



Rural Facilitator

# BUSINESS ROAD MAP

French best practices for a sustainable business model

The existing situation in partner countries



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## IO2/A1 - Identify items in the French best practices for a sustainable business model

O2/A1 consists of items' identification in the French best practices for a sustainable business model.

Savoir faire & Co described the French model to make understandable the key elements of an economic cooperation within the machinery sector. The main objective of this document is to facilitate the ownership of good practices in SFSC in France by the partners of the project Rural facilitator.



Savoir faire & Co undertook the task to introduce the French rural animation system. This kind of rural area has been existing from ancient times but it started to be re-discovered during the 20<sup>th</sup> century in order to enhance rural development by fostering local economic development. The Savoir faire & Co has widespread experience on local animation training and preparation of training materials. Their one important project was “Gestes a partager” where local animators developed the national network to introduce local and traditional professions and lifestyles of craftsmen. This document was inspired from these experiences and also from the experiences of other successful cases in France.

You can find in this document:

- A description of the types of initiatives that promote SFSC in France with examples and the animations put in place for each type of project
- Examples of teaching tools and training offered

## 1. Context

### **A culture of working together that has facilitated the renewal and development of SFSC**

Interest in the short food supply chain (SFSC) has always existed. For example, open-air markets have always worked and more than 6,000 producers sell all or part of their product in more than 10,000 markets in France. After a decline in interest in the 70s - 80s, the mad cow crisis (1991) was a trigger for citizens who began to question the industrial food model. New initiatives were developed that allowed farmers to sell their products directly or with an intermediary (association or company).

The CSA (Community Supported Agriculture) is one of the “voluntary” forms of SFSC movement. A group of consumers contracts with one or more farmers in order to be supplied with products (mainly fruits and vegetables) throughout the year. The peasant free his products in a specific place and the members come to recover their basket. In France, the first CSA (AMAP in French) was launched in 2001 (<https://olivades.com/l-amap-des-olivades>). And today there are more than 2,000 of them spread across the country. These Associations for the maintenance of a peasant agriculture have largely contributed to the renewal of these circuits in France in the early 2000s, generating, through their strong media coverage, a militant image of short circuits in general. In 2009 they were even officially defined by the French State and have a plan to support their development<sup>1</sup>.

The development of a short food supply chain has been facilitated, beyond the mobilization of citizens and government measures, by the culture of the rural world, accustomed to modes of work in common. The first agricultural cooperatives date back to 1880 to enable farmers to adapt to new technical and economic conditions<sup>2</sup>, and this mainly in the context of

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<sup>1</sup>The 4 axes of the 2009 Barnier's Plan

- complete the statistical knowledge of the short circuits by issuing the general agricultural census and the farm accountancy data network to these marketing procedures and by publishing this statistical information,
- to create on the Ministry's website a space dedicated to short circuits allowing a wide dissemination of existing initiatives and the exploitation of good practices,
- mobilising available financing tools (Special Assistance Account for Agricultural and Rural Development - CASDAR - of the Ministry of Agriculture and Fisheries) to enable applied research and innovation actions to be carried out,
- to disseminate to farmers the health requirements applicable in the field of short circuits as well as all information relating to retail markets or public procurement, standards related to the reception of the public, etc.

<sup>2</sup> Emergence, development and role of agricultural cooperatives in France. Overview of a centuries- old history [article] - Philippe Nicolas - *Économie rurale* Year 1988 184-186 pp. 116-122  
Part of a thematic issue : [Un siècle d'histoire française agricole](#)



an agricultural unionism supported by the state<sup>3</sup>. After the Second World War (1945), the country had to be rebuilt and the AETE (group of farmers created as an association) played an important role in the dissemination of technical progress. Secondly, cooperative modes of operation (SICA - society of agricultural collective interest, for example) have facilitated the processing and marketing of products by groups of farmers.

Legislative measures (favourable taxation) and direct support (aid/investment, funding of facilitators) have facilitated the development of these types of structures. It is therefore quite natural that those who were already working for agricultural development turned to SFSC projects because this corresponded to a strong societal evolution. It is now estimated that 20% of farmers sell all or part of their production in short circuits. Honey, vegetables and fruit are the sectors most represented. Sales forms have diversified (see diagram in appendix). The «militant» side weakens and makes way for more commercial forms. The public of the 2000s, made up of executives, teachers, liberal professions, expanded.<sup>4</sup>

## 2. Definition of facilitator SFSC

The Rural Facilitator who facilitates the SFSC to a somewhat different mission from the traditional Rural Facilitator. He has interlocutor farmers, elected officials, technicians, administration, and the world of consumers-citizens (which includes merchants, start-ups that sell via the internet...)

From a general point of view SFSC animators must undertake different roles. They shall be able to serve the community, coordinate and develop integrated development operations (mainly in the frame of Rural Development Programmes as LEADER programme, but not only). An animator must be neutral from a political point of view; his work is oriented towards the growth of technical, organizational, cultural or economic capacities of the territory. The animation is to encourage from outside to generate or promote motivation, interest and enthusiasm for action in one's partners. The extension service of animation helps the local people to recognize and assert their legal claims on state institutions. It is also

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<sup>3</sup> see Law the Rosary - 1884

<sup>4</sup> <https://medium.com/welcome-to-agricool/vers-un-retour-du-lien-entre-producteur-et-consommateur-c89cb9deb961>

important to mention that the one aim is at increasing the problem-solving capacity of existing groups - people working in an organization are given further training and the organizational structures are adapted to new requirements.

Regarding these diversified task local animators need special skills and competencies as knowledge of economic and political-institutional culture, knowledge of geography and global processes of development, awareness of the processes of cultural and socio-economic marginalization, knowledge of dynamics, types and characteristics businesses and businesses networks, capacity for analysis, diagnosis and planning of local development, use of management methods and techniques for territorial and social development processes, intimate contact with local stakeholders. Moreover, an animator shall own very good knowledge of the three sectors: public, private and civil society, including a good understanding of their expectations and potential contributions to the partnership, as well as of potential conflicts of interest and ways to deal with them. The animator should also be able to assess the skills of people involved in the partnership, their leadership potential and factors which affect their involvement. They must acquire project management skills, including resource management and evaluation, needed both to identify projects with a high potential to achieve strategic objectives, and to carry out the animator's own activities (e.g. community meetings), which should be managed in a professional way. A wide range of social skills are also necessary including those of a facilitator (acting as a catalyst to identify potential partners and ensure cooperation of different actors), motivator (engaging and mobilising potential partners, understanding the potential and dynamics of civic groups), supporter (capable of reaching out and involving also the most disadvantaged groups), educator (stimulating and managing active learning processes), integrator (developing community bonds and communication) etc.

Difficulties encountered by the facilitator:

- Hierarchical structures are barriers
- The animator makes enemies
- The animator is forced into the role of the "Mr.Fix-it"
- The planning of the activities divides the population into two opposing groups
- The project gives rise to political action

### 3. French system practices

#### 3.1. HISTORICAL BACKGROUND

Animation rurale is roughly the French equivalent of British and American-conceived community development programs in developing countries and "deprived" areas of developed countries. The Francophone programs can be distinguished generally from Anglophone community development programs in that they emphasize economic rather than social goals, and from rural extension programs in that they focus on rural communities rather than on individual farmers. The programs are intended to "animate" or activate the rural population to modernize their living conditions, means of agricultural production and economic and political institutions. To do this, government employees in the Animation service train village representatives, called animateurs, in new methods of farming, marketing, health care and sanitation and support these animateurs when they work with their fellow villagers.

Animation rurale is a concept behind programs designed to educate adults living in rural areas of developing nations to participate actively in the economic development of their country. The theory on which animation rurale is based represents both the kind of development theory which promotes mass participation in national development and the kind of educational planning theory characterized as "participatory pedagogy." Animation rurale is the educational component of a national rural development strategy; hence it can be analysed in the light of both development and educational planning theories<sup>5</sup>.

Some of the « rural animateur » changed their mission due to the development of SFSC. Their perimeter has widened and they now have to work with the whole society in a geographic area linked to product sales (most often with the nearest urban centre). Moreover, those who are involved in commercial projects do not consider themselves as rural facilitators. And it is among them that we find the most innovative projects.

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<sup>5</sup> Moulton (1977): Animation Rurale: Education for Rural Development. Non-Formal Education. 7. Retrieved from [https://scholarworks.umass.edu/cie\\_nonformaleducation/7](https://scholarworks.umass.edu/cie_nonformaleducation/7) p.5

## 3.2. CATEGORIZATION OF INITIATIVES

In the following subchapter we will introduce the different types of initiatives which exist in the SFSC sector. The aim is to understand the different roles and functions of animation.

### 3.2.1. *Development support, without commercial action*

Objective: to initiate territorial approaches in short food supply chains

Description: The main tool available to communities: **Territorial Food Project (Plan Alimentaire Territorial=PAT)**<sup>6</sup>

**The PAT** is based on a shared diagnosis of agriculture and food on the territory and the definition of operational actions aimed at carrying out the project. They can rely on public and private funds. They can also generate their own resources.

Often carried out on the scale of an inter-communal community, the PAT responds to the contemporary challenges of agriculture and food: local procurement objectives in collective restoration, development of agricultural employment, health, culture and gastronomy, taste education, social accessibility to a healthy and balanced diet, environmental protection. This community interest in FCSS is also strongly linked to objectives to increase food self-sufficiency at the local level (lower risk).

According to the PAT animation is the following:

Two main types of mission for the accompanist/facilitator of a PAT (**Territorial food project**):

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<sup>6</sup> Art. L. 111-2-2. (Rural and maritime fishing code - October 13th, 2014) - The territorial food projects mentioned in III of Article L. 1 are developed in concert with all the stakeholders in a territory and meet the objective of structuring the agricultural economy and setting a territorial food system. They participate in the consolidation of territorialized sectors and in the development of the consumption of products from short food chains, in particular those issued from organic production.

- create synergies, stimulate dialogue between stakeholders, inform on financing arrangements
- support the creation of collective tools
- creation of a guide to good practice
- preparation of a financing dossier
- launch and follow-up of a call for projects (with European funding)

A network: <http://rnpat.fr/> with as members 27 national organisations and 50 territorial actors (cities or agglomerations).

NGO Terres en Villes (land in town) animate this network: <http://terresenvilles.org>

### Examples:

#### 1) PAT of the Rouen agglomeration - 1 people (full-time) for

- o To establish a diagnostic
- o To write a « White book » on agriculture
- o To build an awareness program with the 71 communes for purchases of local products (collective catering for schools)
- o To facilitate dialogue between actors
- o To finance engineering and on-line financing of actions

2) CAP Rural (<http://www.caprural.org>): A resource centre on local development practices and professions in Rhône-Alpes Région. Twelve employees lead the operation. They are all specialists in local development and professionalization (information, exchange of experience, training, methodological support) to allow rural development professionals to be comfortable in the missions entrusted to them. Some also have a thematic area of expertise: agronomy, Europe, building economic activities, cooperation, development engineering, etc.

#### Missions of the team:

- understanding, analysing
- facilitation of working groups and exchange days, dialogue

- training
- financial engineering
- toolbox/cooperation between actors and between territories

## Training

Example: Agro Paris Tech et Terres en Villes: à 10 days training program entitled « Design and implement food strategies for the territory » - see page 11

### *3.2.2. Support of a collective initiative*

Objective: to facilitate collective territorial projects

Description: A single producer, and this is particularly true if he is small, cannot supply enough and regularly school restaurants. Delivering his productions in town is expensive in time and in transport.

During peak production periods, local producers struggle to sell their products and do not have time to process them. In this context, a project promoter who creates his craft enterprise or the setting up of a collective transformation workshop can be more advantageous. The consumer, when he buys his food, does not want to go from farm to farm to buy his products. He prefers to have a variety of products in the same place and if possible, not too far from home, while having the guarantee that the products are local. That's the goal of the producer's shop.

These are three cases where the intervention of a facilitator will speed up the process. The latter intervenes so that a private-type project is created and lasts. But since, if this project is born, it will bring social, health and environmental improvements to the territory, it is ready to finance the start-up, by the provision of animation time.

The facilitator here needs to go far enough in the concrete. Facilitates implementation or requires technical skills to facilitate implementation. She or he can be paid for by public money or it is a mixed public private funding or only private.

### Examples of initiatives who are supported

#### **To create and promote “Farm shops”**

Description of à « farm shop »: A group of producers decide to sell directly their production together to consumer, in their own « shop ». Generally, you find only one farmer per product. The principle is to propose choices to consumers. You have 2 types of adherent: those who spend time to sell and those who just make deposit sales. until a certain size, there is no buying and reselling. The producer makes an invoice directly to the client.

#### Animation:

Called « Helpers » in the Magpro folder - see [www.magasindeproducteurs.org](http://www.magasindeproducteurs.org)

<http://www.magasin-de-producteurs.fr> : directory - animation by volunteer

They help farmers to open their own shop. It means that they provide legal, taxation, social services and advice in order for cooperation to work.

Support needs: technical, regulatory, public and private funding, animation, communication

How: provision of, for example, a mission officer of the territory (see for example: Econoparc <https://ecooparc.com>) with public funding

#### **To create “Collective workshops”**

Description: It is a pooling of means. It is suitable for processing tools of farmers who sell in short circuits, for example a vegetable factory. There is no bill of sale to the consumer. There are about 150 collective food processing ateliers/small plants in France.

<http://www.ateliersdetransformationcollectifs.fr>

[http://www.ateliersdetransformationcollectifs.fr/carte-des-ateliers?field\\_map\\_categorie\\_tid=3](http://www.ateliersdetransformationcollectifs.fr/carte-des-ateliers?field_map_categorie_tid=3)

Example with CIVAM<sup>7</sup>, who accompanied the creation of these projects.

#### Animation:

The group is generally formed or emerging. Animation consists in helping to concretize in general. See the guide ACCOMPANYING COLLECTIVE APPROACHES in CIVAM SHORT CIRCUITS.

Other common actors econoparc do the same animation work:

<https://ecooparc.com/actions/projets/creation-dun-atelier-de-transformation-multi-activites/>

#### **To create and promote farm market**

A group à producers sell production in the same place all together, on certain dates in town (open air producer market)

or

A farmer invites other producers to expose their product in his farm. He invites his network.

It is like an open-air market, but on a farm.

Animation: thanks to a leader producer or chamber of agriculture ( <https://www.marches-producteurs.com> )<sup>8</sup> or other territory animators (Natural Parc...)

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<sup>7</sup> CIVAM : The Centers of Initiatives to Promote Agriculture and Rural Areas (CIVAM) are groups of farmers and rural people who, through information, exchange and collective dynamics, innovate in the territories. They develop initiatives, test new practices (living countryside, autonomous and economical production systems, exchanges in rural areas, creation and maintenance of agricultural and rural activity). Through training, exchanges and visits, they experiment with the support, support and criticism of other colleagues in the group. They dare to practice, concretize projects adapted to their context and their territory. They can thus combine their environmental, economic and social aspirations and constitute references that can be transmitted to others. / <http://www.civam.org>

<sup>8</sup> Country Producer Markets is a brand of Chambers of Agriculture. These markets bring together only and exclusively local producers, all committed to respecting a charter of good practices, thus guaranteeing the consumer: the farm quality of the productions, local, seasonal products and country specialties, the quality of production and processing practices, direct contact with the producer, transparency on agricultural practices.

Regular, seasonal or special events, these markets fully enhance the richness and diversity of the products from our regions and thus make it possible to buy the best local products "at the source"



## **To create and support catering platform (for school, hospital, enterprises)**

France: 25% of food consumption does not go through supermarkets but out of home catering: restaurants, but also canteens, hospitals, retirement homes, etc. Each year, 3.7 billion meals are taken outside the home, which slows development of local supply:

- The cost. For a meal at the hospital, the "raw materials" budget is € 1.4. "In a canteen for example, to reach the ambition of 20% organic, it would take at least 30 cents more," says Christophe Hébert, president of the national association of officials responsible for territorial restoration
- The volumes. "We need large volumes and long-term planning," explains Frédérique Lehoux, CEO of Geco food service.
- Lack of a local distribution and processing network: some buyers want "ready-to-use" products. Local processing workshops are therefore necessary (small slaughterhouses have been eliminated for example).
- Calls for tender: it is necessary to bypass the regulations in order to be able to favour local productions.

The share of local products in collective catering depends on political will, product availability and logistic

*Extract from a folder from « lettre du cadre territorial » (professional internet news)*  
<http://www.lettreducadre.fr>

### *The approach recommended for local organic products in collective catering?*

- *Establish a long-term political backing for an organic collective catering project that will secure outlets for producers.*
- *Federate the players around this project to raise awareness of the challenges and perpetuate the process.*
- *Make an inventory to better target expectations, with a diagnosis of the operation of your catering and a local organic "sourcing" from Gab to find out the available and adapted offer.*

- *Define clear, achievable and measurable objectives (percentage of local organic produce by purchase value or by component, number of seasonal products to be respected, etc.) and the actions resulting therefrom.*
- *Take action: public markets accessible to local organic producers, purchasing planning, training of kitchen teams and supervisors, educational support for guests, communication on the process, etc.*
- *Evaluate the progress of your local organic project.*

The community can also support investments in missing infrastructure on the territory (transformation, etc.) provided that consideration is given to the complementarity and non-competition of the tools created in the territories to guarantee their sustainability. It is often managed by the territory (region, other).

#### Animation:

It is territorial animation in general, financed by public money, partially or totally. We can also have initiatives from restaurants, for example.

The toolkits are generally designed via collective projects, funded by the state and Europe. Example of tool available to facilitators: « Local guide » (tool box for group catering buyers)

#### Examples of successful project:

**AgriLocal 31** - <https://www.agrilocal31.com>

Free and easy-to-use internet platform for connecting buyers of collective catering and local suppliers. Producers and buyers are referenced and geolocated to allow local supply: the buyer accesses the territory's offer and immediately visualizes on a map the geographic location of potential suppliers.

**Auvergne Bio Distribution** - <http://auvergnebiodistribution.fr>

The activity consists of bringing together the goods (meat, dairy products, fruits, vegetables, cereals) produced on the Auvergnat territory to deliver them to restaurants in the territory. Auvergne bio distribution is responsible for finding the goods from the various producers of the processors according to demand. The platform delivers the restaurant of the entire order at once, on the same pallet, accompanied by a single invoice.

### **Operation local marketing of SFSC:**

The (local) territorial facilitators (funded by a local community, municipal) who offer services to local actors (producers in general, but also artisanal processors of local products), in order to sell products in a collective way. In general, the territorial facilitator relies on the skills of an association that works with farmers on this theme (CIVAM for example)

Example: Parc Naturel de Chevreuse implements a communication plan and the development of local distribution networks  
<https://www.parc-naturel-chevreuse.fr/park-protected-area/la-methode-rapport-dactivite-2014-axe-4/focus-circuits-courts-de-proximite-et>

This is marketing work, where the park facilitator is a “service provider” for a group of farmers, each of whom would not have the skills, time and means to carry out such an action separately. Wearing a range of products makes it easier for the contact person (point of sale).

With: connecting producers and local distributors, modernizing promotional tools at sales locations (displays of local products, product and producer sheets, posters, etc.)

