

NWFP Cost Action FP1203

Workshop on mushroom (including truffles) regulating policies
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Wild mushroom policies: lessons learnt in Italy

Davide Pettenella & Enrico Vidale



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Outline

- Policy priorities in sector regulation
- Law framework: rights on the right place?
- Market changes: from product to service (and to multi stakeholders approach?)
- Taxation & bureaucracy
- Lesson learned

Slides can be downloaded from the web (search "Pettenella")



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- Market changes: from product to service (and to multi stakeholders approach?)
- Taxation & bureaucracy: reasons of 95% of the informal market
- Lessons learnt

Focus on property rights regulation and taxation

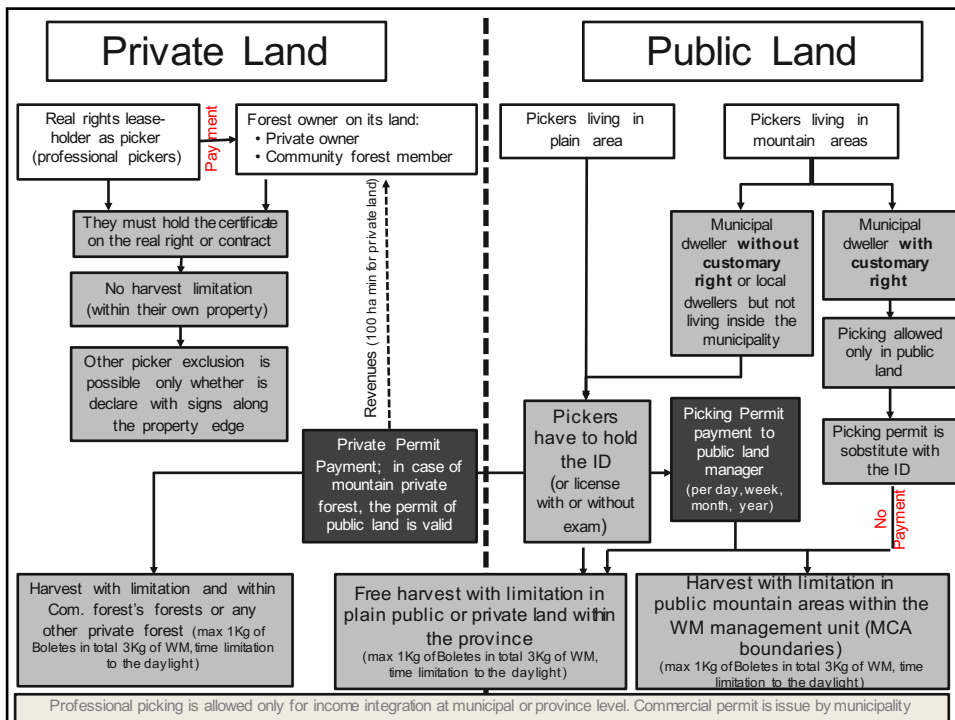
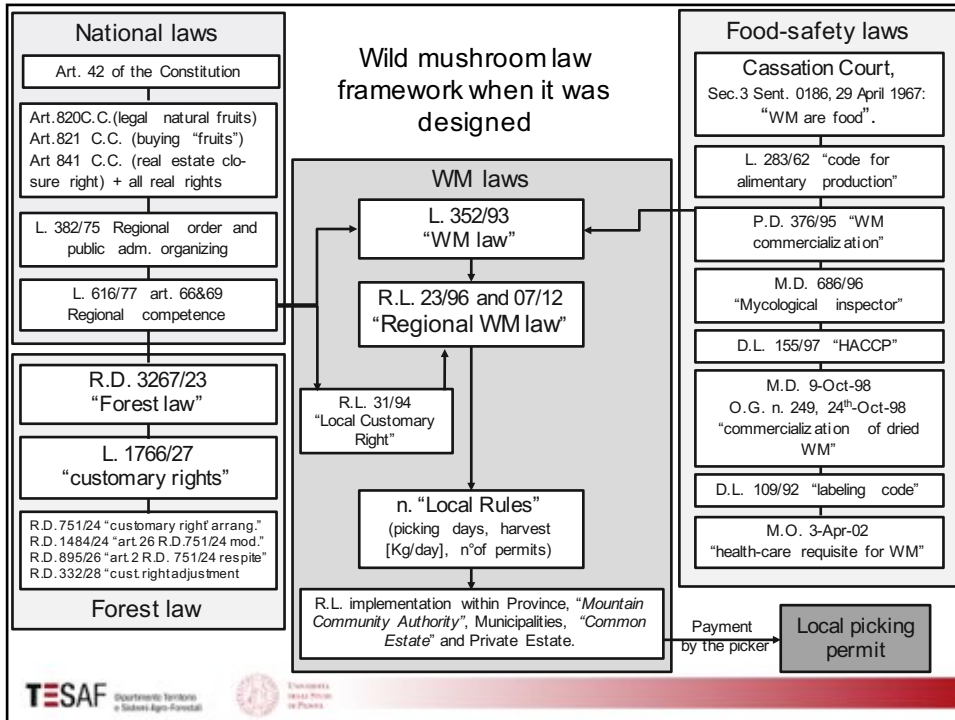
- Two priorities which correspond to the need of **maintaining and reinforcing the traditional system of command and control** of the forestry sector (to protect and control instead of promoting)
- **Less focus** on increasing **supply** (micro-silviculture) and, till the recent past, to WM as a source on green (rural, natural, eco-, ...) **tourism** → **less focus on promotion**

