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The decentralization of agricultural advisory services: the Italian case

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Abstract

The organization on a regional basis of the public Italian Agricultural Advisory Services (AAS) responds both to historical reasons and to the extreme differentiation of the local farming systems, institutional arrangements, and many other contextual factors. In Italy, each Region has its own law and its own policy on AAS, developing 21 different systems with a poor coordination and great regional variety.

The main aim of this paper is to explore the dimension of transparency and accountability of decentralization, considering the ASS governance and the coordination structures. The analysis integrates a literature review with empirical researches conducted through in-depth interviews.

Keywords: Italian agricultural advisory service, Agricultural Knowledge and Innovation System, decentralization.

1. Introduction

In literature and in political discourse there is a growing consensus that designing Agricultural Advisory Services (AAS)¹ on a local basis could be an important prerequisite in devising a system that fits the specific needs and situations. This idea is supported by the theoretical framework that advocates for a shift from a “best practice” or “one-size-fits-all” to a “best fit” approach in the reform of public AAS (Birner, 2006). Decentralization is considered as a precondition to best fit local circumstances (Smith, 2001; Swanson and Rajalahti, 2010). Different policy actors, such as the World Bank or the European Commission, have increasingly become involved in supporting decentralization initiatives across various regions and countries. Decentralization measures in public AAS are expected to improve the efficiency, transparency and accountability in services provision (Smith, 2001). In practice, the effectiveness of decentralization reforms in assuring access to knowledge for a diversity of farmers and rural stakeholders may still be controversial, as mismatch between the decentralization principles on the one hand, and outcomes at field levels on the other hand might have been observed.

A result of decentralization is also a dispersion of administrative and political responsibilities among different levels of authorities, resulting in a more complex and fragmented system. Thus the questions of coordination and governance appear to be extremely important. Moreover in the agricultural sector, both the sources of information and the knowledge needs of farmers are increasingly diversified and complex. This results from various dynamics of the sector, such as the AAS privatization, the emergence of new actors and fields of interest (also related to the multifunctionality of agriculture), the search for a transition towards more sustainable agro-foods systems, the emerging of new regulation and technologies, etc. On the other hand, these trends cause faster processes of knowledge dispersion and fragmentation. For all these reasons the information about who knows what and who knows what to do (*know-who*) becomes increasingly important for the different stakeholders (Lundvall 2003). Consequently, a key challenge in decentralization reforms is to design AAS which governance ensures a transparency about the distributed competences of various organisations (who knows what) and reduces knowledge asymmetries for users.

¹Among the different definitions, we consider the AAS as the entire set of organizations that will enable the farmers and farm labour to co-produce farm-level solutions by establishing service relationships with advisers so as to produce knowledge and enhance skills.

The main objective of this paper is to analyze whether the Italian ASS decentralization reforms meets this challenge. We explore the dimensions of transparency and accountability of decentralization considering the ASS governance and the coordination structures. We assume that the AAS is embedded within the broader Agricultural Knowledge and Information Systems (AKIS)² and consequently we consider in our analysis the AKIS with a special focus on AAS.

Italy is a good example of AAS decentralization realized in full. It is the result of a long historical process following the decentralization of agricultural matters. It was envisaged by the Italian Constitution in 1948, but it was only launched in 1977 (D.P.R. no. 616/77 and 617/77). The decentralization responds to the extreme differentiation of the local farming systems, institutional arrangements, market opportunities, etc.... This variety goes beyond the classic dualisms of North/ South and “beef”/“bone”³. Agriculture is subject to the jurisdiction of 21 Regions and Autonomous Provinces (Trento and Bolzano). Each region has its own Department of agriculture and its own unique organization for research and advisory services. Due to this we can reasonably claim that there are 21 (19 Regions +2 autonomous Provinces) different AASs and AKISs in Italy. Inside each system the services are provided by a diverse range of suppliers (private sector, farmer based organisations, the public sector and other actors such as NGOs or innovation networks) presenting different objectives and organisational patterns. In addition, the national framework is even more complex due to the coexistence of several institutional levels which are responsible for the different AKIS components. States and regions have concurrent competence over the R&D policies. Secondary and higher education establishments are under State control, whilst vocational education is under the control of regional administration. Finally extension, as mentioned, is under regional control. It results that the Italian AKISs involve a huge number of actors, and degree of fragmentation, operating at different levels. In this paper we analyze whether the Italian regions are able to deal with this complex environment and widely dispersed knowledge, implementing programs and mechanisms to ensure coordination among them, and gives more transparency for users about where to find the knowledge they need.