### Results:

16 distributors and 8 producers in the territory participated in the operation

35 local products concerned

109 new references at distributors

213 references valued by the operation

€7,000 in expenses for communication tools and the completion of an ex-ante awareness survey (Program 757)

## Training

Example of training to train « accompanists » for this type of project :  
<http://univ-cotedazur.fr/fr/education/trouver-sa-formation-1/diplomes-universitaires/diplome-universitaire-chef-de-projet-en-alimentation-durable>

See details p 10

Example of training to build producer to consumer project: by Cap Rural - See details p 23

## Guide:

Example: To create a producer store (MAG PRO) - see details p 21

### 3.2.3. *Private initiative*

#### **Co-delivery (2)**

Small producers, in some SFSC systems (open air market, home delivery...) must multiply deliveries between their different points of sale. When the producer sells on the farm, many consumers must come by car to bring the products home. In these cases, the greenhouse gas emissions are high per kg of product transported.

ADEME (ecological transition agency) show, in a recent report (06/2017) that “in fact, emissions per kilometres travelled and per tonne transported are approximately 10 times lower for a heavy vehicle of 32 tonnes and 100 times lower for a transoceanic freighter than for a van weighing less than 3.5 tonnes: they allow travel greater distances with an equivalent greenhouse gas impact... If the logistics are optimized (means of transport / volume transported, optimization of the delivery circuit, filling of the truck, "clean" vehicle ...), the proximity circuits can prove to be very efficient from the point of view of transport up to 'at the distribution point ».

To reduce this time-consuming constraint, various initiatives are developing in France, including La Charrette and Péligrourmet, which offer the pooling of transport by producers or consumers

Example: [lacharrette.org](http://lacharrette.org)

The registered producers access the "journey exchange": each one informs the journey that he will make and those interested in the journey get in touch with him to settle the details, namely the date and time of departure, the storage conditions, the possible transport of fresh products, or the payment (in hard cash or in exchange for another transport). We can compare it to the blablacar for SFSC, 15% of the delivery price goes to the start-up.

Financing of the project: BPI France<sup>9</sup> and France active<sup>10</sup>

Example: [Stéphanie Conrad](#)

Stéphanie is a cheese producer. She buys products from 8 other farmers and resells on the markets in Paris - Margin of 100 à 50 % depending on the products.

It is a simple system, which works all the better as the one who sells takes the risks of being unsold or lost. Our cheese producer. Our cheese producer transforms into a reseller and groups the products, minimizing transport costs and pollution

Animation: by the project promoter.

### **Internet delivery**

Example: <https://www.myfarmers.fr/>

Special features: supply of an urban area (Bordeaux).

The producer near Bordeaux makes his products available on the site. A deliveryman picks up the goods and delivers them to the person ordering the products (consumer, restaurant owner, etc.)

Example: <https://www.peligourmet.com>

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<sup>9</sup> BPI : French National Agency whose objective is to facilitate entrepreneurship for all by removing barriers to information, financing and growth. <https://bpifrance-creation.fr>

<sup>10</sup> France Active supports and finances companies in the social and solidarity economy for more than 30 years

Peligourmet is a collaborative site launched in September 2016. In Paris, Toulouse and Lille. At the beginning: it connects individuals who love quality regional products. The principle: a "Pelican" (an individual who can transport the product) offers on the website to bring back from one of its trips a regional product bought from a small producer or local craftsman, for example sausage, oysters or cheese. "Peli Gourmets" (people who are registered on the website) order a certain quantity and make the payment online. Finally, the products are dropped off at a relay point (cafes or delicatessens). The Pelican received 7% of the sale price. Now, it seems that most of the products are transported by classic transport system. The site claims more than 3,500 subscribers.

Example: <https://www.greenweez.com>

Over 13,000 organic and eco-friendly products delivered directly to you after ordering.

In search of new products, good, demanding, respectful of the environment, at fair prices for all: fair for customers, but also producers and suppliers, and all those who work along this chain: order preparers, delivery people.

Remark: if internet delivery initiatives are in the field of SFSC (only one intermediate, the distance between the producer and the consumer can be important (and much more than 70 km – ex.: peligourmet)

### **Order collection / consumer supported agriculture (CSA)**

Advantages for farmers:

- Save time for marketing the food
- Receive payment early in the season (only CSA system), which helps with the farm's cash flow
- Have an opportunity to get to know the people who eat the food they grow

Advantages for consumers:

- Eat ultra-fresh food, with all the flavour and vitamin benefits
- Get exposed to new vegetables and new ways of cooking
- Usually get to visit the farm at least once a season

- Develop a relationship with the farmer who grows their food and learn more about how food is grown

The clientele evolved: from environmental activists at the start, members are now less involved, more “consumers”.

Animation:

A network manager + volunteers

Examples:

**La Ruche qui dit oui!** <https://laruchequiditoui.fr/fr> in English the Hive who says yes!

The online sales platform promotes direct exchanges between local producers and local consumer communities who meet regularly in real ephemeral markets. An individual, an association or a company decides to open a Beehive in a cafe, a performance hall, a school, a cultural centre, a garden or a barn. He is the Manager of the Beehive.

He contacts Producers within a radius of 250 kilometers, who offer fruit, vegetables, meat, cheese, dairy products, bread, wine, honey. At the same time, he recruits members who wish to buy local products.

Each week, the Manager distributes a selection of farm products online to Members of his “Hive”. Beforehand, each Producer freely sets the fair price for his products and the minimum order to reach to deliver them. Members have six days to send an order on the website, very simply by clicking on the chosen products. No obligation, no subscription: each Hive Member is free to order or not.

Once the orders are completed, two options:

- The Producer has reached his minimum order, everything is fine.
- He did not reach it. In this case, he will not come to deliver this time.

The day before distribution, each Member receives their final list of products ordered and the corresponding amount.

The Producer freely sets its selling price and pays service fees which correspond to 20% of its turnover excluding taxes. There is therefore no intermediary, it is a direct sale followed by a service billing

Actually

1500 « Beehive » (or groups of consumers) in Europe

850 « Beehive » in France, 5000 producers, 160 000 active members per year

**CSA (Community Supported Agriculture)** <http://reseau-amap-hn.com> (Normandy network)

The CSA movement started twenty years ago.

Principle of CSA: a farmer offers a certain number of "shares" to the public. Typically, the share consists of a box of vegetables, but other farm products may be included. Interested consumers purchase a share (a "membership" or a "subscription") and in return receive a box (bag, basket) of seasonal produce each week throughout the farming season.

The farmers deliver their produce to the same place each week. Consumers (members of the organizing organization) come to collect their baskets or orders. Generally, the producer is present during the distribution. Distribution is a convivial moment, a meeting place. Often, it is the member who takes the products himself from the crates, using the composition sign present in distribution. It is based on trust.





### Coopérative CSA

<https://www.alter-conso.org>

45 farms around Lyon are engaged in this coopérative, who deliver each week their product to make the baskets. The baskets go to 14 places of distribution (see the map)

### Shops and restaurant local and organic sourcing

Little shop (rural or urban) and restaurant who propose local agro-organic food Animation:

- the manager of the shop
- organizations that offer services, for example, <http://www.grap.coop>, advice, project set-up support, technical support.

### Producer market (see 3.2.2)

At the beginning, a facilitator intervenes (NGO or public or private).

### Collective transformation workshop (see 3.2.2)

At the beginning, a facilitator intervenes (NGO or public or private).

Then, it is functioning as a private organisation (cooperative, association, company)

Example: Nectardechois - <http://www.nectardechois.fr/entreprise.php>

### Farm shop (see 3.2.2)

At the beginning, a facilitator intervenes (NGO or public or private).

Business model: a % on sales products - 15% if partner (producer participates in the sale), 30% if deposit sale.

Example : [https://www.magasin-de-producteurs.fr/shop.php?id\\_shop=393](https://www.magasin-de-producteurs.fr/shop.php?id_shop=393)

Training:

Example: Create a local business - local, organic products (fixed or / and itinerant) by Savoir-Faire & Découverte

(<http://www.lesavoirfaire.fr/formationprofessionnelle-1578-stage-creer-un-commerce-de-proximite---produits-locaux--bio--fixe-ou-et-ambulant.html> )

## 4. Details of trainings

In France many institutes offer training about animation at different levels. In the next subchapter we will introduce some examples at university level and in adult training, it is also important to emphasize that these trainings are focused on local food system and the short food supply chain as topic is embedded into the training materials

### 4.1. AGRO PARIS TECH EXECUTIVE (ENGINEER SCHOOL) / TERRES EN VILLES (NGO)

**Title:** « Design and implement food strategies for the territory <sup>11</sup>»

**Duration:** 10 days

The growing concern of consumers about their food and the crisis of the current agricultural model are causing the actors of the territory to rethink it from the point of view of relations between cities and food. New initiatives are emerging from territorial actors (local

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<sup>11</sup> **Contacts:**

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Terres en villes : Marc NIELSEN : 0140418412/ [marc.nielsen@terresenvilles.org](mailto:marc.nielsen@terresenvilles.org)

authorities, agricultural organizations, associations and inhabitants) who are co-constructing original strategies for locating activities, geared to the needs and resources of the territories.

The Mission Officer whose food issue is at the heart of his or her missions, or who deals with it on the periphery, becomes an actor in the conduct of change. It accompanies the establishment and pilot of territorial projects at the crossroads of agricultural, food, environmental and societal dynamics in a local authority. As a single interlocutor, he is at the interface of the local authorities and the elected officials responsible for the community's agricultural and food policy. He/she accompanies the decision-making of elected officials. It is in the fields of competence of this trade, of these different professional positions, that the training path wishes to propose apprenticeship frameworks.

#### Educational objectives of the course

To develop a territory strategy that favours the logic of actors and the deployment of transversal actions in food to identify the logic of actors, to identify territorial issues through methods of territorial analysis, design an action programme on its food components.

Implement food action programmes: develop a project in both the content and financial resources to be mobilized, draw up contract documents, design and monitor the evaluation of the action plan, support project promoters.

Foster a partnership territorial dynamic: know how to present a project to decision-makers, carry out actions to raise awareness among stakeholders on topics related agriculture and food, facilitate multi-working groups design and conduct interviews with project leaders.

#### Targeted audience

Persons working in local authorities, Chamber of Agriculture, NRP or any other project territory.

#### Prerequisite

Have a project to deploy on their territory, or in their department. A self-positioning is required at the beginning of the journey to direct the listener towards the different modules.

### Teaching method

Each module consists of face-to-face time and remote time (virtual class and/or individual work via proposed resources.) At the end of each module, the auditors individually produce an operational deliverable.

10 days of training spread over 7 months. An alternation between distance training in person. A module 3 of individual accompaniment.

### Architecture of training

Acquire the fundamentals 2,5 days:

Module 1: Food at the heart of the territorial public action. Understand the context and identify the challenges of the food transition.

Acquire know-how and experiment 4,5 days:

Module 2: Conduct a territorial food project. Learn about territorial project management tools. Apply project management tools in a field. Adapt to work situations.

### Question its practices and anchor knowledge in its activity:

Module 3: reflexive accompaniment 2 days

An individual project of the auditor.

Leading a project in my community or working my career.

Self-positioning === Closing seminar (2 days.)

### **Potential stakeholders**

Tutoring is carried out by stakeholders identified on the basis of the subjects carried by the auditors. This could include Agroparistech (University and Research Institute) researchers, UMR Territories or Terres en villes, as well as experienced professionals.

## 4.2. SAVOIR-FAIRE & DÉCOUVERTE

### **Title: create a trade in local and organic products**

Local commerce, specialized in local and organic products, is an essential link to the evolution of our lifestyles.

Through his knowledge of the land and production methods, the grocer brings quality products from local and ecological agriculture as close as possible to the citizen consumer. And it often goes beyond that: it facilitates producer-consumer meetings, creates social ties through local in-store events, advises the customer...

To succeed in this mission, the grocer needs to understand the business model of a retail food business, to have basic technical skills (inventory management, health and regulatory monitoring, etc.), to integrate the specifics of local supply and bulk sales.

This job is for all those who have an easy relationship and who want to engage, alongside local producers, in a change of consumption model. In 5 days, you leave with the «toolbox» and the basic know-how necessary for the preparation and the success of your project.

**Maximum number of trainees: 10**

**Duration:** 5 days

**Objectives:**

- To acquire the technical, practical, organisational and commercial bases necessary for the creation of a local trade integrating the sale of local and organic food products.
- To be able to make choices of direction regarding his project and to take ad-hoc decisions in terms of investment, statutes, organizational arrangements, etc.
- To evaluate his ability and motivation to practice this profession.

## **Program**

**Day 1:** The main components of the business line

### **The economic model:**

trade margins, break-even point, key issues, procurement and logistics, the organisation of work, the sale, hygiene

Taking into account the differences according to the type of local shops envisaged: rural/urban, fixed/ mobile

Preparation of field training days (Tuesday to Thursday)

### **Day 2 - Situational Training - Running a Grocery Store**

Daily operation of the grocery store and its connection to the territory Receipt of goods

Inventory management and inventories

Client relations

Analysis, link to each other's project and assessment of achievements

### **Day 3 - Situational Training - Running a Grocery Store**

Work tools: truck, store... and their fittings

Referencing local products: find them, choose them, and create a partnership relationship with producers (complementarity/ competition)

Hold the crate

Customer relations, sales and tools (in-store communication, internet sales, partnerships, etc.)

Sale of bulk products

### **Day 4 - Analysis, link to each other's project and assessment of achievements**

Work organisation - linked to family life and the desired quality of life

Create "differentiation", originality, and additional service

Know how to place an order

### **Day 5 - Preparing your project**

Review of Immersion Training Days

Groceries and computer systems: which solutions to choose, what is important to take into account?

Presentation of the different possible legal statuses to develop a bio-local proximity trade project, matching status – project, organizational and fiscal implications of each statute

### **The Projects**

Each participant has the opportunity to prepare the outlines of his project and present it

The professionals present provide their insight and advice, in order to facilitate decision-making.

### **Pedagogical method**

The basics of the profession are processed on Monday, with 3 grocery professionals with complementary skills.

Tuesday, Wednesday and Thursday days: learning modalities in situations. Each participant chooses a grocery store to support learning (see list [HERE \(ICI\)](#)). Each trainee is provided with a roadmap, which includes the skills to be acquired during the week. It is supplemented gradually, with the help of the store's reference trainer, who accompanies the trainee in his learning. Every day, an analysis and assessment of what has been achieved and of the difficulties encountered are carried out.

The last day is intended to

- consolidate and structure the acquired
- move projects forward

Thanks to group work, refunds and exchanges. Presentation of trainers and referenced grocery stores

Kévin Guillermin joins the grocers in the areas of management, finance, legal and governance, within the GRAP (Groupement Régional Alimentaire de Proximité). He started in this business after spending 4 years in a cooperative bank and 5 years in project financing in renewable energy.

Marie Michel supports grocery stores in their development within GRAP. She is also an expert on "food professions", for referencing and hygiene issues. She was also manager of the grocery store "Scop Prairial II" in Vaulx-en Velin for 3 years. She is in charge of the "project" part (day 5)

The twenty or so local grocery stores offer their skills to train you. In each of them, a reference accompanies the learner and follows his progress.



# IO2/A2 - Accessing existing situation in the project countries

## 1. SFSC in the EU countries – general introduction

### 1.1. PARADIGMATIC DIVISION OF GEOGRAPHY OF ALTERNATIVE FOOD NETWORKS – THE EU

#### CONTEXT

At present, we practically distinguish two paradigms related to food and consumption within the whole Europe. The first paradigm is characterized by the modernization and industrialization of food systems. Standardization of food production, production procedures and globalization of food markets. These processes are strongly supported by the EU's common agricultural policy and the WTO's agricultural treaty. This agro-industrial paradigm has a belief in technological solutions to current food crises and seeks to contribute to ecological modernization in food production with cost-reducing technologies, large-scale production in agro-industrial works and the production of healthy food in speculated processing plants.

On the other hand, we have integrated territorial approaches. Unlike the previous approach of standardizing agri-food systems, this approach values area-specific resources and social relations of proximity. The territorial anchoring of production is the common denominator for the emerging practices of alternative food geography. Food production is combined with other activities such as nature and landscape protection, tourism and education. On the contrary, the integrated territorial approach is characterized by respect for differences between farming systems, networks, cultural traditions or consumer preferences.

The development of short food supply systems is thus considered to be the first feature of the emerging new food geography. Alternative food networks are often initiated by manufacturers looking for additional sources of revenue. There have been a growing number of cases in which consumers play a major role in trying to build a social economy that is more in line with their ethical values and motivations. The role of the public sector as a

"consumer" is growing and, last but not least, completely new urban food strategies are being established. They vary from city to city and may include organizing a market for local, sustainable or organic products, educational activities, supporting marginal or directly urban food production, joint purchasing cooperatives (Renting and Wiskerke 2010).

Jarosz (2008) defined alternative food networks in 4 points:

- 1) They are defined by shorter distances between producers and consumers
- 2) They are characterized by smaller farms and different agricultural methods
- 3) They are characterized by specific points of sale and forms - farmers' markets, shopping cooperatives, community-supported agriculture
- 4) They commit themselves to the social, economic and environmental dimensions of the sustainable development of food production, distribution and consumption

## 1.2. SHORT FOOD SUPPLY CHAINS AS AN ALTERNATIVE FOOD NETWORK

Consumers are more and more interested in where the food they consume comes from and how it was grown. They are also interested in farmer's agricultural management, how they handle their products and how far their products are being transported – logistics.

Partnership approaches for strengthening local food markets have been shown to be effective as rural development tools. Outcomes from such local food projects can help to underpin core elements of the rural economy in sustainable ways. For example, by working together, businesses participating in local food projects can find new ways of selling more of their products and attracting new types of customers. Stronger connections can be established between local agricultural, tourism and food supply sectors.

Consumption of local food products in rural areas leads to reduced food transport. This can create economic, environmental and social benefits such as transport cost savings, fewer emissions, less wear and tear on rural roads, reduced traffic congestion and associated improved road safety.

Short food supply chains represent the shortest path of the good, product or service from a manufacturer, producer or provider to a consumer/customer with as few intermediaries as possible, ideally without them. They are based on close relationships between farmers and

consumers without other intermediaries. They allow consumers to get local, healthy food from farmers with good agricultural practices. It allows farmers to be self-sufficient and helps them to assure the quality of the food and even its process of its production. The advantage of short food supply chains is that producer/provider will receive a fair price for his product without having to share the profit with traders.

However, a short supply chain can stimulate in extreme cases to defensive localism or parochialism, which leads to a certain xenophobia towards everything non-local. The critics also often criticize short supply chains for focusing only on educated people with higher social status and high income living in the city. Healthy food activism usually recruits its supporters from educated, economically secure groups of people in metropolitan areas and university towns.

Short supply chains are under constant threat of becoming part of the mainstream capitalist retail spaces. This fact illustrates well the ever-changing definitions and boundaries between what is "alternative" and what is already "conventional".

Dunn et al. 2010 in their study shows that sales of local foods on farmers' markets make up only a small part of total sales compared to the volume of goods sold in supermarkets. Goodman (2009) recalls that supermarket chains in the UK are rapidly expanding their own brands of fresh or organic food. Seyfang (2006) shows that about 75 % of organic farming production in Britain is sold in supermarkets and is slowly becoming a mainstream commodity.

In alternative food networks food is linked to the social, cultural and environmental aspects of the "local" environment in which it is produced. That means that the alternative food networks in each country has its own specifics of the environment in which they originated. Most developed countries are in the countries of Western Europe and North America, where they weren't interrupted by the communicstic period as in the Eastern Europe.

