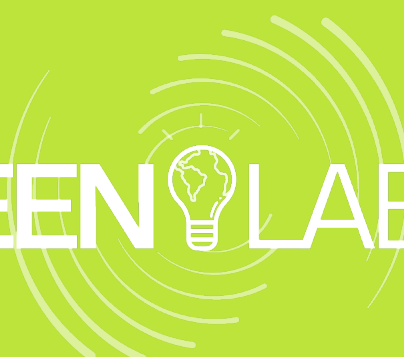


GOVERNANCE & BUSINESS MODEL FOR LIVING LABS



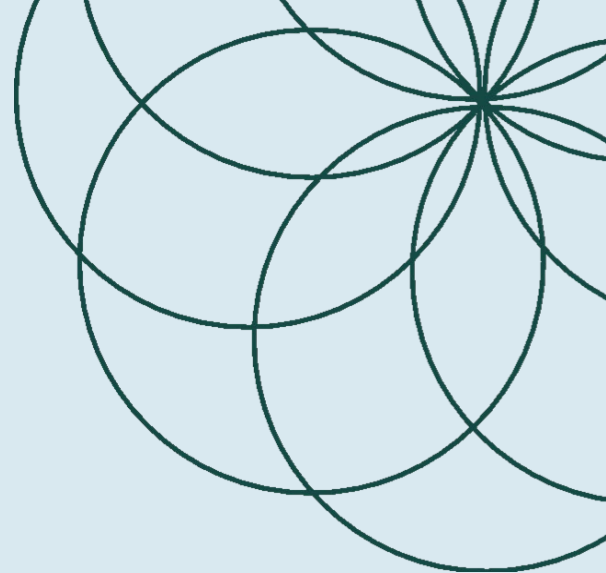
Co-funded by the
Erasmus+ Programme
of the European Union

A graphic consisting of several concentric white circles on a green background, with a lightbulb in the center. The lightbulb's filament is replaced by a map of the African continent.

GREEN  LABS

10-NOV-25





Governance and business models for living labs: Rural regeneration hubs for tackling soil health challenges in the Mediterranean region.

Potential Business Model for Hubs



**Funded by
the European Union**

Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Research Executive Agency (REA). Neither the European Union nor the granting authority can be held responsible for them.

Project funded by

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Confederaziun svizra

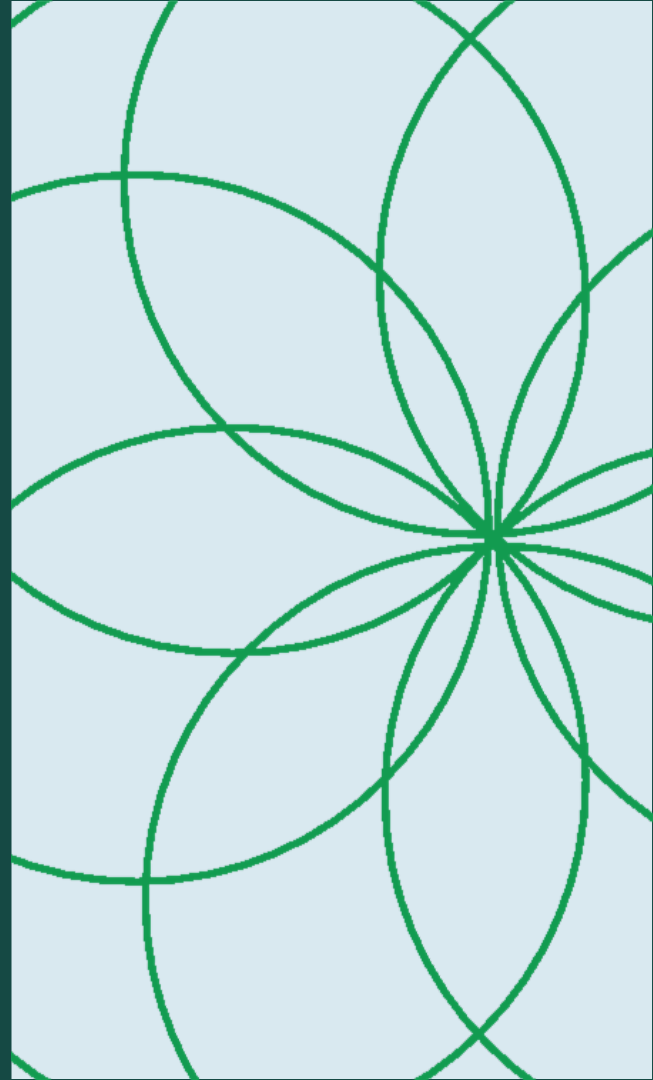
Swiss Confederation

Federal Department of Economic Affairs
Education and Research ERK
State Secretariat for Education,
Research and Innovation SERI

This work has received funding from the Swiss State Secretariat
for Education, Research and Innovation (SERI).

