

## LIVERUR EUROPEAN PROJECT – TRASIMENO PILOT AREA

### Economic evaluation in terms of convenience Costs and benefits of the Trasimeno INTRANET Platform.



The pilot area of Trasimeno is mainly characterized by farms with olive groves, arable land and farmhouses. Through the European project LIVERUR, a software called TRASIMENO LIVING LAB has been created that allows, through an INTRANET platform, to put in real and continuous contact local operators of rural tourism.

Let's try to evaluate the costs and benefits deriving from the introduction and use of this platform.

#### CONSTRUCTION COSTS

The costs of realization and dissemination of this LIVERUR TOOL can be summarized as follows:

SOFTWARE.....	9.000 euros
N. 4 territorial meetings.....	4.000 euro
N. 10 online comparisons on needs, tools and methods.....	1,000 euros
N. 1 technical advice.....	1,700 euros
Informative materials.....	1,000 euros
<b>TOTAL:.....</b>	<b>16,700 euros</b>

#### COMPANIES INVOLVED

On an experimental basis, 10 farms with accommodation activities were involved, for an average used area of 15 hectares.

The cultivation system is represented by olive groves and arable land, for an average PLV of 170,000 euros / year and an average annual income from agritourism equal to 200,000 euros (accommodation, catering, educational farm, tasting).

For 10 companies it can therefore be estimated a total profitability of 3,700,000 euros, given the strong similarity between them.

#### ANNUAL MANAGEMENT COSTS

Annual business costs are always represented by:

- out-of-pocket expenses for labour and technical means (20% P..... 740,000 euros
- administration costs (3% PLV)..... 111,000 euros
- depreciation, insurance and replenishment fees (8% PLV)..... 296,000 euros
- advance interest (6% PLV)..... 222,000 euros
- taxes and contributions (5% PLV)..... 185,000 euros
- **TOTAL:..... 1,554,000 euros**
- With the introduction of an integrated and circular economy system, it is assumed that 30-40 % of out-of-pocket expenses (transports, direct selling, local markets, common management of accommodation services, land maintenance, etc.) (300,000 euros) will be saved. Therefore the total would become 1,254,000 euros.

ANTE SUMMARY:

PLV (\*) – MANAGEMENT COSTS = 3.700.000 -1.554.000 = 2.146.000 euro

POST SUMMARY:

PLV (\*) – MANAGEMENT COSTS – INNOVATION PROCESS COSTS = 3.700.000 – 1.254.000 – 16700= 2.429.300 euro

**CONCLUSIONS**

Therefore, the introduction of the platform would allow in the short term a net gain of 283,300 euros / year, for the entire area examined.

The analysis carried out can be expanded and better specified in the future, when more companies will join the platform.

(\*) PLV = gross saleable production

*Written by Paolo Burini – UCT*

*PPTX created by Luca Lucaccioni and Claudia Lucci (UCT)*