



Co-funded by
the European Union

Module 2

Short Food Supply Chains I



PLANNING
SEEDS



Center for
Not-for-profit
Law

diesis
network



kmop
EDUCATION HUB



tamat



PLANNING
SEEDS

Table of contents

1. EU Policy Framework for Short Food Supply Chains
2. Introduction to Short Food Supply Chains
3. Key Challenges in Short Food Supply Chains
4. Overview of Local and Regional Food Systems



Co-funded by
the European Union

Introduction

Learning objectives



- **Understand the EU Policy Framework:** Learn about the regulations and strategies that support short food supply chains (SFSCs) within the European Union, including the Common Agricultural Policy and the Farm to Fork Strategy.
- **Comprehend Core Concepts:** Gain a clear understanding of what SFSCs are, their core elements, and their economic, social, and environmental benefits.
- **Identify Key Challenges:** Recognize the main challenges faced by SFSCs, including scalability, market access, regulatory compliance, financial constraints, and logistical issues.
- **Explore Support Mechanisms:** Discover policy recommendations, innovative distribution models, community engagement strategies, and resilience enhancement measures to support the growth and sustainability of SFSCs.
- **Compare Food Supply Chains:** Compare the characteristics and impacts of local, regional, and conventional food supply chains to highlight the advantages of SFSCs.
- **Evaluate Environmental and Economic Impacts:** Assess how SFSCs contribute to environmental sustainability and local economic development through reduced carbon emissions, job creation, and support for local producers.





EU Policy Framework for Short Food Supply Chains




Co-funded by
the European Union

Readings

Overview of EU Legislative Support for SFSCs

Common Agricultural Policy (CAP):

- 
- A solid orange circle is positioned to the left of the first two bullet points.
- [Direct Payments Regulation \(EU\) No 1307/2013](#): Offers income support to farmers, particularly beneficial for small-scale and young farmers, which can indirectly support SFSCs by stabilizing their economic conditions.
 - [Rural Development Regulation \(EU\) No 1305/2013](#): Specifically allocates funds for projects that enhance the competitiveness of agriculture, encourage the use of renewable resources, and support rural economy diversification, including the development of SFSCs.

EU Food Quality Schemes:

- [Regulation \(EU\) No 1151/2012](#): Establishes the framework for PDO (Protected Designation of Origin), PGI (Protected Geographical Indication), and TSG (Traditional Specialities Guaranteed), which help local producers market their products under these quality schemes, thus enhancing the viability of SFSCs.

Farm to Fork Strategy:

- Key Component of the European Green Deal: Aims to make Europe's food system fair, healthy, and environmentally friendly. It advocates for shorter supply chains and organic farming, with specific strategies to boost the consumption of organic produce, thus supporting local SFSCs.