Table of Contents:

01 Introduction to Deck	p. 3
02 Retaining more of the upstream value chain	p. 4
03 Ecotourism	p. 16
04 Transition Finance	p. 24
05 Creating a test farm	p. 32
06 Sharing machines, equipment, infrastructure	p. 37
07 Regional brand & cooperative schemes	p. 45
08 Carbon credits	p. 51



Introduction to this Deck

This slide deck introduces potential business models for agricultural living labs.

Many of these models offer something inherently valuable that is difficult for just one farm or organisation to implement alone. The enabling and multi-stakeholder approach of living labs allows them the potential to bring such models into existence, offering critical value-added services to key stakeholders while generating sufficient revenue to sustain the living lab's operations.

These slides serve as a high-level introduction to these different models. We will go into further detail in the coming months and in our 1-1 mentorship sessions with the living labs.

Please note: Not all possible business models are likely to have been captured in this deck. If you identify one or more that are interesting for your living lab but have not been mentioned here, we encourage you to bring this into the workshop at Consortium Meeting 2 in Guadix!

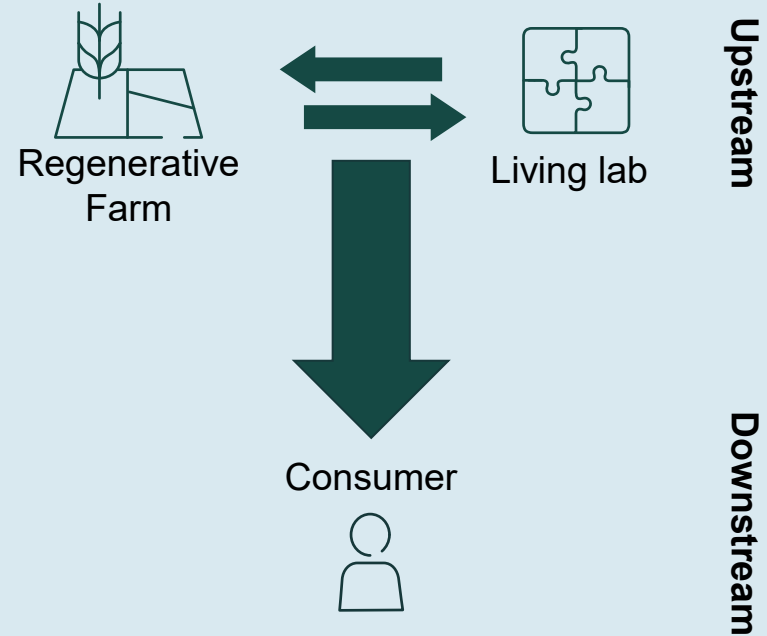


RETAINING UPSTREAM VALUE CHAIN



Retaining Upstream Value

A regenerative farm (or set of farms) can retain more upstream by increasing control over the processing, marketing, and distribution of its products.



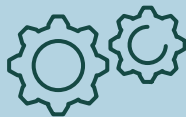
How to Retain Upstream Value

CREATING INPUTS



Sourcing on-site or via living lab

LOCAL PROCESSING



Processing products directly on-site or via living lab

CREATING PRODUCTS



Creating products rather than only supplying crops

DIRECT SALES



Localized consumer base via regional connections



Creating Inputs



Resources produced directly on -site or in collaboration with a living lab rather than relying on external suppliers. This reduces costs, while increasing resilience to fluctuating prices and suppliers.

Pathways

Examples of what Living Lab would Develop

Pathway 1 (Seeds)



Seed Bank

Pathway 2 (Fertilizers)



Large Scale composting, ecological fertilizer production

Pathway 3 (Equipment)



Drone and sensor sharing scheme



Example: Creating Inputs

Le Domaine de Bouteville, France

Natural Fertilizers - The farm produces high-quality natural fertilizer without needing to purchase commercial fertilizers and herbicides by:

- Cover Cropping
- Composting
- Manure management

Seed Saving and Propagation - Saving seeds from resilient plant varieties enable the farm to produce crops better adapted to local conditions and minimize costs associated with buying new seeds.



