# The Role of Local Food Chain in the Sustainable Management and Promotion of Territories. A Comparison Case Study of Umbria Region in Italy and the Sub-Region of Pest County in Hungary

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#### **Introduction**

Food is a microcosm of the macrocosm... If we are concerned about industrial farming, agribusiness, food miles, soil erosion, cruelty to animals, fast foods, fatty foods, and non-foods then we have to look at our plate and what is on it. The food in our pantry and in our kitchen is ultimately connected to climate change and global poverty, as well as to our health" (Kumar, 2008).

Sustainable development (SD) comprises three interdependent and mutually reinforcing pillars: economic and social development jointly with the natural environment, or the ecology system. These pillars are interconnected, by human beings as the main element, a "central pillar" in the complex system. The new paradigm of sustainable development seeks to ensure a better quality of life (QOL) for everyone living now and also for the generations to come (Detr, 1999).

Sustainable economic development must also be sustainable socially and environmentally as well. Therefore the concepts of "growth" and "development" should sharply be distinguished (Thirlwall, 2006). Our approach comprises the vision that a harmonized coexistence of these elements should be gradually developed at local, national, regional as well as at global level. Food markets are becoming increasingly international and global in developed and developing countries in all over the world (Vörös and Masahiko, 2011). At the same time, urbanization has increased the physical and psychological distance between urban and rural residents and it has separated city-people from knowing where, how and by whom the materials for their food are produced, grown and processed. In recent years, as global food chains have expanded, a large array of terms has been used in academic, policy, technical or civic debates to illustrate innovative re-organisations of food supply chains aiming at reconnecting producers and consumers and re-localising agricultural and food production.

These include short food supply chains, alternative food networks, local farming systems and direct sales. People who are closer to their food supply can become more engaged and informed consumers who will support an ecologically-sound food production system, as well as appreciate a healthy multifunctional rural landscape (Francis et al., 2005).

The local food chain nowadays it's the main way to gain a best practice for the sustainable management and promotion of territory.

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# Aims of the research

The aims of the research is to compare the best practice about the local food chain organization and the sustainable management and promotion of territory in two area of Italy and Hungary .

The base of the comparison is the verification of the possible influence of the Local Food Production and Supply for the sustainable development targets of the both areas.

The interest in the territory is linked to the fact that the situation in the world and specifically in some countries shows a trend of continuous degradation both for the use of land, used for other purposes than agriculture (Coldiretti, 2014) both for the inability of local and national governments to cope with the hydrogeological instability that more and more frequently occur due to the looming effects of Global Change Climate. The damages calculated globally, refers to 2011, amounted to over 311 Billion Dollar (IFRC, 2011).

In order to study and understand the territory better we need to define what it is. A good definition of territory describes it as the physical substrate (soil, arable land, water, forestry, biodiversity, renewable energy, not renewable resources, landscape, buildings and infrastructures, etc.) where are stratified economic, social, historical and cultural aspects (Romstad, 2010).

The territory is an open book written in an ink that we cannot be read as it's normally (Ciani, 2014). But we have a duty to make it readable to everyone with an innovative, smart, skilled approach. This because the territory have the following different role and functions: shows and represents, tells, speaks, sings, smells, flavor, stimulates feelings, catalyzes creativity, tickle inventiveness, attracts, inspire, intrigues, etc..

The territory in its widest and most holistic form, together with man, with his capacity to analyze, choose and operate together with the "humanity", which distinguishes him from all other living creatures, should be brought back to the center of strategies used by any development model by using a concrete, operational parameter in order to create the basic conditions for an indefeasible "NEW RENAISSANCE".

This will focus on strategies for the protection, conservation and enhancement of the different areas around the world, the relationship between urban and rural areas, the challenge of renewable energy, the spread of green economy and the eradication of poverty. Therefore, these objectives and issues need to be put into practice both in a local, national and international context of professionals who, from the perspective of "think globally, act locally", have the distinctly modernized know-how and the "ability to act" connected with the vision of the ongoing revolution. The food system is a very complex cycle involves agriculture, food processing and sales as well as the consumption cycle of food as well as managing waste material.

