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## **Social Innovation and Networks in Rural Territories: the case of EPAM**

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### **Abstract**

The paper presents a case study related to the production of medicinal and aromatic plants in rural territories within a conceptual and methodological framework focused on social innovation and networks. The case study presents specificities that allow the debate on methodologies and approaches aiming the promotion of rural development of territories with structural problems such as desertification. The concepts operationalized in order to understand these realities and problems offer interesting potentialities in the discussion of the challenges and design of solutions to overcome the main problems of rural territories.

**Keywords:** social innovation, networks, rural territories, ADCMoura, Baixo Alentejo

### **1. Introduction**

The linkage between social innovation and territorial development has been established in the literature (Estensoro, 2015; 2016; Bellemare & Klein, 2010; MacCallum et al, 2009). But extant research focus mainly on urban territories and, therefore, there is a gap in the analysis of social innovation in rural territories, their specific problems and challenges (Ferreiro & Sousa, 2017).

This research applies the concept of social innovation and the methodology of social network analysis to the case study of EPAM project (Entrepreneurship in the value chain of medicinal and aromatic plants in Portugal), which started in 2011 and aimed the promotion of development of the medicinal and aromatic herbs sector. The EPAM project is led by ADCMoura, a Portuguese Association of Local Development located in a very low-density region - Baixo Alentejo. EPAM is presented as a social innovation envisaging economic and rural development across several European countries. Networking, research, dissemination, and training, constitute the tasks of a 'collaborative methodology' and a 'strategic and innovative platform'. The project establishes a network of collaboration between different sectors and actors (public, private and non-profit) in the value-chain of aromatic and medicinal herbs. These networks convey and promote social capital.

The paper uses the case to critically discuss: i) the role of social innovation in the development of rural territories; ii) the network arising from the project and its importance to rural development.

## 2. Social innovation and rural development

Rural development corresponds to one central issue in political and scientific agendas within European Union. The importance of agriculture in the European project is expressed by the institutional and political centrality of Common Agriculture Policy (CAP), namely in budgetary terms. The sectorial bias has been gradually transformed in a more territorial view; the *rural* is no more synonymous of agriculture. Nevertheless, farmers continue to be key actors in rural territories in terms of control of natural resources (e.g. land) and other material and immaterial assets such as knowledge involved in food production, a strategic and central economic activity regarding food safety and sustainability. According to Dax & Fischer, "While many experts ask for sustainable urban development as priority action in the adaptation strategies, the contribution of rural regions to sustainable approaches should not to be underestimated. Rural regions have particular features in terms of innovation and have specific potential to kick off the discussion on the feasibility of post-growth trajectories" (Dax & Fischer, 2018, p.219).

The paradigm shift towards a territorial perspective in rural development research and public policy involves the consideration of local resources and skills and, therefore, the reflection on the way to take into account local specificities and skills envisaging sustainable paths of territories. As point out by Dax & Fischer, "The concepts for rural development have, therefore, turned increasingly towards making use of the specific local assets and presenting diversity of regions as a valuable feature and not an obstacle that future regional activity should seek to overcome" (Dax & Fischer, 2018, p.219). The concept and the practices of social innovation, in its dimensions of mobilization of local resources and the empowerment of communities, constitute a fundamental tool within this political and analytical framework.

Research on social innovation can be considered as a tool of transformation of spatial relations (MacCallum et al, 2009, p.12) in the context of territorial development. In fact, and territorially speaking, social innovation takes place also with the transformation of place-based social relations improving governance and decision-making forums, but also "the reproduction of place-bound and spatially exchanged identities and culture. [...]. Social innovation is quite often either locally or regionally specific, or/and spatially negotiated between agents and institutions that have a strong territorial affiliation" (Idem, ibidem).

According to Bellemare & Klein (2010) the role of territory in the dynamics of innovation, as well as in regulation and governance of societies, remained unknown until recently. However, and according to the same authors, "after some years, we discover the territory, and this happens not only within the privileged scientific areas of, and for example, geography, spacial economics or urbanism [...] but also

in other areas such as sociology and economics [...]” (Bellemare & Klein, 2010, p.2); and “the territory emerges as an important analytical dimension, in such a way that Pecqueur (2006) mention a territorial shift within a world economy” (Bellemare & Klein, 2010, p.2).