More Information [Here](#)



Local Processing

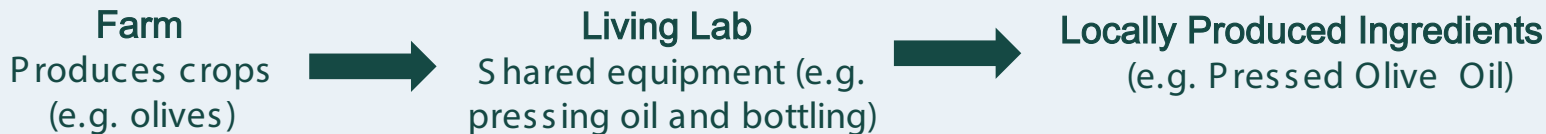


Processing goods for sale on-site or in collaboration with a living lab. By selling a finished product rather than a raw one, farmers can capture a higher share of profit and control quality and environmental standards.

Note: Overlap with inputs if one incorporates niche crops to create these products

Pathways

Examples of what Living Lab would Develop



Example: Local Processing

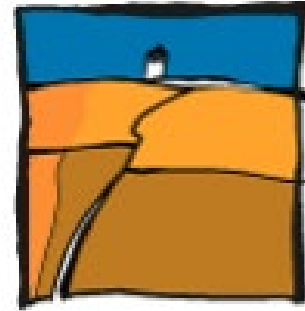
Hofgut Oberfeld, Germany

Dairy Processing

- **Onsite Dairy Products** - Fresh milk, yogurt, cheese, and butter are processed from the farms pasture-raised cows
- **Artisanal Cheeses** - A variety of artisanal cheeses are aged and packaged onsite, giving them a unique identity and enabling premium pricing

Bakery and Grain Milling

Fresh Bread and Baked Goods - Harvested grains are milled onsite and used in their bakery to make fresh bread, pastries, and other baked goods



Hofgut Oberfeld
Landwirtschaft AG

More Information [Here](#)



Creating Products



Processing goods for sale on-site or in collaboration with a living lab. By selling a finished product rather than a raw one, farmers can capture a higher share of profit and control quality and environmental standards.

Note: Overlap with **Processing** if one creates final products for direct sale

Pathways

Examples of what Living Lab would Develop



Example: Creating Products

La Fageda, Spain

La Fageda produces a wide range of dairy products made from their pasture-raised cow milk, such as:

- Yogurts and probiotics (natural, fruit-flavored, and Greek-style)
- Custards
- Ice cream
- Desserts

As well as **Jams and Marmalades** from fruits grown on the farm



More Information [Here](#)



Direct Sales



Selling products directly to consumers or businesses (i.e. without wholesalers, distributors, etc.). This approach allows farmers to capture a larger portion of the sale price, increasing profit margins.

Networks and Premium Pricing opportunities:

- **Farmers' Markets**
- **E-commerce Platforms**
- **Community Supported Agriculture (CSA)** - subscription model (consumers pay upfront for regular deliveries of farm produce)
- **Local Partnerships** (such as local restaurants, etc)
- **Membership Programs** - member discounts, access, or events
- **Certification -Based Pricing** - Organic and regenerative certifications
- **Eco-friendly packaging**



Example: Direct Sales

Dehesa El Milagro, Spain

Dehesa El Milagro is a regenerative farm that integrates a "living lab" approach - collaborating with researchers, agronomists, and farmers.

- E-commerce
- Dehesa el Milagro Website (online store)
- Physical stores Located in:
 - Ayala market
 - Chamartín market
 - El Corte Inglés
 - On-site (farm itself)

Key Feature: branded label for partner products that align with their ideals, sold on their platforms
GOV4ALL



More Information [Here](#)



Challenges and Benefits

Key Challenges

- **Initial Capital Investment** - One of the significant risks is the high cost of implementation (e.g. facilities, training etc)
- **Market Access** - Without strong distribution networks or partnerships, it may be hard to scale operations or reach profitable markets
- **Logistics and Planning** - Ensuring smart logistics, workflows, and planning can be challenging depending on the model chosen. Shared infrastructure can take a while to get right.