## 2. Short food Supply Chains in the Czech Republic

### 2.1. CONTEXT AND BACKGROUND

The natural relationship between food producers and their consumers was first severely disrupted after World War II, when agriculture in democratic countries was massively industrialized but in socialist countries (that means also in the Czech Republic) collectivized and centrally planned. Direct deliveries were interrupted and agricultural production was carried out through agricultural complexes and wholesalers. The distance between producers and consumers has also been deepened through health and food safety legislation, which has required specific ways of processing raw materials. Agricultural raw materials first went to the processing companies, then to a wholesale or similar distribution center, and only then to the final consumer.

After the „Velvet revolution“ in 1989 the international companies came to the Czech Republic and already in 1991 the first supermarkets were open (Ahold, Delvita and Billa). The era of shopping dominantly in supermarkets started and lasted for many years, there were 555 supermarkets in the Czech Republic at the end of 2004. Czech people were excited about the amount of goods sold in the supermarket after so many “lack of choices years”. There was and still is a big trend to buy food at a discount, people were highly oriented on the low price, not on the quality of the food. The main players were established on the Czech market and they had a big bargain power on the market. The small producers – farmers – were selling their products underpriced and many of them ended their production. The large-scale producers were getting more and more agricultural land and the structure of the rural area wasn't returning to the situation before the communist's era. After Czech Republic became a member of the EU (1st May 2004) there was much support for the local production and establishment of the small farms and due to the subsidies farmers also started to be interested in different forms of supply chain.

These days consumers are more and more interested in healthy and fresh food, that is why they are reviving the relationship between themselves and farmers. Many consumers are also discouraged by the practices of some food processors and the risks associated with various diseases associated with food raw materials (foot-and-mouth disease, avian and swine flu). More and more people also disagree with the sale in the anonymous environment

of supermarkets and shopping centers, where several scandals have appeared regarding the sale of unsafe food to the final consumer (sale of food with expired date, poor quality vegetable, scandal with "Polish salt"). All these reasons have led to an increased interest in alternative food networks (Spilková 2016).

#### *2.1.1. Development of Czech retail and alternative food network*

Czech retail and shopping behavior in the Czech Republic were influenced mainly as a result of transformation processes (the transition from a totalitarian regime to a democratic one, the transition from a centrally planned economy to a liberalized market). The process of globalization itself has been a certain superstructure of dynamic processes in Czech retail in the last twenty years. In the two post-revolutionary decades, not only the organizational and classical form of the retail industry has changed, but also its spatial side as well.

The shopping behavior of Czech consumers changed a lot too. They managed to leave small stores in favor of hypermarkets and discount stores, but at the same time they are slowly returning to the small stores again and discovering other shopping alternatives. In the Czech Republic, the introduction of the free market took place relatively quickly after the Velvet Revolution. In January 1991, price subsidies for most products were abolished, causing a large increase in prices. This has led to reduced consumption and smaller groceries for most consumers. Czechs were used to buying basic food daily and in small volumes. Durable food was sold in state-owned department stores, whose network was very limited.

In the 1990s, thanks to new opportunities, Czech consumers learned to shop in larger quantities and began to realize large weekly groceries due to the expansion of passenger cars. The first retail chains came to the Czech Republic in the early 1990s. In 1991, the first supermarkets such as Billa, Delvita, Penny market came, and after 1996, hypermarkets such as Globus began to appear. Today, the process of strong internationalization of the retail market in the Czech Republic is in a very advanced phase. As part of a very intense competitive fight, some chains have maintained their strong position on the Czech market and at the same time several companies have been forced to leave the Czech market completely (the retail chain Julius Meinl, Delvita, Carrefour or Interspar). In terms of the physical structure of retail, in the first half of the 1990s, non-traditional premises were used for retail, such as city markets, factory halls, and parts of buildings. The increase in sales of

areas did not represent large volumes (lack of capital and unclear strategies of retail companies). In the second half of the 1990s, there was a great development in building retail chains such as hypermarkets, discount stores and wholesale „cash and carry stores' ' and shopping and social centers. There was a large increase in complex shopping centers. In the Czech Republic, there are over 20 large shopping centers with more than 100 retail units. Due to the large number of large-scale retail facilities, hypermarkets have become the main food shopping point for more than 40 % of Czech households, supermarkets for 17 % of households, discount stores 25 % and small stores 15 %. The strength of the hypermarket is a wide selection of goods, sufficient discounts and reasonable price levels. Despite this strength, the Czechs also saw a turnaround in quality. This turnaround was also encouraged by scandals, which shook customers' trust in the quality of goods sold in large-format stores, and customers began to return to small specialized stores looking for alternative food networks. This turn has started just a few years ago, we are now in the phase of discovering the SFSC possibilities – from the producers but also consumers point of view.

### *2.1.2. Short Food Supply Chains in Czech Republic as an alternative food network*

The concept of local food has emerged relatively recently in Czech consumer society with the boom of the first farmers' markets in spring 2009. This is a new phenomenon with interesting environmental, social and economic implications, but with all the problems of SFSC mentioned earlier. Farmers markets, especially in the big cities, are sometimes not the place where to buy the cheaper fresh products directly from the producers, but fancy places where people spend their Saturday's morning by drinking coffee and buying overpriced products, often not from the producers.

Within the Czech Republic short food supply chains are not very common and are used mostly by smaller farmers. They are often seeking for the possibility to avoid a disadvantageous system of processors, wholesalers and supermarkets and they would like to add added value to their products directly by processing the food directly on their farms, ideally also selling them directly. We can also name some of the initiatives of direct sales such as farmers' markets, box schemes, direct sales directly from the refrigerated vans, online e-shops, direct sale on the farm and much more. The main problem is the small

volume of the farmers' production, the farmers often sell their production directly, just the small leftovers continue to the farmers shop they cooperate with. In comparison with the neighbouring countries (such as Austria or Germany) the capacities are very low. Farmers are also not motivated by the market due to the large subsidies which is also proved by the huge interest in the “how to get subsidies” seminars in comparison with the interest in the “how to find other entrepreneurs’ opportunities”. Professional seminars, presentations or conferences on this topic weren't many that took place in the Czech Republic, and it needs more publicity – as well as the potential of the SFSC involvement. The only one large conference related to this issue took place on November 23rd in 2017 in Tišnov (Short Supply Chain Conference - Sales Opportunities in Rural Areas). Since then, no major action has taken place on this issue.

## 2.2. SHORT FOOD SUPPLY CHAIN ORGANIZATIONS

There are different types of organisations supporting the SFSC activities.

### 2.2.1. *Farmers' markets*

Farmers' markets appeared in the Czech Republic as the first alternative food network. This is a relatively new phenomenon, as the first farmers' markets did not take place until the autumn of 2009. The opening of farmers' markets was welcomed with great enthusiasm. Prague is one of the most active players in organising farmers' markets. The individual markets differ greatly not only in size and number of stalls, but also in the range of offered agricultural products (vegetables, fruits) and processed foods - sausages, cheese, pastries. The share of non-agricultural products ranges from 10% to 40%. Part of the assortment consists of handicraft products. Farmers' markets are held once a week, or once every 14 days, the largest even several times a week. In the winter, when the supply of seasonal production is limited, the activity of most markets slows down and the markets organization begins again in the spring season. Most sellers in farmers' markets come from a driving distance of about 60 minutes to the market, 80% of sellers are from the same region where the market takes place.

The main motivation for buying at farmers' markets is the freshness of food of their local origin. They also attract people due to a friendlier atmosphere, which allows you to meet

people and the farmers. In the post-revolutionary years, Czechs were very sensitive to prices, as wages grew more slowly than food prices. People were looking for the cheapest ways to get food and the quality of the food was not that important. Today Czech consumers are less price-oriented and place more emphasis on quality. Thus, not only the quality of food, but also the ethical side of the food is important for the Czech consumers. Alternative food networks are often accused of social exclusivity, however, the survey showed that Czech markets are visited by all socio-economic groups. Proof of equality in the approach to the Czech farmers markets is their great popularity among old people, who traditionally represent an economically weaker customer segment. Farmers' markets are not only dominant in Prague, but also in other larger cities.

As an example, we can mention farmers' markets in Pilsen (<https://www.plzensketrhy.cz/>) which have been organized since 2010. They are organized by the Envic association. On the website you can find when the next farmers' markets are, what's new and a catalog of sellers. What can be very pleasant for customers is a map of sellers' stalls, so you see in advance where to find a certain seller. Pilsen farmers' markets are always held on Saturdays so it can attract as many people as possible.

### *2.2.2. Farmers' shops<sup>12</sup>*

By the end of 2010, in connection with farmers' markets, farmers' shops were established. In these shops products from farmers are offered in a similar but wider assortment than at farmers' markets. The motive of these farmers' shops was to provide sales for farmers, save time and avoid problems, which often resulted from the need to move between individual markets. Another advantage is that farmers can provide their products even in winter, when farmer's markets are usually not held. There are already about 60 farmer shops in the Czech Republic and their number is growing day by day. Farmers' shops remain primarily an urban phenomenon. More than half of these shops are mainly in Prague and Brno and other large cities. Products from local farmers were sold in some shops before, but they were sold mainly in health food stores. Farmers' shops brought a completely new concept of sales as

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<sup>12</sup> Farmers shop is the term used for the special shops in the cities where more producers/farmers are selling their products.—



small authentic stores focused on goods of first-class quality from smaller, primarily local or Czech manufacturers and a personal approach to customers.

For Czech farmers' shops it is characteristic that the shop is primarily not operated by the producer himself, but by the person who is only a mediator who does not farm or deal with food production. Farmers' shops customers are mostly people who prefer quality over price and are interested in good food.

An example of a farmers' shop is the company Česká stodola – „Czech barn“ (<https://www.ceska-stodola.cz/>). Česká stodola is a small family company that specializes in the sale of Czech food, especially from small and medium-sized domestic producers. They are also running small bistros in their shops using farmer's ingredients for cooking. They have several branches in Prague.

### *2.2.3. Box schemes*

The development of box schemes in the Czech Republic is very closely related to farmers' markets- they are the place of promoting a direct relationship between farmer and consumer. At present, there are approximately 114 box scheme cooperatives active in the Czech Republic with 390 supply points. Products in box schemes are usually seasonal foods grown in the locality, where consumers have the opportunity to get to know their farmer in person, or get to see themselves the place where their box scheme is created. The implementation of individual box schemes differs greatly from each other. However, a common feature is that the customer regularly takes a certain amount of goods from the farmer. It is mostly seasonal fruit and vegetable, dairy products, eggs, nuts, honey, but also meat, wine, spices and flowers. The supplier will deliver the box either directly to the consumer's address or to a pre-designated supply point, where the consumer will pick it up at the agreed time. The supplier usually offers various size variants, on the Czech market they range from about 3 to 10 kg. Instead of a classic box, you can also come across bags of different sizes, but the principle is the same. The bags should be reusable. The price of boxes is usually set at the beginning of the season and remains the same throughout the whole period. The price may be higher than the one the consumer pays in the supermarket, but the

plus is higher quality. Payment is made in advance, at the beginning of the season, or for individual quarters or weeks after getting the box.

An example of a box system in the Czech Republic is the Svět Bedýnek project (<https://www.svetbedynek.cz/>)

This service allows customers to consume the freshest goods and get to know many types of fruits and vegetables that they would not normally buy in a store. Through this service, customers can buy products grown by farmers in harmony with nature. They can make an order easily on the web, and the goods are delivered directly to their home or at the agreed place. On the website, customers will learn about suppliers, information about the products they buy, or they can find interesting recipes.

#### *2.2.4. Z farmy domů („From farm to home“)*

<https://www.zfarmydomu.cz/o-projektu>

This project seems like a regular e-shop, but it is not true. This e-shop has a unique system that tries to prevent wasting food. They try to present a "custom production" - a system where no product is produced, no crop is harvested unnecessarily, no animal is slaughtered unless you order it. They are trying to create a system where the amount of production will correspond to the amount of consumption.

#### **How the system works:**

The customer simply makes an order in the online shop (there are three deadlines until when the customers can order) After the deadline the orders are sent to producers and they start to make/harvest products according to the order. This is how you can avoid wasting. After your order is done, you will get a sms or e-mail notification with pick up information. The whole process usually takes 3 days.

#### *2.2.5. Mléko z farmy („Milk from farm“)*

<https://www.mlekozfarmy.cz/>

The entire project started in 2010 and was founded by Central Bohemian farmers Stanislav Němec and Jan Miller. The impetus for creating this project was the increasing pressure from supermarkets on small suppliers and manufacturers, and the fact that the manufacturer itself has no control over their own products (how the products will be stored and sold to the customers).

#### **How the system works:**

The service works on the principle of direct sales directly from the refrigerated vans. Each of the vans has a timetable with the stops and times, where the sales take place. The customer therefore only chooses the stop and time that suits him the best and buys products at delivery stops directly from the van. There is no need to order anything, just come and buy. Customers can choose from a wide variety of dairy products and fresh meat.

#### *2.2.6. Nakup z farmy („Purchase from the farm“)*

<https://www.nakupzfarmy.cz/>

„Purchase from the farm“ is a unique project of Czech private farmers and processors, thanks to which traditional Czech food of the highest quality reaches the table of Czech customers in the shortest way. All products are fresh, without food additives, artificial preservatives, stabilizers and dyes. The project complements and develops the "Milk from the Farm" service, which has been operating since 2010. It is a "mobile farm market" with more than 1,700 sales stops, but also an e-shop where you can order a complete purchase. All products come to you directly from a specific manufacturer without resellers and traders.

In the "Purchase from the farm" system, we sell exclusively products from participating farmers, who are responsible in their own name for the high quality of their production and for the correct treatment of animals and soil.

#### **How the system works:**

The customer makes an order on the website. Deadline for the order is always 14:00. After that you choose if you want your order to be sent to your address or you can choose from

more than 1 700 different stops, where you can pick up your order. You can pay in cash after you receive your order or immediately only by card.

#### *2.2.7. Český farmář („Czech farmer“)*

<https://www.ceskyfarmar.cz/>

This portal is the largest list of Czech farmers, their products and Czech farmers' markets. If you are interested in Czech organic products, you can click on Farmer in the region. For each registered farmer, his contact information and current E-shop of products and services are displayed. Besides information about farmers, you can shop both in the eshop where farmers put their products.

#### *2.2.8. Community supported agriculture*

<https://kpzinfo.cz/>

CSAs are partnerships of mutual commitment between a farm and a community of supporters that provide a direct link between the production and consumption of food. Supporters usually cover a farm's yearly operating budget by purchasing a share of the season's harvest and in some cases, they assist with the farm work. In return, the farm provides, to the best of its ability, a healthy supply of seasonal fresh produce.

The CSA in the Czech Republic works with Association of Local Food Initiatives and PRO-BIO LEAGUE with the support of the European Union within the Erasmus + program, the Ministry of Agriculture, the Ministry of the Environment and the Capital City of Prague.

#### *2.2.9. Farm shops*

One of the oldest forms of SFSC, farmers are selling their products directly on their farm. They can have the regular opening hours or open just in the case of customer visits. It is also often connected with the agritourism activities – these farms are offering accommodation and sell the products to their guests. Cooperation of more farmers are also common, that means, they are also selling products of others in their shop. The good example would be

Farma Klíneč (<http://www.farmaklinec.cz/>) which is selling their own products (meat, eggs) upon prior order by the customers, but also has their own farm shop (open every day from 9 till 18 every day except Monday) where they sell also products of other farmers. They also have their own restaurant where they cook from products grown at their farm.

### 2.3. SUBSIDIES FOR SFSC IN THE CZECH REPUBLIC

*Support for cooperation between at least two entities, leading to the creation and development of short supply chains and local markets.*

Thanks to the possibilities of financial support from the Rural Development Program 2014 - 2020, Czech farmers can apply for a subsidy to help them to be a part of short supply chains and local markets. Purpose of this subsidy is to support the cooperation of at least two entities in order to create and develop short supply chains and local markets (at least one entity must operate in agriculture or food industry). The establishment and coordination of cooperating entities is supported, ie. cooperation in the creation of studies and business plans. Joint investments for project implementation and joint promotion of short supply chains or the local market are also supported, eg. joint sales in a local store, joint sales from the yard, joint organization of direct sales to consumers (eg. „box scheme“).

Support for the creation and development of Short food supply chains concerns only the supply chain, which includes a maximum of one intermediary between the farmer and the consumer. The creation and development of a local market will only be supported if the processing and selling activities to the final consumer take place within a radius of 75 km from the farm of origin of the product. The applicant is a group of at least two independent entities (agricultural entrepreneur, food producer, non-governmental non-profit organization representing farmers or food processors, municipalities or associations of municipalities). However, at least one entity must demonstrate business activity in the agricultural or food sector.

#### **Eligible expenditure**

- Costs resulting from the coordination of cooperation
- Feasibility study, business plan in connection with the project

- Operating costs - legal services necessary to set up cooperation between entities

#### **Costs resulting from project implementation:**

- Direct costs for specific projects related to the implementation of the business plan
- Joint acquisition of machines, technology and equipment related to the project
- Construction costs for new construction or modernization of sales premises
- Costs of acquiring hardware and software related to the project
- Costs of promotional activities in the local context related to the creation or development of a short supply chain or local market

#### **Subsidy amount**

- 50% of eligible expenditure
- The minimum amount of expenses from which the subsidy is determined is 200 000 CZK per project.
- The maximum amount of expenditure from which the subsidy is determined is 6 000 000 CZK per project (eAGRI 2020).

### **2.4. RURAL ANIMATION**

As the concept of short food supply chains in Czech Republic is quite new, it is mainly a matter of active individuals and the model of operation still has not been fully shaped. Consumers are more interested in good agriculture practices and a demand to buy local food directly from the farmers is increasing. Thanks to this situation there is great interest from the government to support small farmers, which can help rural development.

### **2.5. SELF-EMPLOYMENT IN RURAL AREAS**

The rural economy in the Czech Republic is largely based on the agricultural model. Most of the farmers actually work in the rural areas and are self – employed, since agriculture has been associated with village life for many years. The development of services is definitely needed to support rural development. Because of consumers' interest in healthy and fresh food, there are a lot of opportunities for small farmers to start a business using a short food supply chain model (box scheme, direct sales from farms).

## 2.6. ADVISORY SERVICES IN THE CZECH REPUBLIC.

All the information about short food supply chains in Czech Republic are on the official portal of the ministry of agriculture. As the issue of subsidies is complex and not everyone understands it well, apart from the consulting department of the ministry there are many private consulting companies specializing in consulting the matters of short food supply chains (as an example: <http://www.grandbenefit.cz/spoluprace-mistni-trhy>). Noticeable one is for example Association of Private Agriculture of the Czech Republic or for example The Young Agrarians' Society of the Czech Republic.

## 3. Short Food Supply Chains in Poland

### 3.1. CONTEXT AND THE BACKGROUND

Short Food Supply Chains (SFSC) is a way to increase demand and supply for real, tasty, fresh food products directly from farmers and small producers in Poland. SFSC in Poland can:

- 1) improve awareness of food quality and food safety
- 2) increase revenues for small farms and small food producers
- 3) contribute to the development of rural areas by developing local markets

The SFSC in Poland can shape the food market. It can be determined by:

- 1) the number of participating farmers / producers and consumers
- 2) diversity of the range of products sold
- 3) sales volume
- 4) reliability / continuity of supply
- 5) increase in the attractiveness of rural areas (for life, work, investment).