The evolution of the ‘role of the territory in the analysis of societies’ was developed within the planning and scientific realms and knows important milestones with the utopian socialists of the XIX century (e.g. Fourier, Owen and Kropotkine) as well as Marshall and ‘industrial districts’. Thus, the territorial dimension was central in the proposals envisaging communitarian and solidarity values as well as in the analysis of socioeconomic dynamics and developments started with the industrial revolution (industrialization and urbanization). The functionalist and territorialist paradigms represent completely different views on territory and its development. The 1970’, with the economic crisis, give rise to the valorization of local/endogenous resources and the respect for local and communitarian identities. Important steps took place by the concept of social innovation in the approaches to these realities and new models of development, namely public policies and the ‘new role’ of the State. Therefore, current debates on social innovation represent new developments of a previous debate started in Europe some decades ago in the XX century.

The debate on social innovation within official institutions (OECD and EU) involve the presentation of definitions: there is social innovation “whenever new mechanisms and norms consolidate and improve the well-being of individuals, communities and territories in terms of social inclusion, creation of employment, and improved quality of life. Social innovation aims to respond to new needs that are not addressed by the market, and which may encompass conceptual and organisational aspects, and changes in the relationships between communities and respective territories.” (OECD, 2010); ‘social innovations’ are social in both their ends and their means: “Specifically, we define social innovations as new ideas (products, services and models) that simultaneously meet social needs (more effectively than alternatives) and create new social relationships or collaborations. In other words they are innovations that are not only good for society but also enhance society’s capacity to act” (European Commission, 2010, p.33).

Within academy we find different and several definitions for social innovation. According to Chambon, David and Devevey (1982), a milestone in this debate, “social innovation signifies satisfaction of specific needs thanks to collective initiative, which is not synonymous with state intervention” (in Moulaert, 2009, p.13), and “can occur in different communities and at various spatial scales, but is conditional on processes of consciousness raising, mobilization and learning” (Idem, *ibidem*, p.13).

Networks are vital to social innovation. Firstly, social innovation is often produced in collaboration processes with people and organisations from the civil society who are engaged in finding an answer

to a social problem (Hulgård, 2010). Social innovation involves the interaction multiple stakeholders (Spear & Hulgård, 2007). Moreover, networks provide resources for the social innovation process. Both organisations from the local community and from other geographies provide important tangible (e.g. financial resources) and intangible resources (e.g. trust and legitimacy), namely in rural areas (Muller & Korsgaard, 2018; Richter, 2018; Vestrum, 2014; Steinerowski & Woolvin, 2012; Evans & Syrett, 2007). Networks with non-local actors can be very useful to gain and diffuse knowledge, to attract resources that are not available within the locality and to scale-up social innovations. Therefore, networks related to social innovation tend to gather different actors from different geographical scales.

The case under analysis (section 3) provides a good example of the potentialities and role of networks in the mobilization of local and non-local resources in order to develop entrepreneurial activities in a particular sector (medicinal and aromatic plants).

The revision of literature presented in this section allows the identification of the following analytical dimensions envisaging the case study related with networks of aromatic and medicinal herbs developed in different rural territories and presented as a social innovation initiative: 1. the importance of local resources in territorial development projects; 2. the role of networks in the promotion of social innovation; 3. the promotion of new relationships between communities and territories through social innovation.

### **3. Social innovation and networks in rural territories: the case of EPAM**

ADCMoura is a non-governmental and non-profit organization founded in 1993, inspired by the principles of local development, social and solidarity economy and equal opportunities. Its main goals are: to contribute to the economic competitiveness and innovation in rural and vulnerable territories; to preserve and value natural and cultural assets; to raise environmental awareness through education; to defend the equal access of all citizens to social, educational, health and cultural services; to push for social cohesion and citizen's participation. It is settled in the county of Moura, in the Portuguese southern region of Baixo-Alentejo, very low-density region.