Key Benefits

- Higher profit margins
- Increased control of:
 - a. Quality
 - b. Environmental impact
 - c. Branding/marketing
- Reduced dependency on intermediaries
- Enhanced market differentiation
- Opportunities for premium pricing



Living lab level Example: Fattoria la vialla (Italy)

[Link for approval](#) (hard to read)





Examples



Living Lab:
Hub:

Living Lab:
Hub:

ECOTOURISM



Ecotourism

Ecotourism is a form of tourism that promotes, educates and attracts sustainable traveling practices (socially, environmentally etc). Agricultural Ecotourism is usually a combination of interactive experience and accomodation. **Branded storytelling** is key when marketing agricultural ecotourism.



Experience -based

Visitors engage in hands-on agricultural activities and learn about sustainable farming practices. This includes food & cultural based experiences.



Accommodation -based visitors stay on a farm and experience sustainable agricultural life.



Experience -Based Ecotourism



Visitors play an active role:

- Interactive Tours
- Harvesting, planting, animal feeding
- Arts and crafts
- Food and material processing (e.g. cheese-making)
- Systems management (e.g. composting)
- Farm to table dining
- Cooking Classes + tastings
- Educational Programs (e.g. trainings and workshops)



Challenges and Benefits

Key Challenges

- **Liability and Safety** - Managing risks with visitor involvement in farm activities
- **Seasonal Constraints** - Limited activity availability depending on crop cycles
- **Resource Demand** - Increased labor & infrastructure to accommodate visitors

Key Benefits

- **Revenue Diversification** - Additional income
- **Economic Benefits for Rural Communities** - Consumer foot traffic
- **Education** - Increases public awareness of sustainable practices
- **Brand awareness** - Consumer support for local sustainably farmed products (green market)
- **Community Engagement** - Preservation of local cultures and traditions (e.g. cultural immersion) of farming practices and cuisine



Accommodation -Based Ecotourism



Visitors play a more passive, leisurely role:

- **On-Farm Lodging** - Cabins, rooms, eco-lodges, or farmhouses equipped for overnight or long term stays (e.g weeks/months)
- **Local Food Experiences** - Farm-to-table meals
- **Leisure Activities** - Relaxation areas, nature trails, and scenic spots for guests to unwind



Challenges and Benefits

Key Challenges

- **Infrastructure Investment** - High initial cost to set up comfortable, eco-friendly lodging
- **Regulatory Compliance** - Meeting health, safety, and zoning laws for accommodations

Key Benefits

- **Extended Visitor Engagement** - Allows for deeper connection with farm life and practices
- **Increased Revenue Streams** - Generates income from accommodation fees, meals etc.
- **Brand Awareness/marketability** - Attracts eco-conscious travelers
- **Community Engagement** - Cultural exposure of farming practices, sustainability, and cuisine



Example: Ecotourism (Farm Level)

Podere Il Casale, Italy

Regenerative farm - Podere Il Casale avoids monocultures, uses sharecropping, and employs regenerative methods like crop rotation, organic fertilizers, etc. Notably, this farm is diversified (i.e., both livestock and crops).

Ecotourism and Farm Experiences

- Farm Tours and Workshops
- Cooking Classes
- Tastings
- Seasonal and Cultural Events
- Farm-to-Table Restaurant

Branding and Storytelling - Emphasis on Quality and Tradition



More Information [here](#)



Example: Ecotourism (Farm Level / Living Lab Esq.)

La Junquera, Spain

Regenerative Practices - La Junquera practices holistic land management to restore degraded land, emphasizing water retention, biodiversity, and soil health.

Visitor Experiences

- Tours
- Workshops
- Immersive educational programs for visitors and researchers

Key Feature:

Educational Hub - La Junquera has partnered with the regenerative education platform Ecosystem Restoration Camps, offering intensive courses

Marketing - strong/diversified digital presence, with storytelling of history, community, and sustainability

GOV4ALL



More Information [here](#)



TRANSITION FINANCE



Transition Finance

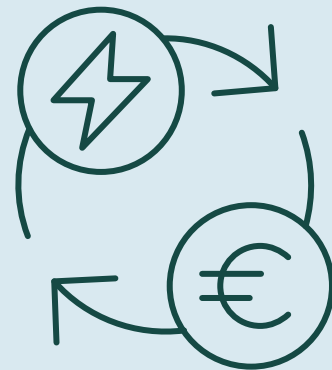
Funding specifically designed to help farmers transition from conventional farming practices to regenerative, sustainable methods