2 Method

This study is carried out within the EU FP7 Project Prospects for Farmers Support: Advisory Services in European AKIS (PRO AKIS). We integrate information from four data sources:

- a literature review, especially about the history of AAS in Italy;
- an online survey on AAS that we implemented with the valuable help of The James Hutton Institute (UK): 205 entities (individuals or organizations) filled out the questionnaire;
- in-depth interviews, with 17 stakeholders including representatives of research centers (Universities and public research institutions), of Farmers’ Unions (Coldiretti and

²The AKIS identifies “the set of agricultural institutions, organizations, persons and their linkages and interactions, engaged in the generation, transformation, transmission, storage, retrieval, regulation, consolidation, dissemination, diffusion and utilization of knowledge and information, with the purpose of working synergically to support opinion formation, decision making, problem solving and/or innovation in agriculture” (Röling 1989).

³It refers to the gap in terms of productivity and modernization, between the agriculture of Northern Italy and the rest of the country. Although the discrepancies between the North and South in terms of income are still apparent, as well as differences in the farming systems between the fertile and productive lowlands and the marginal internal areas, mountainous and hilly. In 1958 Rossi-Doria described the dualism of agriculture in Southern Italy as “la polpa e l’osso” (the “beef” and “bone”). “Beef” represents the modern agricultures insisting on fertile and productive lands, while “bone” includes marginal areas (Rossi-Doria, 1958).

CIA), private advisors, public advisory services and innovation networks (Slow food, Legambiente Campania);

- a survey submitted to all regions in order to gain more information about regional public monitoring of AAS (14 out of 21 regions and autonomous provinces replied).

3. Highlights and discussion

The current organisation and governance of the Italian AAS is the result of a historical process presenting several phases associated with different coordination mechanisms. Such an historical perspective is important so as to better understand the issues related to the decentralization process in Italy. This historical perspective highlights some of the main drivers of the evolution of AAS, such as the heavy dependence on European funds.

According to several experts that were interviewed, it appears a real limit to the decision-making power of the Regions, resulting in a lack of continuity without a coherent medium or long-term strategy.

3.1 The start up of Italian AAS

The actual structure of the public AAS is still strongly influenced by the Council Regulation (EEC) N° 270/79 that sustained the development of agricultural advisory services in Italy thanks to 66 Million ECUs distributed over 12 years. To access these funds regions had to establish their own regional law on advisory services which defined their organisations, actors and subjects. Despite its very slow and problematic implementation, the Regulation (EEC) N° 270/79 has been a corner stone of the Italian AAS. It was the starting point of a great diversification of the regional AAS. However a common framework was defined by the implementation plan of the national committee CIDA (Interregional Committee for Agricultural Advisory) in order to coordinate the Regions' initiatives. The regulation also included the creation of 5 centres for agricultural training: the CIFDA (Interregional Training Centre for Agricultural Advisory) to provide a common denominator for the training of advisors and to facilitate knowledge sharing. Subsequently the AAS have especially been supported by the Multiregional Operating Programmes (ECC Reg. 2052/88 and followed 1989-1993, 1994-1999).

3.2 Looking for coordination

Over the years, each region has followed its own path in the structure of the AAS resulting in a strong regional heterogeneity in the delivery of services (both quantitative and qualitative), which leaves open the debates about the effectiveness of governance mechanisms associated to decentralization.

In 1998, some regions established the *Regional Referents Network of Agricultural Research* so as to improve the coordination of agricultural research systems. This interregional organisation was officially recognised in 2001, and also created a searchable database to disseminate and integrate the regional research.

In 2002, the Regional Referents Network of AAS was established to deal with common challenges and promote the exchange of discussions and experiences. The proposal to merge the two networks is currently under discussion to better coordinate the whole AKIS.

These networks operate under the scientific support of the National Institute of Agricultural Economy (INEA). This research institute has had since 1988 a study group that is specialized in agricultural knowledge systems, combining research activities with scientific support to the

public administrations. Over the years, INEA has played an important role both in producing and facilitating knowledge, and in supporting the diffusion of common scientific and methodological frameworks (exchange of good practices ...).

From 2000 to 2006 the Italian public system experienced a drastic reduction of investment in extension services due to the cut of dedicated European funds. During these years, regions invested €350 million globally in extension systems, which was about half of the total amount invested in the previous five years (Vagnozzi, 2008). This disinvestment was associated with a lack of common national framework. Despite these difficulties, the Regional Referents Network of AAS promoted in 2004-2007 an important project to improve their coordination: the Interregional Program for AAS. It was funded by the Italian MIPAAF (Ministry for Agriculture and Forestry Policy) with 5 million of Euro and it was managed by the INEA, involving 18 Italian regions. The project's objectives were to promote networking and share debates about advisory services (especially about contents and methods), to test new tools and approaches, and to disseminate the best practices. The Regions adopted different attitudes with respect to the Project; some participants invested a high level of human and financial resources and contributed to all the activities, some others invested less, with an occasional participation, while others showed a complete lack of interest and involvement. This project was characterized by cumulative effects and institutional path dependence; as either «virtuous circle» or a «vicious circle» appeared. Those regions with a better organized and successful AAS system took a very active role in the project achieving the best results. They promoted learning process and co-production of knowledge, adopting relevant innovations that improved even more the regional extension system. On the contrary, the regions that had greater difficulties and organizational delays were also less active and obtained fewer benefits from the Project (Giaré and Caggiano 2008).

