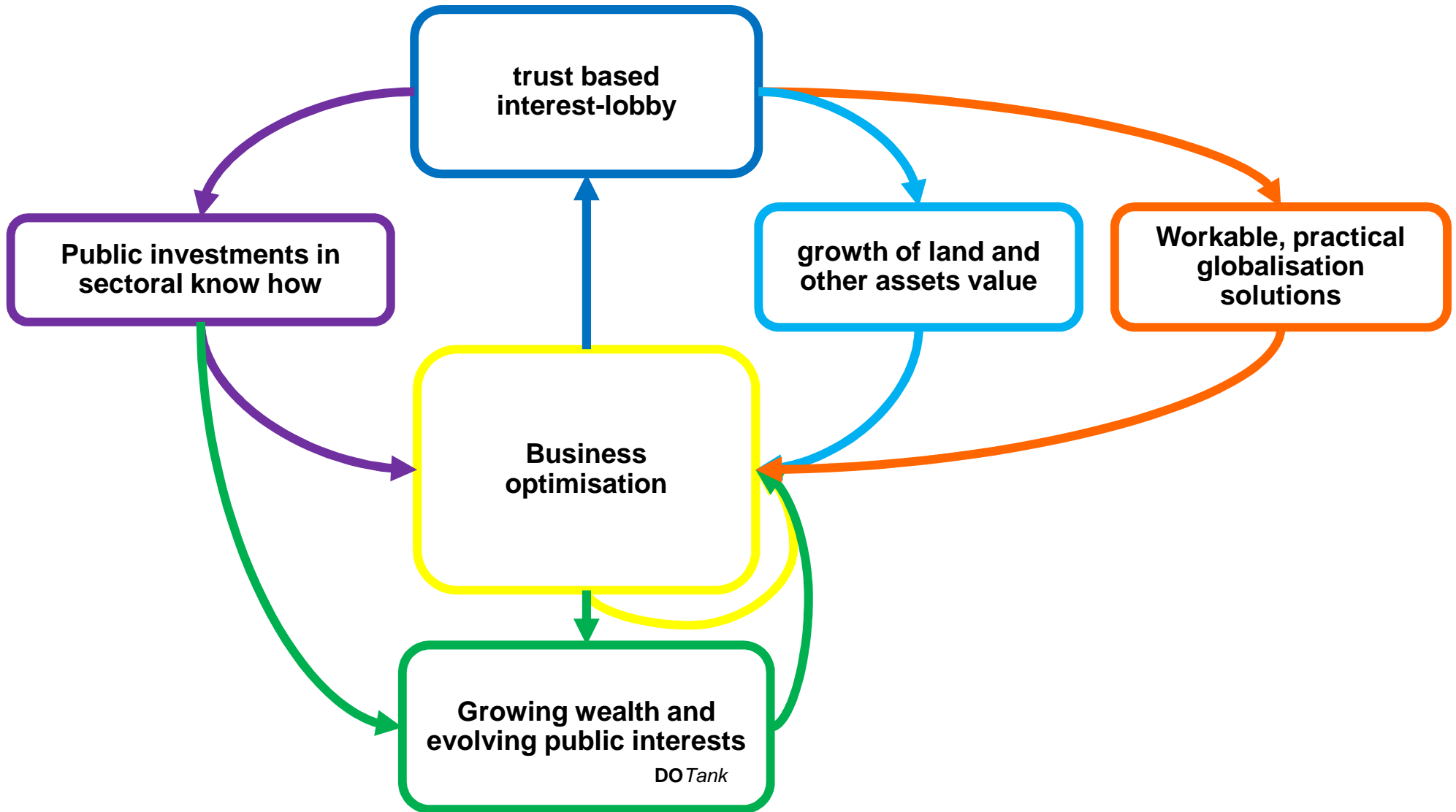
- BAISY: soy credit in Bolivia
 - Action: seed financing for 2000 plus farmers,
 - Functions as model for other countries and regions
 - Decision path combines actor analysis , SD models and scenario's.
- Competing claims:
 - Technology development program for Soy family farms
 - Competition with GMO soy programs of montsanto
 - Multistakeholder analysis (IA)
 - SD program innovation (kim warren)
- LEADinc. Building strong networks of farmers, value chain partners etc.
 - High potentials
 - Partners with foodlab/MIT
 - Building Innovation competences for producers
 - Network mapping (Steve waddell)
- Innovative financing of farming (IFC workshop)
- City agro/metro agro: Boston etal.