These initial investments address upfront expenses related to:

- Equipment
- Infrastructure
- Income Support (in case of unstable/lower yield during transition)
- Educational Training
- Market Access (stakeholders may have relevant entry networks)

This funding may come in many forms:

- Flexible Loan Repayments
- Grants
- Subsidies



How to Start with Transition Finance

Transition finance involves multiple steps including:

- Developing a transition plan
- Identifying financing mechanisms
- Creating a financial model
- Mapping potential financing sources
- Understanding risk and return profiles of potential financiers
- Establishing a governance framework for relevant decision-making
- Understanding gaps and needs of most relevant financial stakeholders
- Adapting a monitoring framework

We have outlined 3 of these steps for you to understand a bit further what this could look like.



1. Develop a Transition Plan

- **Baseline Assessment** - Start with an assessment of current farm conditions to set measurable goals and engage with transition financiers
- **Financial Forecasting and Cash Flow Planning** - Project revenues, costs, and cash flow over the transition period to identify funding need (e.g. estimating yields)
- **Phased Implementation** - Detail implementation of regenerative practices via timeline - delineated by expected impact on productivity and income

This enables the farm to adjust and scale successfully



2. Identify & Secure Financing

- **Transition Loans** - Specialized loans from banks with flexible repayment terms, interest-only periods, or delayed repayment schedules to accommodate income fluctuations during the transition
- **Government Grants and Subsidies** - governments may provide grants and subsidies for transitioning to regenerative practices
- **Impact Investments** - Many impact investors are interested in supporting regenerative agriculture, often with patient capital models that expect returns over a longer period
- **Crowdfunding and Community Financing** - Farmers may raise funds through community-supported agriculture (CSA) models or crowdfunding platforms



3. Adopt a Monitoring Framework

- **Progress Tracking** - Set measurable milestones, such as soil organic matter levels, biodiversity improvements, or yield targets, and monitor progress regularly to report to funders and stakeholders
- **Impact Reporting** - Regularly report on social, environmental, and economic impacts, (e.g. soil health, reduced emissions, local community benefits etc).
 - This builds trust with investors and ensures continued support



Example: Transition Finance (Living Lab level)

Biocoop Transition Program, France

Supports farmers transitioning to organic and regenerative practices by providing:

- Multi-year financing
- Technical assistance
- Market access

As a result, this model emphasizes financial flexibility of gradual regenerative transition



More Information [Here](#)



Example: Transition Finance (Living Lab Level)

Biocoop Transition Program, France

Key Features

- **Phased Transition** - Farmers start transitioning parts of their farm, adopting practices (e.g. cover cropping) supported by technical advisors from Biocoop
- **Market Access** - Biocoop provides long-term purchase agreements for organic products, ensuring stable income
- **Financial Support** - For both infrastructure improvements and working capital during the transition
- **Progressive Certification** - Farmers can achieve organic certification after three years which Biocoop markets under its organic label, offering premium prices



More Information [Here](#)



CREATING A TEST OR DEMONSTRATION FARM



Regenerative Test Farms

This model includes a farm dedicated to demonstrate, experiment with, and refine regenerative farming practices.

This business model combines research, education, and production, generating revenue through diversified income streams while serving as a proof-of-concept for sustainable practices.

These income streams could include similar ones to those mentioned in the rest of this document, including retaining upstream value of products and goods that the farm produces, etc.



How to Start with a Regenerative Test Farm

Creating a regenerative test farm involves multiple steps including:

- Defining objectives and scope
- Securing land & initial funding
- Establishing infrastructures & systems
- Implementing pilot regenerative practices
- Diversifying revenue streams
- Refining business model

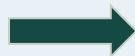


Revenue Stream Examples

Pathways

Education

On-Site Workshops
Field Days/tours
Online Content



Living Lab Role

Can play the role as a host. Also works as an information centre and can pool marketing resources.

Research Partnerships

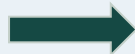
Funding
Technical support
Publicity/network



Increases resources and exposure.

Product Sales

Direct-to-consumer



Centralized store and online platform - can also establish subscription models. Products can be further diversified by combining products from other farms (in general can help to retain upstream revenue).