Based on a holistic approach (IAASTD, 2009) the Local Food System (LFS) is a unique micro-agro-social- and ecosystem characterized by special natural endowments, soil micro-organism, climatic conditions, crop varieties, livestock-breeds and human, technical, resources and infrastructure as well. And it's a strictly linked with the territory.

## The Local Food Chain concept: Umbria experiences

The development of the short chain is a very evident phenomenon in recent developments in the food system, drawing the attention of many categories of stakeholders, both within the agricultural world and in public institutions and among representatives of consumers/citizens (Aguglia, 2009; Allen et al., 2003).

The importance of this phenomenon is underlined by Rural Development Programmes 2007-2013 through which short supply chains were supported by the Leader projects and by several measures such as modernization of agricultural holdings, quality of agricultural production and products and support for business creation and development.

Afterwards, the European Commission, defining the Rural Development Programmes 2014-2020, included short supply chains in its regulation, pointed out how short supply chain is "a supply chain involving a limited number of economic operators, committed to co-operation, local economic development, and close geographical and social relations between producers and consumers". Typology of short supply chains includes direct sale by producers (such as farm sales, farmers' markets, fairs, baskets, community sales point) and sales with at least one intermediary (such as, Internet, retail sales, shops).

The term "short chain" encompasses different operating models, ranging from direct sales on farms by the farmer to real forms of co-management among groups of consumers and producers, in competition with each other in meeting the common need for shortening the distance (physical, cognitive and cultural) between the worlds of production and consumption (Goodman et al., 2011).

Belletti and Marescotti (2013), identified different accepted meanings of short chain in:

- 4. skipping stages of commercial intermediation for a more direct connection between the farmer and the final consumer:
- 5. reducing the geographical and cultural distance that the product travels before reaching the consumer:
- 6. increasing the roles of consumers and producers in the agri-food supply chain, allowing both components a re-appropriation of the object exchanged (agricultural commodity, food) and the biological processes that underlie it, but also a re-personalisation of relations between producers and consumers (Brunori et al., 2012).

This definition allows to understand the importance of local agriculture and short food supply chains and its economic, social and cultural benefits for farmers, consumers and rural areas in general.

This sector increases the income of farmers and the consumption of fresh and relatively unprocessed food, brings consumers and farmers closer, engages public institutions in its promotion, helps to strengthen rural-urban and contributes to sustainable development.

Some initiatives to develop local markets and short food supply chains are due to the support and promotion of farmers, distributors or consumers. These initiatives are designed, in one side, to the appropriation by the farmer of the product value added, and in the other side, to containing consumer prices for the consumer; but at the same time allows to create a relationship between consumers and local producers, reducing the kilometres travelled by food, and reducing other negative environmental external concerns.

The short chain, according to the forms and places where all its component activities take place, reflect territorial contexts, types of products, and in general local agricultural characteristics.

In Umbria, agri-food is one of the main sector, representing 4,52% of region GDP (ISTAT,2012).

As in other regions, we see more and more integration of several parties - farmers, consumers, professional farmers' organisations, organic associations, cultural and environmental associations, public administrations - in promoting and implementing collective experiences of concerted short chains. In Umbria, as in Italy, one of the main promotion activity is set up by Coldiretti with the initiative called "Campagna Amica", started in 2009 with the aims of enhancing Made in Italy, to add value to Italian farmers redressing the balance of power within the food industry.

The most classic form of short chain, direct sales on farms, farm and farm stay sites (e.g. lodging, wine cellars, olive mills, huts, dairy farms, warehouses, and areas for distribution and storage) and organised points (farm stands at fairs, harvest festivals and local markets and collective sales points like "showcase shops" promoted by cooperatives and consortia), is a phenomenon that has had

a strong impulse in the last ten to fifteen years, though farms, particularly in the wine and olive oil and fresh produce sectors (fruit, vegetables and meat).

