Interreg CENTRAL EUROPE

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Food4CE

Strengthening Innovation Capacities Among Central European Alternative Food Networks

HIGHLIGHTS OF AFN RESEARCH IN CE

In our latest edition, we're excited to share key findings from the **Food4CE consortium's comprehensive research on Alternative Food Networks (AFNs) throughout Central Europe**.

The research aimed to delve into the intricacies of AFNs, shedding light on their business models, defining characteristics, and operational principles, with a special focus on identifying effective logistics practices that could enhance short food supply chains in the region.

A detailed list of key players in the Central European market has been produced in the scope of activity and **the results were introduced in regional reports**, tailored to a specific geographical area. The methodological approach combined thorough desk research with a mix of online and in-person interviews, offering a multifaceted view of AFNs throughout Central Europe.

Through **Slovenia, Austria, Italy, Poland** and **Hungary 391 potential AFNs have been identified.**

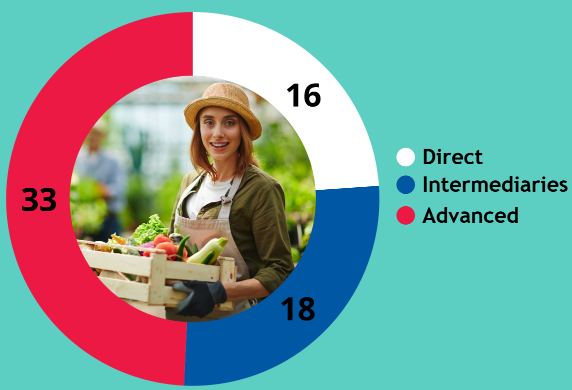
SLOVENIA

AFNs in Slovenia have gained more attention and recognition in recent years and today AFNs play a vital role in promoting sustainable and locally driven short food supply systems. AFNs help to strengthen the bond between producers and consumers, supporting a sustainable local food system.

The research has identified **over 67 potential AFNs across Slovenia. Among these, 30 were identified as potential best practices**, constituting 45,45 % of the total identified AFNs.

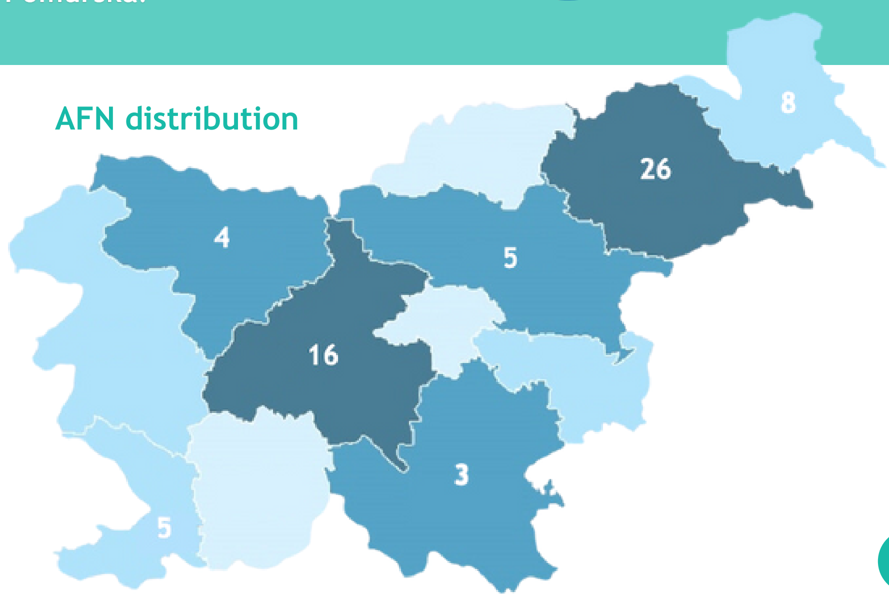
These AFNs are diverse in their approaches and goals, but they all share a common commitment, that is promoting local, sustainable, and just food systems.

The most AFNs can be found in the **Podravska region,** followed by the **Osrednjeslovenska region**, and **Pomurska**.

