



# How to setup a short food chain distribution platform?

A guidebook from the Urban Soil 4 Food project

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# What is the problem?

The main issue is that Slovenia is less than 40% food self-sufficient, therefore there is the ambition for US4F and other projects and initiatives to impact on increasing the local production. In fact, Slovenia produces much more milk than it consumes internally, up to 120%, but not enough vegetables, as these are produced between 25% and 30%, as opposed to the nearly 150,000 tonnes of imported vegetables in 2012.

At the same time, in Slovenia there are around 60,000 farms and half a million hectares of arable land, but many small local farmers have a vegetable production they struggle to sell because they are too small to access the large distribution systems. Therefore we have an evident mismatch between demand and supply.



## What is the ambition?

US4F wants to improve the local food distribution chain through the development of an online platform and app that can support farmers and all sorts of consumers to get into direct contact.





# What are the steps?



## 1. MAPPING


When the UIA project started in 2017, in order for a local food chain and label to be established, the first important step was to create a relationship of trust and collaboration with the farmers of the targeted region. The project's team visited farmers in their farms or houses, trying to identify their needs and the difficulties they encounter in the food distribution practice. Therefore the initial phase for this is to map existing farmers, their products and needs, in order to then match it with those of potential procurers.

Over the first year of the project, the main activity has been to carry out the questionnaire with local producers, in order to better assess the number and capacities available.

The questionnaires were structured around a number of items:

- Contact information
- Type of activity
- Accessibility, opening and working hours
- Production and seasonal offer
- Current selling practice (where and how)
- Availability to host events, activities or sales in the locals
- Willingness to get involved in other similar activities or initiatives
- Offer in other language

A report presenting the results of the questionnaires will be publicly available starting from June 2020.



## **2. ELABORATING THE NEEDS AND POTENTIALS**

The conclusion drawn out of these first encounters was that local farmers have little trust in big food distribution organisations such as markets and supermarkets. Moreover, with online shopping increasingly substituting commerce and physical markets, farmers often complain of the loss of personal contact with the customer, limiting the human nature of commerce and the bargaining practice. As a result, most of them prefer to sell products directly from the production site or their own homes. To elaborate the content, over 60 meetings were held, 20 with support institutions such as the Ministry of Agriculture, and many meetings with local NGOs. As a result, there have been interviews to 18 ecological producers and 83 others, with a main focus on food. At this stage a lot of information has been gathered on the type of produce but not precisely on the quantities, which will have to be a further step.



In fact, farmers also don't trust to give information on quantities of their produce as they don't know exactly what could be done with the information. The local food would serve to provide canteens in schools and elderly homes, therefore integrating the supply of the public sector. What emerges in fact is that 10% of the interviewed farmers are already supplying the public sector filling the gaps, not as main producers, whilst the remaining 90% works with privates.

In terms of sales to the public, most people would go to buy directly from farmers but only 5% use Solidarity Purchase Groups (a system of collective purchasing whereby consumers cooperate to buy from producers, aiming at an ethical and fair exchange).





### **3. DEVELOPING THE SERVICE**

The following step was to work on an alternative solution for them to participate in a food distribution system that would be sustainable for both the producers and the consumers, not having to rely on bigger scale distribution companies. The result of this process is the Inno Rurbs smart App, showing local citizens the offered quantity and availability of the local production. The application is currently being tested and farmers are completing surveys to assess the use and functionality. The US4F is developing an app that will be used by B2B, therefore mainly farmers and public sector and later also the tourism sector. The App for Public Administration will serve as a means of information to prepare the public tenders, as currently each school runs its own tender, so it's important to give them accurate information and possibly create the basis for setting up a green public procurement criteria.

Currently public contracts are for 5 years, which is not ideal for business plans, so there should be extension for food up to 10 years. For this, there must be an identification of the available quantities and needs of the Public Administration. Because each institution procures individually, the quantities are small so farmers could manage to deliver it.

Furthermore, a network of local farmers, which is one of the ambitions of this process, could directly bid for contracts with the public sector.

In the past months a lot of effort has gone towards the development of the App and website of the platform, inserting the data coming from the questionnaires. The App was launched in January 2020 and allows to choose from producers and based on the required product. Farmers are already starting to recognise the potential that this service can offer in terms of new business and optimisation of their efforts.





## 4. INVOLVING BUYERS

### Involving Individual buyers

In a region where less than 40% of food is locally produced, the involvement of local buyers is challenging in the extent to which it requires a substantial shift in consumption habits. This is why the first step to encourage the consumption of local food was to advertise and promote local production, not only as a more sustainable practice but also as a convenient option for everyday shopping on the way back home or to work or to the gym.

In addition to advertisement campaigns, US4F also aims at raising awareness among local buyers on the importance and the eventual beneficial effects of revitalising rural economies by supporting local, small and traditional growers. One of the foreseen beneficial effects and aims of the project is for production and consumption of local produce to support community building. In this sense, local producers are key actors in the delivery of correct information about local food but also in ensuring inclusive availability of affordable fresh, local and healthy produce, providing a friendly local delivery service near consumers' homes.