Through this initiative "Campagna Amica" it was possible to create a network composed by:

- Country markets, in which farmers are committed to sell only their local products
- Country Farms, in which farmer can sell its product directly to consumers
- Agritourism, in which farmer can sell its products and / products made by other companies of the network
- Dedicated shops which contain all local products
- Groups of consumers constituted by consumers who buy wholesale local products

Throught this network composed by 150 local business is it possible to support the promotion of the territory in three main directions: 1) direct sales of local products; 2) tourism activities; 3) environmental sustainability.

Other innovative forms of short chain adopted in recent years in Umbria have had good results. In the last decades several weekly markets has born, dedicated to local products and the excellences of the region. In particular it is possible to cite "Umbria Terra Viva", a small city market held in Perugia in which a local producers proposes to consumers, especially to tourists visiting the region, products of traditional Umbrian farm, organically grown.

In the last years, a lot of local food markets characterize small cities historical center, like Gubbio, Trevi, Montecastrilli, and Todi. Each of these, although limited in small size, is the expression of a growing number of farmers, which through the sale of local products, enhance and make know the typical products of our Umbrian territory.

Regulation and prospects of rural development and short food supply chains in Hungary and the EU.

In 2011 Hungary launched the National Rural Development Strategy (NRDS) 2012-2020 with the overall intention: improving the ability of rural regions in Hungary to economically support and retain rural population through the realization of appropriate rural development programs which whilst building on the values of the people and the community, maintain traditions, preserve the values of the landscape as well as the built environment. Also managing natural resources in a sustainable way and developing agricultural and non-agricultural rural enterprises, while also providing an opportunity to restore an appreciated and attractive rural life. The main goal of the Strategy is to largely improve the quality of life in the countryside, and to make way for the creation of countryside, where living and working do not mean an inherent disadvantage, but instead, an attractive, healthy and modern environment. Summarizing the major objectives of the Strategy:

- Increasing rural employment based on the balanced and varied agriculture and forestry that utilizes resources in a sustainable manner;
- Re-establishment of a diverse production structure, with improving the conditions for local food production and markets;
- Revitalizing rural-urban relations, increasing awareness of urban-rural interdependence, the reinstatement of harmonic, equal and reciprocal relations, regional cooperation;
- The exploitation of export opportunities of high value-added food products, strengthening of cooperative alliances, local energy production, rebuilding of rural local communities;
- Improvement of the standard of living, a reversal in the rural population decline, and the conservation of ecosystems and biodiversity.

The local food chain policy goals of NRDS was partly originating from a national project: Traditions – Tastes – Regions (TTR, the Hungarian acronym is HÍR meaning "News" in Hungarian) launched by Hungary's Ministry of Agriculture and Rural Development (MARD) in 1998. The best practice case of the European Union's Euroterritoirs program had provided the lessons for learning to implement this project. The main objective of TTR project was to create a database of traditional Hungarian agricultural products, among them landraces and indigenous animal species, and to promote regional or local agricultural products and foodstuffs in order to improve their domestic and international reputation. As a result of this program, the professional and historical description of 300 products has been completed.

In 2002 "HÍR" as a national brand was introduced for designating traditional Hungarian food products, but the procedure of awarding the brand started only in 2010. From this date announcement for competition has been issued every year for producers to submit tenders with detailed specifications certifying that concerning products satisfy requirements of "HÍR Brand". In 2010 another national brand of "National Park Product Brand" was also introduced in Hungary in order to promote special assortment of food products produced in Natural Parks or natural protection areas.

The European Commission reviewed various aspects of strengthening short food supply chains in Member Countries in 2013: "With regard to farmers, their role is enhanced as consumers understand better their function not only with regard to food production but also with regard to providing public goods like maintaining ecosystems, landscapes, and culture and tradition. Short food supply chains can result in a higher share of the value of the final sales price. This can result in a higher farm income and creates the opportunity to expand and modernise agricultural and non-agricultural activity on the farm as well as to improve viability of the farms. Member States are encouraged to analyse the situation of short food supply chains and local food systems on their respective territory in terms of strengths,

weaknesses, opportunities and threats, and identify the needs that have to be addressed. A thorough reflection on how a possible creation of a sub-programme for short food supply chains could respond to these particular needs should be done."