Introduction to Short Food Supply Chains



Co-funded by
the European Union

Understanding Short Food Supply Chains: Definition, Elements, and Goals

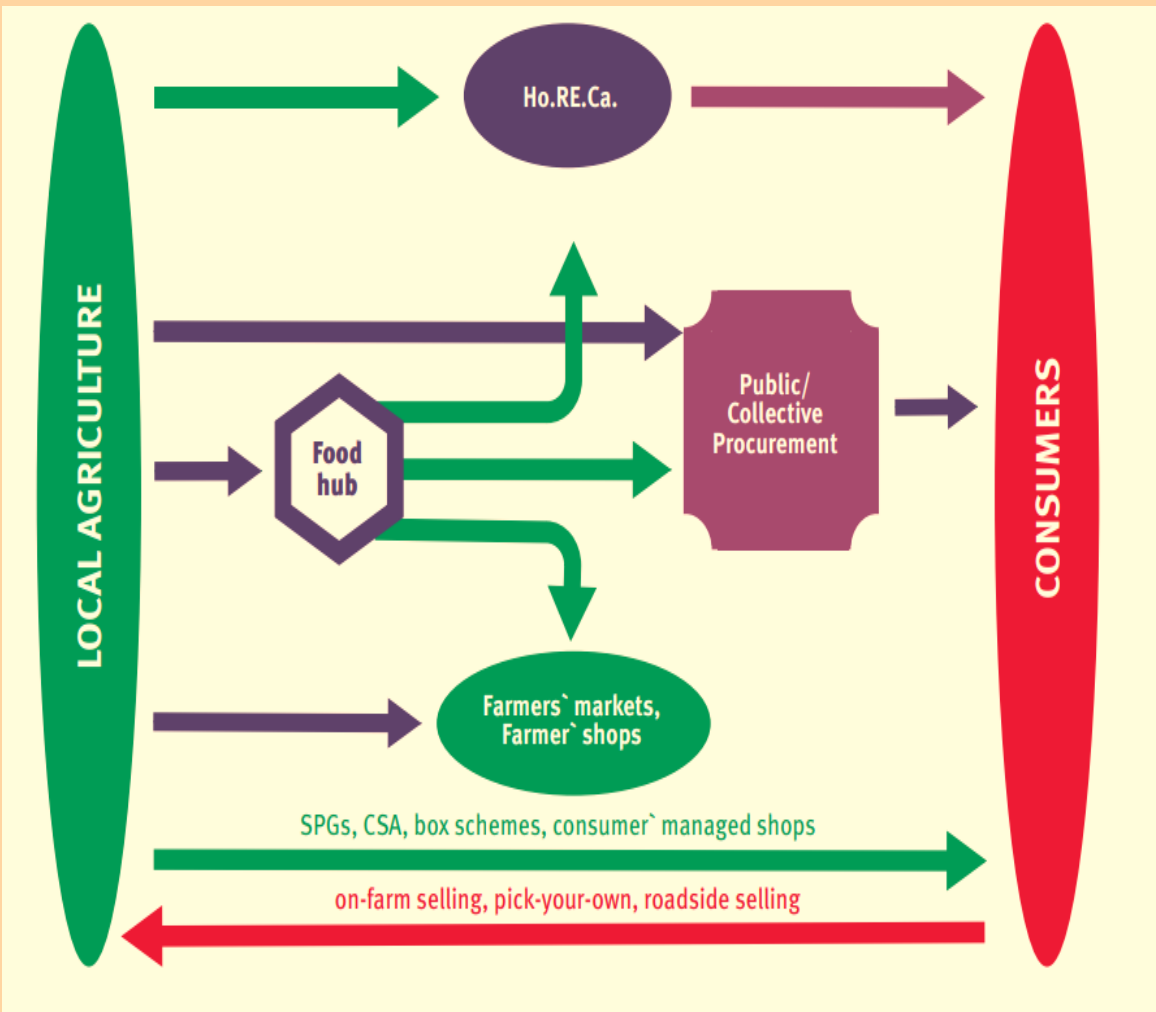


Definition and Concept:

- Short Food Supply Chains (SFSCs) refer to the systems where food production, distribution, and consumption are closely aligned geographically and operationally. In SFSCs, food travels a shorter distance from where it is grown to where it is consumed, and involves fewer intermediaries than conventional supply chains.
- SFSCs are characterized by direct sales from producers to consumers, either through farmers' markets, CSA programs (Community Supported Agriculture), direct online sales, or local retail outlets that prioritize local products.



Short Food Supply Chain



The diagram depicts the flow of products from local agriculture to consumers through a variety of channels within a short food supply chain.

At the center of the diagram is a "Food Hub," which serves as a collection and distribution point for products from local farms to "Public/Collective Procurement," which refers to the procurement of agricultural products by public institutions or collective groups for further distribution to consumers, to "Farmers' Markets" and "Farmers' Shops," where local products are sold directly to consumers by farmers and to "Ho.RE.Ca." (Hotels, Restaurants, and Catering).

"Solidarity Purchasing Groups (SPGs)," "Community Supported Agriculture (CSA)," "Box Schemes," and "Consumer Managed Shops" also play a role in distributing local agricultural products to consumers. These schemes facilitate organized, community-based distribution methods.

"On-farm selling," "Pick-Your-Own," and "Roadside Selling" allow consumers to buy products directly from farms, participate in harvesting their own produce, or purchase from roadside stands, ensuring the freshest possible food with minimal transportation and handling.

Source: United Nations Industrial Development Organization, 2020



Co-funded by
the European Union

Understanding Short Food Supply Chains: Definition, Elements, and Goals

Core Elements:

- Proximity: SFSCs typically involve small geographical distances, ensuring that the food is fresher, and the environmental impact of transport is minimized.
- Simplicity: The supply chain has fewer links compared to traditional food supply chains. This simplicity often translates into fewer costs related to transport, packaging, and storage.
- Transparency: Consumers have a clear line of sight to where and how the food is produced. This transparency builds trust and can enhance the reputation of local food producers.