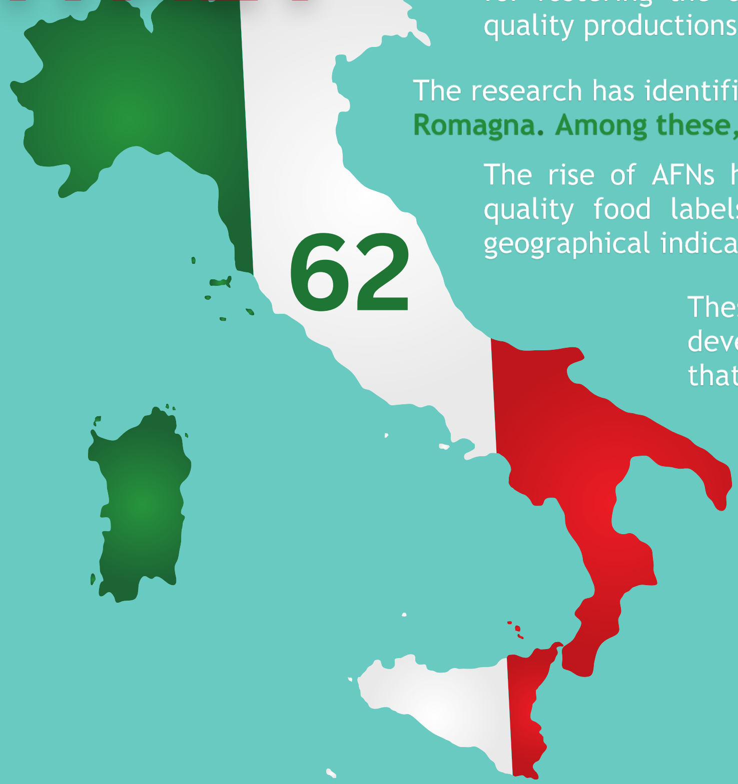


Direct Retail Initiatives are the most representative AFNs in Slovenia, followed by **Online Platforms. Producer Cooperatives** also hold a significant share. The least representative are **Food Cooperatives and Producer-Consumer Partnerships** due to the challenges they face, such as the complexity of running a cooperative, the need for greater consumer engagement, and the difficulty of meeting the expectations of producers and consumers in these joint ventures.

AFN distribution



ITALY

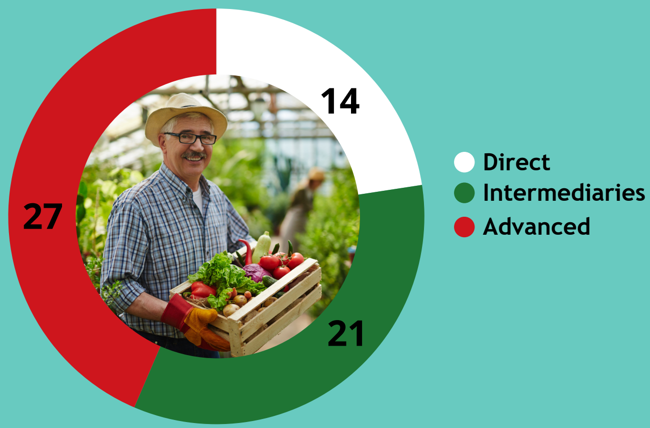


AFNs are becoming more and more popular in Italy. Alternative channels play a crucial role in Italian agriculture, serving as a vital tool for fostering the development of local markets, promoting typical and quality productions, and contributing to the broader rural economy.

The research has identified **62 potential AFNs across the Italian region Emilia-Romagna. Among these, 12 were identified as potential best practices.**