"Rural Development Policy and the Union Research and Innovation Framework "Horizon 2020" will provide particular opportunities for setting up Operational Groups (universities, research institutes, local economic actors etc.) in the period 2014-2020 and incentivise interested actors who engage in actions on developing, testing and applying innovative approaches. The two policies complement each other in giving emphasis to different objectives and main target groups. Other policies, such as Cohesion and Education Policy, might offer additional opportunities".

The government of Hungary decided to join to these EU initiatives and elaborated a thematic sub-programme for short supply chains (SSC), part of the country's rural development program, submitted for Brussels in 2014. Based on its innovative strategy and references the Local Food Chains Development & Innovation HELIA Working Group as a "spin-off" organization in Edutus College is ready to establish an EIP operational group for participating jointly with small and medium sized enterprises (SMSs) in the implementation of the Hungarian SSC-thematic sub-programme. Activity of HELIA provides also opportunities to continue and widen joint international cooperation between Italy and Hungary.

## **Case Studies of North-East Sub-Region in Pest County of Hungary**

Developing local or short food chains means a special challenge in sustainable territorial management. It needs first of all the availability of the appropriate group of farmers prepared to supply fresh, traceable, quality and healthy agricultural and processed food products satisfying diversified consumer needs. Furthermore, close connections and intensive communications should be built between farmers and consumers with changing the attitude of actors of local community based on recognition and promotion of specific values, the identity of the concerning territory. Regional and local characteristics (e.g. special raw materials, dishes, tastes, food traditions and food culture) might always be closely tied to particular regions which significantly contribute to creating and maintaining the identity of the concerning regions. The following cases on local food chains are based on existing examples from the North-East Sub-Region of Pest County in Central Hungary Region.

Pilot project for establishing local farmer's market in the agglomeration, in Fót City.

The pilot project launched in August 2012 and financed by the budget of Hungarian National Rural Network (HNRN) with the title "Cut Short Food Supply Chains with applying HELIA methodology" <sup>1</sup>. The location of its implementation was an agglomeration settlement, Fót

<sup>&</sup>lt;sup>1</sup>Source: Mihály Vörös (Ed.) (2013): Cut Short Food Supply Chains with applying HELIA methodology. Study for implementation of the pilot project. Hungarian National Rural Network (HNRN). Action Plan of 2012-2013 years. Published by: HNRN © EUROPARITÁS Co. Ltd. 31 March 2013. Manuscript. CD-Rom.

City and the developer an innovative professional small and medium size enterprise (SME)<sup>2</sup>, cooperating with the team of Local Food Chains Development & Innovation HELIA Working Group (Edutus College). Fót City is located in the agglomeration of Budapest 25 km distance from the capital. The major objectives, results as well as the conclusions of the pilot project are summarized in the following.

<u>Construction planning for territorial management</u>. In the beginning of 2012 the local government made a decision to designate a 10.000 m<sup>2</sup> territory owned by mainly the city for establishing the local farmer's market. It was a reasonable territorial management decision considering the fact that the area was neglected and unused, overgrown with weed and bushes, trees growing wild, as well as full of waste (among them huge quantity of **hazardous waste**). Until the autumn of 2012 the area was cleared in a way that natural environment could be preserved and rehabilitated (e.g. sound trees sustained, streams cleared out etc.).

Because of its natural environment character and nearness to the historical city centre it was concluded that the designated area can be utilized not only for the market with needful car and bike parking area but for a multipurpose City Holiday Park with children playground, coffee shops, bars, restaurants as well as wide green areas with flowery and grassy parks etc. Another advantage that it takes only few minutes' walk from this place to visit two historical buildings, both are belonging to the reach spiritual and property heritage of Count István Károlyi (1797 – 1881) which increase the value of this territorial location: (1) the romantic style Catholic Church building, inaugurated in 1855, and (2) the famous Károlyi Family Residence Castle renovated in classicist and romantic style between 1811-1832, designed by the same famous architect, Miklós Ybl. In front of the castle a 200-acre English landscape garden was completed in 1836. The Károlyi family had to escape from Hungary during the 2nd World War. A children's town was established in the nationalised palace in November 1957, which became one of the largest of its kind in Europe. It is currently used mainly for cultural events.

