



2010 **FAAN**  
FACILITATING ALTERNATIVE  
AGRO-FOOD NETWORKS

# Local Food Systems in Europe



Case studies from five countries  
and what they imply for policy and practice





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IFZ 2010



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## Foreword by Professor Michael Dower CBE University of Gloucestershire, England

Europe today is marked by a strong and creative tension. It is a tension between what is global and what is local.

On the one hand, we see a Europe which is moving uneasily towards stronger political unity; which already operates as a single Common Market, with freedom of trade and of labour; and in which major global, European or national companies compete for a share of trade within that massive Market.

On the other hand, we see a Europe of nations, regions and localities, highly diversified in history, culture, language and resources; in which people take pride in this diversity and in what makes their own locality special; and which contains a multiplicity of local economies and millions of small enterprises.

These two faces of Europe are both legitimate and valuable. The global face is powerful, and seeking to be more so. But a tide is rising, which I believe, will reinforce the local and provoke, in the coming decade and beyond, a strengthened valuing of the local, and a fresh appraisal of the balance between global and local.

That tide draws its strength from rising public and political concerns about climate change; about the use of fossil fuels and the carbon emissions which are contributing to that change; about the long-term security of supplies of food, energy, water and natural resources, globally and within Europe; about poverty, and gross disparities of income between people; and about personal and public health. Also powerful is the widespread human

impulse to be part of a familiar community, at local level. Local Food Systems – the subject of this booklet – are emerging and flourishing, like small boats rising on this tide. They are appearing spontaneously, by local initiative, in very varied forms, with no central initiative and no standard pattern.

As the FAAN team shows, these systems offer answers to the concerns that I describe above. They can help to moderate the use of fossil fuels (less food miles!) and of other natural resources; to build food security; to give people of low income access to good food and healthy diets; to strengthen local economies; and to sustain small enterprises and the viability of small farms.

The strength of Local Food Systems lies in the people who create and manage them; in the goodwill of consumers and producers; and in the strong motivation that lies behind them. They have their roots in society, not mainly in government. But they need the recognition of government, the removal of regulation that would strangle them, the support which is merited by the multiple benefits that they can bring.

This booklet is produced at a timely moment, when the European Union is reviewing its policies and preparing for the next programme period. I hope that it will provoke thinking among politicians and decision-makers at all levels; and that it will stimulate and assist those who wish to create, or who already manage or contribute to, Local Food Systems throughout Europe.





## Introduction

### The FAAN project

This booklet is a product of the research project 'FAAN – Facilitating Alternative Agro-Food Networks: Stakeholder Perspectives on Research Needs', which ran from February 2008 to March 2010.

FAAN was funded by the European Commission under the Seventh Framework Programme (FP7/2007-2013), within the Science in Society Programme. The approach was one of 'co-operative research', with five national teams, each comprising an academic institution and a civil society organisation. They focused on Local Food Systems (LFS) in Austria, England, Hungary, France and Poland, by reference to relevant national policy and a number of case studies. The main objective was to analyse how current policies facilitate, hinder or shape their development in order to elaborate recommendations how policies could better facilitate LFS. The full five-country team then brought the results together, and assessed their implications for policy and practice at European, national and regional levels.

More detailed information can be found at the project website [www.faanweb.eu](http://www.faanweb.eu)

### 'Co-operative research' methods

The idea of 'co-operative research' was central to the project. In each of the five countries, the study was done by a team consisting of an academic research institution and a non-government body with interests in this field. The findings in this booklet are based on empirical qualitative research, focused on the case studies and involving many stakeholder groups in the chosen localities. Where subjective judgements are involved, these are made plain in the text.

As background to the case studies, and to help in interpreting their significance at European level, we undertook a desk study on relevant European, national and regional policies and on factors affecting the development of LFS. This desk study used academic papers, policy reports, and also 'grey literature' such as stakeholder documents; and it provided the conceptual framework for the analysis that appears later in this booklet.

In each of the five countries, we undertook two case studies focused on various forms of LFS. The cases were chosen according to each team's understanding of LFS in their national and regional contexts. We do not claim

that they represent all aspects of that country's relevant experience, but (taken together) we believe they enable general conclusions to be drawn. The case studies involved collection of data by the following means:

- In-depths interviews with many different people who are involved in LFS, including producers, retailers, public authorities, policy makers, advisors, intermediaries and business people.
- Study of information related to the case studies, including websites, press releases, previous studies, protocols, mission statements, personal correspondence and participatory observation.
- Focus group discussions in order to provide additional data, and to place the other information in context.
- Scenario Workshops, which helped us to better understand the forces affecting the development of LFS: taking part were producers and consumers, civil society representatives, academic experts, public authority representatives, policy makers etc.
- An 'Open space workshop', held in Brussels towards the end of the project, in order to discuss the findings of the project from a wide European perspective: researchers, policy makers and LFS representatives from many different countries took part.

### Alternative Agro-Food Networks and Local Food Systems

The starting-point for the project is a rising concern, in many parts of Europe, about the effects of the conventional food system, based on large-scale agro-food enterprises operating at European or global level. By contrast, 'Alternative agro-food networks' (AAFNs) represent different ways to link food production, distribution and consumption. They create new models that engage public concerns about community, social justice, health issues such as nutrition and food safety, and environmental sustainability (Gottlieb & Fisher 1998).

Alternative networks differ from the conventional system in terms of their organisational structures, farming systems, territorial setting, food supply chains, policy support, and especially their focus on 'quality' of food, which may include social, cultural, ethical, economic and environmental aspects. These aspects may be closely inter-related, thus blurring any boundaries between them.

AAFNs vary in character between different countries. In Southern Europe, the approach to food quality is strongly shaped by the context of production, including culture, tradition, terrain, climate and local knowledge systems. By contrast, in Northern and Western Europe, quality criteria may concern environmental sustainability or animal welfare, with innovative forms of marketing. In Central and Eastern Europe, food quality relates to rural tradition, with an emphasis on re-vitalising the local knowledge and culture which declined during the long period of collective farming.

Many AFFNs have a strong focus on shortening food chains. This is a reaction against the long food chains operated by supermarket chains, which separate producers from consumers, tend to bring low farm-gate prices to producers, and involve long-distance transport of food. Efforts to shorten supply chains can reconnect producers with consumers, bring producers a larger share of the ultimate market value, reduce 'food miles', and promote a greater focus on food quality in all the senses described above. Short supply chains can encourage close relations between food producers and consumers – 'between farm and fork' – and may promote more environmentally sustainable modes of production (Renting et al. 2003). These closer relations are a main basis for LSF, which seek to re-localise food production and consumption.

### **Local Food Systems as an emerging European sector**

Local Food Systems form the focus of our case studies. The central idea of such systems is a commitment to social co-operation, local economic development, and close geographical and social relations between producers and consumers. Those closer relations are a main basis for food re-localisation: 'Localizing food seems to manifest both oppositional and alternative desires, providing an opportunity for directly personal relationships between producers and consumers and allowing people to express their sense of responsibility to the natural world and themselves within it (...)' These relationships construct value and meaning in food, not only the physical product itself' (Allen et al. 2003: 63). Our study has shown that such processes are varied and experimental, and that those involved are constantly learning and creating new ways of working. In LFS, the word 'local' can have multiple

meanings. It can refer to a specific geographic area, which contains both producers and consumers. It can describe the degree of trust and co-operation between the actors who are working together to create a more sustainable food system. It can describe decentralised models of governance, which encourage local democracy and empowerment, countering the power of the globalised food system. Our case studies show that co-operation and decentralised governance can be the key basis for closer relationships and commitments going beyond market motives. This cooperative basis has been more feasible in some political cultures, such as Austria or France, than in for example some parts of Eastern Europe. Our research suggests that Local Food Systems are quite varied in character and focus, as shown below, but that they are advanced enough in many areas to be seen (when taken together) as an emerging European sector in the food-related economy.

They include following types of organisation, many of which provide means of direct sales from producers to consumers:

- Open-air markets, run by groups of farmers or local traders, sometimes specialising in organic food or other products
- Annual events, such as local food festivals
- Farm shops or sales points, either on a single-farm basis or with products from many farms
- Co-operative shops, run by a group of farmers, with a wide range of products
- Box schemes, run by a single producer or with products from different farms, whereby consumers receive regular supplies of locally-produced seasonal food
- Specialist retailers selling more directly to consumers than via supermarkets
- Formally organised groups who offer catering services
- Consumers as producers, e.g. on allotments or community gardens
- Community Supported Agriculture (CSA), where consumers share the risks and rewards of production
- Public procurement, whereby schools and other institutions buy food supplies locally

Each organisational form may encompass great variety, e.g. private business, cooperative or voluntary sector; selling a single product type or a range of various products; adding products from other farms to the supply; using internet sales etc.

## Case studies Austria

In this section, we present the case studies from five selected countries – Austria, England, France, Hungary and Poland. For each country, we first offer an overview of the national context, by reference to the prevailing farming and agro-food systems and the broad pattern of Local Food Systems. We then take two case studies, and describe their aims and structures, the factors which have encouraged or impeded them, their successes and the prospects for their future.

### National context of Local Food Systems in Austria

In Austria, agriculture has always been dominated by small-scale structures and large remote and alpine areas. At the end of the 1970s, growing over-production of food and the decline of product prices led to a gradual move towards rationalised and specialised production. This caused a more concentrated pattern of production, and growing disparity between the incomes of farmers in different regions. New strategies had to be found in order to foster farming in remote regions. This new approach included the launch of projects to promote shorter supply chains through different forms of direct sale, product processing on farms, and co-operation between producers and consumers. These projects aimed to bring higher prices to producers, to build solidarity among producers and consumers, and/or to promote organic farming as an alternative to conventional farming.

To initiate and support such projects, a new system of funding was launched by the Federal Chancellor's Office, namely the Campaign for the Encouragement of Endogenous Regional Development. The fund aimed at less favoured regions and supported cooperative projects to add value to regional resources and potentials. The campaign evolved over the years, and was the beginning of institutionalised regional development policies in Austria. Since Austria joined the European Union in 1995, Local Food Systems have attracted EU support through the Leader (Liaison Entre Actions pour le Développement de L'Économie Rurale) programmes and the federal Rural Development Programme (RDP).

For these reasons, Austria now hosts a broad range of initiatives in the agro-food sector, including Local Food Systems. However, recent years have seen a decline

in direct sales and farmers' markets, because they are labour-intensive and because complex food regulations imply the need for extra investment. Moreover, a trend towards professionalisation can be observed, with former associations or cooperatives changing into trading companies or small business enterprises. Supermarkets are offering a growing number of organic and local product brands. These trends are causing problems for recently established LFS networks. However, they also encourage new forms of initiative, for instance farmer-business cooperatives, which are supported through the Austrian RDP and which play an important role in programmes such as 'Regions of culinary delight' (Genuss Regionen Österreichs) whereby regions are marketed through their key regional food products.

The Austrian case studies were focused on two initiatives in a disadvantaged mountainous region in the province of Styria; and on producer-consumer initiatives based on urban-rural linkages and organic farming in Lower Austria.

### Region Almenland in Styria

The Almenland region unites 12 municipalities situated around the largest alpine pasture area in Central Europe, namely Teichalm and Sommeralm in the eastern part of Styria. The regional economy is largely dependent on agriculture, forestry and tourism. Farming consists almost exclusively of small farms, with an average of about 10 ha of farm land. 60% of farmers are part-time. 15 to 20 years ago, the region was struggling with numerous challenges - migration of workers, low financial power, continuous decrease in tourism, encroachment of scrub and forest onto alpine pastures, non-existence of joint development strategies between municipalities, and a remote geographical location.

To face the emerging challenges, the 'Regional Initiative Almenland' was founded in 1995 under the Leader II programme of the European Union. In this first period, the local action group (LAG) consisted of 7 municipalities, plus some major agricultural and tourism organisations. In the following Leader periods, the group grew to 12 municipalities. Today, Almenland covers an area of 280 km<sup>2</sup> with about 12,500 inhabitants.

Before the Region's participation in the Leader programme,



some activities dedicated to alternative food production and marketing already existed. Several farmers sold their products directly to consumers or through a monthly farmers' market in one of the region's villages. These existing activities were then incorporated in the two main regional initiatives, ALMO and Almenland Bauernspezialitäten.

ALMO is a cooperative of farmers and businesses in the Almenland region producing and marketing beef from alp oxen as a high-quality product. The initiative was founded in 1988 with 45 members and has constantly grown over the last 20 years. Today it comprises about 550 farmers, two small butchers and a large processor and distributor of meat delicacies. The marketing is done exclusively by the business partners.

*Almenland Bauernspezialitäten* is an association of about 40 direct-selling farms in the Almenland region. The initiative was founded in 1997 with support of the Leader programme. Several subgroups focus on specific products, such as honey or herbs. The association's main aim is to support direct-selling farms via joint strategies for advertisement, a joint brand for the products and the establishment of co-operation with local gastronomy and tourism enterprises. Both initiatives are embedded in the region's Leader activities and share some common aims and characteristics:

- Close co-operation between farmers to ease investments, create bargaining power and contribute to exchange of knowledge
- Links between sectors to build co-operation between farmers and businesses, with a focus on mutual benefit and comprehensive regional development
- Establishing economically viable structures which can continue without public funding, and which thus contribute to long-term stable initiatives.