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Law framework

- The definition of property rights should always be way to **avoid conflicts** between forest owners and forest users
- Property rights are a politically sensitive topic and with **potentially remarkable impacts** (positive or negative) on the **market** and on the **consensus building** process
- **Consultation** of key stakeholders is common, though there are informal/unrepresented categories that have **weak representative power** (and are almost ignored).



Law framework: comments

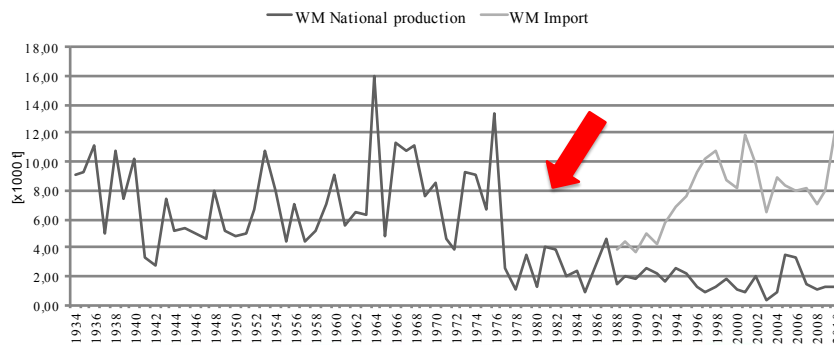
- Quite **complex law** framework: **decentralization** and adaptation to **local stakeholder's** needs and expectation
- Power re-distribution issues:
 - Quite a lot of effort to **allocate the property rights to the forest owners**, but only in large (public) forest; owners can get money from the management of WM though the implementation of a permit system.
 - **Local inhabitants** were granted more advantages than outsiders; **recreational pickers** received more attention than commercial pickers (see their respective advocacy power)
- No much attention given to the issue of **transaction costs** (information of the users, control systems, permit fee collection, ...)

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Market changes

- Welfare growth (more money to spend and higher free time)
- Changes on custom code
- High demand for recreation based on WM and at the same time high demand of WM (at cheaper price)
- Complex bureaucracy for producing WM in Italy

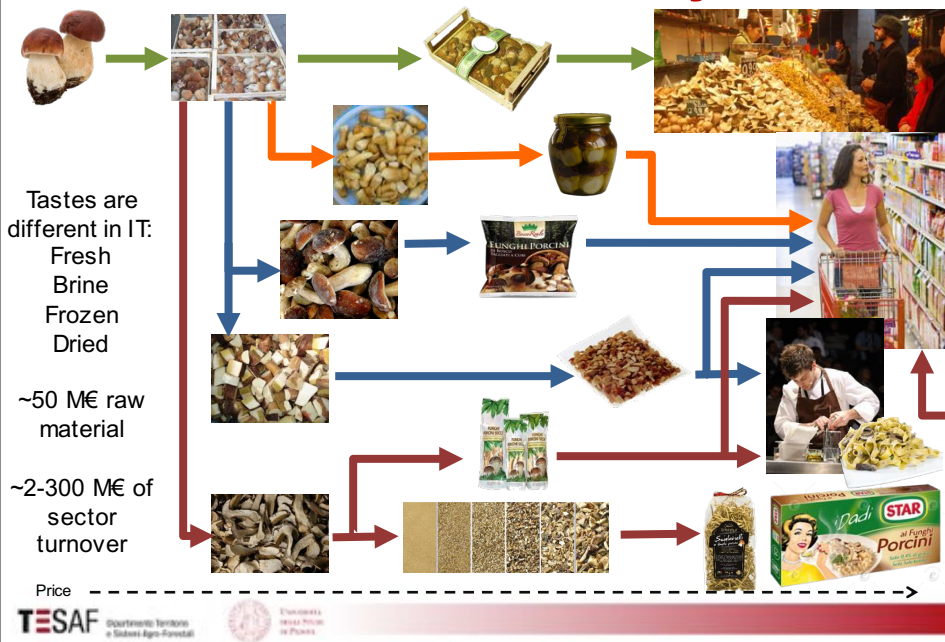


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Source: ISTAT (2012), EuroSTAT (2012) modif.

