

Supportive business environments for rural innovation: inspiration from the RUBIZMO initiative

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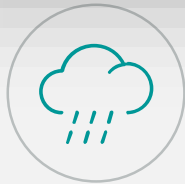


New rural dynamics opportunities

RUBIZMO believes that rural economies are ripe for change:



New technologies and forms of collaboration amongst actors and sectors



Growing acknowledgement of biodiversity and climate change mitigation



A new wave of entrepreneurial and economic activity fueled by the bio-economy, agri-tech, tourism and more...





New rural dynamics challenges

However, rural economies face numerous challenges that significantly impact their activities including:



Global competition



Automation



Changing markets



Environmental challenges



ICT connectivity



Skills & talent development



The Rubizmo Approach

Rural development along the “urban rural continuum”

For the opportunities to be fully exploited, rural entrepreneurs and networks need



Assistance in defining the good practice business models and understanding business environment



Support to cultivate fresh business ideas



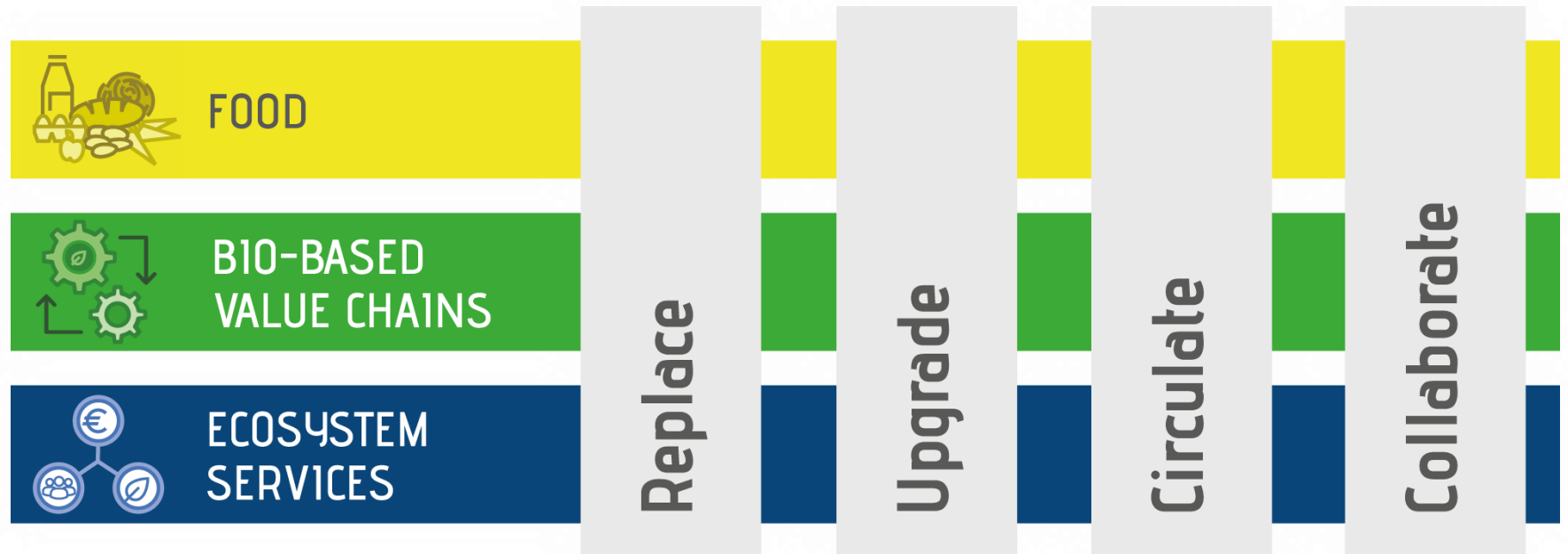
Well connected and supportive networks



The Rubizmo Approach

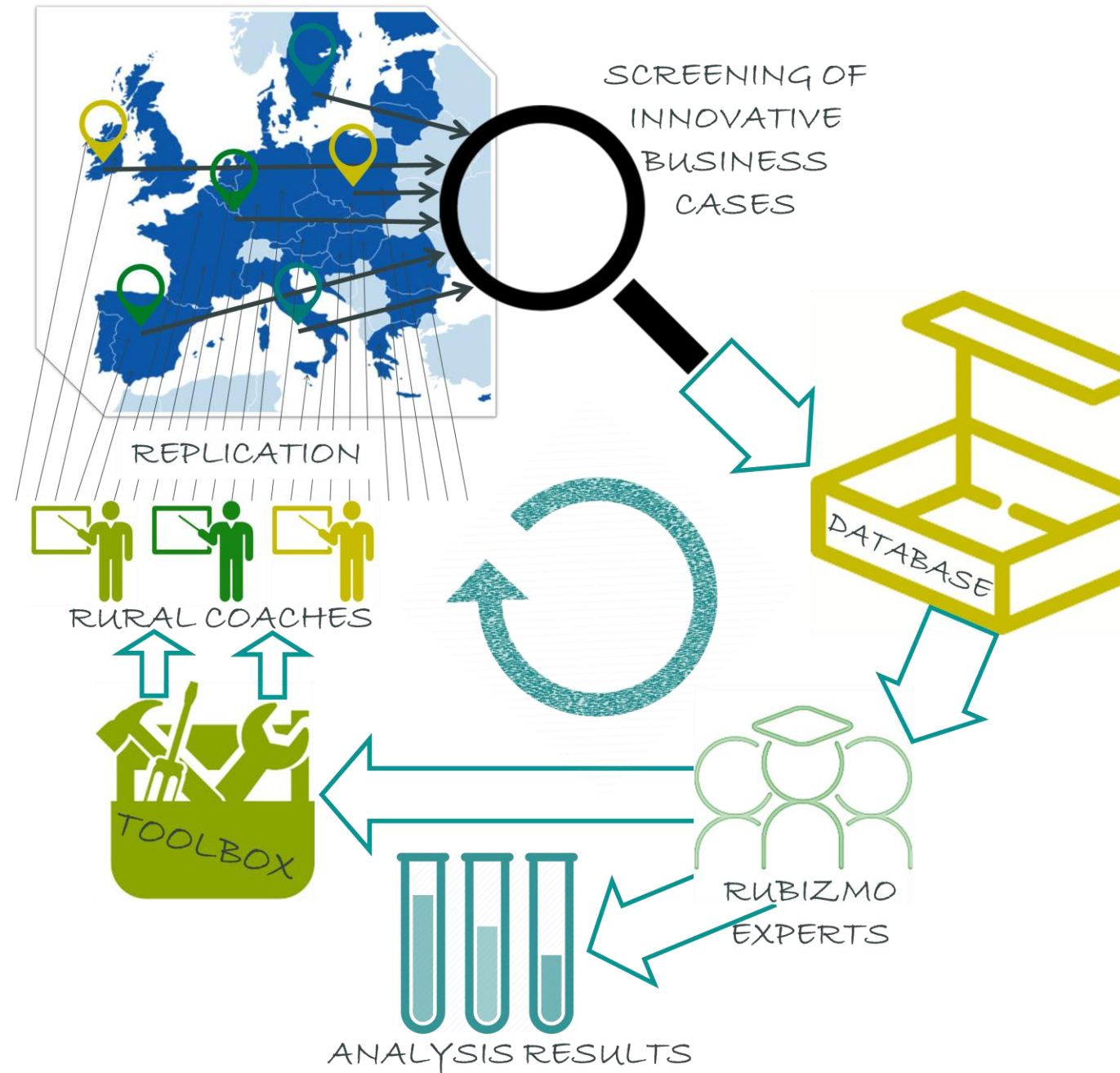
3 key sectors

RUBIZMO's matrix approach identifies multiple ways for rural entrepreneurs to develop and enhance their business models - from full-scale re-invention to quick win modifications