Example: Test Farm (Farm Level)

Huxham's Cross Farm - Apricot Centre

Research and Development Farm - Conducts trials on regenerative practices, focusing on soil health, biodiversity, and agroforestry

Diverse Revenue Streams

- Product sales (fruits, vegetables, honey)
- CSA memberships
- Eco-tourism
- Educational programs (training/workshops)

Partnerships and Grants - Collaboration with local councils, universities, and environmental organizations for funding and technical support



More Information [here](#)



Living lab level Example: Grand Garten (Austria)

[Link for approval](#)



GRAND GARTEN



SHARING EQUIPMENT & INFRASTRUCTURE



Regenerative Test Farms

Not all equipment is used all the time. Sharing machines, equipment, and infrastructure enables multiple farms to access essential resources at a **reduced cost**, **increasing operational efficiency** and **lowering barriers** to regenerative practices.

This model operates on the principle of **pooled resources**, **cooperative ownership**, or **rental systems**, allowing small to medium farms to use **specialized** equipment without the burden of full ownership costs.

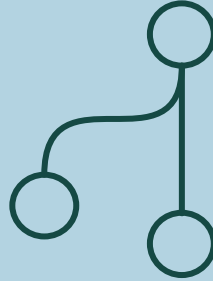


Ownership & Access Models

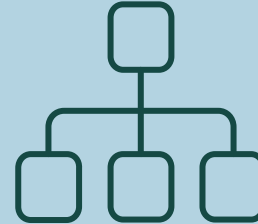
COOPERATIVE
OWNERSHIP



RENTAL/ LEASING



SUBSCRIPTION-
BASED



Cooperative Ownership Model



Farmers collectively purchase and own equipment, dividing costs and sharing maintenance responsibilities. Ownership may be determined by contributions, and usage may be scheduled to ensure equitable access. Resources can be pooled in a centralised way or be mobile (routinely moved).

Farm

Produces Olives

Living Lab



Jointly-owned equipment (e.g., for pressing oil and bottling)



Rental or Leasing Service

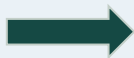


A third-party organization (e.g., cooperative or private company) owns the equipment and rents it to farmers as needed. Fees are typically structured based on time or usage.

Farm

Produces
(e.g., Olives)

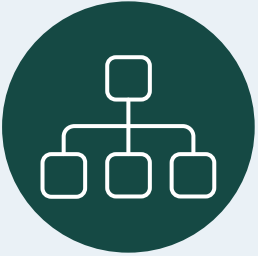
Living Lab



Can rent or lease equipment (e.g., for pressing oil and bottling)



Subscription - Based Model



Farmers pay a monthly or annual fee to access equipment and infrastructure as needed.

Farm

Produces
(e.g., Olives)

Living Lab



Shared subscription equipment for pressing oil and bottling



Challenges and Benefits

Key Challenges

- **Scheduling Conflicts** - High demand during peak seasons can create scheduling issues
- **Maintenance Costs** - Shared machinery experiences wear and tear more quickly - maintenance fees and dedicated mechanics can mitigate this risk, but relies on trust of transparency, accountability, and competency

Key Benefits

- **Reduced Equipment Costs** - Shared ownership and maintenance reduce individual costs, making advanced machinery accessible to small and medium-sized farms
- **Enhanced Adoption of Regenerative Practices** - Entry to regenerative farming and its benefits is financially accessible
- **Community and Skill -Building** - Members learn from each other and support the growth of sustainable agriculture. This may include educational workshops to help farmers operate and maintain equipment efficiently, reducing misuse and maintenance costs.



Example: Sharing (Living Lab Level)

CUMA (Coopérative d'Utilisation de Matériel Agricole)

CUMA is a network of agricultural cooperatives of specialized regenerative equipment located in France with 11,000 cooperatives and over 200,000 members nationwide

Cooperative Ownership

Each CUMA cooperative is **jointly owned** - Farmers pay a membership fee and a usage fee, which is calculated based on the equipment's maintenance costs, purchase price, and usage frequency

Equipment is distributed via **Centralized & Mobile** equipment pools



More Information [here](#)



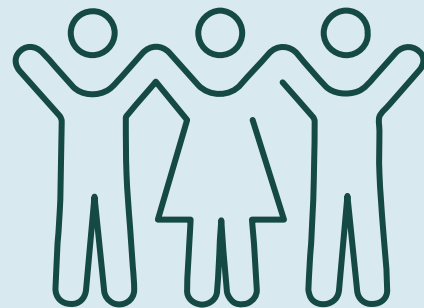
REGIONAL BRAND & COOPERATIVE SCHEMES



Regional Brands and Cooperative Schemes

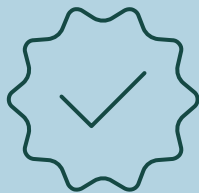
Regional brands for agricultural associations are collective brands representing products from a specific region - emphasizing tradition, **quality**, and in this case: **sustainability** .