Direct sales (among others, Agricultural Retail Trade and other legal possibilities) are the basis for the development of SFSC systems whose task is to support and organize the activities of farmers and consumers in order to connect food producers from a specific region

directly with consumers who are looking for fresh and tasty food without chemistry and known origin. The development of SFSC systems is today a priority in rural and agricultural development programs throughout the European Union and an important element in the development of local agricultural markets.

The inclusion of Poland in the common agri-food market revealed the comparative advantages of our producers and resulted in a rapid increase in agri-food exports and a significant improvement in the foreign trade balance of these products. Since accession, the Polish agri-food sector has had a very strong position in the foreign trade balance - its share in total trade has been systematically growing since 2005.

Currently, over 3/4 of the agri-food sector exports to EU markets, and compared to other EU-10 countries, Poland is the dominant producer and exporter of agri-food goods. Among EU-10 countries, only Hungary can boast of a surplus comparable to Poland in trade in agri-food products.

Legal changes introduced in Poland in 2016–2017 enabled farmers to legally sell their own food products, both unprocessed and processed. Recently, regulations governing the sale of food by farmers – producers on the domestic market are changing in order to adapt them to the needs and conditions and the possibilities of small farms and hence to enable consumers with direct access to food products produced by farmers. The most important change in this respect is the implementation of sales in form of Agricultural Retail Trade (Rolniczy Handel Detaliczny - RHD) is one of the forms of retail trade for which separate regulations have been adopted in the Polish legal order in the scope of supervision of official food control bodies and certain tax preferences have been introduced. As part of such trade it is possible, among others, processing and sale of manufactured food to final consumers, as well as from January 1, 2019, to establishments conducting retail trade for the final consumer, located in a limited area. [ according to the EU Regulation no 852/2004]. Lead form this activity falls under the definition of short food supply chains. Currently, various forms of production and sale of food for individual farmers are allowed in Poland. The choice of form depends on the individual decision of the farmer, which should be matched to his situation, in particular the type of food marketed. Selected form of sale sets out legal requirements that must be met



by each farmer-producer individually placing food on the market, primarily in the field of safety food.

### 3.2. SHORT FOOD SUPPLY CHAIN ORGANIZATIONS

There are various kinds of organizations involved in short food supply chains in Poland. Some of them are NGOs nevertheless there are several public institutions which help small farmers and food producers as well.

In Poland there are following types of organisations:

#### 3.2.1. *Local producers' markets*

The awareness of the advantages of fresh, local and organic food is constantly increasing in Poland. That situation appeared after a few years of expansion of the big hypermarkets offering cheaper food products (fresh one) but with significantly lower quality. It was not quality understood as a freshness but quality understanding as an industrial one. People started to be aware that organic food is healthier and it doesn't have to be much more expensive if bought directly from farmers. As an example, the local producer market in Kraków can be presented. This idea is implemented by an NGO and it is supposed to match local food producers from Małopolska region and local consumers. This market is organised 2 times per week and gathers different food producers (e.g. vegetables, meat, processed food producers (e.g. home-made pierogi, gołąbki etc), cheese from mountain region, bread producers and many others).

#### **Description of the implemented initiative:**

The idea to create this marketplace was born in the Podgórze.pl association a few years ago. Inhabitants wanted to have a place in the district where they can buy healthy and organic products, preferably straight from farmers. The first market took place in June 2013 - it was organized every Wednesday and Saturday until November. Only later did the organizers decide to continue it in the winter.

#### **How the system works:**

Fresh cheese, organic vegetables or home-made preserves - these are just some of the specialties offered by farmers at Parsley Market. The stands of Parsley Market are located in the basement of the Korona swimming pool building at Kalwaryjska street, but since spring, farmers are moving outside, to the nearby Independence Square.

Parsley Market is not just vegetables and fruits. Farmers bring sheep and goat cheeses, freshly squeezed juices, breads and sausages to Krakow. At the market you can also buy dairy products, honey from organic apiary, homemade dumplings with several types of stuffing, as well as smoked fish.

Organic vegetables, fresh parsley and carrots, potatoes and sweet beets make customers come back to the Podgórze market. - In organic food stores, products are much more expensive, and besides, I don't trust such chains. At the market, the customer can be certain that this is not mass-produced food.

Only in such places customers have direct contact with the manufacturer, can learn the production process and the exact composition of the products. People do shopping here not only because they want to buy organic food, but also like farmers and the atmosphere of this market.

### *3.2.2. Local fairs and exhibitions*

Poland is an agricultural country, there are all possible branches and kinds of agricultural production and also a very well-developed advisory service. Poland is also quite a big country taking into consideration the number of citizens. That's why, during the spring, summer and autumn there are many various fairs devoted to agriculture. Each of them has some part devoted to the local food presentation and delivery as well. Those fairs are usually organised in the rural areas. As an example, exhibitions of the local breeds can be presented (e.g. in Szczyrzyc, Bratoszewice, Ludźmierz, Rudawka Rymanowska etc). Nevertheless, fairs and festivals are also organised in the cities. Those festivals are devoted to local food and products. As an example, we can present every year a festival of local bread organised in Kraków, and a festival of honey or pierogi also organised in Kraków.

The biggest fair every year is organised by Polagra Food in Poznań where all producers can present their products as well as producers of food process machinery.

### *3.2.3. Food producers organisations*

Local producers of food are increasing in Poland, there are many various organisations with different legal status. Nevertheless, most of them are registered as NGOs or foundations. Those organisations are gathering local food producers or a mix of producers and processing food companies. Those organisations always have some most valuable “point” which distinguishes them from others. As an example, we can present an association of the producers of the local Lisiecka Sausage. As a second example can be presented the association of the Sechłońska Plums producers.

The other kind of organisations are, based on the legal basis of NGO, cooperatives which are gathering local producers. The cooperative is managing from the very beginning process of product quality check, promotion, collection of the orders, packaging and delivering. This cooperative takes care also for development of the relationships with local customers.

### *3.2.4. Agricultural production cooperatives*

Agricultural production cooperatives have a long tradition in Poland. Before the system change it was mostly public companies working in the area of agriculture. After 1989 the idea of those cooperatives fell down. Nevertheless, in recent years it was re-build and currently there are several production cooperatives. They are different from described above cooperatives because they are working on the legal basis of the private companies for profit. They are also producing food on a much bigger range. They gather farmers but this is different kind of agriculture – it is just industrial food production

### *3.2.5. Online webshops*

In recent years this kind of food has rapidly increased in Poland. There are many various on-line shops, even big supermarkets, offering their products however we will focus here on the high-quality food offer. Those specific initiatives are focusing on offering selected products with certainty of high quality. As an example we can present the above described NGO based initiatives which are offering their vegetable products and also some limited numbers of processed products for their customers. Another on-line idea is to organise a

closed group of customers. In the Małopolska region there is such an on-line shop which is offering different high-quality products however each customer has to register first and be verified by the administrator. That kind of on-line shop has advantages and disadvantages. However, this on-line shop has certainty that sells their products only for really interested customers.

#### *3.2.6. Shops for local products*

As mentioned before Poland is quite a big country with many smaller and bigger cities and towns. That's why it is possible to find a shop specialized in selling local products. This area of interest (local products) of the customers is constantly increasing. There are shops with all possible local products however it is also depending on the region e.g. in the mountain (south) part of Poland are many shops with local cheese products, while in the central part of the country it is possible to find offers of local fruits, special local dishes etc. In the north the local products are focused more on the sea products.

#### *3.2.7. Daily markets*

In Poland, the very famous way of purchasing food are local daily markets. They are organised mostly in the cities. They are evolving because a few years ago there were big places where every day local entrepreneurs were selling bought from farmers products. There were also local farmers arriving and selling their products directly. Years by years those places were changing and on the majority of them there are re-build and regular shops. Nevertheless, some of them are still operating as a marketplace where local farmers are selling vegetables, cheese products, fruits and sometimes meat. As an example, in Kraków there is one old marketplace which still performs the function of direct selling (Stary Kleparz) and other local small markets in the housing areas.

#### *3.2.8. Agritourism and other kind of farm services*

Agritourism is developed in Poland completely. That's why this area of farm activity is also one of the sources of delivering local food products to customers. Agritourism services providers are usually farmers, who are doing many various activities in their farm. One of them is growing organic food and using it for their customers during their stay in the

agritourism farm. Another opportunity is to process raw food and sell it as a local product for local customers. This activity is usually executed in all agritourism farms in Poland.

Since agritourism is well developed in Poland farmers were looking for other opportunities for additional income. That's why many farmers decided to organize separately or in the frame of agritourism farms educational farms. These farms are often directed to teach children (but also adults) about some old traditions. This tradition is often connected with food production and processing. As an example, we can provide an educational farm of bread production. Those farmers are baking bread not only during the workshops but also baking it for their permanent customers promoting at the same time local culture and local tradition.

Another developing branch of additional activity in farms is social farming<sup>13</sup>. This is also a potential source of delivering fresh, local and often organic food to customers. "

### 3.3. RURAL ANIMATION

The rural animator of the SFSC profession is not developed in Poland as a separate one. This profession is rather devoted to social aspects of life in rural areas. Nevertheless, rural areas are not abandoned in regard to this area. The duty of animation of SFSC in rural areas rests on the shoulders of private or public agricultural extension service. Private extension service is focused only for paid advising so it is less popular but public service has relevant branches dealing, among other with SFSC topics.

The extension service system is organised as 16 regional (in each voivodeship 1) units. In the frame of each unit are different departments. Usually there are departments of rural development and rural tourism. Depending on the internal structure one of those departments is dealing and providing an advisory system in regard to small farming and local products. AACs are organising many trainings for farmers. Some of them are also devoted for soft skills development (e.g. communication, negotiation etc) and, depending on

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<sup>13</sup> Social Farming is a planned outcome focused, support placement for people on a farm using the natural assets of the people (the farmer or grower and his or her family), the place, the many activities (which are carried out on that farm) and the community around the farm to support a person to achieve some of their own chosen goals.

needs there is also training devoted to law in agriculture and SFSC (especially if there is new law implemented) and marketing of food products.

### 3.4. SELF-EMPLOYMENT IN RURAL AREAS

The Polish agriculture employment system is based on the own entrepreneurship of the farmer. Nevertheless, someone who wants to be a farmer in Poland has to fulfill a few conditions. However, if someone becomes a farmer, he/she has a special status of entrepreneur. First of all, he pays much less social security fees compared to the other branches' entrepreneurs. Moreover, he pays this fee to a special farmers' social security office. This is the second SS system parallel to the "normal" one. Moreover, a farmer is not obliged to pay any income tax from his farming activity. So, from that point of view it is very favourable to be a farmer in Poland.

However, there is a specified close catalogue of the preferable agricultural activity. If someone wants to start a food processing company, he/she is obliged to register and pay all fees according to the law for "normal" entrepreneurs. Of course, small food processing on farms for his or her own guests (agritourism) is also free of taxes.

Total number of people working in agriculture is around 2,8 mil.

### 3.5. ADVISORY SERVICES IN POLAND

The agricultural advisory system in Poland is quite complex. This system is dual. First part of it are 16 regional advisory centres located in each of the 16 voivodeships. They have more – less the same structure everywhere and all of them are subordinate to the Ministry of Agriculture. More detail further will be described based on the Małopolska Advisory Center (MODR).

The second public service of advisory is Centrum Doradztwa Rolniczego CDR (translation is the same in EN – Agricultural Advisory Center). Nevertheless, there is one headquarter in Warsaw and 3 branches in Kraków, Poznań and Radom. Their role is to support 16 regional AAC in their work and also educate them in different areas of their activities.

MODR is the biggest advisory center in the entire region. MODR has the best opportunity and access to the current law and knowledge. Moreover, in some cases they are also participating in the law creation by consultation on different legislation issues.

According to above the key partners of MODE are all farmers, rural inhabitants, local rural entrepreneurs etc. MODE also helps local producers to organise various fairs and local markets where they can promote and sell their products. This is especially important to pay attention to the ecological certification due to the very famous fashion of this term and because of many “fake” organic producers/sellers.

MODR is organising several agricultural fairs i.e. Agropromocja in Nawojowa near Nowy Sącz where, among other, one part is devoted to local producers. One of the MODR missions is development of rural entrepreneurship. This goal is also realized by organising groups of producers and helping in organisation of food producers’ cooperatives. MODR helps willing farmers to organise associations or cooperatives by organising dedicated training and courses for them as well as supporting them at the beginning of the activities. They help to establish groups of producers in various areas of agriculture.

For some time, a certain group of consumers have noticed the much greater advantages of organic and traditional food. That is why this part of the agri-food market is developing rapidly and more and more producers are producing organic products. MODR Małopolska has a separate ecology department. It supports organic farmers in their daily work and also helps other farmers adapt their farms to the requirements of organic farming. As for consumers, MODR mainly conducts educational and information activities. There are numerous trainings on topics related to organic and traditional products, but also various exhibitions and agricultural fairs are organized at which both organic products and their advantages are presented. MODE also publishes the industry newspaper "Doradca", in which it describes various models and possibilities of organic production.

### 3.6. SUBSIDIES FOR SFSC IN POLAND

In addition, in relation to the support provided under the "Cooperation" measure in Poland, in the description of the measure included in the RDP 2014-2020, as well as in the national provisions governing the implementation of the measure, as defined in the Regulation of the

Minister of Agriculture and Rural Development of December 23, 2016. on the detailed conditions and procedure for granting and paying out financial assistance under the "Cooperation" measure covered by the Rural Development Program for 2014-2020 (Journal of Laws of 2018, item 1226 and 1683), it was specified that support for cooperation operations between supply chain actors for the creation or development of short supply chains or local markets is the implementation of operations by the Innovation Operational Group, which includes at least 10 farmers.

It should also be emphasized that in this case it is not about building infrastructure of such local market facilities, due to the distribution of support between the one offered under the "Cooperation" measure and the support offered under other RDP 2014-2020 instruments, e.g. operations of "Investments in marketplaces or buildings for the promotion of local products" under the sub-measure "Support for investments in the creation, improvement and development of basic local services for the rural population, including recreation, culture, and related infrastructure", under which construction is supported or modernizing marketplace infrastructure). Due to the distribution of support between the one offered under the "Cooperation" measure and the support offered under other RDP instruments 2014-2020, e.g. operations such as "Investments in marketplaces or building facilities for the promotion of local products" under the sub-measure "Investment support in the creation, improvement and development of basic local services for the rural population, including recreation, culture, and related infrastructure ", which supports the construction or modernization of market infrastructure).due to the distribution of support between the one offered under the "Cooperation" measure and the support offered under other RDP instruments 2014-2020, e.g. operations such as "Investments in marketplaces or building facilities for the promotion of local products" under the sub-measure "Investment support in the creation, improvement and development of basic local services for the rural population, including recreation, culture, and related infrastructure", which supports the construction or modernization of market infrastructure).Support for investments in the creation, improvement and development of basic local services for the rural population, including recreation, culture, and related infrastructure ", which supports the construction or modernization of market infrastructure). Support for investments in the creation, improvement and development of basic local services for the rural population, including



recreation, culture, and related infrastructure", which supports the construction or modernization of market infrastructure).

## 4. Short Food Supply Chains in Romania

### 4.1. CONTEXT AND BACKGROUND

Romania was an agricultural country before the '89 changes. Food production and trade were barely functioning at the national level, as due to the restrictions most of the shops were empty and the population purchased basic foods through village contacts. The post '89 food dumping, which consisted of food imported from the West, enriched with conditioners, containing substances unknown to the locals, spread very quickly to the population, and food from the home or from the villages was slowly forgotten. The number of small producers is constantly decreasing, and large-scale agriculture has a future. In mountain areas, due to their geographical characteristics, small livestock farmers are still viable, but because of the difficulty in getting their products on the market, they have slowly become a "compromised group" as well.

Over the past 3-4 years, the first Community agricultural groups have been organized on the initiative of mainly intellectual groups, mainly based on models imported from France or USA.

The main fields for the business road map are:

- short food supply chain organisation,
- rural animation,
- self-employment in rural areas,
- social innovation in advisory services.

### 4.2. SFSC AMINATION IN ROMANIA

In Romania there is no legal, official or scientific definition for SFSC animator/facilitator yet. There is one occupation in Romanian Occupations Code: Cod COR 342204: Facilitator of community development, Level of studies - 3 (middle or post-secondary studies). It can be

applied in small farming, crop production, livestock production, plant protection, animal welfare, food processing, access to market, access to finance, access to land, access to rural development subventions and know how, innovation brokerage etc., SME incubation from other sector than agri-food):

- Family farms,
- Food producing SMEs
- Few of the restaurants and public catering companies
- Local development associations like, Leader associations, local tourism associations, consumer's communities and naturpark associations.
- Social cooperatives;
- There are some examples, when private food companies organize markets for small producers, like Petry.
- Public bodies, like Ministry of Agriculture and Rural Development, Agricultural Chamber, Rural Development Network

There are different types of animation in Romania:

- training/ face to face consultation: training is not really loved by farmers, so most of the NGOs are using the consultation method in order to inform the farmers about SFSC.
- community building: The SFSC associations are grassroots organizations, they put a lot of effort on community building.
- study tour organization: LEADER and community associations are organizing study tours in foreign countries, the food hub network is organizing local study tours
- market organisation: in the last 7 years the local products markets are more and more familiar in the whole Romania. They are organized in some counties by the County Council, in others by LEADER groups or other NGOs. In Mures County the local meat supplier (Petry) is organizing the markets.
- marketing: local brands are developed like Sekler Product, Gobe Product, Transylvania Authentica.
- common event organisation: local festivals, holidays are organized in different regions.

### 4.3. SHORT FOOD SUPPLY CHAIN ORGANIZATIONS

In Romania there are different types of organizations involved in short food supply chains. Most of them are NGO based initiatives, but a few public institutions started as well to help small producers.

Based on our research, we found the following types of initiatives in Romania:

- Monthly producer markets.
- Festivals
- Foodhub network
- Community based agriculture, like ASAT and Webcam Targu Mures
- Online webshops
- Shops for local products
- Weekly markets
- Local tourism

There are a few associations of farmers, EcoRuralis <https://ecoruralis.ro/>; The Romanian Farmers' Club, which is a non-profit and non-governmental organization of the farmers from Romania <https://cfro.ro/en>; Association of Szekler Farmers <https://szekelygazda.ro/>; etc. The type of the cooperation between farmers in these associations is mainly advocacy and counselling. The main aim of this network of farmers is to provide professional support for SME-s and family businesses from the field of agriculture.

- type of production: farming, horticulture and animal husbandry.
- demographic and social facilities.

Based on the research, the following types of initiatives were found in Romania:

#### 4.3.1. *Monthly producer markets*

These are usually organized by county municipalities, they collect small producers, provide them with exhibition space, and small producers receive a uniform tent for a favourable wage, where they can sell in compliance with Romanian regulatory framework (hygiene, veterinary requirements). There is a lot of control at these fairs. Each county solves

differently, we present the example of Harghita County in one of the case studies. In the capital, Bucharest, a fair for small producers is organized twice a year: <https://www.ozosep.ro/>.

