

Agriculture and Rural Development Committee

Research on Rural Economic Diversification

CYMAD, as a rural development company has been active in the rural development field since 1996 and like the other members of the Welsh Leader Network has gained practical experiences on the needs and opportunities of our rural communities.

Marketing and Adding Value:

In order to answer the question 'What can be done to assist the development of high value new products and services, branding and joint marketing initiatives a number of factors have to be noted.

- * Need to acknowledge the need to sub-divide the agricultural industry in order to avoid the over-dependence on a limited range of commodities in particular red meat.
- * Need to acknowledge that there are no 'quick fixes' and that the development of products and new services should be a long-term development.
- * It takes at least 3 years to develop a project from an initial concept to actual existence.
- * Need to build upon the natural strengths of an area e.g. What products are available? What manufacturing base already exists e.g.: Creamery, Slaughter House etc. Is there an opportunity to develop a cluster of activities in a particular area?
- * The wider agricultural sector needs to accept the principle of pluriactivity rather than see it as a negative concept.

In having those principles in place then the following actions can be undertaken.

- * Provide financial resources in a similar manner as the 'Rural Development Grant' than could be accessed to undertake initial research work.
- * Assist with market research. This is consistently the weakest element in any research.
- * Ensure an easy structure/fast track for projects that show potential in their initial feasibility study to be able to get easy access to resources to develop the project further rather than being faced with a bureaucratic bidding process.

- * The Assembly and its partners should acknowledge the work that is already being undertaken and avoid duplicating efforts.
- * Organisations and agencies close to the communities should be utilised to undertake the development work.
- * That the Assembly and its partners while making the best use of public resources, are ready to take risks and support projects that are innovative.

Examples of Local Projects:

Biff Llyn – an enterprise of 160 farmers adding value and local processing of beef.

Cynnyrch Gwynedd – 6 farmers growing vegetables and developing local supply chains.

Croeso Cader Idris – Farm Tourism group in South Gwynedd.

Bio Fibres Ltd – Establishment of a flax and Hemp decortification plant at Caernarfon.

Cosywool – development and marketing of new products from wool.

All their projects have developed from the Gwynedd Leader 2 programme. If we are to enhance employment opportunities through rural community development initiatives then we need to build on the work that is being done. Leader is a EU programme for a specific period of time.

The Assembly should consider the establishment of a Welsh based initiative based on the Leader model. It could invite bids on the basis of a programme of activities and could be utilised to either build upon the Leader programme in same areas or to plug the gap where Leader does not exist.

Without a doubt the need and opportunity exists and at present such an integrated rural development programme could utilise Objective 1 funds as matching funds to enhance the overall available resources. Such a package could also be a useful tool for the newly established rural unit in the Assembly.

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