The pilot project provided a view-design for helping local government to initiate detailed construction plans of the City Holiday Park as well as implementing design of a market service building and open stands made from wood.

Registration of Farmers in Data Base. To assure an appropriate supply of quality local products in the potential local market needs cautious and sophisticated organization efforts. There were 35 small producers, farmers, food processors producing local food in Fót, in neighbouring settlements or in the sub-region which could satisfy all prerequisites for registration in the pilot project data base. The first step before registration was an evaluation of the product quality and traceability. Second step was the certification procedure. Producers selling in the local market should certify that they have authority to pursue primary producer activity and the origin of their own products. After preliminary qualification, identification and certification farmers can be registered in the data base. Building local community of producers and consumers;

<u>Promotion and marketing tools and activities</u>. The design and organization of round tables and events for advertising and promoting the local producers market, as well as to convince

<sup>&</sup>lt;sup>2</sup> EUROPARITAS Limited Company located in Fót, Hungary.

local consumers to buy healthy and fresh local food products, avoiding promoting healthy dietary (community marketing).

<u>Implementation and action plan</u>. After the constructing plans were finished an implementation plan was elaborated with cost calculation and detailed action plan (Gannt Diagram) to give guidelines for local government and for the management of investment project, the decision makers to establish the local market in time and properly.

<u>Rules for operation and management of the market</u>. Based on the experiences achieved on organizing Farmer's Marked Days as well as current legislation and rules on local farmers market a HANDBOOK<sup>3</sup> has been elaborated by the order of local government of Fót. The main objective of the handbook is to provide accurate and detailed information and support the decisions in city government board (or other people involved in decision making), concerning the establishment of local market with selecting the needful staff and organizing and initiating the daily operation of the local farmer's market.

In case the City Holiday Park will gradually be built in Fót City, it can be utilized for diversified local community functions and tourism purposes (e.g. local farmer's market for selling fresh local food & wine, traditional Hungarian artisan food products, Hungaricums; as well as organizing fares, exhibitions, gastro-festivals, and other tourist festival events etc.) which could have multiplier effect on local economy.

Local Food Network of Ister-Granum European Grouping of Territorial Cooperation (EGTC)

The Ister-Granum Euroregion is situated on the Hungarian-Slovakian border. Its territory exceeds 1,806 km² with a population of 17,653 people. The region, the heart of which is the Mária Valéria Bridge connecting Esztergom City (Hungary) and Šturovo City (Slovakia), forms a natural geographical unit. In the founder document of Ister-Granum EGTC is determined that the executive power is exclusively shared by the local municipalities of the EGTC (subregional authorities and national governments are not members). It has a role to establish and operate own institutes and enterprises, as they are recognised as independent legal entities in both country. Recently it has 82 members (42 in Hungary and 40 in Slovakia). From 2012 the Euroregion organization started to establish a Local Food Network with two objectives: (1) supporting local producers to find market channels which contribute to improve local economy (2) strengthening the awareness of Ister-Granum Euroregion activities and results of cross-border cooperation among people in the region and Europe. Producers, consumers, civil organizations, local governments are also involved in this cooperation.

Duna-Ipoly National Park. The Brand of National Park Products.

Roughly 10% of the land area of Hungary (93,000 km²) is classified as protected nature area. Within this there are ten designated National Parks areas of countryside. Danube-Ipoly

<sup>&</sup>lt;sup>3</sup>Source: Mihály Vörös (Ed.) (2014): HANDBOOK FOR MANAGEMNT AND ORGANIZATION OF CITY MARKET OF FOT. Published by: the Local Government of Fót City. © EUROPARITÁS Co. Ltd. 6 October 2014. Manuscript. p.72, jointly with 22 Attachements p. 76

National Park, the ninth national park of Hungary established on 60,314 hectares in 1997, and includes the Pilis, Visegrád and Börzsöny Hills, the undisturbed sections of the Ipoly Valley as well as parts of the Szentendre Island. The rock-bed of the Pilis Hills stretching from Esztergom to Budapest is made up of limestone and dolomite. Most of the caves can be found in the Pilis Hills.