Working together to create impact for rural businesses and communities





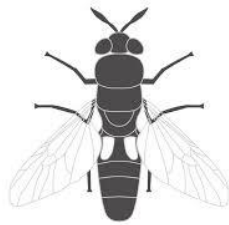
Exemplary Business Case: Hermetia (Germany)



The business case

The enterprise aimed to fill the growing protein demand of the growing population

- Development of technology and innovation
- Create strong network with various stakeholders



Hermetia



The business model

Created by two brothers in 2006

Producing protein rich insects, black soldier flies (*Hermetia illucens*), to substitute the protein in beef.

Mainly for animal feed (dog and fish).



Impact



- Creation of over 50 jobs in rural areas and beyond



- Reduction in meat consumption



- Revitalizing rural areas through economy growth and 'rural hotspots'



Exemplary Business Case: Oleicola el Tejar (Spain)



The business case

Integral use of olive by-products by chemical extraction of the oil contained in olive pomace to produce renewable energy

- New technology and innovation for the valorisation of olive pomace
- Combined with water saving system
- Future objectives: become 100% circular with diversification of products and use of combustion ashes from olive pomace as fertiliser



The business model

Cooperative model created by young professionals with a university degree in 1967

Economies of scale achieved through the absorption of other cooperatives in the sector



Impact



- Supporting job creation and growth in rural areas with 250+ partners



- Production of renewable energy and waste reduction



- Social collaborative model supporting higher living standards in rural areas



Exemplary Business Case: Stephan Henry (Belgium)



The business case

Installation of a **biomass** fired boiler using **miscanthus** and **flax waste** to replace the fuel oil heating system

- Autonomous heating system using renewable energy to heat the farm and its dependencies (castle, stables, offices, etc.)
- Benefits of miscanthus plantation on local biodiversity
- Creation of added value from sensitive areas unsuitable for agricultural purposes



The business model

Energy produced for own consumption to replace 32.000 liters of fuel oil per year and become more independent

Energy autonomy to support the development of other activities (tourism, drying of fodder, cheese making)

If other biomass boilers were to be installed in the region, miscanthus could also be sold, generating additional revenues for farmers



Impact



- €24.000 of savings in fuel oil each year. Return on investment in 7 years.