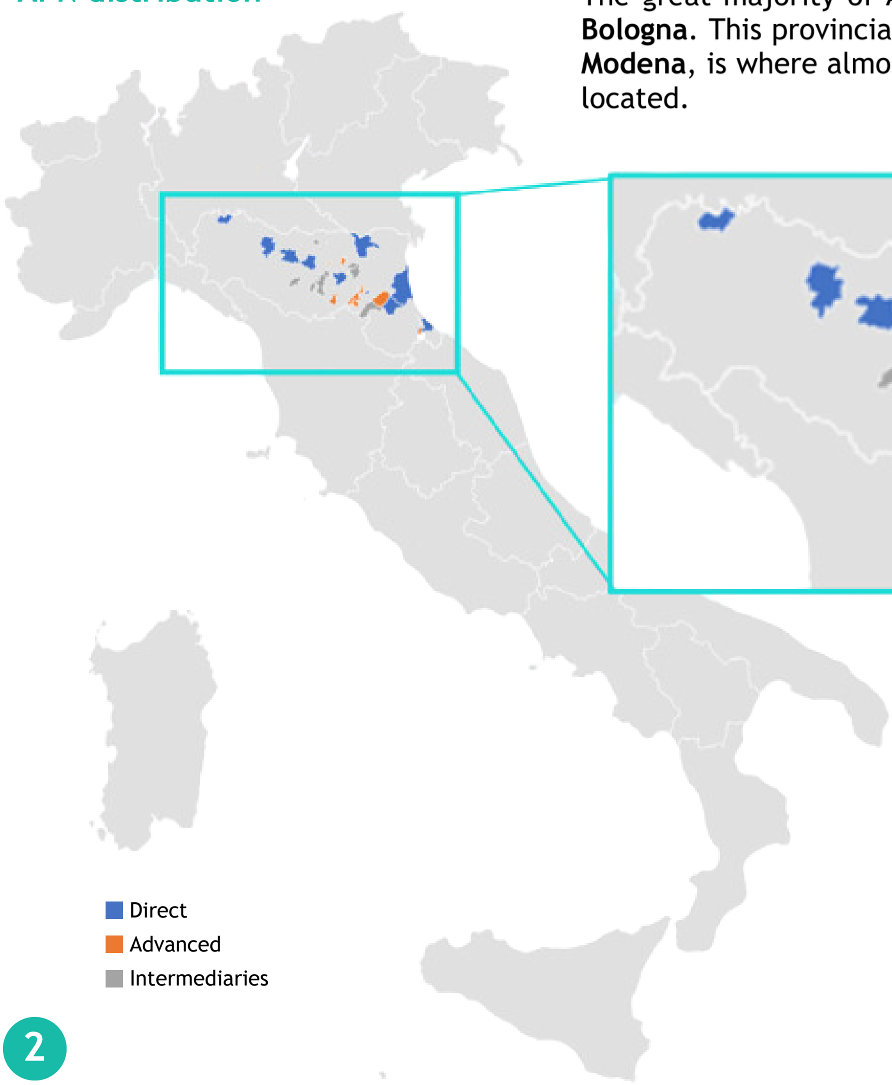
The rise of AFNs has been paralleled with institutional initiatives and quality food labels that help recognise and certify the quality, the geographical indications and the authenticity of food products.

These initiatives support the growth of AFNs and the development of supply chains and marketing schemes that differ from mainstream food systems.



AFN distribution

The great majority of AFNs is located in the metropolitan city of **Bologna**. This provincial area, together with the provincial area of **Modena**, is where almost three quarters of the identified AFNs are located.



Furthermore, more than 50 % of the identified AFNs fall in the **Platform** category because promotion, selling and distribution of products relies on a digital/online shop. Second most common AFN type in Emilia-Romagna is **Producer Cooperative** (24,2 %), followed by **Direct Retail Initiative** (11,3 %), **Producer-consumer Partnership** (4,8 %) and **Community Food Cooperative** (4,8 %).

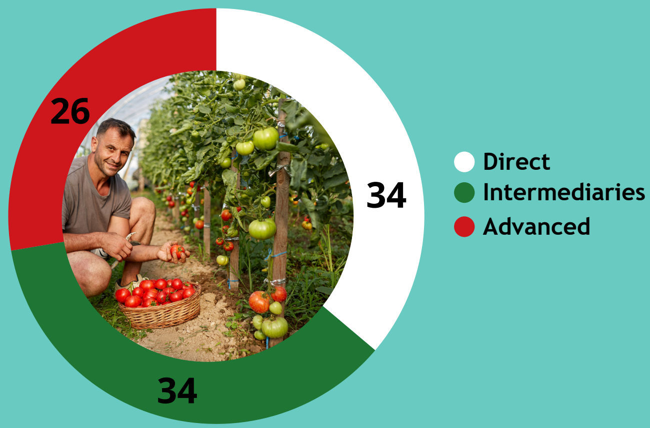
HUNGARY

The presence of direct sales or short food supply chains is particularly relevant in Hungary, where organic farming is becoming increasingly important.

The development and formation of AFNs in the country has been influenced by numerous factors, including the availability of local products. This includes the existence of a group of farmers capable of producing traditional and region-specific foods for the local market.