Besides the role of sustaining the natural heritage and biodiversity national parks provide ideal conditions to produce different local food and artisan products. The National Park Product brand is a guarantee that qualified products are made using fresh, local ingredients without the use of additives. The product range includes meat products (salamis and sausages in a variety of flavours, made from Hungarian grey cattle, mangalica pig and buffalo etc.), dairy products, honey, big assortments of jams made from forest fruits, wine, variety of noble drinks, fruit juices, non-alcoholic drinks etc.

Nowadays the products made of natural ingredients are increasingly popular. Those who have already tasted the traditionally produced and prepared food will most probably find the mass produced goods on the shelves of supermarkets tasteless and boring. More and more people are aware of the close relation of health and the quality of the food consumed, therefore they are specifically looking for authentic pure products made using natural ingredients.

#### Saturday Farmer's and Artisan Product Market, in Nagymaros

Nagymaros City is located in the curve of the Danube, 55 km north of Budapest. The concept of this special local market is originating from a young local inhabitant who initiated and started to organize market events in 2012. That time it provided a special pleasant atmosphere with organizing events, live music and a wide variety of children's activity. Recently local government is organizing the market in the main square of the city, near to Danube band. Opening time is every Saturday from 7 o'clock in the morning till noon. During its 3 year history close connections and intensive communications have been built between growers, producers and visitors. Consumers can trust what they buy; the origin of market products can easily be followed.

Visitors are not only local inhabitants but from neighbouring settlements and more and more tourists. During the last few years the knowledge and purchase of original local products have become an integral part of the travel culture. Instead of buying cheap souvenirs, the visitors tend to increasingly prefer the really unique products and creations which represent traditional values. They are also keen to visit the local product creators, the handicrafts masters of the settlements.

#### Rural Development Program of the Catholic Church Council in Vác

Vác City is located 35 kilometres north of Budapest on the eastern bank of the Danube River, below the bend where the river changes course and flows south. The town is seated at the foot of the Naszály Mountain in the foothills of the Carpathians. Most of inhabitants are Catholic. One of the most important tourist attractions in Vác City is the cathedral. Laying the foundation of this historical building had been finished in 1761 and it was inaugurated in

1772 by the bishop, Kristóf Migazzi. The model to build was St. Peter's Basilica in Rome. The city is also known for its 18th-century arch of triumph and for its beautiful baroque city centre. The bishop as the head of of Catholic Church Council in Vác established a rural development unit<sup>4</sup> in 2013. In harmony with the National Rural Development Strategy the working group elaborated a program to improve utilization of rural territories, to help rural employment with creating jobs, to introduce home garden cultivation as a neglected subject in general school education to initiate and establish local farmers markets in the city and in the region of the Catholic Church Council. In 2014 18 local governments and 460 families joined and attended in their home garden programs. In 7 schools they established study circles on gardening based on a contract with research education staff of "Szent István" University, Gödöllő on modular garden development. They could establish 3 local market in the region of "Vác" Catholic Church Council:

- Bishop's Thursday Local Farmer's Market, in Vác;
- Farmer's Market in the Court of Catholic Church, in Újhatvan;
- Saturday Farmer's Market in Nyáregyháza.

## Bishop's Thursday Farmer's Market<sup>5</sup> in Vác

This local market established by the bishop of "Vác" and organized in every Thursday from the autumn 2013, in an attractive small square named by Kristóf Migazzi belonging to the Catholic Church, just opposite to the famous Vác Cathedral which is an ideal location for such a kind of event.