Source: Retrieved [here](#)



Co-funded by
the European Union

Understanding Short Food Supply Chains: Definition, Elements, and Goals



Purpose and Goals:

- Economic: By reducing the number of intermediaries, SFSCs help ensure a larger share of the retail price goes directly to the food producers.
- Social: SFSCs foster stronger connections between producers and consumers, enhancing community cohesion and local food culture.
- Environmental: Shorter distances for transportation reduce the carbon footprint associated with the distribution of food, promoting greater environmental sustainability.
- Health and Wellbeing: By providing fresher, more nutrient-rich produce with fewer preservatives and chemicals, enhancing overall health. They improve food safety and traceability, reducing the risk of contamination and chronic diseases.



Source: Lucian, 2014, retrieved [here](#)



Co-funded by
the European Union



Video

In this video, "[Bloomcast - Episode 01: Short Food Supply Chains](#)", you will learn about the benefits and challenges associated with short food supply chains and their impact on local economies and communities. After watching the video, you will reflect on the main points discussed by answering an open question designed to deepen your understanding of the topic.

Answer the following question:

What are the main benefits and challenges of short food supply chains as discussed in the video? Do you have anything else in mind to add?

Duration: 10 minutes

Economic Benefits of Short Food Supply Chains

Economic Impact of SFSCs on Local Communities



Supporting Local Economies:


- **Direct Economic Contribution:** SFSCs contribute significantly to local economies by ensuring that more of the consumer spending stays within the community. This helps sustain local farmers and producers, reducing leakages that typically occur when dealing with large-scale retailers or wholesalers.
- **Job Creation:** By focusing on local production and sales, SFSCs often generate employment opportunities within the community, not only in farming but also in ancillary services like local food processing and specialty retail.



Co-funded by
the European Union

Economic Benefits of Short Food Supply Chains

Fair Prices for Producers:

- 
- A solid orange circle is positioned to the left of the first bullet point.
- **Higher Profit Margins:** Farmers and producers in SFSCs generally receive a higher percentage of the retail price compared to those selling through traditional channels. This is due to the elimination of middlemen, allowing producers to get fairer prices for their products.
 - **Stable Income:** Direct consumer relationships often provide more stable and predictable income streams for producers, which can be especially critical in times of economic uncertainty.

Cost-Effective for Consumers:

- **Lower Transaction Costs:** Consumers often benefit from lower prices due to reduced transportation, handling, and packaging costs.
- **Access to Affordable, Fresh Food:** The proximity of food production sites to consumers not only helps in keeping costs low but also ensures access to fresh and nutritious food, often at a competitive price point.



Environmental Benefits of Short Food Supply Chains



Enhancing Sustainability through SFSCs

Reduced Carbon Emissions:

- **Transportation:** Shorter transportation distances for SFSCs significantly reduce carbon emissions compared to traditional food supply chains where food often travels long distances.
- **Efficient Resource Use:** Localized production and consumption can lead to more efficient use of resources, such as water and energy, due to the scale and methods of production that are often more tailored to local environmental conditions.

Promotion of Sustainable Agricultural Practices:

- **Organic and Regenerative Farming:** SFSCs are conducive to farming practices that minimize harm to the environment, such as organic farming, which avoids or largely reduces the use of synthetic pesticides and fertilizers.
- **Biodiversity:** Local farms in SFSCs tend to cultivate a wider variety of crops and raise different breeds of animals, which helps maintain biodiversity and soil health.

Waste Reduction:

- **Packaging:** Direct sales in SFSCs typically require less packaging than products that need to withstand long transport and retail periods, reducing plastic and other waste.
- **Food Waste:** Closer proximity and faster turnover from producer to consumer reduce the likelihood of food spoilage and waste along the supply chain.



Co-funded by
the European Union




Key Challenges in Short Food Supply Chains



Co-funded by
the European Union

Navigating the Complexities of SFSCs

Scalability Issues:

 Limited Growth: SFSCs often face significant challenges when trying to expand their operations without losing the essence of direct and local interaction. The intimate nature of SFSCs can make it difficult to maintain as scale increases.

Solution Strategies: Implementing modular growth strategies, where small increments are added systematically, can help maintain the balance between scale and intimacy.