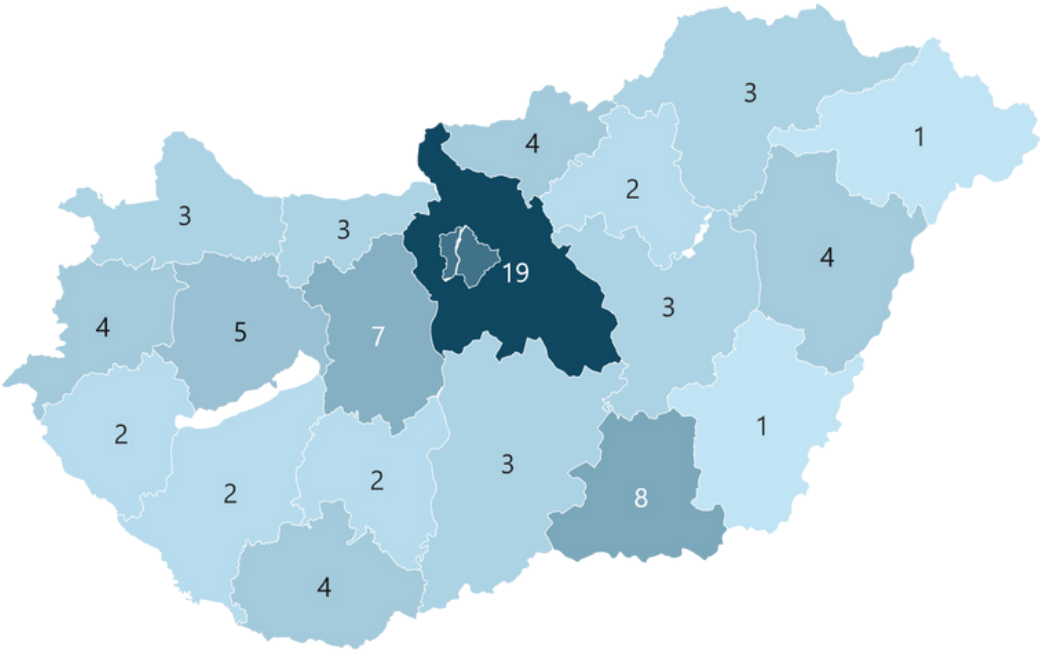
In the research **94 AFNs have been identified across Hungary. Among these, 18 were identified as potential best practices.** 36 % of AFNs were categorised as direct, 36 % as intermediaries and 28 % as advanced.

Most AFNs can be counted in the **Közép-Magyarország (Central Hungary) region** (33). This region includes the capital, **Budapest** (14) and **Pest county** (19). Follows the **Közép-Dunántúl (Central Transdanubian) region** (15) and then the **Dél-Alföld (Southern Great Plain) region** (12). Most Advanced AFNs are located in and around Budapest.



The most common form, found in 29 AFNs, was the **Platform**, followed by the **Producer Cooperative** (27) and the **Producer-consumer Partnership** (21). The least prevalent form among the identified was the **(Community) Food Cooperative,** which was only found in 1 case.

AFN distribution



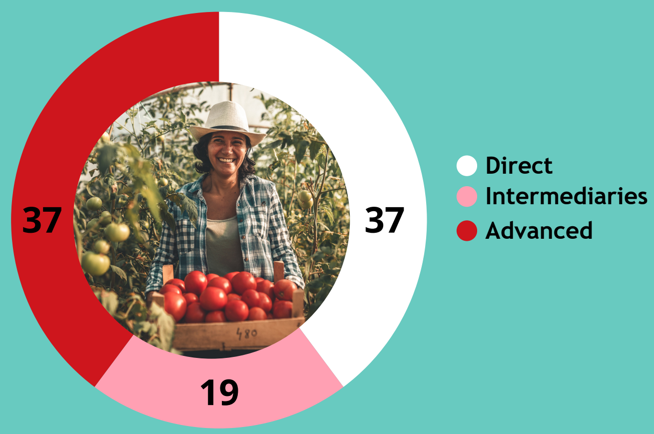
Promoting local production and marketing offers a win-win solution, since it creates an economically viable environment for farmers and consumers, while supporting environmentally friendly practices and fostering social equality.

AFNs in Poland are developing dynamically, responding to changing consumer preferences and growing concern about conventional food production methods. These networks include a variety of forms, such as local markets, grocery stores bringing together local producers, as well as social initiatives promoting conscious consumption.