3.3 The current phase

Recently, the national framework is becoming even more complex, due to the greater pluralism and also privatisation of Italian AAS, with new players emerging as well as different organisations/configurations of the traditional actors. The Rural Development Regulation (EC) No1698-2005, supporting the Farm Advisory System (FAS), has given new impetus to Italian advisory system. FAS "*aims at helping farmers to better understand and meet the EU rules for environment, public and animal health, animal welfare and the good agricultural and environmental condition*" (European Commission, 2010). Setting up of a FAS is compulsory for Member so as to support farmers in implementing cross-compliance. As established by the 2003 CAP reform, cross compliance links direct payments to compliance of farmers with basic standards concerning the environment, food safety, animal and plant health and animal welfare, as well as the requirement of maintaining land in good agricultural and environmental conditions (GAEC). FAS aims at helping farmers to better understand and meet the EU rules for cross-compliance. Each Member State can freely define its FAS and choose whether to support it through the EU Rural development fund. In Italy the Regions are the authority responsible for setting up the FAS. Consequently, there are 21 regional FAS with different organisational frameworks, including different source of funding.

The FAS implementation gives a clear example of how the lack of effective governance affects the AAS transparency. The FAS implementation in some regions has occurred extremely late (and in different cases is not yet complete) and the EU funds which have been spent are much lower than what was initially planned. The lack of a national framework provoked a multiplication of effort and a weakness of the regional administrations also in EU

negotiations. Each regional FAS is individually programmed, although some regions used the Referents network of advisory services to organise and coordinate their actions. In addition, in many regions the private professional orders take legal action against the regulation for accreditation. They felt penalized respect to the farmers based associations by the criteria for accreditation regarding experience, training, bureaucratic procedures etc, which effectively excluded access to EU funds for private organizations.

In this case *decentralization* did not bring greater *transparency* in the definition of institutional frameworks but improved the lobbying efforts of groups favored by knowledge asymmetries.

4. Conclusions

The complexity of the Italian AKIS requires particularly effective governance instruments, working at different levels. Instead, as is clear from the interviews, the diverse AKIS components are typically separate entities which are not well connected, lacking structures or pathways to bridge the gap between them. Different legislative and operative frameworks, and even different technical languages, divide AAS. Only in a few cases, at the regional level, there are formal mechanisms to connect research and advisory services planning.

From our analysis it results that decentralization suffers from a number of weaknesses, including poor coordination, gaps and overlaps in programs and projects, duplication of efforts and limited funding. Moreover, the AKIS governance lacks of a global vision, shared strategic objectives and plans (existing only for specific components, such as in some regions or for the research programmes of the Ministry for Education, University and Research)⁴. Decentralization measures in public advisory service are expected to improve the transparency of service providers, but this is not the case of Italian AAS. Although some positive experiences (such as the e-platform of Veneto Region, etc.), in general the Italian AKISs suffer for a lack of *systematic knowledge about the agricultural knowledge system*, including the absence of common databases about the services delivered and the ongoing research, a systematic collection of information about "who does what", etc. This knowledge is necessary and crucial to improving the system and for supporting the policy makers.

It is currently undergoing a process of drastic reduction of public spending for AAS, research and education, with indiscriminate cuts of human and technical resources⁵. These measures have further compromised the quality of services offered and have meant that the main problems of the Italian AKIS have not been addressed, while according to the interviews the most critical aspect is the absence of effective and inclusive governance.

⁴ Interestingly, in theoretical and political discourses, and also in many dedicated regional laws, agricultural extension, research and education have, for many years, been considered an integral part of the "services for agricultural and rural development" system or more recently "agricultural knowledge system". This idea proposes that advisory services are not only an integral part of AKIS, but could also be a tool to go beyond the problems of the singular farm to include the broader development aims of the rural communities. However, the experts interviewed suggested that this idea has never been put in practice.

⁵ An exemplary case is the ARSIA (Region agency for agricultural development and innovation) suppression in Tuscany, which took place in 2011 without the creation of any alternative option. The Tuscan Regional Administration absorbed the ARSIA employees, assigning them to other tasks, predominantly bureaucratic activities, losing experiences, relationships and investments accumulated over the years. In spite of its deficiencies, the Agency in the past played an important role in linking policy, research and extension.

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