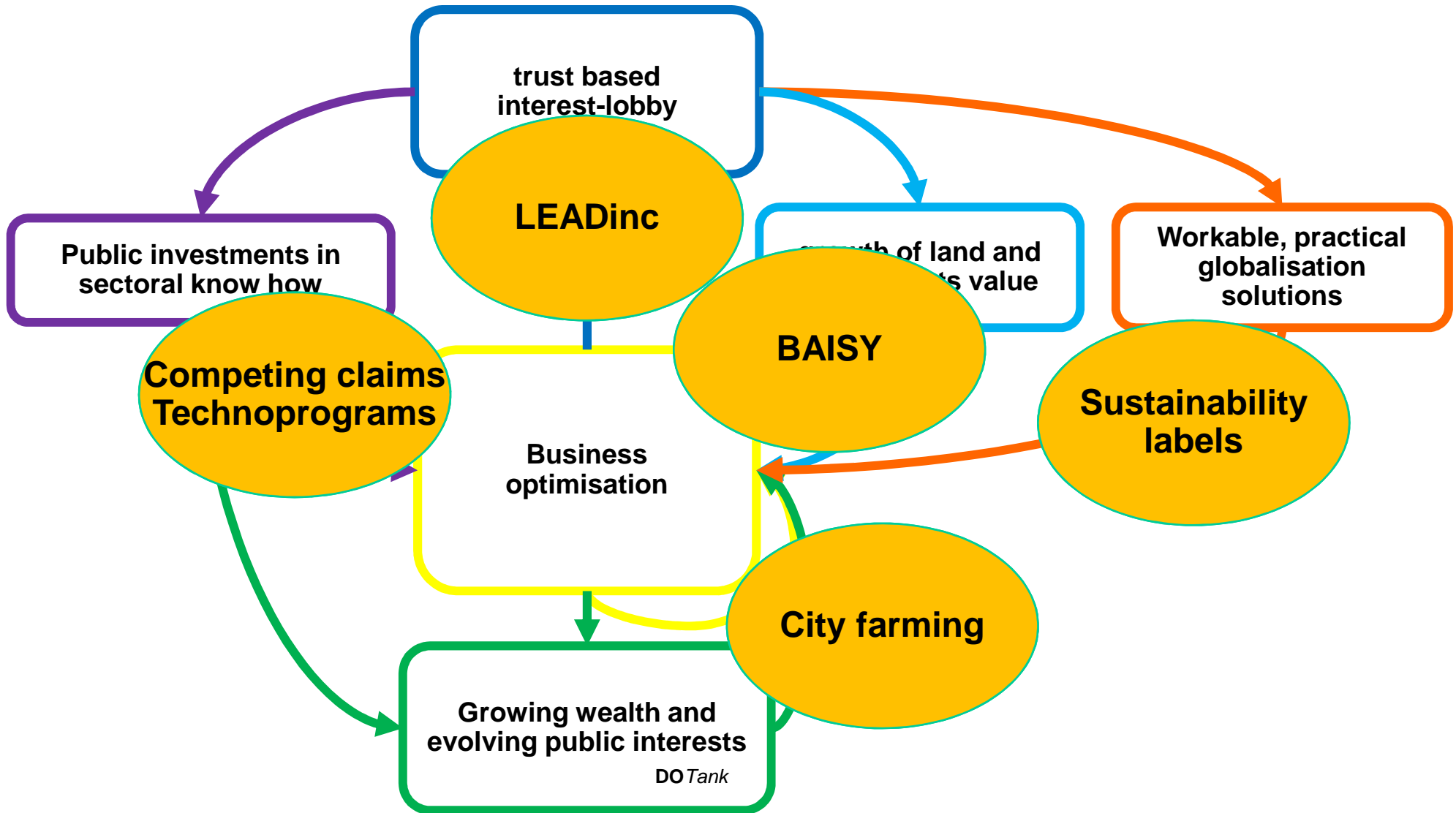
Project proposal

Project idea

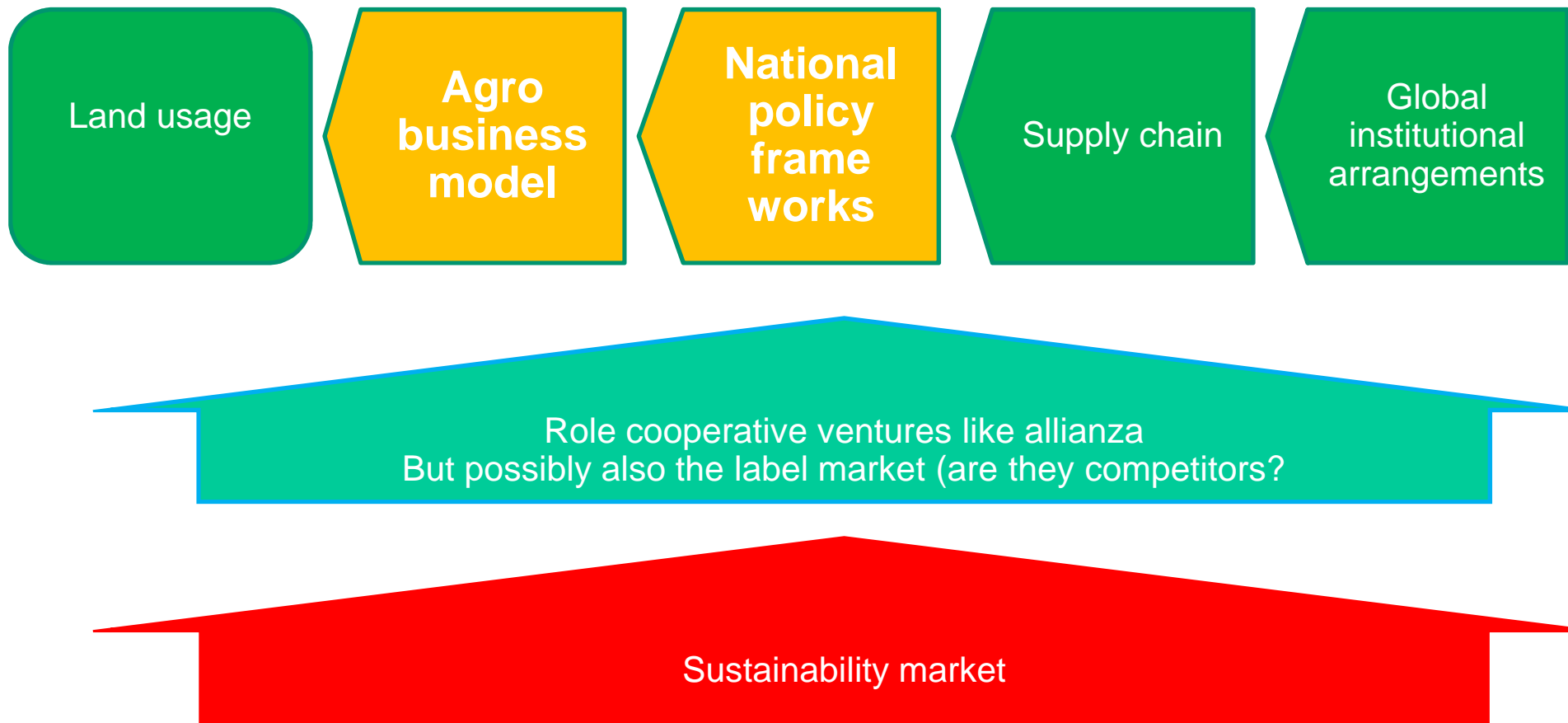
Project idea

Concept
concept