### How have policies either helped or hindered LFS in the Almenland region ?

The tailored funding available through the Leader program was seen as very helpful by members of the two groups. It was the 'gentle push' that was needed to start Almenland Bauernspezialitäten, and it helped ALMO to develop into a significant organisation in the region. The support granted by Leader also attracted new members for the initiatives. Some farmers explained that it was easier to join an already existing group: the Leader funding made it obvious that there was a long-term perspective and appreciation for the initiative.

There are some hindrances, faced in particular by direct sellers. Compared to earlier years, it is getting harder to meet hygiene regulations. Accordingly Almenland Bauernspezialitäten has difficulties in attracting new members, even though there is increasing demand for the products. Other members are trying to keep their business small enough, so that they do not have to comply with the Trading Laws. It is felt that those farms that are already involved in direct selling will continue, but the rigorous legal framework may discourage new farms from joining the group.

### Success strategies

The two initiatives have found rather different success strategies. A common theme is the way they build links between different sectors in order to bring mutual benefit to all participating parties. To be part of the region's Leader activities serves as a fruitful basis for co-operation, based on a full understanding of regional development.

A main aim of Almenland Bauernspezialitäten was to create a good working infrastructure for direct-selling farms. The group established co-operation with regional organisations such as groceries and gastronomy and tourism enterprises. These partners enable farmers to reach a wider group of consumers, since Almenland is a well known destination for tourists: however, the 'home' market of consumers resident in the region is essential to the viability of the network. The ALMO initiative carefully selected their business partners. To guarantee a constant turnover for farmers, they approached a big meat processing company in 1993 and established a specific co-operation based on

transparency, stable prices and guaranteed purchase. The benefit for the business partner is the exclusiveness of marketing the ALMO beef delicacies. However, the brand ALMO is still owned by the farmers.

Mutual economic benefits are not the only elements in a successful co-operation. To establish fairness and transparency, partners must be convinced by the ethos of the network. The commitment by business partners was mentioned several times as a crucial factor for the networks.

### **Future survival and expansion**

ALMO found a strategy to market their products and deal with the narrowly defined legal framework. However challenges for the future were mentioned. For example, the specialised production of oxen beef makes it difficult to find a good use for female calves: this may give rise to an additional brand, ALMA.

Almenland Bauernspezialitäten has not yet found the best legal structure to enable it to carry out all its functions: this is perceived as one reason why it is difficult to attract new members. Some of the farms have invested in processing and marketing facilities, which can also be used by other members, since some members do not have the resources and motivation to become more professional and tend to be focused on sufficiency rather than growth.

### **Lower Austria urban-rural linkages and organic agriculture**

In Lower Austria, we focused on two of the early projects to create short supply chains, namely the cooperative BERSTA and the association EVI, and on a relatively new organic food cooperative in Vienna.

BERSTA was founded in 1980 as a cooperative of 17 organic farmers in the Waldviertel region in Lower Austria and a group of consumers in Vienna. Today BERSTA is a non-profit association of 25 organic farmers in the Waldviertel region, working closely with the BERSTA organic wholesale trading company, which sells products both from these farmers and from elsewhere. The producer-consumer initiative EVI was also founded in 1980 as a non-profit association aiming at promoting disadvantaged regions and selling products at affordable prices to urban consumers in St.Pölten, capital of Lower Austria. The association was

dissolved in 2003, when two independent organic EVI stores were established in St. Pölten and Krems, selling regional farmers' products and additional products.

The organic food cooperative in Vienna was founded in 2007 as an association to collectively buy organic food directly from producers and thereby make organic food available for the association's members at an affordable price, and to support organic small-scale agriculture around Vienna.



All three initiatives share a view on food that goes beyond the narrow notion of fresh and healthy products. Additional aims were formulated, such as support for small and medium scale farmers, support for sustainable production methods and organic farming, and giving priority to the products from the region.

### **How have policies either helped or hindered these first initiatives?**

As mentioned earlier, in 1979 the Federal Chancellor's Office launched a new system of funding in order to initiate and support agricultural projects - the Campaign for the Encouragement of Endogenous Regional Development. For BERSTA and EVI, this support helped with the planning of their legal framework and organisational structure, and necessary investment in equipment. This support helped in the launching of the completely new idea of co-operation between consumer and producers.

Today BERSTA and EVI, and the organic food cooperative in Vienna, are economically independent without reliance on public funding. Indirectly the support for organic farming within the CAP's pillar 2 clearly helps organic farming in general. An indirect hindering factor seems to be the strict legal framework for direct selling: BERSTA has problems finding new farmers who want to sell their products (especially processed products) to them.

### Future survival and expansion

BERSTA and EVI were founded 30 years ago in a process of co-evolution with the beginnings of organic farming in Austria. Their starting point was a far-reaching criticism of the existing agro-food system, its effects on less favoured regions, and the lack of availability of organic products especially in urban regions. Their success strategy was to professionalise the former association and cooperative into organic wholesale trading companies and organic stores. This change in the organisational structures reflects a change in emphasis from the original ideas about close co-operation between consumers and producers: today this co-operation is not as close as it was in earlier years.

Despite the fact that BERSTA and EVI underwent a process of 'professionalisation', they cannot be considered as ordinary trading companies. Unlike conventional retailers and shops, they have kept the core principles of their early days. These principles seem to be crucial for the initiative's resilience. Likewise the organic food cooperative is based on a set of principles, which makes it 'strong' in the sense of being able to deal with changing situations without losing its core ideas. The three initiatives share some common principles, including:

- Fairness in price negotiations, working conditions etc. throughout the production and trading chain
- Co-operation instead of competition with like-minded companies, stores and groups
- Caution in sustaining values through any process of expansion: this caution tends to be reflected in rather slow growth
- Engagement of consumers

Competition with organic brands owned by supermarket chains and organic supermarkets is a severe threat for independent stores such as EVI. In Austria three large

supermarket chains – Rewe, Spar, and the discount chain Hofer (Aldi) – sell their own organic brands: they jointly hold about 86% of market share in the organic sector. As a consequence of the rapid growth of the organic sector, demand is higher than production for certain products, so the demand from supermarkets can in fact stimulate the production of organic products.

As a response to this increasing competition, BERSTA and EVI had to develop strategies to communicate to consumers how they differ from the 'corporate organic sector'. They reject the idea of additional certification for products or business enterprises, for example related to social and environmental standards. They rely on a strategy of communication with consumers, farmers and the public in order to explain their principles of acting locally in a socially and environmentally responsible way.

The organic food cooperative in Vienna seems to be not much affected by the increasing competition from supermarket chains. On the contrary, its foundation was motivated by the rejection of corporate tendencies in the organic sector. A challenge to this group will be to maintain their level of self-governance and consensual decision-making in both paid and voluntary work if the group grows. A possible strategy for them is to split up into several groups, to maintain the qualities which seem to be bound to a certain size of members.



## Case studies England

### National context of Local Food Systems in England

Since the late 1990s, the agricultural sector in the United Kingdom has undergone significant shifts, including greater opportunities for Local Food Systems. This shift has been driven by concerns over environmental protection, as well as public health and food safety, especially following the outbreak of mad cow disease (BSE) in 1996, the foot-and-mouth epidemic in 2001, and the controversy over genetically modified food. These events have undermined consumers' trust in food. To restore trustworthy sources of food, efforts have been made to reconnect consumers with what they eat, to reconnect the food chain with the countryside, and to reconnect different actors, e.g. producers, consumers, retailers and local communities. Such a changing approach to food culture has been expressed both by public authorities and local citizens, at both the production and consumption level.

Consequently, consumers and producers have increased the pressure for changes towards food re-localisation. It means making locally grown, fresh and healthy food available and affordable to local communities. This is especially relevant for so-called 'food deserts' in cities, where entire communities may lack easy access to good-quality food. Moreover, within the last few years, there has been a rising demand for allotments, which are mainly inner-city, municipally-owned plots of land divided into small blocks to be rented by the public for food production. This development has been prompted by increased food prices and environmental awareness. It indicates a popular desire to reconnect with food quality and food production.

The promoters of a changing food culture also emphasize the aims of 'sustainable communities' and 'community engagement'. They support a social model of closer links between actors and collective action. Such alternatives seek to counter the domination of supermarket chains over local small-scale entrepreneurs and consumers, while also helping to regenerate local economies.

A further reason for the emergence of Local Food Systems is that food producers face a cost-price squeeze through increased agri-input costs and lower farm-gate prices. To capture more of the market value for their products,

farmers explore new methods of production, marketing and selling, such as organic production, permaculture, territorial branding and direct sales. However, local producers of organic food are squeezed by price competition with supermarket chains, which are selling imported organic food at cheaper prices. More recently, some supermarkets even offer 'local food' and box schemes. Consequently, many small farmers attempt to improve their viability through local co-operation with other farmers and direct contact with consumers. For example, farmers' markets have expanded significantly within the last decade in Great Britain.

The case studies focus on the north-west region of England: different initiatives have been investigated in the rural county of Cumbria, and in the urban conurbation of Greater Manchester. Within each case study, several initiatives were contacted and asked to participate in the project, via an interview and later a workshop. The research team approached a diverse range of initiatives, reflecting the many forms of Local Food Systems. The final selection for study (listed below) was somewhat determined by those who were willing to give their time.

### Cumbria

Cumbria is a rural county with a population of a half million people, including the Lake District National Park. More income is derived from the tourism industry than from farming. Due to the climate and landscape, agriculture is largely based on livestock, mainly upland hill-farming, with little arable land. The 1990s BSE crisis and the 2001 foot-and-mouth disease epidemic significantly undermined agriculture in the region. After the foot-and-mouth crisis, many farmers were compensated for loss of livestock. Many food producers used this money to change or diversify their enterprise, for example by moving towards organic or other higher-quality products.



The case study in Cumbria was focused mainly on producers who are registered as organic or biodynamic, and who use direct sales and (often) cooperative marketing. Many organic farmers sell through supermarket chains, while others have developed closer relations to consumers, in order to gain more of the market value that they add and to promote knowledge of sustainable food production. This means:

- Reconnection between producers, consumers and retailers. This is done via farmers' markets, direct sales (box schemes), farm shops and farmer retail cooperatives. In some cases, consumers can meet the farmer and/or visit the farm.
- Reconnection of producers (and often consumers) with the natural world, e.g. by using organic and biodynamic cultivation methods. Producers can also reconnect with traditional knowledge and skills, which are combined with new knowledge.

Although these initiatives remain marginal in economic and volume terms, many food initiatives aim to become mainstream. They want their values, ideas and practices to become a normal, accepted part of the food system. Some interviewees thought this was already happening. Such efforts help to create a Local Food System.

The case study focused on a number of food producers or other food-related enterprises, plus bodies which can offer support to Local Food Systems in Cumbria. They include:

#### Food providers

*Hadrian Organics*, an organic farmers' cooperative providing direct sales for five producers.

*Low Sizergh Barn*, an organic dairy farm, with a farm shop and café.

*Little Salkeld Mill*, a water mill that grinds English wheat from biodynamic cultivation methods in Cumbria, and sells wheat flour and bread.

*Howbarrow Farm*, which grows organic vegetables and runs a box scheme.

*Growing Well*, a community enterprise that grows and sells organic vegetables, involving volunteers recovering from mental illness.

#### Support bodies

*Cumbria Organics*, a network of organic farmers, providing support and projects.

*Cumbria Farmer Network*, a support network for farmers, which runs various educational and marketing initiatives.

*Made in Cumbria*, which has supported some of the many farmers' markets in the county: it also organises 'Meet the Buyer' events, helping small producers to meet large-scale buyers.

*Cumbria Rural Enterprise Agency (CREA)*, which provides advice and training.

*Northwest Regional Development Agency (NWDA)*, which funds some local food initiatives.

*Cumbria County Council*, whose procurement criteria facilitate tenders by local suppliers.

#### How have policies either helped or hindered LFS in Cumbria?

Some small grants have come from the Rural Development Programme, sometimes combined with Structural Funds. Such grants have promoted organic conversion, on-farm food processing, infrastructure for farmers' markets, school visits to farms, etc. Often beneficiaries were unaware of the original source. Some applicants for grants had difficulty with the standard criteria and with excessive bureaucracy in relation to the small amount of money made available. More generally, the available funds have a high minimum level, thus favouring large producers.

The successive Leader programmes have facilitated cooperative networks, e.g. infrastructure for farmers' markets, Cumbria Organics and Made in Cumbria (see list above). They have also helped producers to cooperate in shortening the supply chain to large buyers, e.g. to supermarkets. In this way, producers can gain more from the value that they add and can promote their own quality brands.

The substantial paper work required by official bodies was cited as a burden. But it was not always the same paperwork. For some it is the single farm payment, while for others it is the Soil Association's organic certification forms, hygiene inspections, or employment law.

Regional bodies give business support and advice to producers: they also promote public awareness about local food. These bodies include: Made in Cumbria, Cumbria Organics, Distinctly Cumbrian, Cumbria Rural Enterprise Agency (CREA), and Business Link. CREA has helped small producers with tender-writing skills and with access to kitchen facilities that satisfy hygiene regulations.