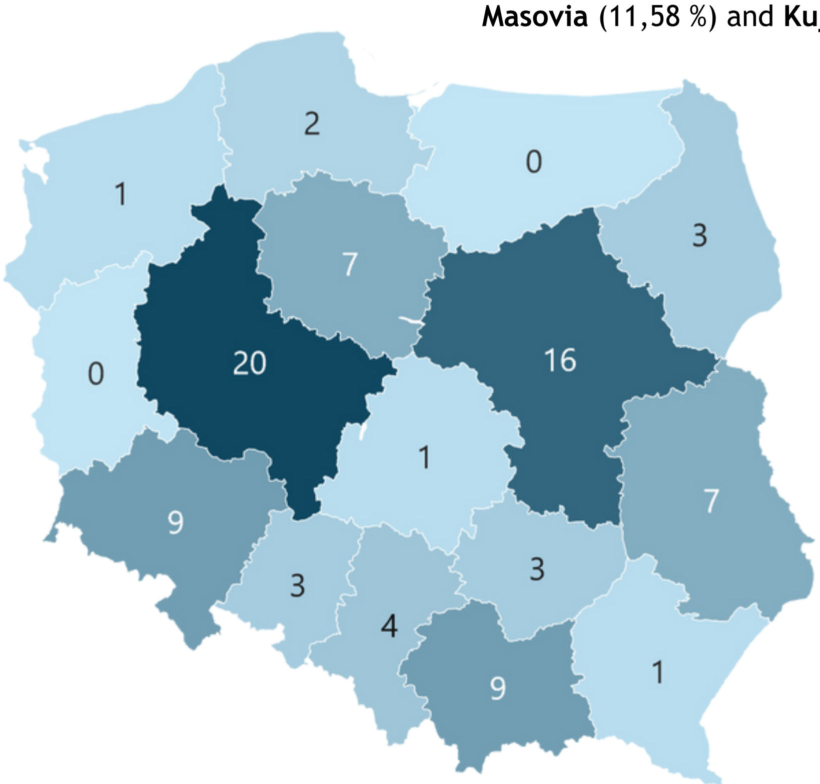
AFNs in Poland play a key role in the transformation of the food sector: their economic, social and ecological importance is transforming traditional approaches to food production and consumption. As consumers increasingly care about ethical and sustainable practices, **AFNs are becoming a catalyst for positive change in the Polish food system.**

In the research, **93 potential AFNs have been identified in Poland. Among these, 5 were identified as potential best practices**, constituting 5,37 % of the total.

The most common form of identified AFNs are the **Platforms** (36), followed by Direct Retail Initiatives (34) and **Producer Cooperative** (18). The least represented form presents **(Community) Food Cooperatives** (2).



AFN distribution



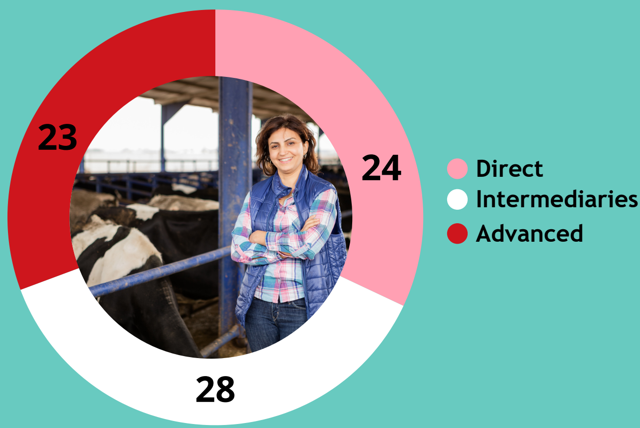
Geographically, most AFNs are located in the **voivodeships (regions) of Greater Poland** (16,84 %), **Masovia** (11,58 %) and **Kujawsko-Pomorskie** (6,32 %).

More than a quarter of Austria's agricultural land is dedicated to organic farming, while the demand for organic products sold to private consumers in Austria has been steadily increasing for years. **Almost all Austrians have bought organic food at least once in the past six months, with 95 % of all organic buyers (Amainfo, 2024).**

AFNs seem to be well introduced in Austria for the supply of private customers as they emerge as compelling alternatives to the conventional food system, offering consumers accessible, locally sourced, health-conscious, and environmentally friendly options. **Across Austria over 75 AFNs have been identified.**

Notably, **33 AFNs originate from Vienna**, accompanied by **31 from Lower Austria**, with an additional **4 emerging from Burgenland.** The Western regions, including **Upper Austria**, **Salzburg**, **Tyrol**, and **Carinthia**, contribute 1 or 2 AFNs each.

Platforms emerge as a significant segment, capturing 28 % of the overall share with 21 cases, while (Community) Food Cooperatives claim nearly half of the total share at 48 % with 36 AFNs. Producer Cooperatives represent a modest 4 % (3) share, and Producer-Consumer Partnerships are the least prevalent forms of AFNs, accounting for only 3 % (2).