#### *4.3.2. Festivals*

Craft fairs are the side events of the most prestigious festivals throughout the country. Food and handicrafts are also available here. E.g. Hungarian Days în Cluj-Napoca, Christmas market in Sibiu, Brasov, Electric Castle in Bonchida, Summer Free University of Tusványos.

#### *4.3.3. Foodhub network*

The concept of "Food Hub" is a relatively new one for Romania, but it has contributed to solving some of the most important problems of local producers - the lack of a market - in the US, where it was born. The Food Hub is a food integrator that supports small and medium-sized producers, giving them a market. As a promoter of the short agri-food chain, the Food Hub brings together, on the same platform, local food producers.

Following a study visit organized by the Romanian-American Foundation, the Civitas Foundation together with other partner organizations, got in touch with Food Hubs in the United States, saw how food hubs work and what their social and community impact is, thus bringing the model to Romania and adapting it to the Romanian reality, in order to connect local farmers and their products to the needs of urban consumers, initiating and developing a program dedicated to Food-Hubs in Romania.

Launched in 2017, the "FoodHub" program is one of the most challenging initiatives to support Romanian local producers and was developed with funding from the Romanian American Foundation, the Civitas Foundation for Civil Society, the regional office in Cluj in partnership with four NGOs working in the field of rural development - the Center for Mediation and Community Security, World Vision Romania, the Open Fields Foundation and the regional office in Odorheiu Secuiesc of the Civitas Foundation for Civil Society.

### *Description of the implemented initiative.*

Currently, at the national level, there are 5 Food Hubs (which are coordinated by the 5 organizations mentioned above), under the umbrella of the Program developed by the Civitas Foundation for Civil Society - Cluj-Napoca Branch. These structures are registered and operate as LLCs, with sole shareholders being the NGOs that set them up. Each of these Food Hubs, from the beginning of the Program (2017) until now, has outlined its own business model, through the prism of the area in which it operates, of the clients and of the identified opportunities. So far there are 3 Food Hubs that bring producers together on an online platform - Fruits and Snacks in Iasi, Nord Natural în Suceava and Nod Verde în Cluj. The only Food Hub that has a physical store is Helenvale / Cumsecade/Shop in Place/ and is located in Odorheiu Secuiesc, where local food and non-food products are sold. Merendar is the only Food Hub with a unique product - honey - that addresses touristic companies and that has a strong social potential, having mainly as suppliers - vulnerable families involved in World Vision Romania programs.



These entities received in August 2017 - February 2020 a grant to develop the business and in February 2020 - January 2022 another for consolidation.

The main features of Food Hubs:

- All products sold come from farms in Romania, located at a distance of max. 150 km.
- The activity is taxed (including the farmers it collaborates with) and all the necessary approvals for the activity are obtained,
- All producers can benefit from different counselling programs.

### *Obtained results*

Between 2018 and 2019, more than 228 small and medium-sized producers (and their families) were involved in food supply activities for the five Food Hubs. Total sales in 2019 were over \$ 350,000. 12 jobs were created (average / month) in the five entities (direct jobs). We also have over 20,000 social media followers, with 4 launch events and over 20 consumer events.

In the context of the crisis generated by the Coronavirus pandemic, which started at the beginning of March, each of the 5 Food Hubs experienced an exponential increase in product demand of up to 4-5 times compared to the same period last year. It has been possible to attract new producers in the network of suppliers and the processes of purchasing, storage and delivery of products have been streamlined in order to respond to the newly created situation. The capacity of the Food Hubs has been adapted to the new conditions, hiring new collaborators.

#### *4.3.4. Community based agriculture*

### *ASAT*

The Association for the Support of Farmers Agriculture - is one of the most well-known Community Supported Agriculture systems in Romania, based on a CSA model from France, where small-scale producers are supplying fresh vegetables to consumers in the cities and nearby villages (max. 70 km). ASAT Association was established as a non-governmental organization, with legal personality in 2014, having as founding members consumers and activists involved in the initiation and development of ASAT solidarity partnerships. In 2017, a number of 8 ASAT partnerships operated in Romania in Bucharest, Cluj-Napoca, Sibiu, Odorheiu Secuiesc and Timișoara.

ASAT aims to help exploitation of the benefits offered by traditional agriculture in Romania. The aim is to preserve local biodiversity and produce healthy food, to support small farms that practice traditional agriculture, without chemical fertilizers and synthetic treatments (herbicides, pesticides). By expanding the ASAT partnerships, the true economic potential of

small farms in Romania will be given by diversified production and respect for the natural environment.

The motivations for being involved in ASAT are more personal reasons such as accessing fresh, tasty, and organic produce often being expressed together with broader aims such as knowing where the food comes from and supporting small-scale producers. For producers, it is a matter of gaining a more secure source of income, but also to access a more rewarding system, since the prices are directly linked with the production costs and the efforts are acknowledged by a group of engaged consumers.

Growing organically is a precondition for ASAT, and this is also a main reason why consumers are part of the network. Consumers sign a contract for a year, a budget is made to cover all the production costs, and a part is paid in advance, as a form of risk-sharing. The freshly harvested vegetables are then supplied weekly through deliveries to a pick-up point, near the home or office of a consumer. The relationship between the producer and consumer in case of ASAT can be defined as direct and personal relationship (without intermediaries, hierarchy or subordination), based on trust and mutual respect.

### *Webcam Targu Mures*

Host organization: Focus Eco Center (<http://focuseco.ro/webkamra>)

A short sales system initiated by the Focus Eco Center organization where you can buy fresh vegetables and fruits from local producers.

#### **What does Webcam mean?**

The Webcam local short sales system was launched in 2002, and a few years later a larger movement called ASAT was launched in Romania, where the French model was used as an example.

The Webcam program has developed year by year, and nowadays we organize monthly sales campaigns at the organization's headquarters in Târgu Mureş. Here, customers can meet

local producers, learn about their products, from cheeses to tea blends. And we are currently working on a weekly vegetable basket system with a new producer.

At the same time, these meetings provide an opportunity to organize events such as film screenings, roundtable discussions, where we welcome everyone.

### **Become a character**

Being part of a short sales chain means being more than one customer. It is also an eco-conscious process where an alternative agricultural model based on local values can be promoted. In addition to providing the customer with fresh, local produce, they also build a community with farmers and other users.

They have regular meetings with farmers, and at the beginning of the year, producers and consumers plan the agricultural year together. Once a month, producers bring the products to the association's headquarters, where buyers take it over.

#### *4.3.5. Online webshops*

Online food trade has only begun to gain ground in recent years. In addition to the Food Hub network's webshops, countless websites and applications are now available to consumers. Farmers also have difficulty uploading and updating data and obtaining permits for online commerce. However, there are already good initiatives.

<https://www.piatafermierilor.ro/>

<https://platferma.ro/harta-fermelor-romania/>

#### *4.3.6. Shops for local products*

The number of stores selling local products has increased significantly over the past 1-2 years. Many of them are NGO initiatives, but many are also private companies. The attitude of producers to these small shops varies greatly, and this mainly depends on the cultural endowments of the given region.



Some example:

<https://www.facebook.com/satinoras/>

<https://www.facebook.com/groups/208003140511267/>

<https://www.facebook.com/ProduseTraditionaleBrasov/>

Often, traditional domestic products are also traded through a short supply chain.

#### *4.3.7. Weekly markets*

People in Romania really like to go to the market, talk, shop, and gather news. Thus, the marketplace is important for every settlement, the food trade taking place there is part of the short supply chains. Weekly fairs are organized on different days in a given region to reach smallholders everywhere.

Several markets are organized by chain stores for small producers: Petry, Megaimage, Kaufland, Merkur. Their role is to promote the chain stores through local farmers, and not vice versa! The markets are organized or in the parking place of the chain (Kaufland), or in a park (Petry), or in the store (Merkur, Megaimage).

#### *4.3.8. Local tourism*

Due to the tourist potential of Romania, the amount of food consumed by tourist units is significant. But in recent years, we have come across more and more organized farm visits for both tourists and city dwellers. These visits account for an increasing share of product sales by smallholders. In fact, it is the most authentic and shortest sales chain in which only the organizers of tourism programs appear as intermediaries.

### **4.4. RURAL ANIMATION**

The village animator is not a common role in Romania. Specialists from the State-run Agricultural Directorates and municipal agricultural representatives play this role for the most part. But more and more NGOs have felt the need to help smallholders survive and

come up with programs (ASAT, food hubs) to help smallholders enter the market in a short supply chain.

A very important and useful initiative was launched in Transylvania thanks to the Hungarian Ministry of Agriculture. They pay 50 village animators to help the smallholders of the area in the most professional way possible. The short food supply chain is also part of the basic training of village animators.

#### 4.5. SELF-EMPLOYMENT IN RURAL AREAS

Fruit and vegetable growers are selling their products with a primary producer's license. This is issued by local governments and they also receive an account array that is used for sales.

Processed products are already subject to different treatment. At the moment the raw material is packaged or subjected to any processing process, the product must comply with public health, veterinary and consumer protection regulations. These processes and expectation systems are different for goods sold from home or in markets and for goods sold in shops. Being in the store means a higher level of expectation, which is very often impossible for a smallholder to meet, leaving direct sales, which is quite often a black economy category (no taxation). The processor must have some legal personality and it has to be accountable. The most often used categories for employment: self-employed, family business, limited company.

We very rarely come across the cooperative form, but there are not employees but members who get a share of the joint sales.

## 5. Short Food Supply Chains in Hungary

### 5.1. CONTEXT AND BACKGROUND

In parallel with strengthening the importance of environmental and sustainability issues and healthy nutrition, food systems based on the short supply chain have also been at the forefront in Hungary over the past decade. Short food supply chain (SFSC) is much more than

an alternative form of local trade, it is a key tool for rural development. A multifunctional solution that can simultaneously promote sustainable use of local production potential and flow of money in the local economy, besides strengthening local communities.

In the absence of a domestic regulation, the EU tender terminology uses the definition laid down in Regulation (EU) No 1305/2013. Accordingly SFSC is a supply chain 1) formed by a limited number of economic operators with a close geographical and social relationship between its members, and 2) its business model is based on direct sales or the involvement of a maximum of one intermediary. However, this definition alone does not dispel all uncertainty of interpretation, e.g. there is no uniform interpretation of the sale of non-food products and related services or the interstate system for supply to catering.

SFSC takes many forms in Hungary, in line with local possibilities and innovation capabilities, typically as a grassroots initiative, inspired by national and international good practices.

Summary table of recent Hungarian SFSC’s forms:

Forms of SFSC cooperations in Hungary			
<b>To intermediaries</b> - to retail - to gastronomie (HoReCa) - to mass caterers	<b>Directly to home</b> - shop truck - box system and other CSA - webshop	<b>Open farms</b> -on-farm shop - guest table services -pick it yourself actions -open farm programmes, thematic networks,	<b>At point of sales</b> - (drive in, mobile) farmer's markets -shopping communities -festivals and fairs -farmer's shop/shelves

In the framework of this study, we analysed for business sustainability the development of collective (jointly sold) SFSC’s organised by an intermediary (animator). Regardless of form, all SFSC types are based on direct producer-consumer relations, catalyst (animator) person, locality, broad partnership and solidarity. That's what makes SFSC resilient to crises. They can be operated sustainably through a business model that can sustain the interests of all the actors, as it is the basis for stability and resilience of SFSC networks.

### *5.1.1. Development of Hungarian SFSC cooperation to become an alternative food supply chain*

Similar to other European countries also in Hungary shopping habits changed radically for the 21st century, commercial units where most consumer goods, preferably semi-finished foods can be obtained in one place in a short period of time were preferred by the majority of the population. This promoted the concentration of food retailing, the growing size of super and hypermarkets capable of serving a wide range of customer needs at the same time. Under these circumstances some commercial multinationals at the top of the food chain pyramid became in a favourable bargaining position with a relatively fragmented, multiplayer processor and producer pool, and they could impose ever tougher conditions on their suppliers. Due to this food producers obtained unfairly small parts of the profit generated in the food chain. Loss of earnings of local producers became a major challenge in rural development. At the beginning of this decade local initiatives started to enhance localism and direct sales of local products, to avoid outflow of local revenue and strengthen local communities.

As willingness to cooperate amongst farmers is pretty low traditionally in Hungary because of the negative experiences and moreover farmers in general are sceptical about innovation and they are at lack of capacities and competences to be engaged in activities of interest representation, therefore engine of continuous development of SFSC remains the growth of conscious consumer needs and the consumer's downstream fashion trends.

In the 2014-2020 period developing "alternative" short food supply chains (SFSCs) based on direct producer-consumer relationships became part of EU rural development programmes, giving the SFSC initiatives new momentum. Since this planning period also dedicated development funds from Structural Funds can be drawn to establish the infrastructural and organisational background needed for a well functioning SFSC system. Even if it is a serious problem that the call for proposal contains some unrealistic conditions which are difficult to meet in daily life (such as running SFSC in consortium form) and because of this a significant part of SFSC communities hardly take any use of this possibility.

The development of SFSC initiatives is hampered by the fact that no legislation has been passed in Hungary to define SFSC and regulate its operations from market competition, food hygiene and accounting point of view. This deficit includes inter alia, a system of joint producer sales, pass-through invoicing system and other legislative incentives for farmer's cooperation.

Besides legislative shortcomings there are no reliable statistics on the results of the existing SFSC initiatives so far, which further action could be evidenced by. Even without exact dates SFSC initiatives showed remarkable growth both in terms of number of initiatives and in terms of number of consumers. The estimated growth in spring 2020 was about 50 % (partly due to the pandemic situation). Farmer's markets, open farm networks, shopping communities and community supported agriculture forms have been developed rapidly in each part of the country. Development of SFSC in general is strongly connected to development of agrotourism which potential is not fully maximized yet.

#### *5.1.2. Sustainable operational framework of the SFSC cooperations*

In the absence of uniform SFSC legislation, divergent professional opinions have developed on the modus operandi of SFSC cooperation. It is disputed whether a SFSC cooperation should be operated on a non-profit or for-profit basis. Practice shows that the intermediate solution is viable, a not-for-profit operating form that generates sufficient profit for operation but is at the same time mission-driven. The recent grant for supporting development of SFSC activities may only be submitted as a company or as part of a consortium to ensure sustainability. The SFSC consortium as required is built by having a not-for-profit market organisation (association, foundation, non-profit ltd., social cooperative or church law) and members of at least 5 producers. Running a consortium is not a small challenge for the local economic development association, which has serious administrative and other implications.

Therefore, in practice, it is more the case that SFSC cooperation is largely organised by a local economic development association or, perhaps, a social cooperative, without consortium cooperation (even if this involves forgoing support). It is also common in the association and in the social cooperative it is legally mandatory for the local government to become a member in some form. A smaller proportion of (at least partially) producer-owned

companies may organise SFSC, in close cooperation with associations with a similar approach in the background. The association may carry out economic activities with limited mobility, assigned to the purpose. Therefore, when the SFSC activity reaches a certain level of growth, the association may decide to outsource the activity to a related non-profit company. However, the development of domestic SFSC cooperation is typically not so intense.

There is also the possibility in principle for producers interested in SFSC to set up a short supply chain producer group in the form of cooperatives. However, such a cooperative has not yet been established because of a complex precondition. It is a specification, inter alia, to a successful SFSC tender project and at least 15 members, who together generate a minimum annual turnover of HUF 50 million (around 17,5 billion EUR).

Overall, it can be said that the current legal environment does not adequately support the rapid development of SFSC endeavors. SFSC's operating conditions are not enshrined in law, in addition to the fact that the regulation governing the operation of small producers is obsolete. There is a lot of legal uncertainty and, in this context, the action of the authorities is not uniform.

One of the biggest obstacles to development is that the preferential conditions for joint producer sales are not developed (neither in online space nor in shops). In the absence of this, the commission construction remains the solution. However, the commission's construction is of concern in two respects. On the one hand, the legal person entitled to a commercial activity may be a commission. On the other hand, vat liability in the commission's scheme (+ 27%) may arise, because it can be considered a quasi-purchase, which the commission era credits on the purchaser further unrealistically deprecating the (typically VAT-free) small-producer goods. In addition to the commission's construction, even the escrow plan is a workable half-solution, but it requires serious administration and is not suitable for the transmission of larger quantities of goods.

It causes not only difficulties from a tax point of view that SFSC and its central component, joint producer sales, are not defined, but also makes food safety procedures more difficult. In the absence of legislation, the authority does not have a nationally uniform position on, for

example, the conditions for the operation of shopping communities (there are county authorities who treat the transfer point of the shopping communities as warehouses but some who treat them as shops). Unlike shopping communities, the legal framework of producer markets and their applicable food safety protocol are fully developed, so farmer markets are developing at a faster pace than shopping communities.

The lack of legalisation of preferential joint producer sales is closely linked to the lack of a very important accounting tool, the system of cross-over invoicing. With cross-check-ups, SFSC and other collaborations, such as cooperatives, could be much more flexible. Under such a system, the products offered for sale would not be presented as taxable income to the intermediary, but would be traceable and encoded without any additional administrative burden. This would be the way to enable the online payment system to be implemented in shopping communities.

An uncertain legislative environment, a more difficult way to navigate the rules make it essential – costly – to involve a lawyer in the development of the operating system of SFSC cooperation and to entail additional administration. Without completeness, the most important administrative tasks are: operating rules, policies, cleaning policies, storage arrangements, cooperation agreements, commissioning agreements, data protection statements, contracts and timesheets of volunteers and employees, market records, accounting, home treasury management, project documentation tasks, member register, etc. To build up a sustainable not-for-profit business model for SFSC is crucial to be able to create value for diverse stakeholders (farmers, consumers, rural development organisations, local authorities etc.) in the long-term.

Regardless of form, all types of collective (jointly sold) SFSC are concerned that the following main elements of the business model that can sustain the community of interest on the basis of research carried out under the project have the following main elements:

*Value proposition and intended activities:*

- Flexible sales systems to respond to local needs
- Continued maintenance of interest of all stakeholders and producers

- Business trust based on personal relationships, fair trade agreements
- Emphasized community development
- Diversified operation

*Customer relationship:*

- Authentic and active marketing communications with (potential) consumers
- A thorough knowledge of demand needs

*Key resources and partners:*

- Expertise and pooled expert team
- Dedicated local leadership and implementation team
- Local encapsulation and wide-ranging partnership, networking
- Multitask organiser role as an animator (market organisation, logistics, marketing, problem solving, networking, resource creation, support in administration, IT)

*Budget:*

- Predictability in terms of both product turnover and revenue

This is reflected also in the attached comparison (table) of the 3 SFSC initiatives.

Creating value for diverse stakeholders and maintaining a multi-operator business model requires a multi tasking animator with board competences starting from business skills all the way community organising and marketing. Chatalyst (animator) is the engine of the SFSC cooperation.

## 5.2. SHORT FOOD SUPPLY CHAIN ORGANISATION IN HUNGARY

Most SFSC cooperation sits in a diversified, complementary activity unless the SFSCs specialize as being suppliers of FoReCa and mass catering. In this sector specialisation is needed due to quantitative and qualitative requirements.



The primary task of SFSC is to organise the short food chain, which in itself is a wide-ranging task. This requires exploring market opportunities based on direct sales for local product producers, recruiting a sufficient number of producers and customers to exploit the opportunities, creating site and IT infrastructure conditions for joint sales, organising and conducting joint sales, while generating the necessary resources for continuous operation.