Often managed by non-profit associations, cooperatives, or agricultural groups, these brands create a **shared marketing platform** for small and medium-sized producers.



Key Components

BRAND



Brand Identity
& Labeling

QUALITY STANDARDS



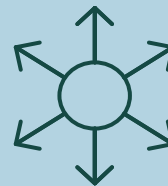
Quality Standards
& Certification

MARKETING & PROMOTION



Marketing
& Promotion

NETWORKS & COMMUNITY



Distribution Networks
& Community
Engagement



Key Components Breakdown



Definition:

- Distinct brand name, logo, or label that visually conveys the region's essence (e.g., traditional symbols)
- Parmigiano Reggiano's brand conveys premium quality, tradition and Italian pride.



Setting and maintaining high quality through certifications like Protected Designation of Origin (PDO) or Protected Geographical Indication PGI

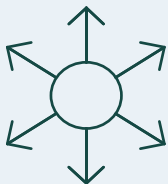


Key Components Breakdown



Definition:

Collective marketing initiatives target local, regional, and sometimes international markets, highlighting authenticity, quality, and in this case sustainability



Distribution Networks - Local retail partnerships, farmers' markets, online sales, and, in some cases, distribution to urban or export markets

Community Engagement - Activities that educate consumers and local stakeholders on the brand's value and the benefits of local consumption



Example: Regional Brand/cooperative Scheme

Alimentos de Segovia

Business model Framework

Regional brand and cooperative initiative established by the Diputación Provincial de Segovia to promote and support local food producers. The initiative encompasses a diverse range of products, including meats, dairy, wines, honey, baked goods, and preserved vegetables, all produced within the Segovia region.

Key Success Factors

- Diverse product range
- Unified brand identity
- Commitment to quality and sustainability
- Access to resources and training
- Effective promotion and marketing: active participation in trade shows, food fairs, and regional events, along with various promotional campaigns



CARBON CREDITS

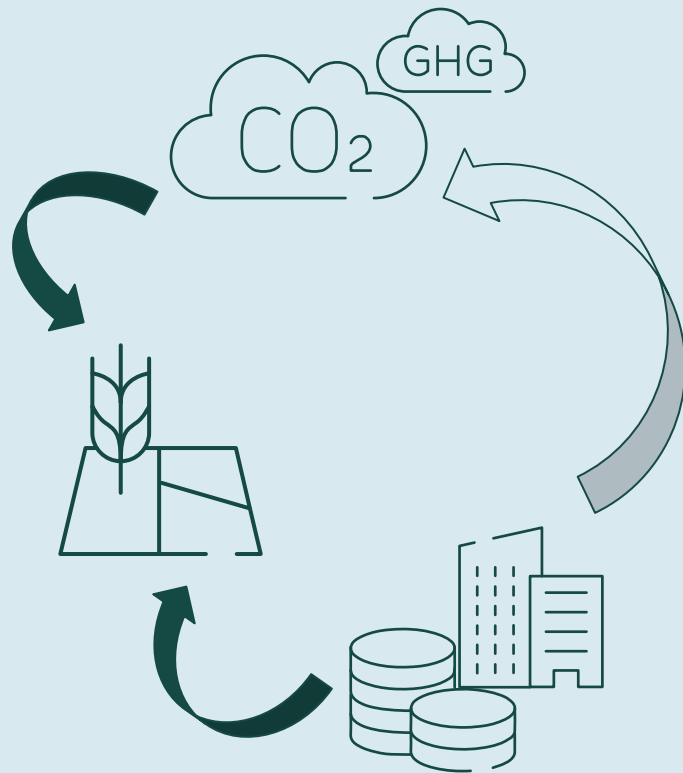


Carbon Credits

Carbon credits are a tradable, monetized metric of reduced, avoided, or removed CO₂ emissions.

This **market-based** approach incentivizes environmental protection and sustainable management while generating revenue for and CSR. This allows companies and organizations to '**offset**' their emissions in order to meet standards and sustainability targets.