Market Access:

Competition with Larger Entities: SFSCs typically have less marketing power and fewer resources than larger corporations, making it difficult to capture significant market share.

Building Alliances: Forming cooperatives or alliances with other SFSCs can enhance market presence and bargaining power, helping to level the playing field.



Navigating the Complexities of SFSCs

Regulatory Compliance:

- Navigating Regulations: Compliance with local, national, and international food safety regulations can be disproportionately challenging for small-scale operators due to resource constraints.
- Tailored Support: Advocacy for regulations that recognize the unique nature of SFSCs and support from local governments can ease these burdens.

Financial Constraints:

- High Operational Costs: Small-scale operations often face higher per-unit costs due to lower economies of scale.
- Access to Funding: Securing financing can be difficult for small producers; government grants, crowd-funding, and angel investors can be critical.

Logistical Challenges:

- Distribution Efficiency: Without the logistics networks that larger suppliers have, SFSCs can struggle with efficient product distribution.
- Innovative Logistics Solutions: Utilizing community-supported drop-off points, local delivery services, or shared distribution resources can improve logistics.



Supporting Growth and Sustainability in SFSCs



Policy Recommendations and Support Mechanisms for SFSCs

Policy Support and Recommendations:

- **Local Government Initiatives:** Advocate for local governments to implement policies that incentivize and support SFSCs, such as tax breaks, subsidies for organic farming, or grants for local market development.
- **EU-Level Policies:** Recommend that the EU continues to integrate support for SFSCs within broader agricultural and rural development policies, emphasizing the alignment with the European Green Deal and Farm to Fork Strategy.

Innovative Distribution Models:

- **Logistics Platforms:** Encourage the development of shared logistics platforms that can reduce costs and improve efficiency for small producers. These platforms can facilitate group transportation, storage, and even marketing services.
- **Digital Marketplaces:** Support the expansion of online marketplaces that connect local producers directly with consumers and even restaurants, enhancing market access and consumer reach.



Co-funded by
the European Union

Supporting Growth and Sustainability in SFSCs



Community and Consumer Engagement:

- Educational Programs: Develop and fund educational programs that raise awareness about the benefits of SFSCs, focusing on schools, community centers, and online platforms.
- Promotional Campaigns: Launch campaigns that highlight the quality, environmental benefits, and community impact of purchasing from SFSCs to drive consumer interest and loyalty.

Enhancing SFSC Resilience:

- Adaptation to Market Changes: Encourage SFSCs to adapt to changing market conditions and consumer preferences by offering workshops and consulting on trends like plant-based diets or zero-waste cooking.
- Crisis Management Support: Provide specific training and resources for SFSCs on handling crises such as pandemics or natural disasters, ensuring they can continue operations and support food security.





Overview of Local and Regional Food Systems



Co-funded by
the European Union

Detailed Overview of Local and Regional Food Systems

Exploring the Dynamics of Local and Regional Food Systems

Conceptual Framework:

- **Local Food Systems:** These are characterized by food production and consumption within the same community or a closely neighboring area. The emphasis is on minimizing the distance food travels, thus reducing transportation emissions and preserving the freshness of produce.
- **Regional Food Systems:** Extend beyond local boundaries to include broader areas that may cover multiple communities or even parts of a state. These systems aim to optimize the ecological and economic benefits of a larger region while still focusing on proximity and community ties.

Core Elements of Local and Regional Food Systems:

- **Production:** Small to medium-sized farms utilizing sustainable practices such as organic farming, permaculture, or integrated pest management to reduce environmental impact.
- **Processing:** Facilities often located within the region that maintain ethical labor practices and strive to preserve nutritional content through minimal processing techniques.