This basic task entails additional tasks for each SFSC type, which can be used to make the initiative effective. Members must not only be recruited, but also able to be retrained, besides community development and awareness-raising work is very pronounced. In addition to these activities marketing, IT, event management and public relations, networking and communication are also crucial. The awareness raising work is deeply connected to organising successful thematic events and the marketing campaigns. The stronger the connections a SFSC organization develops, the more viable it is. Even if to build up this human capital requires a lot of resources. A professional marketing campaign and user-friendly website are the basis for “business” growth. For professional marketing a search engine website, a uniformed image, high-quality online and printed reviews, photos and short movies are essentially needed. In terms of marketing small scale farmers and producers rely strongly on SFSC as they lack time and other resources.

Producers, customers, members, volunteers, public authorities, local operators, co-organisations, other SFSC organisations, media and other NGOs in the country all need to work closely together and cooperate with them, as this can help to solve any material and other problems of a different nature. They can help with, for example, discounted rental plans, provide free domain names and advertising space, pro bono services, or just support your approach to quick problem solving. Networking is a time-consuming task, and in many cases, it only recovers by delaying it. Organisational innovation plays a major role due to scarce resources and diverse tasks. We need staff, members, organisers, and a thorough knowledge of domestic and international good practices that are adaptable to SFSC's ability to innovate.

Complex operation and ongoing innovation pressures also place high expectations on human resources, while the SFSC organisation typically has to manage on a small budget.

Multifunctional staff can save human resources costs, but the competency limit of such staff can be taken into account, which loyalty cannot compensate for. Therefore, continuous training, self-training and exchange of experience within the network are necessary. The organization of complex tasks requires a management approach, in many cases professionals with this approach cannot be paid for by an NGO. In addition, the involvement of a legal, marketing and IT expert is sure to be necessary, at least from time to time.

Hungary does not have a tradition or an economic basis for qualified professionals to carry out high-quality work on a voluntary basis. Experienced professionals are thus typically able to be employed by SFSC organisations through grant support, only on a project basis for a fixed period of time. The development of a well-functioning organizing team requires a great deal of effort, which is why it is important to keep loyal and experienced staff, but the reproduction of the necessary resources can be difficult during the transitional periods between development projects. The support of the municipality or other support organisation can be of great help in getting through the periods between projects.

The cost structure of SFSC organizations consists of constant and variable costs, fixed costs are related to basic operations, variables are linked to improvements, campaigns, and seasonally, cyclically changing events. In order for SFSC to start operating, investments must be made, the necessary infrastructure, sales locations, platforms must be developed, and storage locations, offices and equipment are needed. Of these, the website, the transfer point, the site, and the refrigeration and transport capacity are the most critical. If the SFSC organization has a wide network of partners, it can get many infrastructure elements for free or at discounted prices, e.g. as a donation from its supporters, or free storage in a municipally owned cold store. Local encapsulation can also significantly facilitate the functioning of the organization in financial terms.

The infrastructure developed must be continuously operated, which also has cost implications. These include the payroll expenses of fixed staff, rent, overheads, maintenance of the website, maintenance of the quality system, and the costs of regular events. The revenue shall be such that the fixed operating costs are covered by revenue, then the activity will be sustainable in the long term.

At a minimum, the hedging point should be reached, the condition where profits are not yet generated but operating costs are offset by revenues. This is calculated as the basis for business planning. To do this, it is necessary to calculate the order of magnitude of which producers produce what product range and how many customers create the hedging point, the break-even. Each case is completely different, but in general at least 50 producers and around 100 regular customers are certainly needed for SFSC for stable operation.

Costs need to be calculated before starting the activity, it is necessary to examine what can be saved, e.g. whether it is possible to rent infrastructure at a discount, whether it is possible to involve volunteers. However, experience has shown that SFSC cooperation from a civilian background does so only if the application conditionality makes it mandatory. And the monitoring of the finished budget is even more hectic, and the daily updates often overshadow this task.

There is a huge variety of forms of SFSC in Hungary. Typically they are adapted to the local conditions and possibilities, there are always some differences even between the similar forms.

#### *5.2.1. Direct sales to HoReCa*

With the slow food fashion trend this form started to grow as becoming suppliers of hotels, restaurants and cafes means a good income and prestige for the farmer. There are several restaurants and cafes with seasonal menu in the capital and at holiday resorts which are willing to obtain their primary commodities straight from (local) small-farmers as it has an advertising value. Even restaurants with Michelin stars are open for high quality farmer's product but only in a well-organised system as chefs are at lack of time. This SFSC form needs a strong business background, connections and storage capacities. To be successful in this field a sufficient quality and quantity of premium products is the basis. For efficiency an organiser (animator) is needed who is familiar with business, agriculture, and gastronomy trends at the same time. Only reliable farmers who are able to produce high quality

products in business volume can participate in this SFSC form. It is challenging to find those appropriate farmers. Usually this experienced farmers need business advice during the production planning to become marketable. Food Hub is one of the most well known example in Hungary. By now they are in connection with more than 30 farmers and more than 20 restaurants. Besides they run a coworking and café place, called Urban Food. Urban Food functions as an event location with a special catering service using small scale farmer's products.

### *5.2.2. Community supported Agriculture*

Community supported agriculture (CSA) is one of the eldest forms of SFSC in Hungary. It is a viable form; young farmers choose this frequently. These solutions mean stable livelihood for the farmers and healthy food for the community. Common form of CSA is the box system. Customer contracts the chosen farmer and buys from the farmer every week a box of his/her seasonal product. The box system is successful if the farmer has a nice sortiment and he/she gives some recipes and also how to use the ingredients. Often organic farming is in the focus. The other frequent form of community supported agriculture is lising animals (chicken, pigs). Some combine the two solutions (like a Farmville game in reality) and they form the community by using digital tools and organising special events. Zsámboki Biokert box system is one of the pioneer box systems which can be raised as example. They supply in Budapest pre-ordered high-quality vegetable boxes at affordable price by bike to collection points. For lising animals, the oldest example is Youtyúk ("Youhen "). Conscious consumers can "rent" free-range hens from small-scale farmers (minimum 2 hens for minimum 2 weeks) and in exchange for 2 hens they will receive 10 eggs weekly for a decent price. The eggs will be delivered to collecting points or to home for an extra charge. My Farm Harta is a nice example for the combination of the vegetable box system and the lising animals. It is a cooperation of 3 farmers who employ marketing professionals. They run a fully community financed farm where products can be bought in a special package which contains veges, eggs and sausages.

### *5.2.3. Open Farm Programmes, thematic networks and minifestivals*

This form of SFSC is a great combination of local food, awareness-raising activities and agrotourism. Local producers can apply for being part of a farm network using special trademark with professional marketing support. On a regular basis these local producers offer programmes on the farm and the customers can register for these programmes. In between the programmes they get to know the producers very well and they also have possibilities to buy directly from the farmer/producer. This network put a huge effort in (mainly online) marketing to make these producers and their programmes visible. Recently in Hungary there are 4 slightly different open farm networks, the differences come from the regional characteristics. The most complex one is an agroturistica cooperation, the “Zala-völgyi Nyitott Porta Együttműködés” (Open Farm Cooperation in the valley of Zala river in Western Hungary) runned by a Leader association. Only certificated farmers can participate in the program, recently the network has about 40 members. They offer open days, workshops and other thematic activities for those visitors interested in agrotourism. All these programmes are supported by well-built professional marketing. Each member has to offer minimum 2 open programmes in a year and they have to participate actively in all joint events. The other type of open farm network is connected to minifestivals like for example “Hétreország” or “Ördögkatlan” Festivals in Western Hungary, during this festival local farms and producers open up their yard to strengthen the consumer’s confidence. The third type is “Kamratúra” (Closet tour) network which is a network of on-farm shops offering different goods for direct sale in Middle-East Hungary. Purchasing of goods this way means a nice family trip for consumers. They can taste these products on the farm, and the farmer prepares them for them. This is the so-called “guest table” service which can be provided by farmers without any educational background in gastronomy. The available farmhouses and their supply are collected on a user-friendly website which is supported by online marketing campaigns. The fourth type of open farm network, “Tanyasi Tanösvény” (Study Trail between farmhouses) is a special farmhouse cooperation for educational goals. These farmhouses offer special programs for primary schools. Significant part of participating students used to come back to the farmhouse later with his or her family. This type of open farm cooperation needs a huge financial support from the state and it is recently under-funded.

#### *5.2.4. On-farm shop and farmer's shop and farmer's shelves*

On-farm shops work quite well in some regions of Hungary if these shops build up a strong network (this is the above mentioned Kamratúra) and customers can make a tour from one shop to the other. The available shops are collected on a website. On-farm shops together with guest table services (where customers can taste the local food) are the bases of agrotourism. Agrotourism is a breakout point for small scale producers but still not fully exploited in Hungary.

Neither farmer's shop nor farmer's shelves unfortunately does not develop in Hungary well enough as legal and financial possibilities of farmer's joint sales are not fixed yet and according to the recent regulation distribution of other farmer's products causes extra taxes on what the customer has to pay for. Recently only in Budapest and at other touristic centres are functioning farmer's shops and farmer's shelves because there is solvent demand. One of the most well-known farmer's shops in Budapest is "Szatyorbolt" (Bag shop). The products of the shop come from ecological or lay-off farms and from time to time the shop organised tours for its consumers to visit the farmhouses where their products come from. The shop organises even special workshops for those who are interested in healthy food and environmental protection. Local product's shelves can be found at tourinform offices, at some groceries, hotels and restaurants. For example, there is a nice small grocery runned by the local municipality in Barnag (small village near to the Balaton lake) next to the bike path and they have a shelf for local products. Mainly the tourists and not the local inhabitants are buying these goods (due to the high price). This shop and all the products sold in the shop are using the Rural Quality trademark. To have well functioning farmer's shops/shelves in large scale foster legal background has to be settled.

#### *5.2.5. Shopping communities.*

Shopping community is a rapidly developing form of SFSC in Hungary besides farmer's market. There are more than 40 all over the country, half of them just started recently. They

are created to distribute local products directly to stimulate the local economy with local food production and consumption. They set up a webshop from where customers can order until a deadline. Participating farmers bring the pre-ordered goods to the sales point at a fixed delivery time. After these consumers come at the fixed delivery time and take their pre-ordered food. Both the farmers and the consumers save a lot of time this way. These communities are run either by local civic association (consisted by conscious consumers on a voluntary basis) or by state financed rural development association or at some cases by companies.

Shopping communities all over the country are sticking together. They build up a countrywide strong network in which they help each other. Chatalists of this network organise trainings, workshops and they are also working on proper software and quality assurance standards.

One of the pioneer shopping communities is the “Nyíregyházi Kosár” (Basket Community in Nyíregyháza, a shire-town in Eastern Hungary) which is runned fully by volunteers for more than 4 years. More than 150 families buy weekly in the community. They have a diverse sortiment, they offer about 90 food and other “green” local products. This community is very active in development of local economy. For example, they made a successful crowdfunding action, so called “Aranytojás Társaság” (Gold Eggs Co.) to finance local farmer’s investments needed for keeping free-range hens. During this action people could buy “egg-stocks” which value was paid in eggs after starting the production.

Shopping communities runned by state financed rural development associations function slightly differently. Körös Kosár (runned by naturpark association in Eastern Hungary) is a new but rapidly developing shopping community. They are a well equipped and staffed community, strongly rooted in regional politics. They can connect to the regional ecotourism development goals.

Shopping communities runned by companies are the most flexible ones. They are quite similar to webshops. As the organiser company runs a proper webshop with logistical infrastructure and buys the products from the farmers to resell, it can work with high prices. As this solution is quite expensive it is only sustainable in the capital where the living

standard is better than in other parts of the country. “NakedTerem” (Produced for You) webshop is the most viable example for this type. They constantly develop.

#### *5.2.6. Farmer’s market*

Recently there are about 300 farmer’s markets in Hungary, which means that by now this is the most popular SFSC form in Hungary. Farmer’s market is a special market type where only small-scale farmers can sell. There is a large standard deviation among those markets. Rapid growth of farmer’s markets is due to targeted financial support of small villages. Markets in small villages with low local demand will hardly run successfully without professional marketing and agrotourism. These markets can function well if they are easy to access and there are some cultural and gastronomic programmes on the market. The markets in Kaptalan-tóti called Liliomkert, and in Tihany called Placc (both near to Balaton lake) are nice examples for the “entertaining markets” Also, biomarkets mean a profitable market niche in the capital (in Budapest). Beside this there are several innovative forms of farmer’s market which are also popular: mobile market, drive in market, online market etc. Mobile market is organised from time to time in office blocks or in the middle of the forest, adjusting to people’s occupation. Drive-in markets became popular during the pandemic because this form could minimize the number of personal contacts ensuring hygiene. On these markets there is a serious need for payment by credit card even if it is costly for farmers. Part of the farmer’s markets functioned as online markets with home delivery during the pandemic but after this emergency period they turned back to “traditional” operation as consumers missed the community and stimulation.

The most comprehensive farmer’s market service is runned by ÉlőTisza Association (a civil association in Eastern Hungary) for many years. They run more than a dozen farmer’s markets in Budapest (in the capital) and in the suburbs, besides they supply farmer’s shops and shopping communities. Moreover, they organise minifestivals at harvest period. Their trademark is one of the most well-known trademarks in Budapest. The association functions as an integrator of small-scale farmers. They established a trademark, ÉlőTisza and they help farmers certified by this trademark to produce real marketable products. The association buys all these products for a distant price from the farmers, organises the full logistics and



sells on its sales channels. To buy the products is an emergency arrangement as joint sales of farmer's is still not possible in Hungary because of legal obstacles.

### 5.3. FINANCIAL POSSIBILITIES OF SFSC'S IN HUNGARY

In the first 5 years after starting the activity, typically, due to the small number of participants, not enough revenue is generated to cover the basic expenditure, and therefore grants, municipal or other support are needed. However, it is often the case that the grant applications (e.g. EU proposals) involve so much additional administration that it takes a significant part of the funding. Several SFSC organisations, mainly those based on strong internal community funds or with significant municipal support, have already decided not to use the funding for the grant, much of which should be spent on wages and administrations with strict constraints, but rather opting for slower but more stable development. The necessary resources will be allocated on a community basis e.g. by membership fees, brick snots, etc.

If a SFSC organization wants to start a new activity, develop an existing one, or support it with a professional marketing campaign, it will require development resources in any way. After all, these organisations do not operate on a profit-based basis, they do not have the level of income that they can reverse, and they are not even credit worthy. EU proposals are primarily the source of development. However, a winning grant proposal is subject to constraints (e.g. maintenance obligation, compulsory employment, administration) which must be considered in advance.

This is the second planning period in the Rural Development Operational Programme, when dedicated development resources are available for the start-up of SFSC groups and for the infrastructure development of producer members in the SFSC group. Compared to the first planning period, the grant scheme has improved a lot, e.g. a mandatory free training for the SFSC organizer (quasi-animator) has been incorporated, because the first experience has shown that the unpreparedness of the organizer can be a serious barrier to effectiveness. However, experience has shown that these tenders are not flexible, they have a number of pitfalls, e.g. not as an association, but can only be applied for as a consortium or as a

company, specific practical experience is not a prerequisite and it is also stipulated what the funding can be used for. Due to unrealistic reasons and risks, many SFSC, including those that have been successful for a long time, prefer not to apply for available resources. Thus, with legal uncertainties in the field, the pool of such funding for this purpose is low and the development of the sector is much slower than is possible.

In addition to the rural development proposal, there is still scope for a Leader proposal, but due to the scarcity of resources, only small-scale infrastructure development can be solved within the Leader framework. In addition, international applications (e.g. Erasmus+, Interreg) are also available, with common marketing and education not focused on infrastructure development.

Improvements should always be followed by a stabilization phase to strengthen the body. However, high ambitions and tenders for their implementation can in many cases lead to over-commitment and a need to move forward. In such a case, the results achieved cannot stabilise and new applications are needed to maintain them. This could include a wide variety of sales channels or a dearly sustainable staff of many professionals.

#### 5.4. RURAL ANIMATOR

In Hungary there is no such an official duty like rural animator although it would catalyze the development of the SFSC initiatives.

There are official duties which main task is support rural development initiatives in the countryside. These following duties could be prepared with training for taking a catalyst role in development of SFSC initiatives as animator.

- Regional offices of Agricultural Chamber
- Hungarian Countryside Network
- Leader Action Groups
- Naturpark Associations

Rural animator roles can function also on market bases, SFSC communities could pay the salary of the animator from member's contribution.

### 5.5. SELF EMPLOYED SMALL-SCALE FARMERS AND PRODUCERS

In Hungary, there are more than 150 000 small farmers and food producers. They play a key role in the local food supply (as demonstrated by the crisis caused by the pandemic in spring 2020). Their numbers are steadily decreasing as rural areas are ageing. Stopping ageing cannot be imagined without a fair livelihood for small farmers, in which SFSC can be an effective tool. The profits that remain in their pockets through direct sales provide a livelihood and also some opportunities for the development of their farm.

The basic condition for direct sales is a product of high quality, produced from a high-quality raw material in a traditional way. There is a stable consumer demand for products and specialities produced with constantly high quality, manufacture technology, no additives. Specialties can be sold to a narrower market segment, but with a larger margin. There is a risk that there may be no solvent demand locally in the production of such luxury products and/or a possible crisis will significantly reduce demand for luxury products.

There is a standard deviation in terms of quality among producers. However, the majority produce their products with great dedication and are also ready to adapt their product range to market needs. In many cases, they do not have the necessary information about current market trends and needs because they have not developed a direct relationship with customers. It is also the case that their knowledge of production technology and hygiene is not up-to-date.

In addition to customer burn and loyalty, product quality can be certified by a trademark certificate. Currently, unlike organic products in Hungary, there is no nationally available single trade mark system for local products (the local product is not legally defined, like SFSC). In connection with the international "Rural Quality" trademark system, the region's "Rural Quality" area trademark system is used in 3 regions of Western Hungary, and there are

some regions in eastern Hungary where this type of trademark is planned to be introduced in the near future.

In addition to the "Quality of the Countryside" system, there is also the now well-established, gentle landscape management trademark "Living (ÉLŐ) Tisza". Farm networks and open farm network systems also strive for a uniform image, some of them have already developed the trademark system. The multitude of trademarks is coloured by the fact that some national parks also use their own trademark system. The holders of trade mark certificates not only receive certification through the trade mark, but also have additional marketing opportunities. Experience has shown that the mark alone cannot significantly strengthen sales without well-structured marketing.

There is another way of quality assurance that is not yet widely used in Hungary, a community-based quality assurance system, which is being experimented with by one of the shopping communities in Eastern Hungary.

It is marketing, including the design of the product image, its own website, the use of print and online marketing tools, for which small scale farmers typically have no affinity. In this regard, they need the help of a family member or an independent professional. Marketing support given by SFSC cooperation can be a huge support for farmers. To provide efficient support SFSC cooperation has to have their own marketing strategy with milestones. After all, without marketing, it is very slow to develop a stable customer base and it is much more difficult to reach tourists with solvent demand.

Local product manufacturers are typically self-employed, or family businesses employing just a few people. Their main activity is production, they are at lack on time, especially during the production period. In addition to production, they can afford a maximum of 1-2 market days, possibly one delivery per week, but they do not have time for more sales tasks. Marketing organization and networking is one of the most time-consuming tasks that they cannot successfully carry out without external help. This is why, first and foremost, there is a need to be a mediator with expertise and a relationship system in the supply chain.