Cumbria County Council has split up food procurement contracts (for offices and schools) into several smaller ones, according to product and locality. This structure helps smaller producers to gain such contracts. The Council's environmental sustainability criteria effectively favour some local producers.

#### Success strategies

Rather than specific policy support, interviewees felt it was their own efforts that had led to the success of their businesses and initiatives. In re-localising the food economy, producers have developed closer, trust-based relationships with consumers, as well as a reconnection to both physical place and community. Many producers have informed consumers about their agricultural production methods. Some consumers have become producers, by actively participating in horticultural courses and production processes. Consumer attitudes have been shifted towards a demand for high-quality local food produced in an environmentally friendly manner which also supports their local economy. Practitioners have worked co-operatively to identify common interests, concerns and solutions.

#### Future survival and expansion

Direct sales of local food are seen as bringing the most benefits in economic, social and environmental terms. For example, better community links are developed, money remains within the locality, producers can remain small-scale because they keep more of the sale price, and consumers learn more about food production. Direct sales will always depend on some kind of infrastructure support, partly from the public sector. Producers will continue to need mentoring from other farmers and from support organisations, whose long-term stability requires external funding. Education in its broadest sense is needed, so that the entire society gives greater importance to

more sustainable methods of food production and the contribution of Local Food Systems.

As many practitioners said, however, not everyone could be fed via direct sales and/or local food. Furthermore, direct sales are not viable for all producers. They either don't enjoy the interaction with the public, or have farms which are too remote, or simply wish to concentrate their skills on production rather than marketing. For such producers, new intermediaries (such as Low Sizergh Barn and Howbarrow Farm) have developed closer relations with consumers, thus providing a viable alternative to supermarket chains. Larger intermediaries shorten supply chains to supermarket chains. Expanding the local food system may depend upon further expanding such intermediaries, especially through greater producer co-operation and professional skills.





## Manchester

Greater Manchester is Great Britain's third largest city, with a population of 2.25 million. Its diverse food initiatives include for-profit businesses, voluntary (or charitable) organisations, grassroots projects, social enterprises and official bodies.

Interviewees' motivations fell into two general categories:

- Concerns around social and economic inequality in Manchester, as grounds to enhance access to healthy food, to improve the immediate environment, and to promote food cultivation as a means to health and community cohesion
- Broader issues including concerns around environmental protection, climate change, peak oil and food security.

All the interviewees emphasised how local food initiatives provide something different from the supermarket model: some saw themselves in opposition to it. They felt that, due to such initiatives:

- People can obtain their food in more directly social ways: they meet, share ideas and have a positive relationship with their food
- People are encouraged to know where their food has come from and how it is produced
- People draw on traditional knowledge (by learning from the older generation) while also finding new ways to produce food
- More food is grown within cities and in a more community-based way

- Citizen volunteers are creating alternative food systems to those of the dominant economic model.

Some producers have expanded local markets by combining their supplies through intermediaries selling food to consumers.

The case study focused on a number of food providers, plus bodies which can offer support to Local Food Systems in Greater Manchester. They include:

### Food providers

*Glebelands Market Garden* grows and sells predominantly leafy crops within Greater Manchester.

*Unicorn Co-operative Grocery*, a wholefood worker cooperative, is the prime seller of Glebeland's produce.

*Manchester Permaculture Network* supports several community food-growing projects, using permaculture methods.

*Healthy Local Food (HeLF) Partnership* engages young people and adults with mental health difficulties in food cultivation activities (since renamed the Bite project).

*Herbie Fruit and Veg Van* provides affordable, fresh produce to communities adversely affected by the closure of small local shops.

*Dig Vegetable Box Scheme* sources and distributes local produce, especially organic.

### Support bodies

*Association of Manchester Allotments Societies (AMAS)* supports the city's allotments and horticultural societies.

*Manchester Food Futures*, a partnership of Manchester City Council and the food policy team of the National Health Service, aims to create a culture of good food in the city, especially wide access to healthy, sustainably produced food.

*Manchester Joint Health Unit (Valuing Older People Team)* works to improve the quality of life for older people, including supporting food growing.

*Action For Sustainable Living* is a charity that helps people to live more sustainably.

*Sustainable Neighbourhoods Pool* is a collection of grassroots groups living, working and campaigning for a more sustainable Manchester

### How have policies either helped or hindered LFS?

Two important policy frameworks aid the development of LFS within Manchester. The Manchester Community Strategy (2006-2015) lays out how public services will be improved, especially a vision for 'making Manchester more sustainable' by 2015. Manchester Food Futures (MFF) emphasises the health benefits of making fresh food more accessible, as well as the physical and mental health benefits gained through growing food. Its strategy links the following issues: health, local economy, regeneration, food as a cultural force, its social impact, links to anti-social behaviour, the environment, childhood diet, vulnerable groups and transport. Through these linkages, some funding is made available for food initiatives.

Social cohesion has been seen within a holistic approach linking community engagement, wider community participation, leisure and better nutrition. Manchester Alliance for Community Care hosts a network of third-sector groups, whose representatives are voted onto the Food Futures Steering Group. It promotes health, especially for older people, through several means including diet and nutrition. With support from MFF, for example, the Herbie Van provides affordable, fresh produce to local people living in areas with poor access to such foods. The Van also acts as a social focus for people to come together to discuss and learn about food.

Despite this supportive environment, practitioners expressed many concerns about policies.

For example:

- Great Britain's overall economic system favours larger businesses and industrialised food production: thus, localised food systems must compete alongside an industry which routinely receives subsidy and structural support.
- Small businesses may receive funding to help them start up, but no further funds – in contrast to social enterprises, which are eligible for continued funding.
- Regional government policy advocates sustainable public procurement, but food contracts (for the Council and schools) do not favour local sources.
- The Soil Association sets a fixed fee for organic certification, deterring some small businesses from registering.

### Success strategies

Manchester City Council has been supporting a sustainable food culture to promote health and community cohesion, partly in response to long-standing demands from activists. Support and enthusiasm comes from changed public attitudes, including: increased awareness of the link between health and food, environmental issues surrounding food production, and personal benefits of growing food. The demand for allotments to grow food has increased dramatically in recent years: some are already used for community projects and collective growing. Intermediaries (such as the Herbie delivery van and Unicorn Co-op) have helped to bring people together, introduce them to new vegetables, teach about seasonality and share recipes. Intermediaries can act as social meeting places and provide community focus. Minimal financial support has generated a wide range of volunteers for the initiatives. But their founding members carry a continuous burden of investing more money and time for successful implementation.

### Future survival and expansion

During the FAAN project, many Manchester practitioners expressed views on the future prospects and needs of LFS.

They want the local authorities to be more proactive in providing land to grow food within the city. Such land availability would help to educate people about food and its production, provide economic independence for producers and enhance community cohesion. Urban agriculture could also address issues of global food security. The demand for allotments has been growing. In response, the City Council provided 200 extra plots during 2009-10. The needs of small local initiatives and businesses, and the benefits that they provide, warrant greater recognition. They would benefit from training for employment. Also helpful would be public education so that consumers appreciate growers' work, especially the labour that goes into good-quality food. Local initiatives will expand if the general public is prepared to pay more for their food. Also helpful would be a city-wide hub for storing agricultural produce from nearby farms and then distributing it to food suppliers and retailers.

## Case Studies France

### National context of Local Food Systems in France

In France, many cultural traditions have survived. Regional foods exist in wide variety, and are now being promoted by a great diversity of short supply chains (circuits courts alimentaires: e.g. Maréchal, 2008). This trend is linked to the diverse motives and lifestyles of consumers. Farmers became direct sellers partly because they had limited access to the land, funding, infrastructure, and extension services required for conventional farming, but also in order to gain added value through direct links to the demands of consumers. According to the General Census of Agriculture in 2005, 16.3 % of professional farmers in France have been active in short supply chains: but this proportion is probably higher amongst part-time farmers and small farms, which are not shown separately in the Census. Comparing regions in France, Local Food Systems are more developed in the northern and south-eastern parts of France, while farming in other regions is still dominated by conventional systems.

Our case studies are focused on Brittany. The Bretons' prevailing farming model has been one of the most sophisticated models for intensification and specialisation in France, especially during the 1960s, when agriculture was modernised in order to export agricultural products. In recent years, Brittany has seen an increasing demand from urban people for local, high-quality farm products. The movement in the alternative agro-food sector has its roots in the 1980s with a non-profit organisation, which became the first organic cooperative shop in Brittany. In the 1990s the first farmers' cooperative shop was opened, followed by box schemes and community supported agriculture (AMAPs - Association pour le Maintien d'une Agriculture Paysanne), especially after the 2004-05 food safety crisis. Since then, there has been a growing concentration of alternative agro-food initiatives in the urban areas, where the number of AMAPs has increased, along with box schemes, open air markets, cooperative farm shops and sales via retailers.

The French case studies represent a wide range of Local Food Systems, which focus on short chain supply initiatives in the peri-urban region of Rennes Métropole and in the rural Pays du Centre Ouest Bretagne.

### Rennes Métropole

The CIVAM (Centres d'Initiatives pour Valoriser l'Agriculture et le Milieu rural) movement has been promoting short food chains (SFC) in Brittany for 20 years. Local groups of farmers created the first cooperative farm shops, and many producers sell their products directly on the farm or in open air markets. However, these producers have faced hostility from the dominant institutions in agriculture. They do not fit into the productivist schema of ever-growing quantities of basic quality products, marketed through private or big cooperative firms. Now that short food chains are quickly growing in the region, these producers can be considered pioneers. They are the first partners for new projects led by citizens, such as AMAPs, which are similar to Community Supported Agriculture (CSA) schemes.

The case study focused on a comprehensive review of all initiatives existing within a given territory. The initiatives were observed at the sales point level, or precisely in the place where food is sold to the final consumer (by the producer or the intermediary). Each initiative is roughly characterised by the turnover, the number of jobs, internal choices (organic products or not, individual or collective initiative) and the interaction between producer and consumer. The case study is the aggregation, at territorial scale and in a systemic approach, of modes ('families' of initiatives that are alike e.g. farm shops or open air markets) and devices (single initiative belonging to a model).

### Rennes Métropole: dynamic role

Rennes Métropole consists of 37 communes, around the capital city of Brittany. The population of Rennes Métropole is about 400,000. Food sales in this territory reach an annual turnover of 1 billion Euros. Mapping the food initiatives in Brittany showed that Rennes Métropole is the most dynamic place in the region, with a strong growth of AMAPs and box schemes and a still-growing number of open-air markets. The most visible of these initiatives are the cooperative shops.

This evolution has been prompted partly by socio-economic factors – highly concentrated population, high buying power, the number of organic farmers in the region. But the region's history has also helped. Until the 1950s, there were strong links between Rennes and its

surrounding countryside. Traditionally, many farms used the proximity of the city to manage a complex system that produced wood, cider, eggs and butter for the urban consumers. The well-known 'coucou chicken of Rennes' was saved from extinction in the 1980s : it represents the complex city/countryside system through local food chains. The chickens (production of eggs and meat) were kept in meadows (food for chickens and cows) covered with apple-trees (production of cider), separated by hedges (production of wood every 9 years), together with cows (production of butter, with the whey used to feed the chickens). This long traditional history is displayed by an eco-museum. There is no direct evidence that this system has influenced today's SFCs, but it can be assumed that some, at least among the main policy makers, are well aware of this tradition.

Policy making on short food chains in Rennes Métropole

Policies in the city region integrate city/countryside relations and SFCs in many ways:

- The territory and city planning are based on a concept called 'city archipelago'. It consists of impeding the city's expansion beyond the ring road, and keeping 'green' areas between the town and the 'satellite communes'. It has long been accepted that a thriving agriculture is the best and most economical way to maintain this 'green belt'.
- Under the pressure of the mayor of a peri-urban town, working in agriculture, who has now become the first deputy-president of Rennes Métropole, the area now has a formal planning document – the local plan for agriculture. This document, not compulsory for all towns in France, is designed to sustain the 'city archipelago' concept, preserving land for farming and developing SFCs. So, these issues have become a priority element in sub-regional policies.
- Another policy maker has played a creative role in raising SFCs within the area's agenda. He is in charge of energy, and has convinced his colleagues that SFCs can save energy and reduce green-house gas emissions.
- Purchase of food from local producers for use in schools and seniors' institutions has long been organised at a local level in Rennes. In the last few years, this has developed quickly in the other communes of the area. It

demonstrates that action by local authorities, even those small budgets, can be influential.

- Economic data now show that in the Rennes Métropole area SFCs are clearly creating jobs, especially in peri-urban or rural communes which often benefit the least from public policies focused on town centres. Political balances between urban and rural representatives help to promote SFCs.

Rennes Métropole has thus integrated agriculture and more recently SFCs as part of sub-regional policies, which have to be considered 'everywhere' in each policy. But there have also been some direct interventions, through funding (for instance for the main cooperative shops) or providing resources (places to distribute boxes, facilitation of access to markets, information through public newspapers or specific advertising etc.).