WM market today



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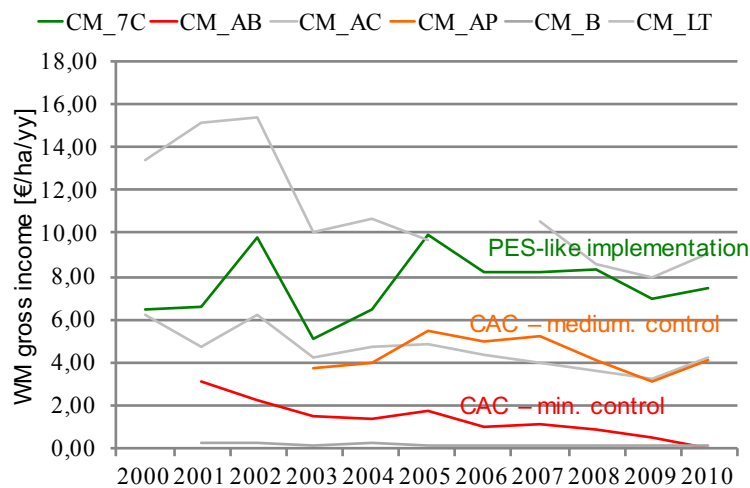
Recreational WM picking

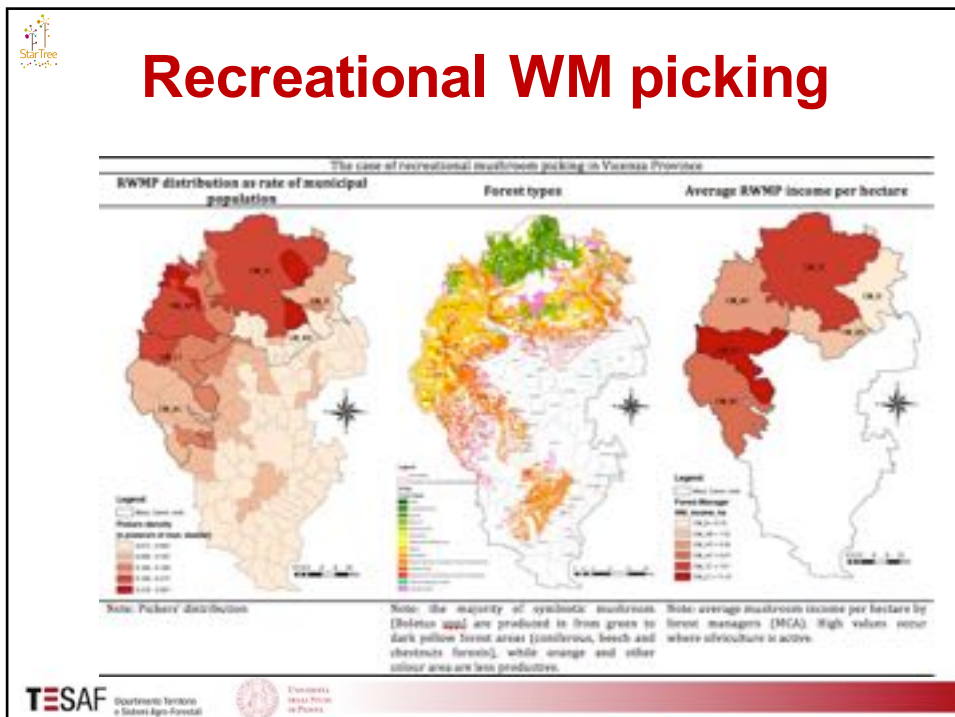
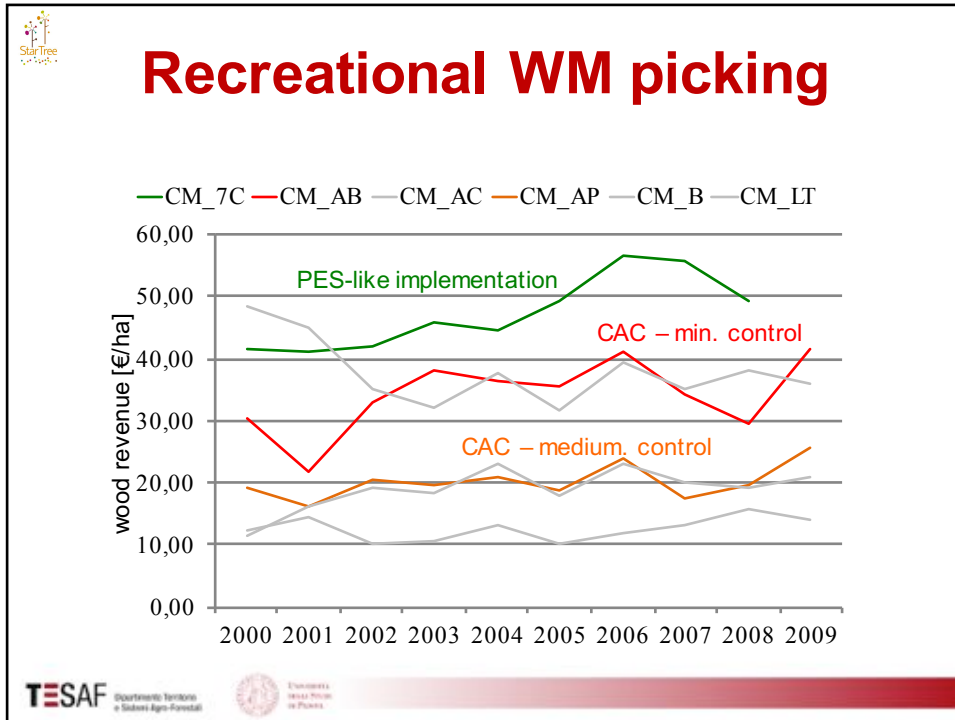
Price is functional to the chance you have to pick and the probability you have to be caught without permit (control). Three approaches with the same WM picking permits price (price defined according the local purchasing price of 1 kg of bolete at picker level → 8€/dd/person). Three approaches:

- Command and control (CAC) → minimal control
- CAC → medium control
- PES-like → active forest management + control of WM collection demand
 - Picking permit price based on the annual demand and forest WM provision
 - Need of demand and supply assessment



Recreational WM picking





Recreational WM picking

Economic results:

- Annual **revenue** from WM picking in the province **0.2-0.6 M€/yy** (**high variability** linked to the summer rainfall)
- Approximately **35-140.000 recreational pickers** (over 95% stay half day)
- **~70.000 formal** recreational pickers in the Province of Vicenza
- The forest owners were **remunerated**, the pickers (almost) happy with limited control ...

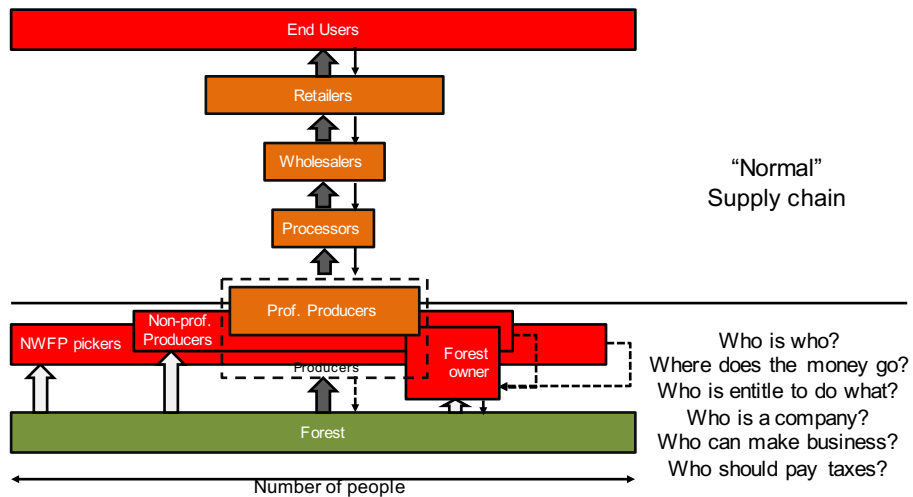
BUT!

- Only **2-3 companies purchasing** locally (a limited amount at high price)
- **Informal market** to supply restaurants
- Limited added value

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Are there any problem?



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Lessons learnt from our experience

- **Overestimated role of forest owner** (often having small and sparse land parcel). Before reforming property rights on WM, **ALL the stakeholders should be considered**, especially those ones that create added value
- The **added value creation** should be the target of policy makers (not the protection of land rent): both directly (WM market), than indirectly (tourism)
- **Balanced approach**: regulation + promotion, giving more attention to transaction costs, e.g.:
 - **self control by local pickers** better than by public guards
 - **no imposition of mycological control** on the WM supply: the responsibility should give only to the last step of the supply chain