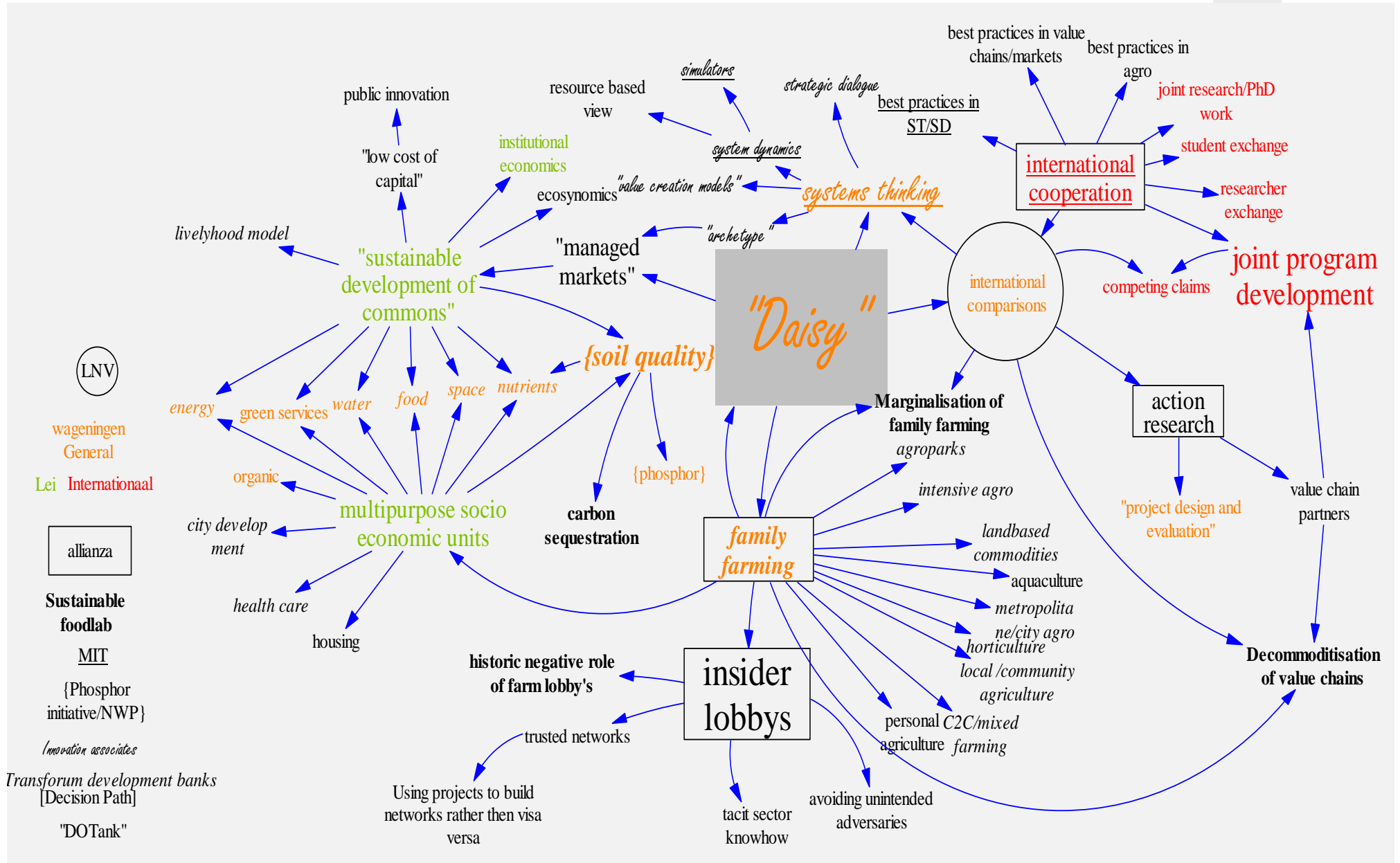




Value chain model with the positioning of DAISY combining the agro business model with impact of national policy frameworks



Programming interests of various parties.



Rond praten:

Daisy onderwerp. Agro innovatie en wat hebben we daarover geleerd.

Gebruik van methode sd wat is het.