In fact, the production and consumption of local products would play a substantive role in promoting health and reinforcing a sense of community in Slovenia, bringing people together around food to reduce isolation, alleviate food poverty and raise awareness around the importance of eating healthily.

Last but not least, US4F aims at delivering an ecological and environmentally sustainable service, promoting ecological growing and farming methods that improve soil quality and increase biodiversity. The promotion of such practices should further encourage the local buyer to get involved and contribute to protecting the natural environment and mitigating the impact of climate change.

In a nutshell, US4F's mission is to empower local people, be it producers or buyers by facilitating community building through supporting the local economy, protecting the environment and encouraging a healthier and locally-anchored lifestyle.

For local buyers, the use of the Inno RUrb smart App will be very easy. The US4F team hopes to convince as many locals as possible to use it. As of now, locals can catch information about the app through promotional campaigns, local markets, social media platforms, involved local farmers and producers, local restaurants and hotels, tourist boards, health centres, gastronomy events and many others...

## Involving Public administrations

As of January 2020, the Urban Soil 4 Food project has created partnerships with six municipalities in Maribor and its surroundings. In the future the team wishes to create partnerships in the whole of Slovenia. Public administrations are strategic partners for multiple reasons. First of all, there is greater trust between local farmers and public administrations than between local farmers and private food distribution companies. Municipalities are on the one hand promoters of local farmers and on the other responsible for the provision of local necessities. Among them, this partnership takes particular advantage from the role of municipalities in the provision of public contracts for food distribution in schools and public canteens. Many Slovenian schools are aware of the benefits of short chains or sourcing from local food producers. Projects for the promotion of fresh food, such as the Traditional Slovenian Breakfast , the School Fruit and Vegetable Scheme, are already underway in many primary schools across the country. Today, thanks to the newly created platform through the project Urban Soil 4 Food, local municipalities can make use of it and order all of the food stock needed for one year of school canteen on the same platform. In this way, local municipalities have a centralised access to their need for local products and local farmers have priority access to public tenders for food distribution.



## 5. BUILDING AWARENESS

Thanks to this process the project was able to arouse the interest of the municipality that is today increasingly interested in the development and success of the platform. Also, local producers showed greater trust in the municipality than in private companies. It is also important to connect such activities to awareness creation, especially with children and their families, involving schools but also elderly people's homes. In fact, if children are involved in the awareness activities, the parents will eventually make pressure on the schools to procure local food products. It's a multi-perspective process!



## What are the challenges?

With the launch of the platform some challenges are already emerging. In terms of quantities, farmers still don't have enough registered demand for the quantity and diversity of products they offer. Also, the platform turns out to be especially useful to assess local needs for food distribution, and thus production. In the next few years, through the information registered on the platform, farmers will be able to adapt their production to local needs.



In terms of legal barriers that may emerge, the team is not foreseeing many. Actually, the low levels of self-care and self-sufficiency have recently encouraged the passing of national policies and regulations such as the Resolution on Strategic Guidelines for the Development of Slovenian Agriculture and Food Processing 2020. This brings evidence of the priority given to the boosting of local production and consumption by national ministries. For several years, the Ministry of Agriculture and the Environment has been actively working on a better functioning of the food chain to create better and faster links between local producers and end users, as well as to facilitate the collaboration between local food providers and public institutions such as schools, kindergartens, hospitals, homes for the elderly and others. Moreover, these institutions must comply with the Green Public Procurement Regulation, being it mandatory for them to order at least 10% of organic food when purchasing food. One last challenge regards the mass of information the platform is currently producing. As of January 2020, there are only two team members managing the platform and they say to be overwhelmed with the amount of work needed to treat the information in the most fruitful and productive way. They hope to receive help from the municipalities and the local cultural industries in the years to come, for the platform to fulfil its potential.

# What's ahead?

In the coming years, Urban Soil 4 Food aspires to work on the creation of a distribution centre in the city of Maribor, to function as the platform's stockage hub and also in some small municipalities. In Slovenia, the use of distribution centres is not a common practice but the initiative has the potential to be of interest to local farmers and customers alike. On the one hand, farmers can rely on the distribution market to become a local food distribution hub, where villages can have their gastronomy supply and markets could be held on Sundays. On the other hand, the creation of a distribution centre in every municipality would facilitate and centralise the distribution process to the customer's personal address. To this end the team of Urban Soil 4 Food is already envisioning services of home delivery by car or bicycles. Moreover, the creation of a distribution centre also has the potential to facilitate the development of tourism in the region, local food production being the starting point for actions of local food promotion and sensibilisation to its health and economic advantages.



For example, among the actions to be eventually implemented there is the sharing of information such as the origins of local products and their nutritional facts. Moreover, the platform's team is thinking of developing recipes and share them with the broader public so to boost the interest in local food and its use in everyday culinary habits. Finally, further communication actions are also on their way. As an example, the team wishes to launch a new communication campaign on the web, sharing video-portraits of farmers, in an attempt to meet the communication needs of the new generations.