#### **Specific intervention of FRCIVAM and Agrocampus**

Influential policy makers in Rennes Métropole were keen to develop further a more specific policy for SFCs, aimed at creating new jobs, revitalizing city/countryside relations and improving agricultural practices from an environmental point of view. FRCIVAM (Fédération Régionale de Bretagne des Centres d'Initiatives pour Valoriser l'Agriculture et le Milieu Rural) was invited to study and present an overview of the territory, with the help of Agrocampus. A first presentation of preliminary questions was presented in October 2007 to launch the project. The number of attendees (about 40) proved that the issue was a hot topic for elected representatives, across the political spectrum. Following the research carried out for the FAAN project, a presentation of the results was made in September 2008, and the chosen room (the usual commission room) proved too small to fit everybody. This is a signal that local authorities really consider that SFCs are important, and that they can imagine how local policies would support the development of SFCs.

The results that raised the most interest were the following:

- The necessity of diverse modes and places for SFCs both for producers and consumers.
- The trust in public action, even through micro-decisions. For example, the new open air markets that have been

created around Rennes are open in the evening to serve consumers on their way back home from work: this change to reflect modern lifestyles has obliged farmers to adapt their long-established practice of being at market in the morning and on the farm in the afternoon.

- Despite the limited public funds spent in supporting SFCs, the first evaluation of the jobs showed that they had created about 300 jobs, whilst 'classical' agricultural jobs in the sub-region are fewer than 1,000.



### **Pays du Centre Ouest Bretagne**

Located in the very west of France (Brittany), the Pays du Centre Ouest Bretagne has a very low density of population (30 inhabitants/km<sup>2</sup>). This area has the lowest average income in Brittany and an ageing population. Agriculture represents 30% of the local economy, and the production is strongly specialised, as is the case throughout Brittany. We illustrate this reality with statistics from the county council of Côtes d'Armor which has a common area with the country of Centre Ouest Bretagne. Its farming is focused on pigs, dairy, eggs and beef: it has 20% of the French production of pigs, is third in France in dairy production, produces a quarter of French egg consumption, and ranks 11th in France for production of beef calves for slaughter. In recent years, farm production on the Pays du Centre Ouest Bretagne has greatly intensified and industrialised whilst fostering a growing concentration of farms, especially in the pig industry. More than 200 pig-farms

have disappeared in the county since 2000, while the average number of sows per farm has risen from 50 in 1988 to 162 in 2005: now, one pig-farm out of six possesses over 250 sows. Intensive milk production is the second main type of farming in the county.

In this context, LFS are considered as a marginal way of farming. However, an inventory of the different forms of AAFNs shows:

- 130 farmers who sell at their farm
- 16 open air markets, including 3 farmers' markets
- 7 box schemes
- 8 retailers who gain a significant part of the food they sell from short supply chain food
- 2 cooperative farm shops.

There are other practices, for example people who buy a cow and ask a butcher to cut it into pieces for them. This territory also has the biggest festival of music in France, the Festival des Vieilles Charrues (<http://www.vieillescharrues.asso.fr/>), at which much local food is sold.

### **How have policies either helped or hindered these first initiatives?**

Pays du Centre Ouest Bretagne is a grouping of local authorities, which also has the status of a Local Action Group area under Axis 4 (Leader) of the regional Rural Development Programme. In the 1990s, the Leader initiative supported collective initiatives to promote and help groups of farmers. For example, Bro An Are, a cooperative farm shop, received a grant to buy equipment for a frozen food system. Another group of farmers, Kreiz Breiz Terre Paysanne, was supported by Leader for production of a booklet. In these ways, Leader was very useful to help the initiative start. The European Social Fund also provided support for initiatives to develop co-operation between consumers and producers. Biopole, a box scheme system, was among the beneficiaries of a scheme offering 100% support up to 23,000 Euros for 1 year.

The lack of relevant training is a factor that can hinder the strengthening of Local Food Systems. Farmers have generally not learned anything about short food chains, even those who have farming degrees. Except in specialised schools which are very rare, there is no source of training to be a direct seller, with all the capacities

needed regarding production, transformation, selling, accounting, packaging, and promoting products. Some farmers emphasize the positive role of alternative courses, such as diplomas for ecological technicians (which often lead them to settle on a farm). But generally, producers who want to move into direct selling have to seek help from others in their network.

The rules for hygiene regulation are not very clear for producers. The hygiene services make their own interpretation of the legal framework, which can mean that small producers find it increasingly hard to meet the hygiene requirements.

### Success strategies

In the 90's, many AAFN initiatives were launched by networks of producers, often with support from the Leader initiative, the European Social Fund or other public sources. This process is still continuing. For example, a non-profit network of producers, Kreiz Breizh Terre Paysanne, created the Bon Repos seasonal open air market. In October 2009, this group also created a box scheme, in order to help young farmers, a number of whom have joined the scheme.

The development of short food chains is now an important challenge for producers and local authorities. New markets (at night, in the tourist season) were created by farmers and tourism organisations. Very recently, many new initiatives have emerged, prompted by rising economic difficulties in the conventional farming system. In response



to these difficulties, farmers have found solutions such as limiting production and the size of the farm, finding new partners in order to develop AAFNs such as box schemes, specialising in the most economically efficient production, and working very hard.

### Future survival and expansion

The number of short food chain initiatives in the Pays of Centre Ouest Bretagne is increasing. The open air markets are changing, some are created (farmers' markets, seasonal markets), others disappear (traditional markets in the beginning of the week). In the last 10 years, the total number of farmers in the sub-region has halved, but the number of producers in direct sales has been maintained, so they now represent a higher proportion of farms. Producers in direct sales are becoming more professional. During the last 3 years, 20 organic market gardeners settled in the Pays du Centre Ouest Bretagne. Organic vegetables are the most wanted products. The development of short food chains happens mainly through the settlement of new producers, as it seems difficult to convert a conventional farm. Short food chains are now considered a possible way forward for agriculture. The main obstacles to the settlement of young producers are funding, support, logistics, and access to land, and these issues are beginning to be identified by local communities.



## Case Studies Hungary

### National context of Local Food Systems in Hungary

In Hungary local food culture and local markets survived the communist regime, but a centralized agro-food system prevails. Multinational food processors and retailers dominate the market. Small-scale, traditional family farmers are struggling with the legacies of the former regime - fragmented land ownership, lack of capital and marketing skills, distrust- by building on the remnants of informal economies.

In the past years recurrent food scandals in the industrial food chain and large-scale farmers' mobilisations, provoked by price-squeezes imposed by large retailers and food processors, have raised wide-scale concerns about the origins of food. At the political level, the Ministry of Agriculture attempted to pass measures aiming at increasing the proportion of local products in supermarkets. One of the main farmers' unions launched a network of social shops to ensure market access to small producers by linking farmers with grocery shops. Recent consumer polls indicate the local origin of food constitutes one of the most important considerations, after quality and price, in the food purchasing habits of the Hungarian population.

In order to avoid further marginalisation and depopulation of the countryside, some farmers have started co-operation on the local level. Many local food initiatives, however, particularly those based on collective organisation, are launched by community-organisers in the countryside, urban consumers' and citizens' groups.

Strategies for facilitating Local Food Systems are focusing on strengthening traditional forms of direct marketing like farmers' markets, agro-tourism and festivals of traditional food. These trends have been accompanied by a consensus on rejecting GM food and an increasing awareness about the value of agricultural biodiversity. Experimentation with new forms of direct marketing inspired by Western models like community supported agriculture (CSA) and collective buying groups, is a new development. These initiatives, however, are still rudimentary and fragile.

### Szövet: Alliance for the Living Tisza

Since its creation in 2006 Szövet has worked to improve the living conditions of communities along the Tisza River,



in Eastern Hungary, an area marked by a weak economy and high unemployment, and to ensure the safety of the local population and the environment against flooding. It also aims to preserve and promote the region's ecological values, which include a diversity of local fruit tree varieties, mainly preserved in old orchards and forests, and the remnants of the floodplains.

Szövet's agenda of sustainable landscape management and economic regeneration entails supporting sustainable small-scale family farming and fostering co-operation between farmers and communities. The organisation's direct marketing activities developed significantly in 2008 with the onset of the sour cherry and apple 'scandals': these culminated in an unprecedented countrywide wave of farmers' protests, provoked by the unfair pricing practices of supermarkets which pushed farm-gate prices below production costs. In a movement of solidarity, Szövet started to organise 'sour cherry saving actions' on farmers' markets in Budapest to help farmers excluded from supermarkets to find alternative outlets for their produce. Encouraged

by the action's success – 16 tons of sour cherries sold and a large inflow of conscious consumers attracted by local products and committed to stand up for farmers during the crisis – Szövet began to organise regular direct marketing activities with a wider product range.

Today, Szövet operates on a weekly basis on four farmers' markets in Budapest, integrating pre-ordering and home delivery to its services. It also started to develop partnerships with stores in Budapest that will sell its processed products such as juices and jams; and to promote local agro-tourism activities to attract new customers and incite them to discover the region's ecological and cultural values. As a decisive move, Szövet developed the 'Living Tisza' certification label for farmers and service providers in the region to gain added value for food of special origin and ecologically sustainable farming methods.

The network attracted new members and now includes about 30 small-scale farmers, of which the most active are located in Nagykörű, Central Hungary, and Tarpa, North-Eastern Hungary. The network is also sustained by local service providers, some supportive local municipalities in the region and a broad arena of rural development experts.

#### **How have policies either helped or hindered the Alliance for the Living Tisza?**

In 2008 Szövet also began legal work, attempting to clarify the regulatory obstacles impeding the development of direct marketing. It identified the smallholder decree (14/2006, II.16) as an important obstacle to develop and expand direct marketing initiatives. The decree regulates food production, processing and marketing by small-scale family farmers, and was adopted in 2006 by the Ministry of Agriculture and Rural Development jointly with the Ministries of Health as well as Social Affairs and Employment. The decree poses unreasonable quantitative and hygienic restrictions on certain product categories such as fresh meat, processed vegetable and fruit products. It requires that the slaughter of goats, pigs, sheep and cattle takes place in officially recognised facilities: however, many abattoirs were closed down after EU accession, thus leaving large areas without adequate facilities for small-scale meat production. Other problems are the ban on the marketing of processed products in shops and restaurants, and the exclusion of fresh

milk produced by small farmers from public procurement programmes for schools and hospitals etc. Civil society organisations, including the Alliance for the Living Tisza and Védegylet (Protect the Future Hungary) launched a lobbying campaign in 2009. Their demand was that the Ministry of Agriculture and Rural Development modifies the decree by taking full advantage of the derogations on the continued use of traditional methods at any of the stages of production, processing or distribution of food specified by the EC regulation on the hygiene of foodstuffs (EC 2004a, b, c).

Food processing and direct marketing by small farmers are also influenced by other regulations - for example decrees related to markets and fairs, diverse food hygiene and inspection regulations - which do not fall under the competence of the Ministry of Agriculture and Rural Development. The lack of coordination between ministries means that the legal environment of small producers is rarely updated simultaneously, leading to an inconsistent legal framework.

#### **Success strategies**

The key to the economic viability of Szövet lies in the partnerships with local processing facilities, the organisation of logistics linked to marketing (transport, storage) and the diversification of marketing channels, including farmers' markets, shops and agro-tourism enterprises. Introduction of the 'Living Tisza' label was important for gaining added value by emphasizing the local origin of products and environmentally sustainable farming methods. It is a flexible certification scheme, well adapted to the needs of small farmers in Hungary, inexpensive and easy to administer. It empowers farmers by allowing them to select from optional product features linked to the label, thereby taking personal responsibility for guaranteeing product quality.

The special care that has been taken in communications about the label, including the products' origin and quality, and in answering questions from consumers, has done much to develop trust-based relationships between producers and consumers. The capacity to pool and mobilise different resource persons and experts, from community activists who mobilise consumers through e-mail lists to legal experts working on the smallholder decree, has also greatly helped to deal successfully with the complex issues emerging during the campaign.

### Future survival and expansion

Future plans for Szövet's survival and expansion include raising funds to build its own processing facilities, or, alternatively, finding new facilities and additional storage space near to the farmers' markets and other direct marketing venues in the region. Szövet also hopes to attract more farmers and service providers interested in joining the 'Living Tisza' label. Lobbying to ease the rules on food processing and direct marketing by small-scale family farmers represents a further priority.

### Farmers' market and 'The Market – Our Treasure' citizens' group at the Hunyadi square in Budapest

The Hunyadi market in downtown Budapest is composed of an indoor market hall from the 1890s and an outdoor farmers' market opened in the 1950s. The market operates as the neighbourhood's 'pantry', offering fresh and affordable food to local people. The outdoor market gives space to 75 contracted farmers, most of whom come from within 100 km of Budapest. Many are primary producers, including retired persons, carrying out farming as a secondary activity to complement their income.

In 2006 the survival of this market was threatened by municipal plans to construct an underground garage

underneath the park, and to open supermarkets in the market hall. The plans threatened both the original function of the currently rundown indoor market and the survival of the farmers' market. This raised the indignation of local inhabitants culminating in the creation of a citizens' group in the summer of 2007 with the aim of defending the city's last outdoor market and the public's access to fresh and affordable food. Mobilising the resistance to the municipal plans was not easy, because the small farmers - though they largely depended on the market for their livelihood - were suspicious of public authorities after their negative experiences of the state socialist period. Nevertheless, the local citizens mounted a strong campaign.