Over the 25 years of its existence, ADCMoura has acquired experience and competences in areas as diverse as community animation, intervention with disadvantaged social groups and ethnic minorities, environmental education, support to companies and entrepreneurship, training, network facilitation, among others. ADCMoura is a member of several national and international organisations and networks in social, entrepreneurial and rural development thematic areas, being the most relevant related to the economic value chain of Medicinal and Aromatic Plants (MAP).

EPAM - Entrepreneurship in the value chain of medicinal and aromatic plants in Portugal (<https://epam.pt>) - is the name of a project led by ADCMoura started in 2011 and supported by the National (Portuguese) Rural Network Program. The initiative continued after the project's end in 2013, and was developed further through new partnerships and activities. It has enabled the development of a consolidated methodology and a set of tools to support the development of the MAP sector, acting at the levels of network animation, research and provision of information, training, promotion (both at national and international levels) and representation. It has been contributing to a strategic and innovative networking ecosystem, at the service of the stakeholders in the sector. Therefore, the EPAM case study, considered in this research, includes a permanent, strategic and widely-participated work for the sustainable development of the MAP sector in Portugal started, denominated by "EPAM process" (<https://epam.pt/o-projecto-o-processo/>) where several funded projects have been implemented, involving organisations from different countries:

- MEDISS - MEDiterrané Innovation Senteurs Saveurs (MED) | 2009-2012 (FR, IT, PT)
- ADLA - Actions for the Development of the Great Lake Alqueva, in which ADCMoura is a partner, with a cross border intervention linked to the promotion of the "Scents & Flavors" network of the Lands of the Great Lake Alqueva (POCTEP) | 2012-2015 (PT, SP)
- Training for the Production of Aromatic and Medicinal Plants (PRRN) | 2014-2015 (PT)
- Several funded (ESF) vocational training courses and courses for entrepreneurs (in partnership with MAP farmers) | since 2009
- Herbartis - Adult training on handicraft production of medicinal and aromatic plants (Erasmus +) | 2015-2017 (SP, PT, IT, FR)
- Inov@sfleiras (PDR2020) | 2017-2019 (PT)

More than a hundred activities on topics related to MAP were organized in the framework of these projects and other occasional opportunities, including Local and National Meetings of MAP Producers, Workshops, Seminars, Technical Visits, Shows, Working Groups, Promotion Activities in Portugal, France, Italy, Spain, England, Germany and Belgium, totalising more than 3 thousand participations of stakeholders of the sector. Due to the success of these initiatives ADCMoura / EPAM was invited to join the Mediterranean network CEDDEM - Center d'Etude et de Développement Durable Euroméditerranéen ([www.ceddem.org](http://www.ceddem.org)), the European association EUROPAM - European Herbs Growers Association ([www.europam.net/](http://www.europam.net/)) and the Portuguese network CCPAM – Centro de Competências das Plantas Aromáticas, Medicinais e Condimentares (Competence Centre on Aromatic, Medicinal and Condiment Plants), to which ADCMoura presides at the moment. Recently, in November 2017, the EPAM's animation methodology and tools integrated the list of good rural development practices presented in AGRICULTURE INNOVATION SUMMIT Lisbon.

Considering the above-mentioned projects, the EPAM's network was reconstructed (Figure 1). For each project the partners were identified and characterised according to two dimensions: the type of organisation (reflected in the colours of the nodes) and the geographical scale (reflected in the shapes of the nodes). For the type of organisation, eight categories were considered: MAP producers belonging to the EPAM network (in pink); other MAP producers (in purple); other enterprises (in blue); organisations from the education, science and technology sectors (in yellow); public entities including local authorities (in red); associations for local development (dark green); and non-profit organisations (light green). For the geographical scale, three levels were considered: Portuguese organisations (circles); European organisations (squares), non-European organisations (triangles). The size of the node is proportional to the number of participation in EPAM projects.