Comparing Local and Conventional Food Supply Chains

Understanding Conventional Food Supply Chains

Overview of Conventional Supply Chains:

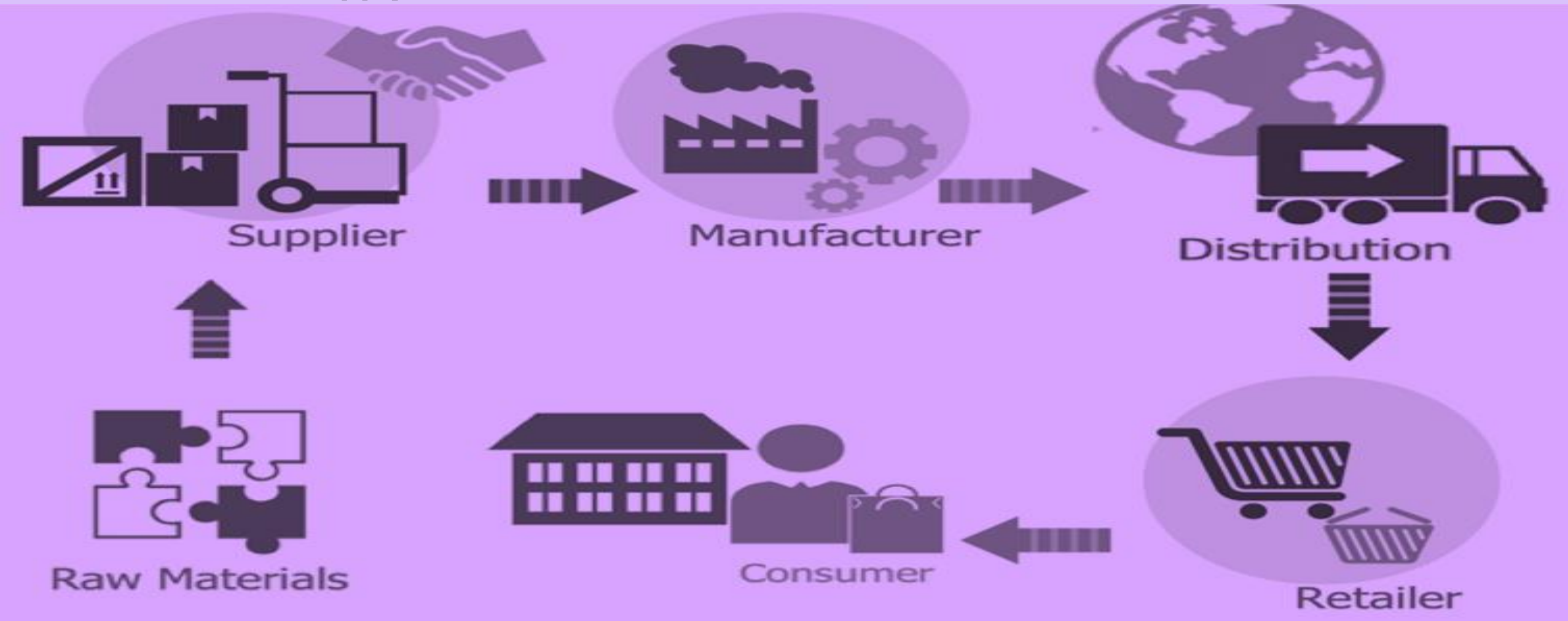
- Conventional supply chains typically involve the mass production of food products, extensive geographical distribution, and numerous intermediaries between the producer and the consumer.

Characteristics:

- **Scale:** Large-scale production facilities that may not necessarily prioritize sustainable practices.
- **Complexity:** Multiple layers of processing, handling, and transportation.
- **Efficiency:** High efficiency in terms of cost and output, leveraging economies of scale but often at the expense of environmental and social factors.



Conventional Food Supply Chain



Source: Sidra et al, 2018, retrieved [here](#)



Co-funded by
the European Union

Comparative Overview of Food Supply Chains

This comparative overview highlights the key distinctions between local and regional food systems versus conventional supply chains across several dimensions:

- Local and regional systems significantly bolster local economies by supporting small-scale farmers and keeping financial transactions within the community, enhancing economic resilience. In contrast, conventional systems tend to concentrate profits among large corporations and shareholders, offering less benefit to local economies.
- Local and regional systems are characterized by their commitment to sustainable practices, including reduced transportation distances that lower carbon emissions and a more judicious use of resources. Conversely, conventional supply chains are associated with a larger carbon footprint due to their reliance on extensive transportation and intensive agricultural practices, which can lead to greater environmental degradation.