The citizens' group, under the name 'The Market: Our Treasure', aims to promote quality food, local democracy and reclaiming public spaces. It works on a voluntary basis and is organised through a community blog. The campaign's first phase focused mainly on legal work, understanding the mechanism behind tendering procedures, and technical urban planning questions. An important issue concerned the mobilisation of farmers and a larger pool of inhabitants from the neighbourhoods and other sympathisers, including the collection of signatures for petitions on different issues. Following the project's disclosure, the local authorities moved to a consensus on the need to maintain the outdoor market, while 'modernising and renewing' it. The project has now moved to a new phase, involving discussions on how the outdoor market can be improved and made attractive.

### How have policies either helped or hindered the farmers' market on Hunyadi square?

The case of the Hunyadi market revealed that there is a significant problem in ensuring the transparency of tendering procedures within local authorities, as well as ensuring consultation with local communities. Given these problems, local authorities readily make decisions that do not correspond to the needs and priorities of their local constituencies. With EU accession, new funds are available for carrying out participatory processes in urban planning. However, the lack of competence and understanding of local authorities and other professionals entrusted with implementing these processes can result in superficial



and inefficient consultations, which do not achieve their original aims.

Another problem is that the current regulation on markets and fairs does not allow farmers to be clearly distinguished from traders, so consumers may have no guarantee about the origins of the products purchased, unless they know the farmer personally. Also, farmers sometimes receive contradictory and confusing information from the authorities supervising local markets about the types of products that they are entitled to sell.

### Success strategies

The first step in the success of this alternative food network was the creation of an informal citizens' group aiming to save the farmers' market by investigating and examining the local authority's plans, maintaining the links between farmers, local citizens and local authorities, and informing these groups about the plans.

The existence of a democratic, non-hierarchical space and the capacity to mobilise a pool of resource persons and experts was crucial in the success of the campaign geared to save the market. This has ranged from volunteers helping out in collecting signatures, distributing fliers and putting up posters, to legal experts helping with lawsuits, forestry experts evaluating the state of trees in the park next to the outdoor market, architects and guerrilla clowns mobilising public opinion in a creative way. The strategy to widen the campaign, which originally focused on problems linked to wider urban planning issues, has been to strengthen the



positive messages, for instance raising awareness around the values and benefits of the farmers' market and of local food of known origin.

### Future survival and expansion

An important goal is to ensure that the local authorities do renew and revitalise the market to meet the needs of small farmers and of local citizens and consumers. The objective is to increase the number of stalls available for small farmers, attract new farmers to sell, and ensure that the rental fees for market stalls remain affordable to small farmers. Making better use of the market space by introducing afternoon and evening markets, organising thematic gastronomic festivals and cultural programmes is also a key for attracting more consumers and mobilising inhabitants from the neighbourhood.

Another aim is to help farmers widen the product range and improve quality by training or advice provided on alternative farming methods such as permaculture, on introducing local fruits and vegetable varieties or curiosities (such as okra, coriander, forgotten or edible wild plants), and on processing their products. Future plans also include awareness-raising activities, with published information on products found on the market, recipes, food or farmers' portraits, and eventually organising trips for consumers on farms and cooking activities. To carry out the above, it will be necessary to raise funds in order to sustain and expand the work now carried out on an unpaid, voluntary basis.



## Case Studies Poland

### National context of Local Food Systems in Poland

During the last 50 years, Polish agriculture and rural areas underwent significant changes. The disadvantage of rural areas, and rigid social structures rooted in the historically long tradition of serfdom, have made it difficult for peasants to become farmers. In Poland the socialist modernisation was implemented in a slightly different way than in other Communist countries. Industrial modernisation was introduced only partially, because farmers were very reluctant to join the authoritarian state-forced collectivisation. Thus Polish agriculture was divided into an industrial branch, represented by state-owned cooperatives (PGR), and individual small households, which pursued very small-scale farming.

During the 1950s, most agricultural land was cultivated by individual farmers – nearly 80%, which was exceptional for a Communist country. The lack of efficiency and social legitimisation of PGR, and the very low economic viability of the small individual farms, caused severe problems for Polish rural areas, e.g. food supply shortages, low esteem of agriculture, rural depopulation and consequently a neglect of rural culture and societies. Poland's rural development was shaped by top-down policies, and rural communities had minimal opportunities to shape their development. These difficulties generated serious distrust towards any attempt at political change, cooperative activities and ideas of the common good. Moreover Polish rural areas suffer from a lack of social and cultural cohesion and local identity, thus impeding common actions and networks for new alternatives in agricultural food production. Weak co-operation skills, deep individualism, and distrust towards others make networking activities difficult.

Since there are not many activities initiated by civil society, it is mainly the public sector which has tried to facilitate networking in the alternative agro-food sector. Thus the influence of regional and local government is strong. Because of consumers' demands and a strong attachment to traditions, Local Food Systems in Poland mainly focus on local and traditional food, while less importance is attached to ecological criteria, e.g. organic farming. LFS can build upon the 'backwardness' in Polish agriculture – such as small average size of farms, low level of mechanisation

and low input of fertilizers – and thereby facilitate a change towards alternative regimes of production.

The Polish case studies represent two different ways to establish and promote LFS in Poland. The first is a Culinary Heritage Network, initiated by regional government bodies in order to enhance rural tourism by promoting traditional food. The second, in Lower Vistula Valley, is a bottom-up initiative based on local activities, rooted in a deep tradition of informal rural economy.

### Warminsko-Mazurska Culinary Heritage Network

The Culinary Heritage Trail in Warmia Region is part of a pan-European initiative called the Culinary Heritage Europe Network. It was the first network created in Poland within this initiative, in 2004. The leading role in this network belongs to the regional government office (RGO) of Warminsko-Mazurskie region in north-east Poland. The mission statement of this network is built upon the idea of regional development through promotion of specific local food to reach two goals - small business development, and enhancement of rural tourism.



Currently, the network consists of 29 restaurants and inns, 4 farm shops, 50 producers and processors, including bakeries, dairies, butchers, honey producers, fish farms, vegetable and fruit processing plants.

### **How have policies helped or hindered AAFNs in this case study?**

In developing the network, the main hindering factor is the top-down manner in which it has been established. It is managed by the regional administration, and thus participants, especially small farmers, do not feel that they own the network. This type of management creates rigid rules which restrict the way the network functions. It also leads to mistrust among some participants and suspicion that political goals are more important than the benefit of participants.

There are other important hindering factors. For example, hygiene regulations have been developed with a focus upon large industrial food enterprises and do not consider small-scale production or traditional methods. Small producers, sometimes making unique specialities in traditional manner, find it difficult to obey all the regulations. The EU regulations allow exemptions for small-scale traditional producers to maintain the original character of the product whilst ensuring consumer safety: however, to date, Poland has limited such exemptions to a few specific veterinary requirements.

The official distinction between agricultural and non-agricultural production hinders development of the local food networks. If producers want to keep status as farmers, they are allowed to sell only non-processed products. Otherwise, they have to register as a business and become an entrepreneur, rather than a farmer.

Chaos in the legal system and lack of clear interpretation of rules pushes the alternative food production into a grey zone. Even if farmers want to obey regulations, they cannot always find an institutional or regulatory framework to fit into.

A hindering factor, mentioned by several interviewees, was the unbalanced influence on the network from different kinds of members. Because large companies are seen as more important from an economic point of view (they generate more income, taxes, jobs etc.), they tend to dominate and to marginalise small-scale producers. It was felt that members of the RGO who aimed to support the development of LFS should be aware of this fact, in



order to maintain the balance and not to discourage those members who are smaller economically but can bring unique and valuable products to the network.

Finally, the research showed that some members are concerned with the way that individualism and lack of traditional co-operation were limiting the development of the network.

A facilitating factor is support from the Agricultural Advisory Centres (AAC) for smaller farmers. AAC are deeply rooted in the economic landscape of the Polish countryside. They provide a broad range of activities, such as vocational training and courses on rural tourism, and they try to spread information about conditions of traditional and organic food production. Many of their activities are also focused on empowerment of rural women, which can result in a positive use of these tools and foster the development of local products.

### **Success strategies**

One of the success factors in the Warminsko-Mazurska Culinary Heritage Network is the establishment of links and interactions amongst different actors in local food production and market distribution. Another is the linkage between local food production and tourism at a regional level. Tourists are seen as an important target group for local products in Poland. Many events are organised at local and regional scale in order to attract tourists and to present rural areas as a place for relaxation and offering healthy and tasty food.

Being part of the pan-European Culinary Heritage Network has also been a success factor, by giving European recognition to this Polish network.

### Future survival and expansion

The case study identified a number of activities that may be of benefit for future survival and expansion.

These include:

- redefinition of brand identity – to prevent large companies from using the network as another channel for distribution and source of added value
- more intensive training for farmers and for owners and representatives of small and medium-sized enterprises (SMEs), in order to build strong social capital to be exploited by the AAFN: they need help to develop a shared sense of 'alternativeness', since most farmers now have a negative view of SME owners, while village shopkeepers may be afraid to sell local food products due to lack of knowledge about food hygiene regulations etc.

### Vistula Valley Friends Association

The Vistula Valley network is based on a long tradition of orchard planting rooted in the 17th century. The natural conditions of the region are well suited to fruit production, especially plums. Local inhabitants, with a very active leader, have established the Vistula Valley Friends Association, an LFS which aims to provide better business opportunities by adding value to traditional local products. The main objective is to create a wide network of businesses (including farmers, fruit producers



and processors), local associations and local authorities to promote, produce and distribute local fruit products, including plum jam and fruit liquors. Members of the association are working to reintroduce old varieties of plum trees and to recreate traditional orchards; to promote direct selling and traditional processing of food; and to develop local events such as the Festival of Taste, Plum Day and the Day of Kijewo Municipality.

### How have policies helped or hindered the Association ?

Vistula Valley Friends Association has a number of problems to face. The hygiene regulations can cause problems, but the Association cooperates with the hygiene officers in the region, which makes these demands easier to meet.

The Association faces difficulties in financing what can be expensive promotion and advertising strategies. Members of the Association wish the authorities responsible for rural development were more engaged and would co-finance promotion events, advertisements, etc.

Another hindering factor or rather threat for the network concerns the industrialisation of traditional production. Some producers have stopped traditional production methods, often choosing quantity over quality. Linked with this is the threat from larger industrial processing companies wishing to just use the brand built up by the association.

The shortage of traditional fruit trees is often cited as a concern. Members of the Association argue that seeding traditional trees to ensure wider production must be one of their main goals.

The association has been particularly helped by the direct



support of the Local Action Group, funded by the EU Leader programme – support is targeted at both farmers and processors. At the local level an important role is played by Rural Women's Associations, which bring together processors and provide them with knowledge exchange, technical and social support.

The location of the region has also aided the Association's development. Toruń and Bydgoszcz, two nearby cities, provide a strong market for the products.

### Success strategies

Crucial factors for success are as follows:

- Building trust to avoid competition within the Association and to facilitate co-operation (e.g. by sharing the expensive copper pots used in making jam)
- The role of a charismatic leader of the Association, accompanied by a strong community network
- An ability to recognise the full market value of the chain created by the Association: this is variously described as a 'moral economy', 'food with history', 'alternativeness versus the corporation model'
- Agreement among partners that they need political lobbying at local, regional and even national level

- Building wider networks of co-operation – with state authorities, advisory services for farmers and other LFS.

### Future survival and expansion

For the future of this AAFN, it is important to:

- ensure intensive training for producers and processors, in order to keep them up to date with the latest regulations and opportunities for financial support
- apply clear but strict control mechanisms, in order to ensure consistent high quality of products
- create an effective cooperative system for production of traditional fruit tree seeds, as the basis for increased production and/or for enlarging the membership of the association
- extend education and training activities, in order to build social capital and to strengthen the network from inside.

There are two possible ways in which this AAFN can be developed – first, through marketing of local products, and development of distribution channels and volume of sales; and, secondly, through treating traditional products as an element of regional and community development, in which agriculture and its products are just a part of a broader strategy.



## Implications for policy and practice

We draw on the case studies to offer ideas on what Local Food Systems are, what they offer, and what they imply for policy and practice.

### The new paradigm

Those involved in LFS are driven by a variety of motives. Some see them simply as a niche market for selling their own products. Others see the close relationships within LFS as a societal model that should be extended more widely; they seek to create and expand an alternative mainstream, different from the current conventional food-supply system.

Indeed, the more idealistic among the proponents of Local Food Systems see them as heralding a new paradigm for production, marketing and consumption of food. This vision embraces society, culture, economy and environment in the following ways:

- **Society:** guaranteeing equal access to food, enhancing solidarity between citizens, encouraging collaborative decision-making, avoiding corporate influence and increasing responsive local governance.
- **Culture:** prioritising fresh, vital, healthy (no chemicals) food, preserving and supporting local traditions, linking the product with a common territory for producers and consumers, providing social services through the product (health, diet).
- **Economy:** enhancing ethics (fair, transparent business relations), increasing autonomy towards the agri-industrial system, promoting a globally viable livelihood, promoting co-operation between producers, increasing the added value of the product, allocating more of that value to producers, negotiating fair prices between producers and consumers, negotiating the conditions of competition among producers.
- **Environment:** improving environments through links with tourism, encompassing global issues (e.g. climate change) as well as local-level environmental issues (e.g. agrochemicals).