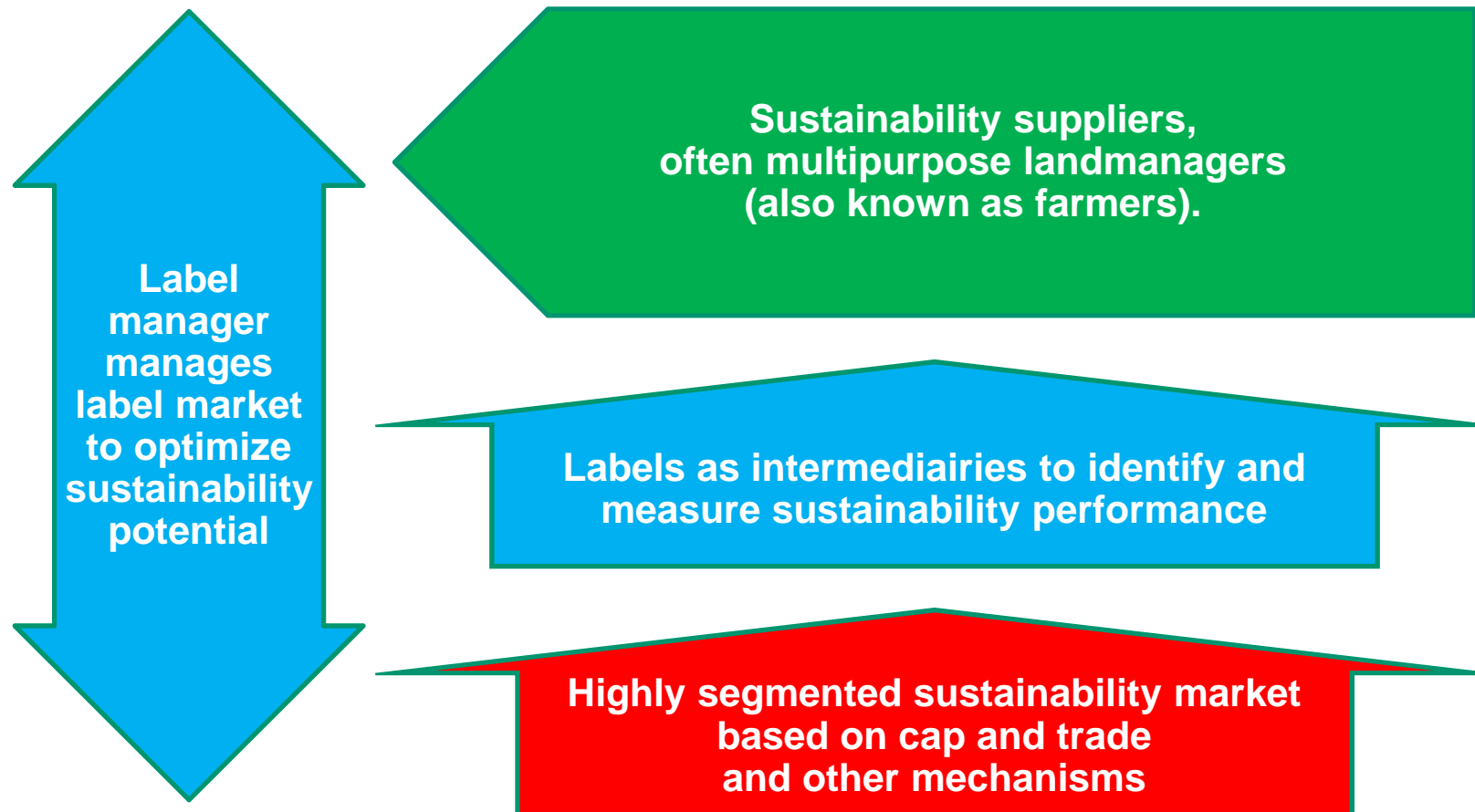
Wat hebben we gemist/wat is verrassend/

Volgende stappen: project definities.

- Action learning for x AISY's, Fair trade, competing claims, city farming/metro agro,
- : soy fam. Farming Baisy – key variables for family farming success – wat is daisy resultaat – wat missen we. City farming, fair trade labeling,
- leadinc
- Fit met andere programma's

Interactief stuk

Wie doet er mee?



First draft of some of the allianza VCM