## 5.6. CONSUMER DEMAND FOR SFSC

Demand for local products continues to grow as the local economy is aware of the importance of the environment and awareness of the environment and healthy eating is strengthened. Due to the retention power of personal relationships and customer loyalty, demand for local products does not typically decrease in times of crisis, e.g. in the current epidemic, for example, the turnover of existing SFSC is typically increased by 50-80 %.

For traditional, diverse, quality local products, the main consumer segment is health-conscious families and singles with stable income. The motivation of singles is usually a little lower than that of a family. Targeting the health-conscious residential layer with products is also important because this layer is not price sensitive, it is willing to pay a higher price for better quality and a unique but stable supply. This layer is open to novelties and specialties. At the same time, they insist on the usual basic supply, not only the product but also the producer who sold it. A reliable producer is a quality assurance guarantee for them in one way. Socially sensitive ones are also open to local products, although their motivation is slightly surging, social sensitivity alone is not always enough to consume regular local products. In addition, recently, convenience services such as home delivery can be addressed to older people in better income situations. They are looking first and foremost for traditional "childhood" flavours, looking for basic products and not specialties.

Consumption of local products can be well linked to the recent trend of "slow food" and „slow tourism“, as well as „active“ tourism. In keeping with these trends, it is worth packing local food product specialities into an experience, and selling with an accompanying service. Family activities in the farmers' markets, open production events, traditional events, mini-festivals catalyze local product consumption, because of higher publicity, more customers can be expected. The repetition and regularity of the events makes the revenue possible for producers. Tastings and farm visit programmes play a key role in strengthening customer confidence and brand loyalty. However, farmers cannot successfully organise events of this magnitude on their own, and for this they need to work with an intermediary, SFSC.

The location of consumers is very interesting from a geographical point of view, and the SFSC consumer base is constantly expanding. Initially, a few years ago, SFSC's consumer circle was mainly made up of the conscious customer base of large cities (county capitals) and guests arriving at tourist centres. Demand for local products is now increasing also in metropolitan's agglomerations and small towns. On the positive side, SFSCI initiatives have been launched in both developed and less developed parts of the country. Of course, in the context of retail income level, different types of products can be sold better by each region.

In addition to private consumers, local retail, mass catering and gastronomy should be taken into account when analysing rel's consumer base. In Hungary, it is not profitable to sell local products through the local retail trade because there is no accurate accounting solution (e.g. joint producer sales) that would not increase the price of a small (VAT-free) producer's product by 27% VAT during the mediation.

Recently, the interest of restaurants, especially high-end restaurants, has increased in local products because the local product has now become a calling word that can generate more guest traffic. HoRECA (hotels, restaurants, cafes) can be the market for premium products. To do this, producers or SFSC need to establish a personal relationship with the chefs, to gain their trust with the products. During delivery, SFSC (or producer) need to be able to adapt flexibly to the hectic schedule of chefs.

The requirements for mass catering are not so high, but packaging in appropriate presentations and the continuous provision of stable quantities can be decisive. Not to mention the fact that in many cases products produced on the municipality's own farm take precedence.

Consumer contact with both individuals and catering units is fundamentally based on personal contacts, quick access via phone, Facebook and website. The website is expected to be consumer-friendly, to be used from a telephone, and to be able to get the necessary information, to order and to book an appointment with the service with 2-3 clicks. The image rye of the website, the logo, the experiential imagery also matters a lot. However, creating such a high-quality website is costly. Currently, only a third of local product producers still

have a working website. The real collaboration can compensate for this shortfall by developing a common, professional website where all producers can present their product offerings.

It is not a substitute for a website, but its influence can be strengthened by online communication tools such as Instagram, blog, podcast, etc. However, managing them is time-consuming and requires minimal routine. The communication devices should be coordinated, content-uploaded and efficiency measured per device. Only a small proportion of producers deal with this. Intermediaries also have a task in this regard.

In addition to online communication tools, local/regional media (Tv and radio) are also an important awareness tool. The paid form of media coverage is extremely costly, but if the event is new and/or expected to attract a large number of interested parties, it will be expected to be released free of charge. Media coverage is more likely to be expected in a well-functioning collaboration than alone.

Print marketing tools (flyers, business cards, publications) have not lost any relevance. They are primarily used to reach people who spend little time in the online space and use other electronic means of communication only occasionally. However, the focus is clearly shifting to faster online space, so such communication materials should be designed so that they can be uploaded to a website in addition to printing.

The examination of sales channels has shown that a diversified, multi-leited sales strategy can promote sustainability. Diversification may mean that several producer markets are operated by a REL cooperation, but it has also proved to work if they operate not only a producer market, but also a shopping community and a farm network. The diversity of sales channels does not compete with each other, but results in authentic and intensive communication with customers, which strengthens the evolving community.

There are two essential sales channels, one with a long tradition, the market/producer market, and the other is the online custom-made web interface. However, there is a legal uncertainty in Hungary regarding the online sale of small producers (the online outlets of

small producers and the conditions for joint sale of producers are unclear). Therefore, in Hungary, the websites of producers and SFSC are (mostly) suitable for contact and pre-order, but not for purchases, which is not beneficial for the convenience of the customers. Typical for all SFSC channels, the more amenities and experiences the service has, the more interest you may have. The mobile market, forest market, online payment, drive-in system, home delivery, adventure cooking, picnic, etc. increase the number of customers by leaps and bounds.

In addition, the SFSC channels related to tourism (e.g. slow food festivals, open farm network, cheese road, etc.) are very attractive because they offer local food packed into an attractive experience for the whole family and these services also provide an insight into the work of the producers. Regularity and a wide range of promotions are important for these events. In most European countries, there is an annual organized open farm weekend programme, during which participants can participate in farm visits and other related interactive programmes offered by local farmers and producers through a pre-booking scheme. The event is very popular, but it has not yet been established countrywide in Hungary.



## Conclusion

In general, a well-functioning SFSC for local producers can create the following values:

- fair trade and advocacy,
- reliable market information,
- direct feedback from the customer,
- saving time,
- new sales opportunities,
- passing on sales organization tasks,
- passing on logistical tasks,
- active help in marketing communication,
- strengthening local community affiliation.

In general, for conscious consumer a well-functioning SFSC can create the following values:

- Reliable quality food free of additives (pre-filtered).
- Seasonal but varied dining, getting to know new and long-forgotten traditional flavours.
- Smaller environmental footprint, food did not travel from long distances, less packaging material was needed.
- Well-planned, time-saving, regular purchasing.
- Direct contact with the producer, the countryside, personal contact is also a guarantee of quality.
- Community experience.
- Food money is being used locally, local livelihoods are expanding, emigration is slowing.

Based on practical experiences analysed in this study animator's (intermediary's) role is crucial in functioning of SFSC, specially to ensure that supply and demand meet each other:

- Finding and continuously expanding supply and demand.
- Continuous contacts with producers, consumers and other actors
- Solving communication and other problems, creating win-win positions.

- Be able to respond to changing market needs, deliver market needs credibly to producers.
- With a unified marketing communication (image, professional online appearance) to facilitate the sale of small producers.
- Sales and market organisation.
- Organising and conducting events.
- Finding new sales channels.
- Logistical support.
- Development and maintenance of the infrastructure needed for the sale.
- Community building, developing living links between producer and consumer.
- Design of quality assurance structure, trademark system.
- Continuous, high-quality promotion of cooperation.
- Expanding partnerships with regional actors and similar organisations in the country, networking.
- Providing the necessary production, management, economics, event management, accounting, legal, marketing and communication expertise.
- Mentoring of producers (on demand), production planning, assistance in administration, administration.
- Introducing and adapting good practices to producers and consumers.
- Flow of information, continuous operation of communication channels.
- Consumer awareness-raising.
- Impact measurement.
- Develop and maintain sustainable management, business planning.
- Application writing and project management.

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## 8. Business models of 3 chosen examples (Czech Republic)

Czech Republic	Box schemes – „World of the boxes“	Pilsen farmers market and farmers shop	Milk from the farm
1. Description of the animator (short)	<p>Svět Bedýnek project (= "World of the boxes") allows customers to consume the freshest goods and get to know many types of fruits and vegetables that they would not normally buy in a store. Through this service, customers can buy products grown by farmers in harmony with nature. They can make an order easily on the web, and the goods are delivered directly to their home or at the agreed place. On the website, customers will learn about suppliers, information about the products they buy, or they can find interesting recipes. Customers can order different types of boxes with the free delivery (it takes 24 hours after ordering), but customers can also purchase different products from local small farms.</p>	<p>Farmers' markets in Pilsen are organized by the Envic association – but the soul of this project is Tomas Popp. This farmers market is organized every Saturday during the season (spring to autumn) - on the website it is possible to find when the next farmers' markets are, what's new and a catalog of sellers. The farmers market is closely connected with the second activity of Tomas Popp – farmers shop. The shop's goal is to offer the highest quality food of domestic origin produced on family farms, bakeries, sausages etc. (they prefer local products from the Pilsen region). They work with about fifty proven producers of fine food and a dozen growers of vegetables and fruits. The unique business model of this animation allows to connect advantages of farmers markets (meeting with customers directly, marketing activities) and selling in the farmers' shop (all year round). This is profitable not just for farmers, but also for the animator.</p>	<p>The Mléko z farmy (= "milk from the farm") project was founded by Central Bohemian farmer Stanislav Němec and Jan Miller with the main aim – to decrease the pressure from supermarkets on small suppliers and manufacturers. The service works on the principle of direct sales from the refrigerated vans. Each of the vans has a timetable with the stops and times, where the sales take place. The customer therefore only chooses the stop and time that suits him the best, there is no need to order anything, customers can choose from a wide variety of dairy products and fresh meat. It is closely connected with the second project called "Nákup z farmy" ("Purchase from the farm") which is a unique project of Czech private farmers and processors. This project works as an online farmers market of fresh products, customers can order online and they can pick it up on the stops of the routes or it can be delivered to their homes.</p>
2. Customer segment	<p>Urban citizens, middle and upper-middle class, interested in fresh healthy food, families with the small kids, hipsters, business couples, young families, mothers with children through schools,</p>	<p>Urban citizens from the Pilsen city and around – middle and upper-middle class, interested in fresh healthy food, families with the small kids, seniors.</p>	<p>Urban citizens, middle and upper-middle class, interested in fresh healthy food, families with the small kids, supporters of healthy lifestyle, middle-age customers and</p>

	environmental activists, people interested in a healthy lifestyle		seniors, fans, environmentalists, hipsters, business couples.
3. Key partners	Farmers market (to promote the product and find the direct link to the customers), farm shops (delivery points, promotion), Ministry of Agriculture (advices)	Local government (Pilsen municipality), farmers, IT services	External service station – to maintain and repair the fleet, websites providers, IT system providers.
4. Added value (Value Propositions)	Fresh, local food with the exact place of origin, delivered every week directly to the customers door or to a designated place. The main reason for getting boxes for the customers is to get healthy vegetables, both for health reasons and in terms of supporting local farmers.	The added value for customers is the service of the producers and farmers selection, the animator promises to watch the quality of the food but also the methods of processing, production and origin of the products. For farmers they ensure the good organisation quality of the farmers market (also helping with many services) and smooth animation of the selling process in the farmers shop.	The added value is also the positioning – this project fulfills a need of customers to have good quality fresh (dairy) products. All products go straight from the farm to the customers' homes. Traditional Czech food of the highest quality reaches the table of Czech customers in the shortest way. All products are fresh, without food additives, artificial preservatives, stabilizers and dyes.
5. Customer relationship	A close relationship with its customers and get the best and regular feedback. Communication with customers most often takes place through social networks or paper leaflets. Leaflets are a very important source of information for customers. It contains information about the farm, information about cultivation, invitations to various events on the farm, or recipes related to lesser-known vegetables.	End customers – providing information on the websites, good experience in the farmers shop. Farmers – helping with the marketing, organisation, delivery service, direct interaction.	Presented not as a sale but as a service (we save your time), close relationship with the customer, professional sellers.
6. Channels	A functioning system of boxes generates new customers basically by itself, through the acquaintances of existing customers and their social networks. Farmers markets. Online shop.	E-shop, webpage, the store and farmers markets	Flexible team of salesmen – permanent and occasional salesmen, direct sale, 63 regular delivery routes (each 20-25 regular stops, 6 days a week mon-sat), delivery supplies, online shop, websites.

7. Key activities	Attracting and registering new customers, maintaining the existing customers, proceeding feedback and complaints, production, packing, delivering.	Organising the farmers market, running the shop, marketing, helping farmers with subsidies etc.	Organisation - 24 FTE staff (2 shifts), shifts supervisor, production supervisor, management, just in time system.
8. Key resources	Loyal customers, good organisation of the delivering process, small farms (partners)	Shop, place for markets, brand image, professional staff,	New production facility, renovation of the dairy, more employees, new IS – to prevent data from a rather large area with relatively small purchases of a large number of customers, to identify activities of independent salesmen, and relationships with the involved farmers.
9. Revenue streams	The price of the box must reflect not only the cost of growing a wide range of species, but cost too (transport, packaging, transport home or to the point of collection). The price of vegetables is then set slightly higher than the prices for vegetables in the supermarket.	Renting fee for the farmers market place, margins from the shop	Price system – prices are kept slightly above the price level, customers can pay per card or in cash while shopping or online by ordering their purchase in advance, no discount program, everyday's contact and better quality = higher price explanation
10. Cost structure	Salaries, marketing, delivering costs, packaging costs, leaflets preparation and printing, production costs.	Sales cost, wages, inventory for farmers markets, rent of the shop, marketing costs	Milk from the farm costs – salesmen, vans, new technologies, marketing costs – branding, advertising, maintaining the customer relationship

## 9. Business models of 3 chosen examples (Poland)

Poland	Name of the first animation	Name of the second animation	Name of the third animation
1. Description of the animator (short)	<p><b>Parcel from farmer.</b> This is the cooperativa which consist of the local organic and local products producers. This project is implemented only by farmers. Farmers sell their own products under the "Rolnik" brand and in the form of so-called "Package from a farmer", which consists in that all producers sell directly. The GRUPA ODROLNIKA Association acts as a coordinator, simultaneously developing the project and promoting the idea of direct sales. As a result, farmers get a better price for their products, while consumers have access to fresh, high-quality food.</p>	<p><b>Wańczykówka.</b> The farm produces its own cheese. This farmer is going to organise a network of the local cheese producers. The farm is located in the Sudetes, Kamienne Mountains with a beautiful view of Śnieżka. It started with two hectares of land and a donated pig. Then came the first cow, and then a few more cows. The sale of milk was extremely burdensome ... On the tags "Polagra" for the first time the owner thought to try the strength in cheese-making. Thanks to the motivation of agritourism guests, which he ran in September 2007, he made the first rennet cheese. Cheese passion grew with each passing day. In February 2008, our cheese won the first jury prize and the first public award in the competition for a local product of the Kamienna Góra region. These events made the owner feel extremely proud and continued to produce cheese with even greater passion. He learned from the best on a 2-year course in Germany. 8 years have passed since then, and the owner continues to improve his own products that mark their presence on the map of Lower Silesia, as well as thanks to participation in many festivals and fairs in other places in Poland. The owner built his own ecological farm from scratch.</p>	<p><b>Parsley market.</b> The Parsley Market was created out of the need of the moment. On the right side of the Vistula there was no real marketplace since the demolition of the famous pre-war 'foothills'. The organizers decided to change this state of affairs. However, the change was to invite the best certified farmers from Lesser Poland to Podgórze. Thanks to this, the district changed its face and became an ecological oasis of Krakow from the shopping desert. The organizers wanted to have a real and the best market in Podgórze, just as it existed here before the war. The idea of creating a market in Podgórze, where it will be possible to buy fruit and vegetables, has matured for many years. The project operated under the informal name of Parsley Market. It became possible in 2013 thanks to funds obtained by the PODGORZE.PL Association from the Swiss-Polish Cooperation Program (through the Partnership for the Environment Foundation). The official opening of the Parsley Market on the Podgórski Market Square took place in June 2013. Initially, the market was seasonal, from June to October. The following year, due to the renovation of the Podgórski Market Square, the market was moved to Independence Square. The idea of selling natural and organic products directly from farmers from Lesser Poland from the beginning met with great interest and already in 2014 the PODGORZE.PL Association decided to operate the market throughout the year. For this purpose, the</p>

			<p>underground KS KS Korona at ul. Kalwaryjska in the immediate vicinity of Independence Square.</p> <p>Due to the development of the Parsley Market and ideas for new activities, in December 2015, the PODGORZE.PL Association established the Parsley Market Foundation, which was officially registered in May 2016. The association was made up of members of the association. The foundation took over the organization of the market and the development of other culinary projects.</p>
2. Customer segment	Aware of the benefits of high quality food inhabitants of small and big cities in Małopolska region but also other interested customers from Poland (possible courier delivery)	Customers of Wańczykówka are: local producers of high quality cheese, restaurants looking for specialised high quality cheese and milk products, local consumers, consumers in entire Poland.	Customers of the Parsley market are mostly inhabitants of Kraków city. Nevertheless there is also an on-line shop where customers from other cities can order products.
3. Key partners	Local farmers, local communities, local organic producers	Local farmers, cheese producers, restaurants, local agricultural advisory center	Local farmers living up to 150 km from Kraków, city of Kraków, organic agriculture certification organisations



<p>4. Added value (Value Propositions)</p>	<p>Direct sales of their products involve shortening supply chains without intermediaries. This sale of fruit or vegetables is a chance for survival for many small and medium-sized farms, which are the dominant element of the unique landscape of the Polish countryside. Unfortunately, in the realities of the current market, these farms are losing in unfair, dumped competition with heavy commercial, industrialized farms or the import of cheaper food. This phenomenon is unfavorable both from the point of view of the traditional structure of rural areas and the quality of food. For the consumer, in turn, it is a chance to link the product being purchased to a specific farm. Small and medium-sized farms have considerable potential for the production of traditional, organic food, i.e. produced without the use of chemicals or genetic modifications (GMOs). More and more information about methods of growing plants using harmful chemical fertilizers means that more and more people consciously choose proven suppliers of agricultural products from the local market.</p>	<p>The owner of the farm started from scratch building an agritourism farm. Step by step he was developing this farm until now where he has several different activities making added value to his farm. First of all he developed high quality cheese production. According to this activity he also developed an association of the local cheese producers. In the frame of this activity he is making training for interested cheese production farmers, he is organising workshops, specialised training with specialists of the branch, he is organising also study visits. Moreover he is doing technological advisory services and offering specialized equipment for producing cheese.</p>	<p>All suppliers at Parsley Market must fulfill 3 requirements:</p> <ul style="list-style-type: none"> <li>- locality requirement – farm distance should be up to approx. 150 km from Krakow;</li> <li>- requirement of naturalness – possession of an ecological certificate or consent to surrender unannounced laboratory tests;</li> <li>- Directness requirement – a farmer or processor sells his products alone or is run by someone from his family.</li> </ul>
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5. Customer relationship	They started to build their relationship from the very beginning of their activities. It wasn't an easy task because they are only farmers' cooperative and they had to learn everything from scratch. However they already made their own network of customers and they still develop it. This is mainly due to the keeping quality of the products and personal connections with customers	The farm owner builds his relationships with customers from the very beginning of his activity. At the beginning they were only tourists stopping at his farm, now they are farmers, milk processors, advisors, as well as restaurants and chain stores with high quality food. The owner builds his relationships with customers through the fact that he is an extremely open person and also wants to share his knowledge and skills with others in order to promote the idea of producing high quality products.	The customer relationship is set by direct contact between two sides: farmer and customer. The main rule to set good customer service is to offer high quality of the farm products. Each of the farmer/seller has hei/her own customers making permanent shopping of the same products. There is also the possibility of direct order of specific products and the farmer is delivering it for the next time shopping.
6. Channels	Direct marketing, e-shop	Direct marketing, e-shop, training, restaurants and specialized shops network.	Direct marketing, whispered marketing
7. Key activities	production, promotion, distribution	production, promotion, distribution, education	Delivering and selling good, high quality and fresh products of agriculture and local products
8. Key resources	The Association has its own center consisting of a building devoted for preparation of all parcels but also for organising different events and training. They also have their own small organic farm where they grow vegetables. The Town also the domain odrolnika.pl	Farm Wańczykówka has several hectares of land, mostly devoted for pastures and crops devoted for fodder; they also have buildings for animals. As an essential part of the farm there is a newly constructed building for milk processing and cheese production. This building has also part devoted for organising training.	The main resources of the association are rooms rented from the city. They are located in the basement of the swimming pool in the south part of Kraków city. In the summer months the association also rents the place nearby where they assemble big tents and organise markets.
9. Revenue streams	The revenue streams are based on the direct selling. It means that the money is coming directly from ordering products from people. That money goes to the central office of the	Farmer is using a direct selling model of business so he is gathering orders and delivering products taking money directly for sold products.	Direct selling in the pure form. Customer paid the farmer. Farmer pays an association fee for having the possibility to sell his/her products on the market.