Please Note: There are 2 distinct carbon credit markets: compulsory (e.g. EU ETS) and voluntary. The Gov4All Project is oriented towards voluntary initiatives.



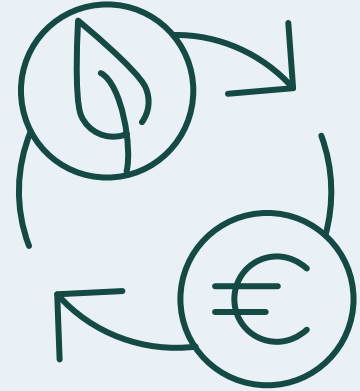
Why the Voluntary Carbon Credit Market?

Voluntary credits are more suited for **smaller** , unique projects such as **living labs** and **regenerative farms** .

In addition, voluntary markets:

- Highlight **co-benefits**
- Have more **market choice flexibility**
- **Lower upfront costs** to participate
- Cater to a **diverse** range of actors and stakeholders

(Generally, the ability to participate in non-voluntary carbon credit markets will depend on farm size (e.g., operational scale of offsetting).



How to Start with Carbon Credits

1. Identify best fitting **Market Trading Platform**

Factors to consider:

- Size, types, and transition point of farms and their spread (i.e. scale of carbon capture)
- Market trading standards (e.g certification/verification process)

1. Plan to empirically **monitor Carbon sequestration** by chosen market standards

Carbon sequestration = Carbon captured via biomass and soil through sustainable farming practices (e.g. Cover cropping, reduced tillage, crop rotation, agroforestry etc).

1. Create plan for **Certification/verification**
2. Trade carbon credits (**ROI**)
3. Continue to monitor carbon capture, verify as required



Example: Carbon Credits (Living Lab Level)

Carbon Action Platform Finland

The **Carbon Action Platform** in Finland is an agricultural living lab that assists farmers in participating in carbon credit markets.

Key Features of the Carbon Action Platform:

- **Collaborative Research and Implementation:** Co-develop and implement farming methods that increase soil carbon storage.
- **Carbon Credit Generation:** The platform provides tools and methodologies to measure and verify the amount of carbon sequestered, enabling farmers to generate carbon credits.
- **Market Access Support:** Assists farmers in accessing voluntary carbon markets by connecting them with companies seeking to offset their emissions.
- **Educational Resources:** Offers training and resources to help farmers understand carbon markets, the benefits of carbon farming, and the technical aspects of measuring and reporting carbon sequestration.



More Information [here](#)



Education & Training Centre



Education & Training Centre

Living Labs can be centralized with a shared facility among farmers that is dedicated to the the continued education and training of regenerative farming practices.

This can be a combination of living lab farmer employees, visiting experts, and visiting novices or other travelers that intend to learn about sustainable farming/



Education & Training Centre

This resource can encourage experimentation, increase marketability/visibility of regenerative farming and hold farmers accountable to sustainable standards.



Example: Education & Training Centre

FarmED, UK

FarmED was created to showcase sustainable farming methods and acts as a center for teaching communities, farmers, and policymakers how to address climate change with innovative agricultural practices.



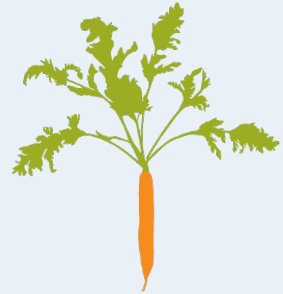
More Information [here](#)



Example: Education & Training Centre

Stone Barns Center for Food and Agriculture, USA

Stone Barns Center is a nonprofit farm, education, and research center with a mission to catalyze an ecological food culture since 2004



**STONE BARNs
CENTER FOR FOOD
& AGRICULTURE**

More Information [here](#)



Field trials as a service?

= Test or demonstration farm + Ecotourism + Education & Training Centre? = redundant? (see existing example)



Ecological Inputs?

Please Clarify: seems like the same mechanism as sharing scheme I.e same service, different good



GREEN LABS PROJECT

The GREEN LABS project aims to support and stimulate the green transition by promoting innovation and greening of VET systems through internationalization, exchange of practices, and knowledge sharing among partners, in accordance with the Osnabrück Declaration of 2020 on vocational education and training for sustainable competitiveness, social fairness and resilience.