# LESSONS LEARNT

1. The creation of a common platform for purchasing local products can play a substantive role in promoting health and reinforcing a sense of community, bringing people together around food to reduce isolation, alleviate food poverty and raise awareness around the importance of eating healthily.
2. Food self-sufficiency is a crucial prerequisite to attain goals of sustainable production and consumption, as well as to re-create a balance between local demand and supply, in support of the local economy.
3. The use of digital innovation at the local level can incentivise opportunities for local development and the local economy to flourish, bridging the current gap between producers and consumers.
4. It is essential to assess the current state of local food production and consumption, providing a solid ground for taking consistent steps forward in the creation of a local and national food policy scheme. For instance, mapping activities can reveal important information to better tailor a locally based project to fulfil the needs of local producers and match them with those of local consumers.
5. The project has encouraged the creation of stronger partnerships and relationships of trust between local farmers and public administrations. This is key as municipalities are both promoters of local farmers and responsible for the provision of local necessities.
6. The project experience reveals the crucial role of public administrations and national policies to facilitate the successful implementation of similar projects. In fact, US4F was created in a supportive political and administrative environment in which priority is given to the promotion of local production and consumption.



# BACKGROUND INFORMATION

## About Urban Soil 4 Food

Urban Soil 4 Food is an EU funded project aiming at the “establishment of innovative urban soil based economy circles to increase local food self-sufficiency and minimize environmental footprint”. The ambition of Urban Soil 4 Food is to establish a circular economy system through which the city’s biological and mineral waste is reused to produce soil to provide for a large variety of needs in sectors such as food production, the upkeep of green spaces and construction.

## Partnership

- City of Maribor
- Institute for Innovation and Entrepreneurship - NGO
- E-institute for comprehensive development solutions - NGO
- AKTIVIRAJ SE Development of social projects and promotion of active life association - NGO
- Snaga - Infrastructure and Public Service Providers
- Wcycle Institute Maribor - Infrastructure and Public Service Providers
- Deltaplan - service and consulting company
- Slovenian National Building and Civil Engineering Institute (ZAG)

The project would eventually result in three main outcomings. Firstly, it aims to change material flows. Accordingly, the currently unused material would rather be recycled and reused within the city. This first objective aims at decreasing the amount of waste material, producing a greater variety of soils for a diversified use. In this case energy would be a by-product of soil producing mechanisms such as fermentation and pyrolysis. Secondly, the project aims at changing the food distribution flow, decreasing the amount of imported food and increasing the distribution of locally produced food. This entails the establishment of new urban gardens for public use, the creation of a local label for locally produced food, a direct food chain from local farmers to local customers and a significant decrease in greenhouse emissions. Lastly, the project aims at having an educational impact, increasing awareness and knowledge on circular economy advantages and urban soil technology at the local, European and International level.



# Welcome to Maribor

With 111.500 inhabitants, Maribor is the second largest city in Slovenia and the capital of the Podravje region. The city's demand for energy, water, food and waste/emissions management is highly dependent on foreign resources and import economy. Moreover, the quality of soil and as a consequence the nutrients in agricultural products are increasingly lowering, having a great impact on the health and healthy eating habits of the local population. In this picture, Urban Soil 4 Food aims at addressing the low level of self-sufficiency by supporting local production of soil and food and minimising the city environmental footprint incentivizing practices of circular economy. Moreover, the city of Maribor wishes for such actions to facilitate the creation of a dialogue between the different regional actors, especially between local producers and local customers. In addition, the ambition is also to boost tourism in the region.

## Who is the organisation promoting this action?

The ZIP Institute for Innovativeness and Entrepreneurship in Maribor (Slovenia), is a non-profit institute working on developing innovative and sustainable solutions to increase the competitiveness of the target region. In the past twelve years ZIP has operated in support of the development of private-public partnership networks, promoting the cooperation between companies and local/national public institutions. The institute convenes expertise in the fields of public administration, EU programs, strategic planning, project management, sustainable development, regional and rural development. Currently the Institute is working on three main projects in support of the local economy and the sharing of knowledge and expertise. Since 2017, ZIP is one of the partners involved in the development and implementation of the project Urban Soil 4 Food, funded by the EU funding program UIA - Urban Innovative Actions in the period 2017-2020.

## Useful references

- <https://www.uia-initiative.eu/en/uia-cities/maribor>
- [http://www.zipiie.eu/eng/projects/urban\\_soil\\_4\\_food/index.html](http://www.zipiie.eu/eng/projects/urban_soil_4_food/index.html)
- [www.inno-rural.si](http://www.inno-rural.si)

## Colophon

This guidebook was developed by Daniela Patti, UIA Expert on the Urban Soil 4 Food project in Maribor, Slovenia.

Interview with Janja Viher, ZIP.

The content of this Zoom-in does not reflect the official opinion of the Urban Innovative Actions Initiative. Responsibility for the information and views expressed in the Zoon-in lies entirely with the author.