In all those ways, LFS involve a much richer vision of food chains than simply selling locally-produced food in nearby shops. Together, LFS comprise a specific sector that warrants specific support measures at local, regional, national and European levels. Those policies should

look beyond individual profits and market competition, towards a new economic model based on an ethical vision of economy – e.g. shared benefits, fair local exchanges and co-operation, especially through shared knowledge and experiences.

### Benefits from Local Food Systems

As described earlier, practitioners in local food system are driven by a vision with rich social, cultural, economic and environmental dimensions. These are expressed in terms of the benefits which – they claim – can be realised from LFS. Our research did not test the validity of these claims, nor compare the impacts of LFS with those of conventional food systems. We recorded views of numerous practitioners whom we met through the research. Here we relate their views to previous analyses.

#### An alternative to conventional systems

LFS can pose 'resistance and counter-pressure to conventional globalizing food systems' (Feagan 2007). They can enhance social, environmental and economic sustainability. These characteristics vary according to the specific type of initiative and its practitioners' motivations. Some LFS also go beyond the main dimensions of sustainability. They are seen as providing a space for political action by encouraging local democracy and empowerment, thus countering the power of the globalised food system.

So, for many of those involved, the benefits of LFS go far beyond the market motives, such as maximising income or gaining better-quality food, which could be pursued through conventional food chains. They embrace sustainable production and consumption, high-quality and fresh produce, local community engagement, re-forging the links between towns and countryside, and local economic development. Central for many Local Food Systems is a commitment to social co-operation, with close geographic and social relations between producers and consumers.

These closer relations between producers and consumers involve trust, co-operation, consumer knowledge of production methods, and many aspects of 'quality'. As outlined in the literature, both producers and consumers

benefit from the shorter distances, better information flow and greater trust between them (Watts et al. 2005), which can bring greater viability to small-scale farmers, revitalise local and traditional knowledge (Fonte and Grando 2006), and encourage sustainable land management (Ilbery et al. 2005).

### **Social benefits**

LFS often go beyond simply providing locally produced food. They are seen as a means to strengthen social cohesion and community development, particularly in areas with fragile economies, such as peripheral and disadvantaged rural regions. In such places, low farm incomes and narrowly-based economies can lead to out-migration, which further undermines agriculture and social cohesion. At the same time, many urban areas – notably those with low-income population – lack access to fresh and healthy food, and are wholly disconnected from the places of food production. Thus town-dwellers may have no knowledge about where and how their food is produced.

By connecting consumers to producers, either directly or through shorter supply chains, Local Foods Systems can address both these issues, i.e. the social and economic fragility of rural areas, and the urban need for good food. They can strengthen the links between town and countryside, help consumers to understand where and how their food is produced, give urban consumers access to fresh affordable food, and enable farmers to produce what consumers want and to benefit from an increased

share in the final sale price of the food that they produce.

A crucial dimension of the social benefit is the link between food and health. Access to fresh food, and nutritious diet can bring immense dietary, physical and mental benefits to urban people. Local food can mean fresher and healthier food, much more nutritious than conventional food. Seasonal food is in tune with intuitive nutritional needs during the course of the year, and the nutrient quality and quantity in fresh food is higher than in food preserved for longer periods. Local Food Systems can enhance food security by providing fresh and more nutritious produce.

These benefits, and particularly those to low-income town dwellers, cannot be achieved by simple commercial action. They may require the support of public or non-profit bodies, such as those described in some of our case studies. These bodies can build on community engagement and active citizenship, keeping prices low so that low-income groups can afford fresh and healthy food. They can link food projects to educational activities, or the social involvement of disadvantaged people through employment programmes. The Hunyadi case study in Hungary exemplifies a citizens' group fighting to sustain the market which gave them access to high quality (fresh and specialty) food. The urban agriculture projects in Manchester, England, enable town dwellers to produce their own food.

### **Cultural and ethical benefits**

The conventional agri-food system focuses on technological innovations, using a few high-yielding varieties for



intensive monoculture. By contrast, LFS aim at increasing agri-food diversity, by upholding or re-introducing traditional crops, livestock and production methods, or by creating new specialties linked to the specific geographic area. LFS often build on local and traditional knowledge and customs. In this way, they help to preserve cultural heritage and to foster community engagement. In the Lower Vistula Valley in Poland, small-scale farmers and processors cooperate to promote local plum jam and brandy, sold within their region through long-established markets and thus keeping the whole financial benefit within the locality.

LFS also pose an alternative to ethical shortcomings in the current food system. For example, they often implement high animal welfare standards, and they tackle fairness not only in terms of economics, but as an ethical issue. For example, the Austrian cooperatives BERSTA and EVI have observed principles such as fair prices for farmers, fair working conditions for employees and affordable prices for consumers since they were founded 30 years ago: this long-term commitment is based on the shared beliefs of the people involved, guided by ideas of political solidarity.

### **Economic benefits**

In recent decades, in the context of conventional food chains, a high proportion of the market value of food has been captured by manufacturers, processors and retailers. Farmers sell the basic commodity at a low price, while others gain the added value, thereby undermining the viability of producers, especially small-scale farms. Moreover, farm subsidies still mainly favour large farming enterprises, which further disadvantage small farms in terms of market competition. When farm incomes are low, these rural economies decline.

Local Food Systems can bring back the value in the food chain to the producer in several ways – by cutting out some intermediaries, enabling direct sales to consumers, adding value locally through processing, widening the range of product range, and raising the sale price through regional branding and other methods. Moreover, LFS can boost employment because they tend to be based on more labour-intensive practices than conventional production.



Local links in the food chain can have a ‘multiplier’ effect in the local or sub-regional economy. This multiplier may be expressed in jobs or income in agriculture itself, and in processing, retailing, gastronomy and tourism. LFS also tend to rely less on inputs such as agro-chemicals and large-scale machinery than do conventional systems, thus reducing leakage of money out of the local economy.

The Szövet association in Hungary places a strong emphasis on long-term socio-economic sustainability, through the betterment of livelihood of local farmers through higher prices from direct sales, environmental benefits of re-localised production and consumption and trust-based relations between producers and consumers as a guarantee for high product quality. The ALMO cooperative of farmers and businesses in Austria has the primary aim of providing mutual benefits for all partners through capturing high and stable prices.

### **Environmental benefits**

Agri-food systems are significant contributors to greenhouse gas emissions, which are driving climate change. LFS can contribute to reducing these emissions by employing sustainable farming systems, low-input farming practices and resource-conserving techniques such as permaculture and organic farming. These techniques reduce the amount of external inputs – like water, animal feed, pesticides, synthetic fertilisers and energy – thus minimising environmental damage associated with food production.

The globalised agri-food system has centralised the food chain, which has led to an increase of food transport, often via long distances both within and between countries, even continents. By contrast, LFS build on proximity and short food supply chains. This can reduce the need for transport, use of fossil fuel, refrigeration, greenhouse gas emissions, advertising and wasteful food packaging.

Local Food Systems tend to rely on less polluting, diversified agricultural activities. This can reduce the need for expensive inputs, and provide better conditions for farm animals. Many farmers involved in LFS pursue regimes which aim to preserve the environmental quality of landscapes, protect natural resources for future generations, maintain agro-biodiversity by preserving local traditions, landraces and crop varieties.

Many LFS promote seasonal food products, which enhance environmental, cultural and health benefits. Seasonal production is often linked to the maintenance and re-introduction of traditional varieties which are adapted to the local environment.

### **Factors facilitating or hindering the development of LFS**

In our case studies, we asked, 'How do policies and other factors hinder, facilitate or shape Local Food Systems?'

LFS depend upon practitioners cooperating to mobilise resources of various kinds – skills, knowledge, labour (paid and unpaid), capital, buildings etc. – within the locality. They may also depend upon external factors, in terms of favourable policies, funding, regulations and the like. Our case studies provide many examples of how resources may be secured or withheld, and of how external factors may indeed be favourable or may represent significant obstacles. Practitioners may need to find ways to use, strengthen and/or link favourable policies, and to challenge, accommodate or bypass unfavourable policies.

Local Food Systems are nearly invisible at EU and national policy levels, for several reasons. Administrative units and prevalent policy language have no such category as a basis for taking responsibility. Commission policy discussions take for granted large-scale agri-food systems as the basis for food supply chains, while ignoring LFS (CEC 2009a),

though these have been highlighted by a report to the European Parliament (Bové 2009).

LFS may depend upon support measures using and integrating many policy frameworks; this role has been more feasible at regional or local level. Even there, policies are rarely designed or implemented in order to facilitate LFS, especially the social co-operation and solidarity involved. Government officials tend to have no responsibility for their promotion. Direct sales face rigid and/or inconsistent criteria from various regulatory requirements and agencies.



However there are some key 'champions', especially within regional authorities, who seek to change and link various policies along favourable lines. They combine funding sources with other assistance to help enterprises to meet regulatory requirements. They use the flexibility of EC rules and link various policies in ways favouring LFS. Amidst a generally hostile policy context, such efforts are exceptions, providing exemplary practices which could be taken up more widely.

In any context, each policy framework may have various features which both hinder and facilitate LFS, so these features are shown in the two columns in the Table (see page 42). Favourable policies are those which can be more readily used by practitioners. Examples indicate member states but may represent specific regions, which apply national policies in different ways.

### Funding schemes

Various funding schemes are meant to support environmental, economic and/or social aims relevant to LFS. Some of these schemes have benefited LFS, but many have been difficult to access.

In urban settings, food initiatives have drawn upon a variety of funding sources. These include urban regeneration, social cohesion and charitable foundations. Some metropolitan authorities have supported peri-urban agriculture and direct sales in cities, especially by limiting urban expansion to preserve 'green' areas, as in Brittany. In some places, such as England, small businesses have received funding to help them start up, but no continuing funds – in contrast to social enterprises, which may be eligible for continued funding. In the new EU member states, funds are available to support participatory processes in urban planning, though some local authorities have used these in fairly superficial ways, for example in Hungary. Access to land has been a problem, especially for allotments in urban areas (e.g. Manchester, England) and peri-urban regions (e.g. Rennes Métropole, France).

For LFS in more rural settings, the most significant source of support is the European Agricultural Fund for Rural Development (EAFRD), which is the second pillar of the Common Agricultural Policy. The aim of the EAFRD is to promote 'the sustainable development of rural



areas', through the medium of the Rural Development Programmes prepared by each Member State or (in some countries) by regional authorities. The EAFRD Regulation emphasises the need for productive efficiency: 'Improvements in the processing and marketing of primary agricultural and forestry products should be encouraged by means of support for investments aimed at improving efficiency' (EC 2005). A key term is 'modernisation', which generally means new techniques or technologies to increase productivity. Alternatively, modernisation can mean on-farm equipment for processing primary products into high-quality ones, as a different basis for producers to add more value.

Likewise there are diverse meanings of economic, environmental and social sustainability, as well as diverse means to link them. Governments have great flexibility in allocating funds according to sustainability criteria. They often focus on supporting more efficient production for economic competitiveness, while removing the least productive land from cultivation. Such policies prevail even in some countries which claim to promote alternative agricultures, thus further marginalising LFS. Generally the minimum grant or investment is high, likewise the requirement for co-financing: this favours large-scale farmers or food processors and thus conventional agri-food chains, where the ingredients may be imported long-distance from the cheapest source. In some countries, such as Hungary, the eligibility criterion of a specific viability threshold (expressed in European Size Units) excludes

small farmers even from the possibility of submitting applications for certain funds.

Alternatively, sustainability can mean agrarian-based rural development through producer co-operation, producers' skills, infrastructure for farmers' markets, conversion to organic methods (e.g. England, France, Poland), promotion of specialty branded products (e.g. France, Poland) and links with agri-tourism (e.g. Austria, England, France). RDP funds have been combined with Structural Funds to promote LFS for regional development. Successful access depends on a low minimum grant or investment. The European Social Fund too has been used to support co-operation among food producers and with consumers.

A special role has been played by Leader (Liaison Entre Actions pour le Développement de L'Économie Rurale), which is a local method of rural development introduced in the early 1990s as a European Community initiative. Leader emphasises the role of local communities in taking decisions about strategic choices for the future of a given area, and provides for the creation of local partnerships to deliver rural development programmes in their areas. The 'pilot' phases of Leader I, Leader II and Leader+ were considered a success. In the current period 2007-2013, Leader has been mainstreamed as a mandatory component of all Rural Development Programmes. The geographic and thematic scope of what is delivered through the local partnerships varies considerably between the Member States; these partnerships vary also in the strength of their bottom-up character, independence and capacity.

As our case studies show, the Leader approach has great relevance for Local Food Systems. Leader emphasises the value of innovation, which may involve alternative food networks and distribution chains. Decentralised delivery through Local Action Groups encourages support for



projects considered valuable at the local level, even if they are not universally recognised by national policies: LFS can be precisely such projects. Leader promotes the idea of adding value to local resources, and building co-operation between diverse stakeholders. This can strengthen links between producers and consumers and/or improve co-operation between producers from different regions.