Comparative Overview of Food Supply Chains

- The strength of local and regional systems lies in their ability to enhance community bonds through direct interactions between producers and consumers, improving food literacy and engagement in the food production process. Conventional systems often result in a disconnect between consumers and producers, with limited transparency about the origins and methods of food production, thereby weakening community ties.
- Local and regional food systems display greater adaptability to local conditions and can quickly respond to community needs and preferences, making them inherently more resilient. On the other hand, conventional supply chains, while efficient in their operations, show less flexibility in adapting to local market changes or disruptions.
- Local and regional systems contribute positively to food security by diversifying sources and reducing reliance on lengthy supply chains, which are vulnerable to global disruptions. Conventional systems, with their centralized production areas, may compromise food availability elsewhere due to such vulnerabilities.



Future Directions and Growth Opportunities

Community Engagement:

- Educational Programs: Enhance educational outreach by partnering with schools and community centers to offer workshops on nutrition, sustainable agriculture, and the importance of local food systems.
- Farm to Table Events: Organize regular events that bring consumers to farms or bring farmers into urban areas for meet-and-greets, cooking demonstrations, and farm-fresh meals, fostering a deeper connection and understanding between consumers and producers.

Sustainability Initiatives:

- Carbon Footprint Reduction: Implement new strategies to further reduce the carbon footprint of the supply chain, such as using electric vehicles for deliveries and solar power for storage facilities.
- Waste Reduction Programs: Expand efforts to reduce waste by integrating more robust systems for composting unsold produce and packaging reusability programs.



Future Directions and Growth Opportunities

Technology Integration:

- **Mobile App Development:** Develop a dedicated mobile app to streamline the subscription process, offer real-time updates on product availability, and provide a platform for interactive educational content.
- **Data Analytics:** Utilize data analytics to better predict demand patterns, optimize delivery routes, and manage supply chains more effectively, reducing waste and improving efficiency.

Policy Influence:

- **Advocacy for Supportive Policies:** Increase efforts to influence local and national food policies that support small-scale farmers and SFSCs, such as subsidies for organic certification or grants for farm technology upgrades.
- **Collaboration with Local Governments:** Work closely with local governments to integrate SFSC initiatives into broader urban planning and sustainability initiatives, such as green city projects and local food procurement for public institutions



References

1. Bourlakis, M., & Bezat-Jarzębowska, A. (2020). Short food supply chains (SFSC) as local and sustainable systems. *Sustainability*, 12(11), 4715. <https://doi.org/10.3390/su12114715>
2. Charles, A., Sekhari, A., & Ouzrout, Y. (2022). Issues and challenges in short food supply chains: A systematic literature review. *Sustainability*, 14(5), 3029. <https://doi.org/10.3390/su14053029>
3. Drejerska, N., & Sobczak-Malitka, W. (2023). Nurturing sustainability and health: Exploring the role of short supply chains in the evolution of food systems—The case of Poland. *Foods*, 12(22), 4171. <https://doi.org/10.3390/foods12224171>
4. EIP-AGRI. (2015). EIP-AGRI Focus Group on innovative short food supply chain management: Final report. European CAP Network. https://eu-cap-network.ec.europa.eu/news/eip-agri-focus-group-innovative-short-food-supply-chain-management-final-report-2021_en
5. Evola, R. S., Peira, G., Varese, E., Bonadonna, A., & Vesce, E. (2022). Short food supply chains in Europe: Scientific research directions. *Sustainability*, 14(6), 3602. <https://doi.org/10.3390/su14063602>
6. European Economic and Social Committee. (n.d.). Promoting short and alternative food supply chains in the EU: The role of agroecology (own-initiative opinion). Retrieved from <https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/promoting-short-and-alternative-food-supply-chains-eu-role-agroecology-own-initiative-opinion>
7. European Parliamentary Research Service. (2016). Short food supply chains and local food systems in the EU. Retrieved from [https://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS_BRI\(2016\)593563](https://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS_BRI(2016)593563)
8. Publications Office of the European Union. (2013). Short food supply chains and local food systems in the EU. Retrieved from <https://op.europa.eu/en/publication-detail/-/publication/ea700f74-d945-11e6-ad7c-01aa75ed71a1>
9. SmartChain Project. (n.d.). Short food supply chains. Retrieved from <https://www.smartchain-h2020.eu/short-food-supply-chains/>





PLANNING
SEEDS



Cofunded
by UE

FIND OUT MORE ON
TRAININGFORFOOD.EU/PLANNING-SEEDS

OR FOLLOW US ON SOCIAL MEDIA



@PLANNING SEEDS

YOU CAN FIND ALL THE VIDEOS ON YOUTUBE



@TAMATNGO