There are 15-20 growers, producers selling usually their own traceable quality products in this market. It is mandatory for them to certify their authority to be primary producer and the origin and traceability of their own products. More and more local inhabitants and consumers from neighbouring settlements are visiting regularly the market and the number of tourist visitors is increasing.

#### Final remarks and discussion

Moreover it comprises joint activities, community marketing, intensive communication between food producers and consumers living in a certain region. The sustainable local food system comprehends harmonized development and operation of multifunctional agriculture, an advanced food and nutrition policy to promote the local consumption of local food products and to preserve or revitalize traditional food culture in a certain region by utilizing local natural and human resources, production inputs, infrastructure effectively within that region in order to contribute to its economic and social development. LFS is supported by the fact that regional and local characteristics such as certain raw materials and dishes, tastes, as well as food traditions and food culture might always be closely tied to particular regions

<sup>&</sup>lt;sup>4</sup>Source: https://www.facebook.com/pages/V%C3%A1ci-Egyh%C3%A1zmegye-Vid%C3%A9kfejleszt%C3%A9si-Iroda-VEVI/514199561980590

<sup>&</sup>lt;sup>5</sup> Source: http://vaciegyhazmegye.hu/programok/459/UJRA-PUSPOKI-PIAC.html

creating and maintaining the identity of these regions. Local food system is referred also as short food supply chains (SFSC) in the professional literature.

According to best practice cases from developed countries LFS/SFSC can fulfill the following main multifunctional (economic-social-environmental) development purposes.

Producing and supplying healthy, fresh local agricultural and food products concerning diversified consumer needs (freshness and a simple-easy traceability of local products means an appeal for local customers to purchase these products).

Improving employment of elder generation of farmers which has a positive social impact on widening economic activities in rural areas;

Improving mental satisfaction and health state of elder generation of agricultural producers; Decreasing cost for health care and medical service in regional and national level (elder people having job will spend less time in medical service and need less medical service capacity);

Promoting local agricultural production and strengthening local economy by utilizing local natural and human resources which contributes to the sustainable rural development and quality of life (QOL) of people in the region;

Increasing food self-sufficiency in family farm households as well as in rural regions, national level;

Contributing to the environment protection, decreasing environment pollution by decreasing the needs for transportation in the "food cycle", namely the food mileage indicator (FMI), in regional and country level;

Improving city-village interchange, creating direct interchange between food producers and consumers;

Widening rural tourism services, entertain customers and providing opportunities for food education and promotion.

Promoting all potentiality of each territory.

In certain developed countries the term local consumption of local production (LCLP) is used to set up advanced policy objectives and to promote local producers and consumers. LCLP is a well-designed and consistent policy tool, in close connection with the implementation of a comprehensive agriculture, food, rural region policy jointly with nutrition policy. Japan provides an excellent example for this policy reform (a food education law "shokuiku" and its related policy tool "chisan chiso" has been developed and introduced in 2005). LCLP includes the following three main activities:

- Communication activity to promote understanding of local agricultural products among consumers;
- Sales and distribution activity to distribute local agricultural products within the local community; and
- Exchange of information activity to promote interaction between producers and consumers.

There is evidence that local farming systems and short chains do have a higher, "multiplier effect" on local economies than long chains, with impacts also on maintaining local employment, particularly in rural areas. At producer and farm level, they seem to allow a higher share of value added to be retained locally. The other fact is that, money which spent on products either stays in the local economy, and multiplies its value, or leaks out of the

economy. Shopping centers and supermarkets mainly based on "long food chains" and established and managed by foreign, multinational companies, in all over the world, can be resulting in a "leakage effect" while small independent local businesses selling local products generate "multiplier effect" strengthening local economy. It should although be noted that quantitative evidence of such impacts is still poorly documented. The economic advantages of LFS/SFSC might be diversified:

- Farmers can potentially achieve a higher return (greater proportion of the retail price);
- Encouraging both on-farm and off-farm diversification and the development of alternative economic activities (e.g. tourism);
- Adding value to local products either through direct marketing or further processing;
- Creating new market channels for local products (e.g. public procurement for school, hospitals);
- Generating greater employment opportunities at a local level;
- Generating demand for local facilities (e.g. abattoirs);
- Encouraging greater local trading and the retention of more money in the local economy for longer periods of time (greater "multiplier effect");
- Making greater use of co-operation and collaboration between businesses (e.g. food producers, tourism enterprises).
- For that with the best practice it's is possible to catch New Paradigms, New Approaches, New opportunities for the valorization of each specific area.