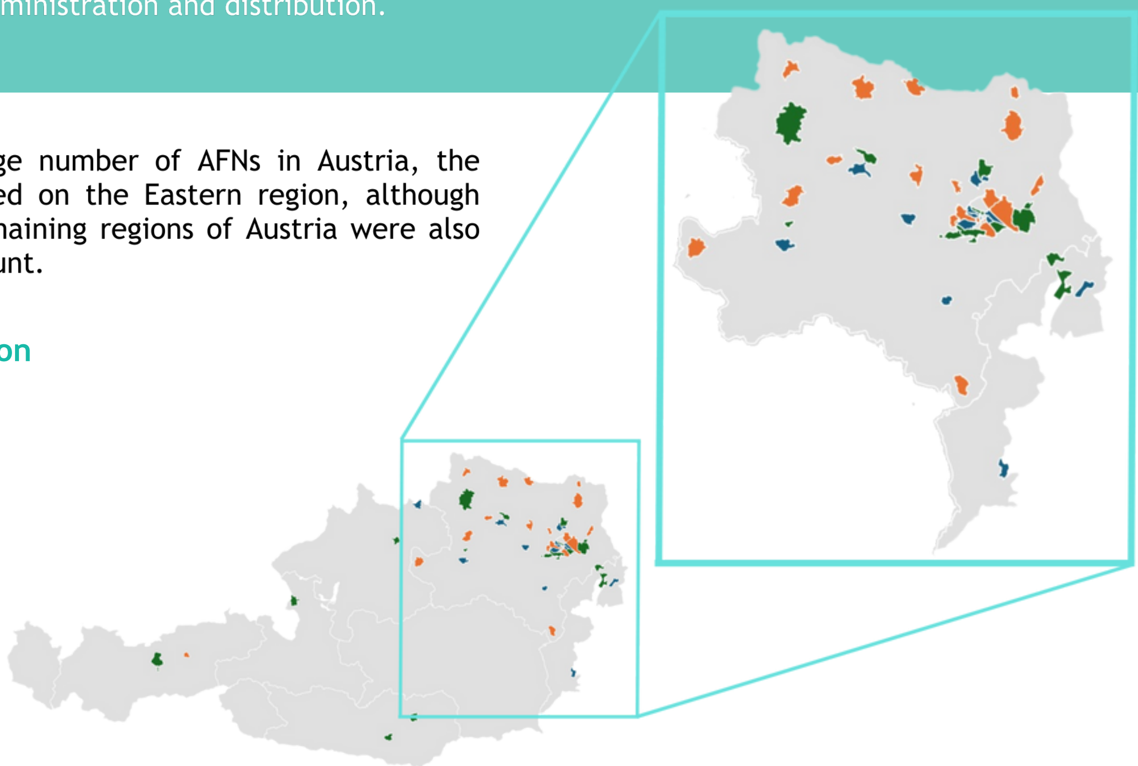
In Austria, organic and regional foods are in high demand among consumers. It is therefore important that domestic food producers have a high level of logistical knowledge in order to master the intricacies of administration and distribution.

Only if consumers' expectations in terms of service quality are met they will continue to support the producers' move towards a more sustainable agriculture.

Due to the large number of AFNs in Austria, the focus was placed on the Eastern region, although AFNs in the remaining regions of Austria were also taken into account.

AFN distribution

- Direct
- Advanced
- Intermediaries



THE MAIN CHALLENGES FOR AFNS

Businesses must adapt and differentiate themselves to stay relevant as consumers increasingly prioritize quality, sustainability, and ethical sourcing. Nevertheless, many consumers are still accustomed to conventional food systems and may not be familiar with the concept of Alternative Food Networks.

Cooperation in the field of AFNs present both advantages and challenges for the involved enterprises. Strengthening ties with local farmers is crucial for the resilience of AFNs. However, building and maintaining these relationships may present challenges, particularly in coordinating with a diverse group of local providers.

A pivotal factor shaping AFNs is the **market power of consumers or individuals.**

A central area for improvement within AFNs lies in marketing and awareness. While there is potential for integration in areas, such as marketing and promotion, achieving collaboration among various stakeholders within the AFNs may require effort. Effective integration could lead to cost reduction and a lower carbon footprint.

The political level plays a decisive role, particularly in light of the COVID-19 pandemic and efforts related to Environmental, Social, and Governance (ESG) Goals at the EU level.

Small-scale farmers and producers often face challenges in accessing resources, such as land, capital, and technical knowledge. Limited access to these resources can hinder the development and growth of Alternative Food Networks.

Diverse end-buyers with distinct requirements further complicate the logistics organization and execution for AFNs. Meanwhile, collaboration with the HoReCa sector, although complex, offers potential for added value due to its unique rules and characteristics.