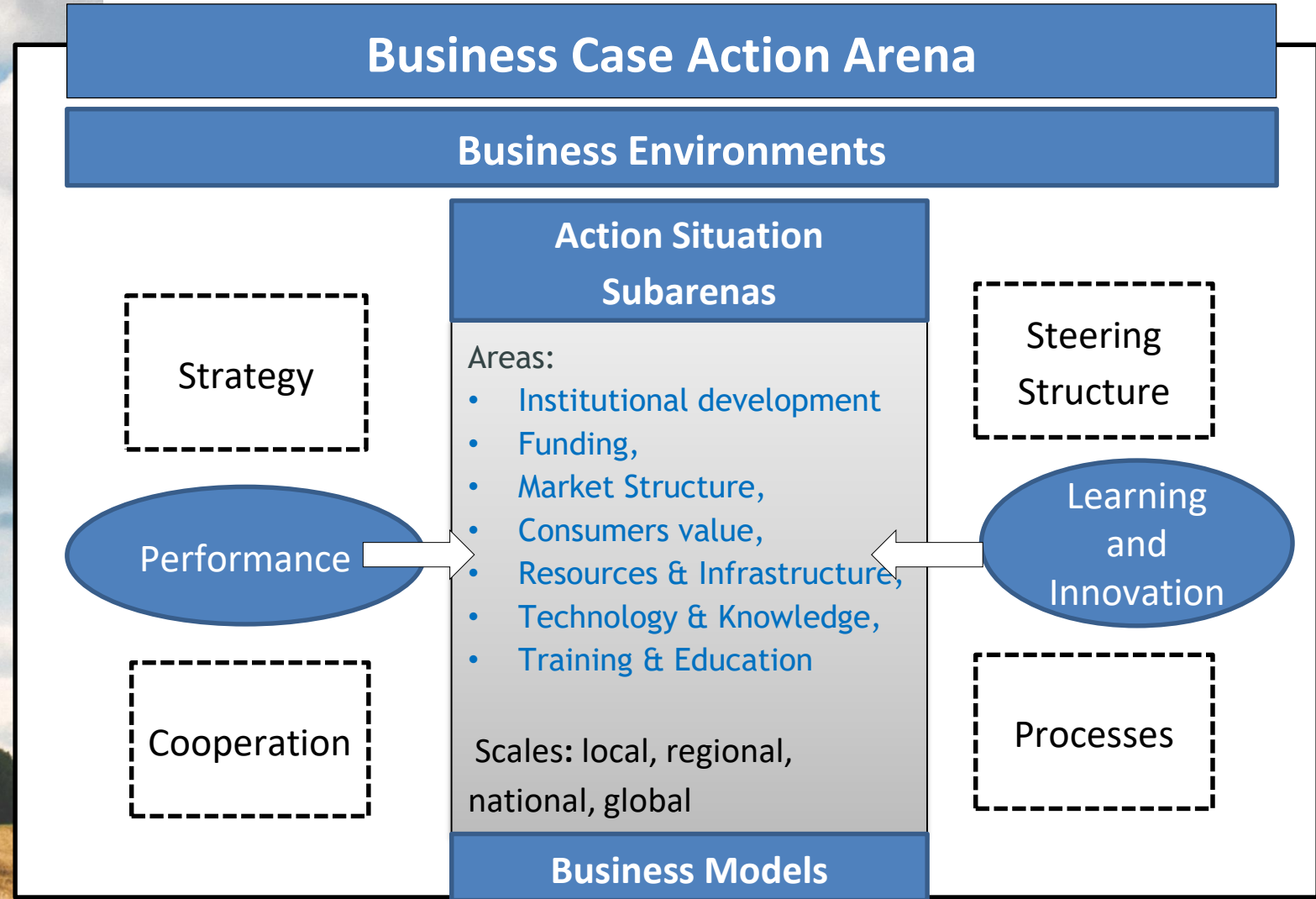
- Replacement of fuel oil by renewable energy sources



- Energy autonomy for local farmers and development of new business activities



Business Environment



Business Environment Framework : Adamseged & Grundmann (2018)



Business Environment

Institutional development

- Complex and dynamic legislations
- Lack of legislation for new products and services at various level (regional, national and EU level)

“Everything which is not allowed is prohibited” Firm#75

- Long process to get approval
- Awareness of various level of public agents and stakeholders



Business Environment

Consumers value

- Consumers value for bio-based products, ecosystem services, local and seasonal products
- (Level) awareness among the society and stakeholders
 - Demand for products and services
 - Volunteer
- Cooperatives, clusters and firms with strong networks have a better position to create awareness



Business Environment

Market structure

- High competition from big companies and conventional products and services
 - Sometimes even take over their business model
- Depends on awareness among the society and stakeholders
- Nature of the product (less competition for innovative products and services)



Business Environment

Technology and knowledge

- Access depends on:
 - The size of the firm,
 - Network they able to create,
 - Association they are member in &
 - Nature of the business.
- Most of the knowledge are related to market development or creating marketing strategies
- The support for technology and innovation are very limited



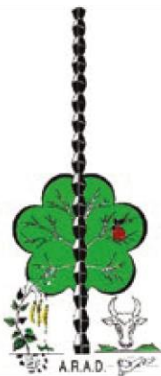
Business Environment

Concluding remarks

- Business environment is dynamic
- Creating networks, clusters or cooperatives
- Awareness creation among different stakeholders
- Limited areas of support



Partners



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Thank you