Local Food Systems have received support from Leader in many of the national case studies, such as those in Austria, England and Poland. This support has been a decisive factor for the development of local food markets in some cases, e.g. the Polish Lower Vistula. Leader can provide substantial grassroots approach to rural development, by targeting community links and local needs with a small but influential budget. Such support can be crucial in more marginal rural areas, as in Austria, Hungary and Poland.

In England, Leader has given financial support to various local food processing and marketing activities, including very small-scale projects, collective marketing techniques, and farmers' markets. Most importantly, it has promoted co-operation among food producers, especially to establish new intermediaries which shorten supply



chains, so that producers gain more of the value that they have added.

In Austria, direct sales initiatives are often embedded in regional development strategies. Many regional projects are established with the support of Leader. The long-established ALMO initiative used Leader support to extend its network and infrastructures and to professionalise marketing by linking with local gastronomy and tourism enterprises. The collective farmers marketing initiative Almenland Bauernspezialitäten in Styria was supported by the local Leader Group. Since the mainstreaming of Leader, support is available for product development, for farmer-to-consumer direct marketing, establishment of new shops, and large-scale cooperative projects such as that for cheese production.

In France, Leader is more limited in scope, but it can support activities relevant to LFS, for example the purchase of infrastructure for Bon Repos Market. However, most producers engage in direct sale without Leader grants.

In Poland, many of the Leader groups support the promotion and marketing of local food products. The Lower Vistula initiative was supported by the Leader Group and by the Rural Women's Association.

Hungarian initiatives have had little access to Leader funds. Szövet members did submit an application, but none of the farmers received any funding. In this region there seems to have been inadequate or unclear information disseminated through the Local Action Groups. More funding would be needed to foster farmers' co-operation towards creating cooperatives.

### Hygiene regulations

EC food hygiene regulations have anticipated the most hazardous contexts of agri-industrial processes, in response to serious epidemics and food scares over the past two decades. Regulations impose more stringent criteria upon food of animal origin than upon food in general (EC 2004a, 2004b, 2004c). In order to comply with these regulations, small-scale enterprises face proportionately higher costs, relative to their size and income.

EC law on food hygiene allows flexible interpretation – e.g. exemptions for primary products in direct sales, and lighter rules for traditional products – thus potentially

facilitating LFS. However, member states have used only some of the flexible possibilities, according to an official report (CEC 2009b: 8). Indeed, such flexibility seems to be limited in scale and scope. Exemptions are narrowly defined, or remain ambiguous and thus in a 'grey' zone of legal uncertainty: these difficulties can deter or limit new entrants to LFS. For example in Austria, some LFS focus on vegetable products in order to bypass the more stringent requirements for meat products. In some places, there are



lighter rules for individual vendors – but not for collective sales, thus disfavouring LFS (e.g. in France). Meat hygiene rules have imposed a large financial burden irrespective of size, thus leading many slaughterhouses to close down (e.g. in England, Hungary and Poland): this decline forces longer-distance transport and so limits local capacity for direct sales.

Even where national rules offer flexibility in their wording, the interpretation remains uncertain. In practice it depends upon regional authorities, incoherent regulation from different ministries (e.g. Hungary) or even upon judgements by individual inspectors (e.g. France). Producers must inform themselves about the law in order to argue for maximum flexibility and so defend their practices as legally compliant (e.g. France).

Moreover, accession countries have recently adapted to EC regulations in ways which create greater or uncertain burdens for small-scale producers. For example, in Hungary, the flexibility in EC law is denied by government authorities,

thus shifting and avoiding responsibility. In the Hungarian rules on exemptions for small quantities of products in direct sales, the phrase 'direct sales' is defined to exclude processed products, both of plant and animal origin, sold to shops or institutions: in order to ease this, civil society organisations are negotiating a new decree on food processing and direct marketing by smallholders with the Ministry of Agriculture. In Poland, there are no lighter rules, and even no permission, for some traditional methods. In France, the hygiene rules applied to cooperative shops run by farmers are as strict as the ones applying to retail shops. Since 2006 a network of cooperative shops has been negotiating with the Ministry of Agriculture to ensure that cooperative shops are considered an extension of farms and hence points of direct marketing rather than intermediaries. New legislation recognising the new status of cooperative shops may be adopted during 2010.

### Trading rules

Trading rules impose proportionately higher costs upon small-scale operations than upon large ones. Costs arise from regulations related to tax, commerce, social insurance etc. Those different regulations often lack coherence. Each may have its own exemptions, whose criteria may vary even within the same country, with different definitions used by different agencies or regional authorities. The criteria may include distinctions between 'agricultural' and 'commercial' production, between 'primary' and 'processed' products, between 'sideline' and 'main' businesses; and definitions of what is meant by 'direct sales', 'box schemes' etc.

Direct sales are rarely treated as a specific category, so the relevant rules involve several different laws: producers may thus lack clarity on what is permitted. Direct sales may have lighter rules and lower tax than indirect sales, as in Poland. But collective-marketing income may count as profit, imposing greater tax burdens on producers, as in France.

### Public procurement

For procurement contracts of public agencies (e.g. schools, hospitals, prisons, local authorities), EC regulations have mandated that agencies must accept 'the lowest price' or 'the most economically advantageous' tender. In the 1990s the criteria could include only 'external' costs borne directly

by the purchasing authority: this rule prevented them from taking account of wider social and environmental costs. More recent regulations allow broader criteria for defining what products are economically advantageous (EC 2004d). EC guidance on Buying Green mentions environmental performance within a scientifically sound 'life-cycle costing approach' (CEC 2004). Public authorities may reduce environmental impact through seasonal purchasing, i.e. by buying only those fruit and vegetable varieties that are locally in season at the time.

These EC regulations are interpreted by public authorities in different ways, both across and within member states. In many places, local procurement officials remain cautious about favouring local food, especially if it is more expensive. 'Economically advantageous' is generally taken to mean the lowest cost, regardless of external costs to the environment, resource usage etc., which benefits larger suppliers. By contrast, some authorities adjust the rules to favour local small-scale suppliers.

Such a contrast can be seen within England. For public procurement in general, government policy mandates 'aggregated purchasing' as a means to obtain the lowest possible cost. Yet some local authorities impose environmental criteria in ways that can favour local suppliers. Moreover, a local authority can split up contracts according to product and locality.

Some authorities have policies on diet improvement,



especially for schoolchildren. This policy may emphasise nutritional and safety criteria, in ways which benefit conventional food chains (e.g. England, France). By contrast, the criteria can emphasise agri-food quality, e.g. organic, as in Austria. Wherever a contract specifies 'organic' food, however, local shortages can mean that imports increase in order to fulfil such criteria, rather than favouring local suppliers.

### Territorial and quality branding

Under EC regulations, Protected Designation of Origin (PDO) or Geographical Indication (PGI) labels depend on claims about unique territorial characteristics. They convey such reputations in distant markets, mainly via conventional agri-food chains, so that the economic benefits go elsewhere. Nevertheless PDO/PGI products sometimes help to create synergies at local level between agri-food and other rural sectors, e.g. through agri-ecotourism.

Many more food products depend on non-statutory territorial branding, which promotes an entire region and its services. Consumer recognition depends upon wider efforts to promote quality meanings, often linked with public goods. In our case studies, local food projects build upon existing brands or develop new ones, rarely dependent upon legal protection. A territorial brand can

denote production in a specific farm, town or region. Such brands use special labels recognised and trusted by consumers, such as 'Genussregionen' brand in Austria. 'Distinctly Cumbrian' in England highlights numerous specialty products. Introducing flexible labels with low financial costs and administrative burden, such as the 'Living Tisza' label in Hungary, can make quality branding more accessible to small farmers with limited resources. There is a tension between supermarket chains incorporating territorial brands and producers maintaining their independence through closer links with consumers.

Case studies in Poland illustrate those different roles of territorial branding vis à vis LFS. One label, the Warmia Region Culinary Heritage Trail, includes large-scale industrial processors and so loses public credibility. In the Lower Vistula Valley, another label promoting small-scale, traditional quality production from plums, with funds from the Leader programme and support from the Rural Women's Association, has maintained a quality reputation. The latter success emerged from a long conflict over democratic control over the network.

Quality branding strategies are widely used by LFS in France. Organic farmers of Brin d'Herbe differentiated themselves from non-organic vendors by use of a simple green stamp. Some producers experiment with a non-GMO sticker promoted by the Region Bretagne.

### Social co-operation and trust

Social co-operation and trust constitute key elements in the success of LFS. Regional Development Funds, Leader programmes and other funding schemes have played an important role in supporting the development of regional resource management and co-operation, as with Almenland Bauernspezialitäten and ALMO in Austria, and in Cumbrian projects in England.



Support from official bodies at regional and local level has also contributed to local co-operation. Leader programmes have facilitated co-operation among small-scale producers so that they can collectively sell their products either directly to consumers, or in bulk to large purchasers via local hubs. In this way, producers can gain more of the value that they add, especially for quality products, as shown in Cumbria. In France, the support from Rennes Métropole to the Brin d'Herbe group is an example of how city councils can give strategic support to short supply chains in peri-urban agriculture.

Farmers in some areas, such as those in the ALMO group in Austria, have created strong coalitions in order to better influence prices and general conditions with retailers. Co-operation may also be translated into a collective ethic and vision of various sustainability issues, as in France. Consumers may take an active role in co-operation and sharing responsibility with farmers, as in the AMAP schemes in France.

The former socialist regimes had low social cohesion within rural communities, with great distrust among farmers. This legacy has hindered the development of LFS based on co-operation in Poland and Hungary. At the same time, CSOs and citizen-based organisations are stepping in to foster social co-operation, as in 'Our Treasure – The Market' and the Alliance for the Living Tisza, both in Hungary.

### Operational challenges

LFS face many operational challenges – handling regulations, obtaining grants, organising the work of producing, processing and marketing.

In some cases, local authorities (such as Cumbria in England) help small-scale food producers bear the burdens of compliance with hygiene regulations by providing the necessary infrastructure – e.g. commercially equipped kitchens, refrigeration, storage etc.

The lack of professional skills, especially in marketing, can be an obstacle. In some cases (such as ALMO in Austria), the interface with consumers is transferred to intermediaries who are entrepreneurs (butchers, tourism and high quality gastronomy) and who carry out the professional marketing on behalf of farmers. In other cases (such as Manchester in England, Alliance for the Living



Tisza in Hungary, Organic Food Cooperative in Austria), marketing activities are taken over by the non-profit sector and volunteers engaged by the LFS. The heavy workload falling on volunteers, however, can lead to rapid overwork, burnout and socially unsustainable initiatives.

### Skills and knowledge needed

LFS practitioners draw upon various knowledge backgrounds. They may appropriate the traditional, lost or hidden knowledge of lay people, and integrate this with codified expert knowledge regarding rural development, organic practices, marketing skills etc. Creating the essential combination of skills and knowledge is a key factor in the success of LFS.

In some cases, local authorities and organisations – such as Cumbria Organics, Distinctly Cumbrian, and Cumbria Community Foundation in England – provide training for small businesses on how to tender for large public procurement orders.

LFS may also mobilise legal expertise in order to make alternative proposals to ease regulations that hinder food processing and direct marketing by small farmers, as in the Alliance for the Living Tisza in Hungary.

The development by ALMO in Austria of higher-quality cross-breeds, through co-operation between farmers and a consultant hired by a meat processing company, is an example of how an LFS can draw on the skills of different people.

### Consumer support and recognition

LFS depend upon consumers recognising that LFS have wider societal value, translated into a diversity of interests, including the environment, tradition and health.

Food scares and a growing consumer demand for high-quality products fostered the development of LFS based on organic farming practices and products. In Austria, EVI and BERSTA are the champions of the organic movement, while the organic food cooperative based in Vienna also buys organic products directly from the producers. In England, many Cumbrian farmers use organic and biodynamic methods, and many producer-consumers in Manchester favour permaculture for urban agriculture. LFS in Poland (Lower Vistula Region, Warminsko-Mazurska Culinary Heritage Network) and Hungary (Alliance for the Living Tisza) emphasise low-input, traditional farming methods rather than certified organic ones.

Attachment to tradition is reflected in the choice of some LFS to keep and market traditional rare breeds (e.g. MANTURO in Austria) and local varieties (e.g. Alliance for the Living Tisza in Hungary).

The urban community gardens in Manchester, England, play an important role in alleviating poverty, social exclusion and health problems (dietary and obesity problems, mental health).

LFS can attract strong support from consumers based on other values. These include the freshness and better taste of products, as well as closer relations with producers. In some cases, such as Brin d'Herbe in France, longer opening hours accommodate the needs of consumers who can buy their food on the way home after work. Experience in Poland, however, suggests that the price sensitivity of consumers can be a hindering factor to 'quality' food that is perceived as a niche market for wealthier people.