AFNs must navigate varying measures and stringent food safety regulations. AFNs need to ensure that their practices align with regulatory standards to maintain consumer trust and adhere to legal requirements. They also face stiff competition from large agribusinesses, which boast broader markets and longer operational histories.

Establishing and maintaining the necessary infrastructure for Alternative Food Networks can be challenging. This includes transportation, storage, and distribution systems that are efficient and cost-effective.

THE MAIN OPPORTUNITIES FOR AFNS

Although each AFN operates within its own business model and local or regional context, **there is room for integration in areas, such as marketing and promotion**, which would lead to a reduction in administrative, packaging and logistics costs and thus contribute to a smaller carbon footprint.

Networking and collaboration among different AFNs to exchange information, share knowledge, and build upon successful practices.

Greater collaboration between business, consumers and political actors to create Alternative Food Networks as an integral part of a resilient and sustainable food system for the future.

Contribute to economic development by creating opportunities for entrepreneurship and job creation.

Offering value-added services, such as food processing, packaging, or branding to differentiate themselves in the market and attract a wider range of consumers.

Obtaining certifications for organic or sustainable practices can enhance the credibility of AFNs and attract environmentally conscious consumers.

Contribute to the resilience of local communities by providing a more decentralised and localised food system, reducing dependence on long-distance supply chains.

The adoption of technology, such as digital platforms for marketing and sales, can **expand the reach of AFNs** by providing a convenient and efficient way to access locally sourced products.

Educational initiatives, such as school programmes, workshops and community events can be undertaken to **raise awareness of the benefits of AFNs.**

Exploring and leveraging government support programs, grants, and incentives for sustainable and local agriculture could provide AFNs with financial resources to expand or improve their operations.

The analysis of Alternative Food Networks thus shows that **the opportunities for growth are considerable**. However, **there are several challenges facing AFNs in the near future.**

AFNs can indeed contribute to the achievement of broader policy goals, such as **food security** and **environmental sustainability**, so it is crucial to focus on creating favourable environments for AFNs to grow.

Future research should quantify the economic impact of AFNs, assess the benefits of technology integration and explore consumer behaviour in relation to the AFN product range. This data-driven approach could further guide policy development, ensuring that AFNs are not only preserved, but also well positioned in short food supply chains.

LATEST NEWS

Food4CE pilot activities will showcase transnational cooperation through innovation hubs

AFNs are essential for promoting short food supply chains and reducing the carbon footprint of food distribution. However, they face challenges, such as lack of knowledge on logistics collaboration, digitalisation and distribution/delivery system. To address these challenges, Food4CE will establish 5 local and 1 transnational innovation hub, bringing together actors from different sectors including researchers, business experts, food producers, logistics and transport operators, and policy makers.

Click for more

Food4CE Knowledge Transfer Platform and Matchmaking Platform will facilitate the creation of a unique mutual support network for AFNs in Central Europe

To improve the logistical efficiency of AFNs, the Food4CE project will develop innovative tools and solutions, namely the Knowledge Transfer Platform and the Matchmaking Platform. The objective of both platforms is to facilitate the transfer of knowledge and exchange of business practices between different actors and regions, in order to further foster the creation of a unique network of mutual support for Central European AFNs.

Click for more

UPCOMING ACTIVITIES

Facing challenges of Sustainable Short Food Supply Chains at the Logistics Congress

Food4CE will be presenting its latest findings at the upcoming 11th International Logistics Congress in Portorož, Slovenia. The congress will bring together over 2000 logistics professionals to discuss regional presence that affects efficiency of supply chains.

Food4CE will be showcased by University of Maribor, who will present its approach to addressing these trends within the specific context of Short food supply chains (SFSC).

Click for more

Regional Food Logistics: free webinar organized by Food4CE Austrian partners UAS BFI Vienna and ECONSULT

A free webinar organized by FH UAS BFI Vienna and ECONSULT as part of the Food4CE project will be held on March 19 from 15:30 to 17:00 to talk about challenges, needs and opportunities of regional producers.

Click for more

Food4CE Consortium prepares for the next project meeting

On 22nd and 23rd May, the next project meeting will be held in Budapest, Hungary, where an official mid-term review of the project will be carried out to follow up on the progress and work plans for the following months.

At the meeting also co-creation session aimed at demonstrating the Living Lab methodology, whish is part of the "Innovation Hub based on the Living Lab methodology", will be carried out. A study visit will also take place during the meeting. More news and updates on this soon.

STAY TUNED!