In the light of the evaluations of the preceding paragraphs strongly emerges the possibility for future years to capture the New Paradigms and New Approaches that the Territory has to offer.

Among the New Paradigms we can include the following:

- Territory is a living entity;
- Territory is the reservoir of resources to be put into the cycle of a sustainable production system of goods and services;
- Territory is an intelligent cognitive system that educates and whence we can learn with a smart use of the ICT;
- Territory is specificity, rarity and specialty but creates social inclusion;
- Territory is "TRADI-OVATION" (intended as an acronym for "Territory, Rural Areas, through Development, Innovation, Organization, Valorization, user friendly Technology, ICT sharing, Online Networking) (Ciani, 2012). In this sense is the key word and the main theme around which any innovative process can be structured in order to move from words to actions and create the foundations for the New Model of Management and Promotion of the Rural Areas.
- The territory sends us the option to overcome the Labour Prison with the Free Time and the Recovering of the Environmental Space.

Among the New Approaches we can find:

- Transformation of the Paradox "more image you see and more and more you desire to touch directly" in a common Behaviour of the man in 21th Century;
- The role of the ICT of new generation as the Broad Band, Wireless, GIS, Drone etc.;
- Wellness and open air life;
- Guaranteed origin and direct production;

- Discovery and experimentation of a empathetic approach to the territory. Among the New Paradigms we can find:
  - The didactical and social inclusion farms: expanding the provision of service of the farmhouse with the educational farm service could be an opportunity on the one hand to improve cash flow, on the other hand to push a more strong for the creation of a strong culture rooted, especially in young people, to the strategy of sustainable development of the territory. Educational visits can also include direct participation of young people and children for recover the know-how of some of the family farm production such as homemade bread, jams, crafts etc.;
  - Territorial Laboratory: the activity of agricultural enterprise can also be transformed through activities of inclusion, also in an instrument facilitator of social cohesion for individuals more vulnerable and marginalized.

Other new opportunities are represented by: the "farm culture and heritage museums", the training and professional learning, the renewable energy production, the short food chains, the restaurants of local food, the landscape promotion and fruition, the leisure time.

When we take into account of inspiring the activity of Agritourism and Rural Tourism to the New Paradigms and the New Approaches and we try to catch New opportunities that the Territory can us assure, it's possible to create very innovative results in each local area.

This could activate a vital process of transformation of the rural areas which we call the Green Virtuous Territorial Circuit.

In the proposed paper we determined the basic terms, referred above, and provided well-understanding of these terms in order to analyses the state of art, the structure, the major actors and processes of local food chains. To demonstrate the connections and operation of the local food chains we presented examples and case studies from Italy and Hungary. From the point of view of sustainable territorial management the potential advantages of LPLC are diversified: to satisfy consumers needs, the effective utilization of local natural resources, to preserve traditional dietary and food culture, the local gastronomy, and last but not least, to strengthen the local employment, the economic activity and protecting the natural environment.

Sustainable development is the model that is emerging with new paradigms: the demand for an innovative approach for a sustainable vital and sustainable Farm. In the light of its specific characteristics the organization of the modern Local Food Chain , linked in a complementary and related to agricultural activity, is the form that must be privileged because the movement of niche tourism in rural areas is mainly based on the supply of foods and the ecosystem services. The farmers are those that guarantee the continuity of supply of these services. The territory to be understood as an intelligent cognitive system that educates and learning is the cornerstone on which to build this perspective. It is demonstrated that the Territorial Management Agreements, the activation and exploration of good management practices and promotion of the area are the concrete model which can ensure the viability of good quality of life and well being in the rural areas.

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