Figure 1 – EPAM network

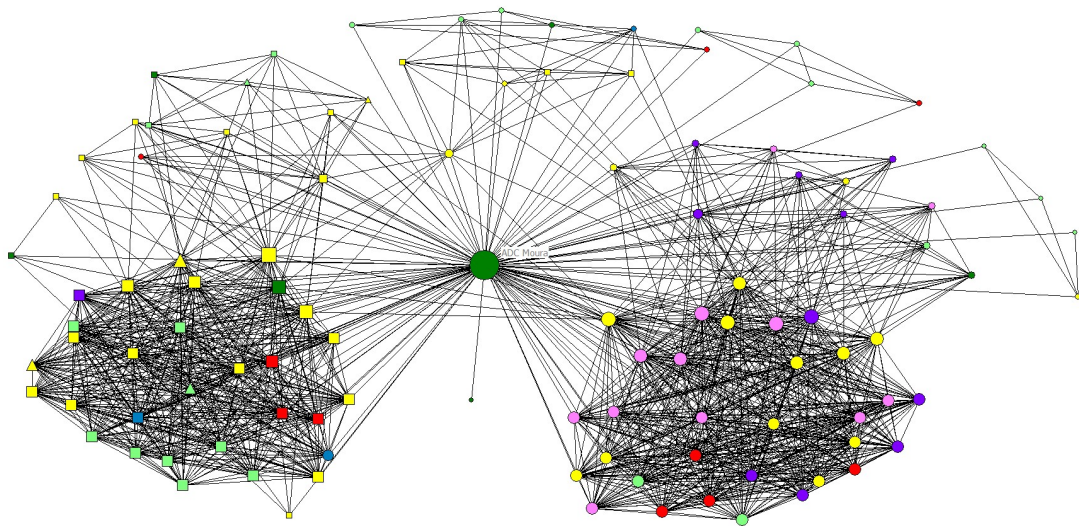


Figure 1 reveals the multi-actor, multi-scale nature of the network that supports this social innovation. MAP producers are embedded in an ecosystem that includes all sorts of stockholders, public and private, commercial and non-commercial, local and foreign. The network also reveals a certain divide between national and foreign organisations, due to the fact that, beyond ADCMoura, which is present in all projects, most projects only mobilise national or international organisations. This fact, gives ADCMoura, which is a local development association, the opportunity to transfer knowledge and best practices from and to different geographical scales, enabling to replicate and scale-up the EPAM's social innovation.

Other and important results are expressed by network analysis and complemented by other sources of information (e.g., site of ADCmoura). First, ADC Moura appears as the centre of the network establishing a clear division between national and international entities/partners. However, some

national entities interact also with international players, namely in education, scientific and technology sector. In fact, these entities constitute an important player in this network, expressing the importance of interactions with universities and other scientific and technological actors within the development of the sector. European entities are central at this realm; secondly, EPAM is a network-based project, enabling the constitution of other networks through the different, and diverse, activities developed through time (e.g., training, workshops, field visits); this aspect is visible in the networks established by different players in national and international context; it also worth to mention the fact that this network was promoted by other, national and public, network (Rede Rural Nacional, National Rural Network, an initiative of the Portuguese Government (Ministry of Agriculture)).

Thus, network design corresponds to a central methodology in EPAM case from its start (Government initiative) and main steps of evolution, namely the recognition of EPAM as a best practice envisaging the promotion and development of other local products and their value-chain. The photos illustrate different dimensions and dynamics of the project EPAM (training, field trips, conferences/dissemination, exhibitions of the products of the value chain).





Source: <https://epam.pt/o-projecto-o-processo/>

## Conclusions

The presentation of EPAM as a network-based approach to the development of local products corresponds to one of the dimensions that explain its reference as a social innovation project. Other important aspects involve the participation of diverse stakeholders (players of the sector, such as enterprises, universities and other education and scientific entities) and the development of different activities that contribute to the development of the sector. This case corresponds to an interesting case within the literature of rural development considering the mobilization of local resources, knowledge as well as different players through the value-chain. The integration of these diverse activities and players is made through a tissue of connections in national and international contexts. However, the bridging between national and international levels is not clear. The network was

designed with the collaboration of a governmental department of the Ministry of Agriculture and is polarized in ADCMoura, the most important actor and the main driver of the network. The case of EPAM offers interesting insights to the debate and reflection of rural development dynamics, namely the importance of central public players and funding and the role of local development associations in the promotion of innovation and exploration of local resources and knowledge (scientific and non-scientific-tactic) and practices. The constitution of EPAM as a best practices case is also pertinent and deserving further research.

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