PROJECT PARTNERS

University of Maribor
(Lead partner)
Maribor - Slovenia (SI)
www.um.si

University of Maribor will implement transnational activities, supporting the involvement of all stakeholders within Food4CE. It will also develop study and research activities, contributing to the development, implementation and monitoring of strategies and pilot actions that will gather knowledge, experience and good practices in the field of logistics operations for AFNs. Additionally, the University of Maribor will directly support RRA Podravje - Maribor in the implementation of the Innovation Hub setup for AFNs logistics knowledge transfer and stakeholders' matchmaking by providing a platform for knowledge transfer and logistics matchmaking.

Regional Development Agency for Podravje
Maribor - Slovenia (SI)
www.rra-podravje.si

Within the Food4CE project, **RRA Podravje - Maribor** will be responsible for delivering methodology and supporting partners with the establishment of regional Innovation Hubs and co-creation of the transnational Innovation Hub. Thanks to their extensive knowledge and experience working with local producers, RRAPM will co-create events and activities that will show the real needs and challenges of AFNs creation, which will be later incorporated into regional Action plans for the support of AFNs.

Institute for Transport and Logistics Foundation
Bologna - Italy (IT)
www.fondazioneitl.org

ITL will provide the necessary support to the AFN policy-making and strategic planning framework. After an initial phase of mapping, classification and liaising with existing AFNs and other relevant stakeholders in the Emilia-Romagna region, ITL will set up and manage a regional Innovation Hub. The goal of this Innovation Hub will be to enhance the logistics competences of AFNs, foster collaborative innovative solutions, develop joint action plans and policy guidelines to support AFNs.

Hungarian University of Agriculture and Life Sciences Food and Technology Institution
Gödöllő - Hungary (HU)
www.uni-mate.hu

MATE's main mission is to support project partners with its knowledge in the field of agriculture by coordinating the identification and classification of existing AFNs in Europe. Additionally, MATE will setup and manage Innovation Hub and develop the pilot action in Hungary. MATE will also contribute to the development of the Knowledge Transfer Platform and the Matchmaking Platform.

PROJECT PARTNERS

Łukasiewicz Research Network - Institute of Technology
Poznań - Poland (PL)
pit.lukasiewicz.gov.pl

Łukasiewicz-PIT has a transversal and transnational role in the Food4CE project, contributing to the analysis of existing AFNs in Europe, their characteristics and needs, as well as their logistical best practices. L-PIT will help to create the path toward the strategic planning framework and co-create a regional innovation hub in Poland and its pilot operations.

Poznań University of Life Sciences
Poznań - Poland (PL)
www.up.poznan.pl

Through long-term cooperation with agricultural producers and processors of agricultural products, PULS will identify and assess the level of development of AFNs in Poland. Moreover, PULS will manage the Innovation Hub in Poland and co-create transnational network of innovation hubs.

ECONSULT
Wien - Austria (AT)
www.econsult.at

Within Food4CE, ECONSULT will lead the process of mapping AFN logistics solutions and best practices. Additionally, ECONSULT will support project partners with its knowledge and logistical expertise in several other tasks, including the methodology development for the regional and transnational Innovation Hub, the development of a Knowledge Transfer and Matchmaking Platform and finally the development of regional action plans for AFNs support.

UAS BFI Vienna
Wien - Austria (AT)
www.fh-vie.ac.at

UAS BFI Vienna will lead the development of the KTP. As activity leader, it will work closely with the University of Maribor on development and testing of KTP and its implementation. Additionally, UAS BFI Vienna will set up and manage the Innovation Hub in Vienna in close cooperation with ECONSULT. Finally, UAS BFI will play a central role in the identification and analysis of AFNs in Austria, helping to understand their logistical needs and best practices.

European Network of Logistics Competence Centres
Bruxelles - Belgium (BE)
www.openenlocc.net/

OPEN ENLoCC focuses on the dissemination and exploitation of activities. For this reason it is involved in all work packages with the aim of capitalising, communicating, sharing and exploiting the results in the Central European area. It directly follows up all project results to support the partners in communication issues and takes care of developing specific results from a technical point of view thanks to the expertise of the regional competence centres.

Alternative Food Networks seek to transform food supplies by connecting ethical producers and consumers more directly. Systematic policies to support such networks are widely missing in central Europe and it is time to change this.

The Food4CE project will establish local and transnational hubs for the food and logistics sectors, for stakeholders to exchange good practices and take up innovative technologies. The hubs will be integrated into the European network of logistics competence centres.

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