**Table** Policies which may hinder or facilitate Local Food Systems

	Hindering (or not helping)	Facilitating
CAP pillar 1 basis for payments	Historic basis reinforces earlier drive for productivity (AT, FR).	Area basis opens up broader options, especially for new entrants to farming (HU, PL, England – which has its own CAP rules).
CAP pillar 2 (RDP, including Leader)	<p>'Modernisation' &amp; efficiency measures for standard agri-products to compete better in distant markets (all five countries).</p> <p>Environmental protection mainly beyond agriculture, e.g. by withdrawing less productive farmland (all).</p> <p>Each grant or investment has a high minimum level (and/or a co-funding requirement), thus benefiting large processors.</p>	<p>Leader programmes facilitate cooperative networks among producers and with retailers.</p> <p>Infrastructure for local processing and marketing (AT, England), e.g. for specialty branded products (FR, PL Lower Vistula).</p> <p>Agri-food-tourism links (AT, England, FR)</p> <p>Agri-ecological cultivation methods, e.g. low-input, organic conversion (England, FR, PL)</p> <p>Environmental protection via extensification of agricultural methods.</p> <p>Small grants are available (England).</p>
Hygiene regulations	Strict rules presume industrial contexts and methods. For example, govt inspectors must be present whenever animals are killed (England).	Flexibility in rules according to production method and sales context.
Hygiene regulations: exemptions for small quantities of primary products in direct sales	<p>Exemptions are narrowly defined – or remain ambiguous and so in a legal 'grey' zone (AT).</p> <p>'Direct sales' exclude collective marketing (FR) and exclude processed products, both of plant and animal origin, sold to shops or institutions (HU).</p>	<p>Exemptions or lighter rules are broadly, clearly defined (rare).</p> <p>Lighter rules for direct marketing of some primary products (AT).</p> <p>Lighter rules for individual merchants – but not for collective sales (FR).</p>
Hygiene regulations: lighter rules for traditional products	<p>No lighter rules – or even no permission – for some traditional methods (PL).</p> <p>No lighter rules for many animal products (AT).</p>	<p>Exemption for speciality products (PL).</p> <p>Lighter rules for on-farm processing.</p> <p>Flexibility for small, marginal, local products derived from crops (England).</p>
Trading laws	<p>Inconsistent criteria across various laws (all)</p> <p>Invoices are required for every sale (HU).</p> <p>Collective-marketing income counts as profit and so imposes greater tax burdens on producers (FR).</p> <p>No exemptions for small business (England).</p> <p>No tax benefits linked to certain types of agro-tourism activities (HU).</p>	<p>Direct sales have lighter rules and lower tax (PL).</p> <p>Farm activity and employment have some exemptions from tax (FR).</p> <p>Box schemes are exempt from rules on labelling specific products (England).</p> <p>Tax benefits for 'primary' producers below a certain annual income receive tax benefits (HU).</p>
Public procurement (restauration collective)	<p>'Economically advantageous' criteria favouring the lowest price and larger producers.</p> <p>'Best value' through aggregated purchasing to minimise the price, without clear criteria to justify a higher price (England).</p> <p>Diet improvement emphasises nutritional and safety criteria (England, FR).</p>	<p>'Economically advantageous' criteria justifying a higher price – e.g., for quality, freshness, life-cycle analysis, economic development, etc.</p> <p>Contracts are split up by locality and product to favour local suppliers (Cumbria, England).</p> <p>Diet improvement emphasises quality, e.g. freshly harvested or organic food (AT), but organic can mean more imports rather than local sources.</p>
Territorial branding	<p>PDO or PGIs to be marketed anywhere, bypassing local economies.</p> <p>Label includes large-scale industrial processors (Warmia Region, PL).</p>	<p>Brands promoting a general territorial identity of food and economic development.</p> <p>Label promotes small-scale, quality production with Leader funds (Lower Vistula, PL).</p>

## Success strategies of LFS

LFS systems are creating new ways and rejuvenating older methods of local food production and distribution. Earlier sections have shown that while a specific local food sector is now emerging, many stakeholders and initiatives face significant challenges and barriers to their success. Here, we focus on how they create strategies to make the networks successful.

### Building networks

For their success, LFS depend on cooperative networks linking (even integrating) diverse food initiatives, at least on a regional level. Such linkages depend upon a broader vision of a regional food system. Without those networks and their visions, specific initiatives may remain weak or even fail.

The case studies show, however, that the potential of these initiatives to expand, and to bring meaningful change in the agro-food system, depends upon four main factors:

- They must professionalise their skills, with help from specialist intermediaries.
- They must build and maintain consumer loyalty, especially as supermarket chains sell more products labelled as 'quality', even as 'local'.
- They must constantly learn in order to keep up with changing circumstances and to remain competitive in the market.



- They need the continued dedicated effort and innovation of leaders or 'champions', who can link diverse stakeholders and policy-makers around the constantly evolving idea of LFS.

Our case studies provide examples of successful LFS networks. In some cases, their creation was prompted by problems and difficulties. In Hungary, 'The Market: Our Treasure' group formed to prevent the closure of Hunyadi market in Budapest, an asset that provided good quality local food for customers and an income for producers. In Cumbria, Hadrian Organics producers joined together so they could create a collective brand, as well as to share the workload of attending farmers' markets and thus directly increase their sales. In response to the economic hardship of the Almenland region of Austria, ALMO was formed 20 years ago and now consists of 550 farmers, 2 smaller butchers and a large processor and distributor of meat delicacies: they work together to produce high-quality alp oxen meat.

These networks are often crucial in creating the practical structures that make Local Food Systems work. For example, a market like the one in Hunyadi Square, Budapest needs many traders to attract customers, while a shop like Brin d'Herbe in Rennes is more attractive because it sells a wider range of produce. Marketing, if done collectively, can both reduce costs and improve 'brand recognition' among consumers. However, the function of networks is much more than simple practicality. By working together, producers and consumer learn from each other, providing practical support and encouragement.

More broadly, networks create a sense of something bigger taking place. Rather than one consumer wishing to purchase local food and one producer wishing to earn a better living, a collective identity is created, with the idea of a broader social change taking place.

Our cases studies show the crucial role played by individuals who are variously called pioneers or champions. They act as charismatic leaders who promote a vision and inspire others into action to turn that vision into reality, as in the case of the lower Vistula Region I Poland. If located within an official government authority, they allocate resources and link policies which facilitate LFS. They lead by example, creating successes that stimulate others into action. Some champions



give huge amounts of voluntary time and effort. Rather than wait until they are offered support or training to realise their dreams, they simply go ahead. Whilst the financial viability of the LFS is important for these champions, personal financial gain is not the primary driver.

#### **Societal attitudes**

For all the case studies in this project, LFS are about more than practitioners' own personal survival, though this was a strong motivation for many. LFS are also about changing societal attitudes to food, farming and environment.

Many of the stakeholders in the case studies felt that consumer awareness and willingness has played a vital role in the success of LFS. Conventional supermarket-based food systems provide people with apparent convenience, cheap food and powerful brand recognition through advertising of both the supermarkets and the products they sell. In the face of that advertising, consumers must have special reasons to provide ongoing support for LFS.

Education about food and food systems was thought to be very important in this respect. Consumers may have concerns about the conventional model e.g. health issues, food miles, the ecological impacts of farming. Their support for local food may also be driven by more positive reasons such as support for local farmers and traders, and desire to eat high-quality traditional products that may not be found in supermarkets. But they may need information in order to turn these concerns into sustained support for local food initiatives. If consumers understand the overall costs of production (both to the farmer but also subsidy costs from taxes, clean up of environmental pollution etc.) and understand how little is paid to the producer in conventional systems, they may be more willing to a higher

price direct to the producer.

Education can be provided in a number of ways. For example, the campaigning and awareness raising of 'The Market: Our Treasure' group in Hungary enables people to learn what is of value in LFS. In Cumbria one farmer has organised visits from school children, letting them see food production at first hand.

Food tourism is a tool which is mainly designed for marketing, but which can also enable people to connect the food they eat with the place that they visit. 'Made in Cumbria' (England), Warminsko-Mazurska Culinary Heritage Network in Poland, and Szövet in Hungary are all examples where tourism is being used to stimulate the local economy, while enabling consumers to better understand how food is produced.

Perhaps for LFS, the most important method of education is the direct links between the producer and the consumer. If consumers buy directly from the farm or at a farmers' market or collective shop, they gain a greater understanding of the day-to-day process of production. They can be told why a product is not available or why another is in great abundance.

The current trend of increasingly large supermarkets does not serve all sectors of society. Many living in inner cities lack access to fresh, healthy and affordable food. In Manchester, England, LFS are now being supported by an alliance between the City Council and the National Health Service. Through a variety of projects, people are being encouraged to become more involved in food production, because of the benefits in physical and mental well-being. These projects also increase and improve the wildlife and green spaces within the city, thus contributing to overall sustainability.

### Creative marketing

LFS cannot, and do not seek to, compete with supermarkets in providing convenient access to a wide variety of cheap food under one roof. Instead they are pioneering many innovative ways to bring benefit to the consumer. Some of these are becoming commonplace and are integral to LFS. For example, box schemes deliver fresh seasonal local vegetables directly to people's homes for a fixed weekly fee.

During the FAAN project, we noted several particularly innovative or interesting examples.

- In Cumbria, England, a dairy farm has created a farm shop with upstairs café where customers can look through a large glass window into the milking parlour below: the cows are milked here twice a day, and so customers are brought closer to the production processes.

- In Manchester, many people do not have access to cheap fresh vegetables. The Herbie Van takes such food to these areas of the city and sells directly to the consumer. The van has become a social meeting point where recipes are swapped and people learn more about healthy diets.
- In Austria, 'Shop in Shop' systems offer farmers a shelf in the local shop to sell their products. Farmers organise the delivery to the store and the quantities of products individually. The price is set by the farmers, and the store adds a percentage to cover costs. This system creates mutual benefits for farmers and the shop owner. The wider range of products offered, plus the store's opening hours, make farmers' products more easily available for consumers compared with on-farm sales. The store benefits by providing authentic regional products.

### Innovation

As our case studies show, Local Food Systems depend upon innovation. Farmers, entrepreneurs and others demonstrate the capacity to innovate, to find new forms which can promote sustainable communities, to reconstruct local identity and to enhance the local economy by building on local traditions. For example:

- In Lower Vistula Region (Poland), the revitalisation of regional, traditional fruit production and processing was realised through rural community development, linking local activists, governments, and consumers to the landscape and natural environment through an association called 'Vistula Valley Friends.'
- Szövet (Hungary) has developed a brand connected to management practices of floodplain orchards and modernised artisan production methods in the Tisza region.
- In Cumbria (England), entrepreneurs are re-vitalising traditional knowledge and skills, and creating new regional brands to add value to local food products.
- In Brittany (France), the new open air markets that have been created around Rennes are open in the evening to serve consumers on their way back home from work. This change to reflect modern lifestyles has obliged farmers to adapt their long-established practice of being at market in the morning and on the farm in the afternoon.



## Policy recommendations

As agreed by the FAAN consortium, these policy recommendations follow on from the ten case studies, while taking into account previous research and policy reports in this area. Some recommendations are directed to specific institutions and/or propose specific regulatory changes. Others are recommendations to all policy makers.

Local Food Systems (LFS) depend for their success upon cooperative networks, skill sharing, knowledge exchange etc. Many of these recommendations are therefore about providing facilitation, funding and infrastructure at this local level. At the same time, policies set by national governments and the European Union will influence what can be achieved and what is supported at a local level.

### Policy makers at EU, national, regional & local levels should:

- Recognise the existence and growth of LFS, which bring a wide range of societal benefits in many policy areas.
- Build recognition of LFS into multiple policy areas – including health, environment, rural development and agriculture – noting that they can deliver solutions to many cross-departmental policy challenges, especially at a local level.



- Ensure there is increased funding for projects which have been initiated by local communities, in partnership and taking innovative approaches.
- Increase the funding to Leader, maintain its bottom-up character as mainstreamed to more axes of the EAFRD and encourage a territorial approach linking rural producers with urban consumers (rather than one promoting 'global competitiveness' of territories). Likewise integrate rural development and regional development funds in ways that facilitate LFS.<sup>1</sup>

### The European Commission and European Parliament should:

- Create an inter-DG task force for Local Food Systems: this would promote on-going, detailed examination of policy options for LFS as a development which spans several policy issues.
- Facilitate a Europe-wide structure for information exchange among and about LFS.
- Broaden the policy initiative on food supply chains (CEC 2009a), by investigating the forces that lengthen food supply chains and devising measures to help shorten those chains, so that producers can gain more of the value that they add (e.g. Bové 2009).
- Facilitate more local sourcing in public procurement. Investigate why so many procurement agencies opt for the lower price, at the expense of those public goods. Collect experience of local sourcing through quality and environmental criteria, sometimes justifying a higher price.
- Communicate more effectively the environmental scope in EC guidance on Buying Green and evaluate why that scope is not being used more widely.
- Evaluate why national and local practices so little or rarely use the flexibility of EC rules as a means to remove unnecessary hindrances to LFS, such as over-burdensome interpretations of hygiene regulations (CEC 2009b).

National governments should review the impact of their trading laws (tax, national insurance, etc.) on small enterprises in Local Food Systems.

Local Authorities should learn from success strategies at local level, and better use local planning to facilitate LFS.

<sup>1</sup>For the post-2013 CAP reform, organisations can exchange ideas and build alliances through the Agricultural and Rural Convention (ARC), [www.arc2020.eu](http://www.arc2020.eu); proposals can be submitted to the Commission at [http://ec.europa.eu/agriculture/cap-post-2013/debate/index\\_en.htm](http://ec.europa.eu/agriculture/cap-post-2013/debate/index_en.htm)



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