	association and then farmers are paid for their products.		
10. Cost structure	production cost, staff costs, advertisement costs, transport cost	Production cost, staff costs, advertisement costs, transport cost	Production cost, staff costs, advertisement costs, transport cost

## 10. Business models of 3 chosen examples (Romania)

Romania	Shop in Place (Helenvale)-Odorheiu Secuiesc	Webcam Targu Mures	ASAT-Timisoara
1. Description of the animator (short)	Shop in Place is a foundation store, a social enterprise category that is part of the Food Hub network. It has both a shop and a webshop. 108 producers deliver goods from the 75 km area of Odorheiu Secuiesc. All are small producers or members of a cooperative, except for the meat processor, because the small producers cannot acquire the right to process. Bakery, raw and processed fruit and vegetables, sweets, honey, teas, spices, sweets, alcohols, meat and dairy products can be found in the shop. The store operates with a tender background, with the support of the Romanian American Foundation. Not self-sustaining for the moment. It is expected for the end of the project (2022)	A short sales system initiated by the Focus Eco Center organization where you can buy fresh vegetables and fruits from local producers. The Webcam local short sales system was launched in 2002, and a few years later a larger movement called ASAT was launched in Romania, where the French model was used as an example. The Webcam program has developed year by year, and nowadays they organize monthly sales campaigns at the organization's headquarters in Târgu Mureş. Here, customers can meet local producers, learn about their products, from cheeses to tea blends. And they are currently working on a weekly vegetable basket system with a new producer.	ASAT is one of the most well known Community Supported Agriculture systems based on a CSA model from France, where small-scale producers are supplying fresh vegetables to consumers in Timisoara and nearby villages (max. 70 km). ASAT Association was established as a non-governmental organization, with legal personality in 2014, having as founding members consumers and activists involved in the initiation and development of ASAT solidarity partnerships.  In 2017, a number of 8 ASAT partnerships operated in Romania in Bucharest, Cluj-Napoca, Sibiu, Odorheiu Secuiesc and Timișoara.
2. Customer segment	local, well-off, conscious shoppers and tourists from the whole country who come to the store or the webshop	20-25 families from Targu Mures	consumers from the city Timisoara
3. Key partners	Small producers from the zone, Agricultural Directory from Harghita county, local authorities, local NGOs, tourist offices, guides, guest houses,	4 small producers, NGOs from Targu Mures, Farmers' Associations, County Council Mures.	ASAT partnerships are based on solidarity between a group of urban consumers and a local producer, a follower of Natural Agriculture.

<p>4. Added value (Value Propositions)</p>	<p>It integrates sustainable farming, environmental friendly and ethical trade, and responsible acquisition. Both the producers and the consumers are target groups of the project. There are organized meetings, training, and tasting sessions. By introducing and maintaining a short distribution chain, they deliver products to consumers and customers without intermediaries. They sell appropriate products together with the services that can be assigned to them. In the designers' concept, the Shop in Place is more than a simple shop, because it is ecologically sustainable, knowledgeable/communicative, proximate, economically sustaining, participatory, sustainably regulated, just/ethical, sacred, healthy, diverse, relational, culturally nourishing, seasonal/temporal, value-oriented.</p>	<p>Being part of a short sales chain means being more than one customer. It is also an eco-conscious process where an alternative agricultural model based on local values can be promoted. In addition to providing the customer with fresh, local produce, they also build a community with farmers and other users. At the same time, these meetings provide an opportunity to organize events such as film screenings, roundtable discussions, where we welcome everyone.</p>	<p>ASAT – the Association for the Support of Farmers Agriculture - aims to help exploitation of the benefits offered by traditional agriculture in Romania. The aim is to preserve local biodiversity and produce healthy food, to support small farms that practice traditional agriculture, without chemical fertilizers and synthetic treatments (herbicides, pesticides). By expanding the ASAT partnerships, the true economic potential of small farms in Romania will be given by diversified production and respect for the natural environment.</p> <p>The motivations for being involved in ASAT are more personal reasons such as accessing fresh, tasty, and organic produce often being expressed together with broader aims such as knowing where the food comes from and supporting small-scale producers. For producers, it is a matter of gaining a more secure source of income, but also to access a more rewarding system, since the prices are directly linked with the production costs and the efforts are acknowledged by</p>
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			a group of engaged consumers.
5. Customer relationship	Both in the shop, both on the internet continuous relation with the customers is kept. They are involved in tasting sessions, farm visiting sessions, tea sessions.	They have regular meetings with farmers, and at the beginning of the year, producers and consumers plan the agricultural year together. Once a month, producers bring the products to the association's headquarters, where buyers take it over.	Growing organically is a precondition for ASAT, and this is also a main reason why consumers are part of the network. Consumers sign a contract for a year, a budget is made to cover all the production costs, and a part is paid in advance, as a form of risk-sharing. The freshly harvested vegetables are then supplied weekly through deliveries to a pick-up point, near the home or office of a consumer. The relationship between the producer and consumer in case of ASAT can be defined as direct and personal relationship (without intermediaries, hierarchy or subordination), based on trust and mutual respect.
6. Channels	shop and webshop	monthly market at the NGOs center	weekly deliveries based on the contract
7. Key activities	Economic activities, training, consultancy for producers, meetings and annual festival (Fruit Festival, each September) is organized.	Yearly planning sessions, monthly market, semestrial meeting and visiting farms	deliveries of freshly harvested vegetables
8. Key resources	Organization skills Communication skills Labour force Negotiation skills	Organization skills Communication skills Labour force Negotiation skills	Organization skills Communication skills Labour force Negotiation skills
9. Revenue streams	The trainings, consultation is free of charge for the small producers.		consumers are involved in the producing process, they can visit the farm

10. Cost structure	Marketing costs, advertising, stands rent, staff costs		<p>In the ASAT system, the price calculation must take into account the costs of the agricultural holding.</p> <p>The method of calculating the price must be completely transparent. (Consumers are involved in the distribution of the products on a voluntary basis, therefore distribution does not involve intermediaries and extra costs.)</p>
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## 11. Business models of 3 chosen examples (Hungary)

Hungary	<b>Food Hub – Seasonal vegetables and fruits to fine dining restaurants runned by a joint undertaking</b>	<b>Valley of Körösök" - Thematic network of farmhouses, farmer's market and buying community – organised by naturpark association</b>	<b>"Nyíregyházi Kosár“ (Basket of Nyíregyháza“) - buying community runned by "Helyben a Jövőnk" ("Creating Our Future Locally“) Association</b>
1. Description of the animator (short)	<p>The company explores the best fruit and vegetable's producers countywide and based on its well-located cold store infrastructure supplies their premium local fruit and vegetables for fine-dining restaurants and residential customers twice a week.</p> <p>FoodHub puts a huge effort on exploring professional farmers who are able to continuously produce high quality fruit and veggies.</p> <p>This company conveys top restaurant's needs to the farmers and it also assists farmer's by choosing marketable varieties and purchasing quality inputs for production.</p> <p>Farmer's get ongoing feedback from the market (straight from star chefs). With a wider good's variety purchased by more than 30 farmers FoodHub became already supplier of more than 20 top restaurants.</p>	<p>The naturpark association established by local authorities is facilitating an ongoing complex rural development project whose elements are: thematic network of farmhouses with leisure activity; famer's market with cultural programmes, buying community with a webshop and home delivery service.</p> <p>With a stable financial, infrastructural and organisational background Naturpark is greatly helping, mentoring local small scale farmers in dealing with public authorities and in marketing communication.</p> <p>Besides the association is running several awareness raising projects also.</p> <p>The association is willing to establish a local trade mark system to improve market possibilities of local ecologically conscious farmers.</p>	<p>The civil association staffed mainly by local volunteers runs Hungary's one of the most experienced buying communities in a town in Eastern Hungary with almost no grant support, since 2013.</p> <p>Recently they integrated about 60 local producers with more than 500 types of products, mainly food. As they are strongly rooted in the local community they use community financing actions efficiently to achieve their own development goals and support development of their member farmers.</p> <p>They also developed a so-called community based quality assurance system. They use this cost-efficient inner quality assurance system to ensure the best possible quality of the products.</p> <p>They also developed a special software for managing prepordening systems and quality assurance at buying communities.</p> <p>They actively participate in building up a nationwide network of buying communities, in this spirit they organise workshops and other events on regular bases.</p> <p>Besides they put a huge effort on keeping up their volunteer's motivation, they organise special events for them. As a strong community is the foundation of their long term success, they put a lot of effort in keeping up their volunteer's motivation (with special events for ex.).</p>



		Long term goal of the association is to develop SFSC possibilities by the means of active tourism.	
2. Customer segment	1) Fine dining restaurants in Budapest and partly at the countryside 2) Professional farmers with high quality products	1) Population of the town Békéscsaba mainly families (who are conscious with food and open for experiences) and elderly people (who are open for traditional flavours and for whom home delivery is a huge help); it can be increased by visitors and tourists 2) Local small scale farmers, food producers, craftsman, and cosmetics producers	1) Population of the city Nyíregyháza (mainly the ones who are conscious to reinforce local economy, reduce environmental pollution 2) Local farmers and small scale producers (with lack of fair sales possibilities) 3) Volunteers (who want to be a part of a community of like minded people)
3. Key partners	Chefs; professional farmers	Local government and authorities, Touristic Agency, Collabor (which is a local civil association for health and seasonal diet and open for cooperation in local food topic); Leader, Chamber, National Rural Network could be more supportive	Local food inspection authority (became a fair partner by time), local internet service provider; (Local government is not a partner, they wanted to make a competing buying community, the same with Leather); in a long term scale the national network of buying communities will be an important partner
4. Added value (Value Propositions)	1) For restaurants: stable high quality ingredients, reliability, flexibility; 2) for farmers: well paid market, stability, pride	1) For local population: social responsibility, smaller environmental footprint, traditional flavours and nutritious food, comfortable shopping and home delivery, community, personal relationship with the food producer 2) for local producers: extra income, straight feedback from the customers,	1) for local population: access to local food with a huge variety; environmental conscious shopping; quickly and comfortable shopping; personal relationship, community; 2) for local producers: stable, reliable market, saving time with sales (compare to the traditional markets), straight feedback from the market 3) for volunteers: value making activity, community feelings and other added value according their private motivations

		mentoring, training, help by marketing communication, help by dealing with local authorities, possibilities to participate on special event,	
5. Customer relationship	Personal relationship is the basement; phone and webshop (but it has to be user friendly as neither chefs for farmers are sitting much in an office)	Website, facebook, instagram would be useful (but the organisational team is still learning it), personal interaction at shopping or at tasting sessions or at community occasions;	Webshop, facebook, newsletter, personal connection at shopping days and thematic events
6. Channels	Based on recommendation sometimes chefs and farmers will be visited, but mainly works in reverse: chefs and farmers are supposed to contact the company	Webshop, farmer's market (there are synergies between this 2), based on recommendations, touristic events,	Webshop, personal relationship (limited growth because of the limited number of volunteers... direction of growth is the nationwide network)
7. Key activities	Exploring the best fruit and vegetables, helping farmers to cultivate and ensure high quality; Communicate market (restaurant) needs to farmers; Ensure store and logistics; Organising delivery twice a week; Changing approach of chefs; Giving continuous feedback to farmers; Developing a real user friendly website; Calculations and business planning;	To set up and operate the webshop, facebook site; keeping connection with customer; searching for new customers; organising market days and home delivery; organising marketing actions and other events; organising awareness taking events; community development; project management; administration; dealing with rules and arrangements; solving problems between producers and consumers; Keep up good connection with local authorities and find synergies between the development projects running in the area; creating	Develop and operate the webshop and the community based quality assurance system; engage with local producers, customers, volunteers; adopt new enrolments; organising shopping days; administration, fulfillment of financial and hygiene requirements; operate a self-sufficient community based financial system; knowledge sharing; network building; organising events for volunteers at special occasions;

		conditions for financial self-sustainability	
8. Key resources	Cold store and logistics capacities at a good location; personal connections; high quality, stable fruit and vegetables; flexible and precise delivery; knowledge of real restaurant's needs	Support of local authorities; organisational background (HR and tools and infrastructure); exclusive right for running the visitor centre in the town (which is the infrastructural cases in the project), car for delivery, frigidier, the right for stable financial background; network of contact; lawyer, marketing professional, professional community developer; website and webshop	Volunteers and community; product sortiment, previous experiences and complementary knowledge; infrastructure; community based quality assurance system and software (both own development); financial reserves; independency
9. Revenue streams	Only turnover from restaurants	Grant proposal for marketing, lawyer, tools, events, website and webshop, trade mark (the goal is to become self sustainable in 5 years, until that they have to apply for other grants); sales commissions; membership contribution and support from local authorities	Sales commission from producers; member's contribution from customers (this two is enough for operating and maintenance), buying community's software licence from the network members occasionally, grant support for further development
10. Cost structure	Not spending money for marketing, storage costs are high, exploring professional farmers is expensive, salaries (to save up some is possible by multifunctional entrepreneur	Cost of HR (organiser team is huge, 4 people but no sense to reduce it); webshop is costly (but with a good webshop they can save a lot on administration), luckily they can use infrastructure for free;	Cost of the webshop (maintenance, development); cost of infrastructure for shopping days, costs of marketing; cost of services given to volunteers; cost of organising events; cost of keeping up the organisational frame of the association

Annexe 1 - Guide - Example

To create a producer store



This guide published as part of the Magpro project - key to the success and territorial impacts of the stores of producers - aimed at local authorities which wish to support the establishment and development of these stores in their territory or which question the value of supporting such approaches.

There are currently almost 300 stores of producers in France and elected officials and territorial agents are increasingly sought after by farmers behind these initiatives.

The purpose of this guide is to highlight the skills of communities to facilitate support of producer stores and respond to producers' needs. Readers will find the main arguments for hosting a store on their territory and feedback from communities who accompanied a store. He will also bring to producers and their guides elements of understanding on the role of communities and the support that they can possibly bring to them.

This guide does not claim to be exhaustive and its content is based on some feedback from Magpro, in particular surveys carried out in the part of Magda Kaminska's internship on "Place des producer stores in food projects of territory". Magpro aims to provide new tools and benchmarks to facilitate development of producer stores and ensure their sustainability.

This collaborative action research project combines around twenty partners from the spheres of research, development and teaching agriculture. Winner of the call for projects Innovation and PNDAR partnership, it benefits from the contribution of the Casdar 2014-2018. It is worn by Afipar and the Civam Network and affiliated with RMT Alimentation local - Short food chains for sustainable food. Find the information on Magpro, the project sheets and guides

on: [www.magasindeproducteur.org](http://www.magasindeproducteur.org)

To build producer to consumer project - CAP rural - <http://www.caprural.org>

## **The sessions**

### Rebounds

#### **Recognize what is in transition in trades and organizations**

- Impact of transitions on the professional skills of development officers.
- Cartopart to work transitions, in a structure or between structures.

#### **Work on new local development potential**

- Activating urban-rural reciprocity.
- Social and territorial innovations: supporting the scale change of a pilot project.

#### **Through the creation of activities:**

- Agriculture and ESS
- Agriculture today
- Rural incubators: local anchoring and complementarity with other devices.
- Construction of activity offers (COA): build qualified activity offers.
- Support the use of digital tools: 3D experimentation - 3 TERRES.

#### **Address agricultural issues related to the territories**

- Agricultural welfare
- Agriculture and climate change
- Agriculture and inter-community
- Agriculture as a local energy provider
- Equality and local supply
- Agroforestry: a future solution for sustainable and productive territories

#### **Work for social cohesion**

Deciphering the situation of poverty on its territory and means of action

### **Mobilize research**

- Collaborate with researchers: feed and feed research
- Tools and methods
- Exploitation of new knowledge produced by research (PSDR or others)

### Alliances

#### **Understanding new forms of collective organisation**

- Working with new project leaders.
- Driving change with collective intelligence: method and tools.
- Deepening on the commons: definitions, legal framework, experiences
- Cooperating with citizens to co-produce public action

#### **Building complex partnerships**

Reason the systemic dimension of a device or a project and activate cooperation

install and animate shared and plural governance in complex projects

The toolkit for cooperation between actors and territories

Presentation of the guide

Local development through cooperation between territories

#### **Engage stakeholders**

Mobilize mediation tools to facilitate dialogue

Identify and address conflict

Know the evolution of the public organization

Work with a provider

Not drown in information, email

Watch over one or more topics

Decrypt complex situations and equip themselves

#### **Special leader**

Leader, manager and programme: assets for the territory

Communicate and value the actions and projects LEADER

To make the newly elected members aware of LEADER

To prepare its candidacy LEADER



## **Annexe 2:**

### Related to 4.2.1

#### **Example of profile sought for a position Project manager "sustainable territorial food system" in the city of Lens (59) - February 2020**

Qualification and training required: baccalaureate level 5 desired in the field of territorial development (town planning, planning, geography, economic development)

Experience: professional experience in project management and good knowledge of the local government sector; good knowledge of agricultural networks and sustainable food.

Skills/skills required:

- Mastery of project management methodology
- Meeting facilitation skills, networking
- Knowledge of local authorities and stakeholders
- Good knowledge of the agriculture sector
- Writing, analysis and synthesis skills
- Oral skills, public speaking

Knowledge-to-be expected:

- Ability to develop a strategic vision and demonstrate strength in proposal
- Ability to be autonomous and initiative
- interpersonal fluency and teamwork skills
- Availability

SPECIAL JOB CHARACTERISTICS (timetables, environment, pace)

Possibility of evening meetings (Commissions, COPILs....) and presence in events at weekends (as part of the SATD).

Annexe 3:

