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QUALITY OF LIFE AND MANAGEMENT OF LIVING RESOURCES

“Marketing Sustainable Agriculture: An analysis of the potential role of new food supply chains in sustainable rural development”

SUS-CHAIN
QLK5-CT-2002-01349

Annual progress report 4 **(1 January 2006 – 30 June 2006)**

By
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1 OBJECTIVES AND EXPECTED ACHIEVEMENTS

1.1 Objectives

The purpose of the project is to assess the potential role of food supply chains in the enhancement of sustainable food production and rural development by identifying critical points in food supply chains which currently constrain the further dissemination of sustainable production, and recommend actions that are likely to enhance the prospects for sustainable food markets. Specific attention will be given to factors related to the organisational structure of food supply chains and interactions between different stages of the chain.

Specific objectives are:

- (1) To map the diversity (in time and place) of current definitions of sustainability that are associated with new food supply chains. To examine the extent to which there is convergence / consensus regarding competing meanings of sustainable production and quality at different levels of different food supply chains in various European regions, i.e. southern Europe (Italy), eastern Europe (Latvia) and western Europe (The Netherlands, United Kingdom, Belgium and Germany). To examine the extent to which sustainability claims are intertwined with other quality attributes, such as health, food safety, regional identity and ethics (e.g. fairness of trade¹ and labour standards). To map, on the basis of a set of indicators (e.g. actors involved, types of relations, spatial distribution, degree of formalisation of standards, etc.), the diversity of food chains, which incorporate sustainable farm products, taking account of situational specificities in different member states.
- (2) To order this diversity by identifying the most widely encountered bottlenecks and constraints that inhibit the enhancement of sustainable food production. To examine in detail the ability of the food chain as a whole to convey consumers' expectations and civic values related to sustainability and food quality to farmers.
- (3) To examine different ways of communication and mechanism of economic coordination between the actors in the food chain (e.g. labelling, face to face selling, product regulations, farm plans, codes of best practice etc.) and assess their capacity to enhance cohesive, collective action within sustainable food supply chains. To do so a carefully selected, representative set of case examples in different countries will be studied to assess their performance in relation to factors such as marketing channel choice, institutional embedding and policy interfaces.
- (4) To develop performance indicators (e.g. high / low consumer prices, improvement/worsening of farmers' income, participation to the process of standard setting, degree of concentration of power along the chain, consumer confidence, etc.) and methods that assess the collective performance of the food chain as a whole towards sustainable food production and transparent food markets.
- (5) To examine the relevant policy environment for the development of sustainable food supply chains. To formulate policy recommendations to public institutions at different levels (local, regional, national and European) that could help to overcome the bottlenecks in the food chain that inhibit the wider development of markets for sustainable farm products.

¹ Transactions in which all actors involved receive an equal share of the value added, in which all actors involved are remunerated for the efforts they make and for the risks they take, based on a correct pricing of all production factors (including labour) and in which there is no transfer of costs (e.g. associated with environmental pollution) to society.

1.2 Expected Achievements

The following achievements are expected:

- (1) A macro-level description and analysis of on-going experiences in different parts of western, eastern and southern Europe with respect to various organisations of food supply chains and various approaches to increase consumer trust (organic farming, integrated production, PDO/PGI etc.). This will indicate the relative importance and durability of these approaches in different countries.
- (2) A desk-study summarising previous findings on consumers' attitudes towards sustainable food products.
- (3) An analysis of discourses on the sustainability of 'new' food supply chains in different national/regional settings. These will give insight in the degree to which sustainability definitions are intertwined with other quality concerns (health, food safety, ethics) and opinions of relevant stakeholders on the potential contribution of different approaches to sustainable food supply chains.
- (4) A set of representative in-depth case studies (2 per country) for their demonstrative power, successful performance and innovation potential, covering diverse and contrasted types of food supply chain organisations.
- (5) A set of indicators which enables an assessment of the performance of food supply chains, especially in terms of their ability (a) to encourage technical changes at both agricultural and processing levels, (b) to restore consumer confidence (c) to incorporate societal demands and environmental objectives, (d) to retain value added at farm level and with rural areas, and (e) to create cohesion between different stages of the supply chain.
- (6) Best-practice recommendations for actors involved in sustainable food supply chain initiatives:
 - Ways to define specifications related to sustainability along the supply chain under varying influences of actors (producers, co-operatives, processing companies, retailers, consumers).
 - Ways of reducing the transaction costs of achieving 'sustainability' in the food chain.
 - Ways to communicate to consumers and improve their confidence in food quality.
 - Ways to successfully coordinate the collective action of actors within food supply chains.
- (7) Information and recommendations to public institutions at different levels (local, regional, national, European) in respect of the promotion of sustainable food chains.
- (8) Academic research findings and scientific publications, concerning amongst others conceptions of the sustainability of food chains and an assessment of the capacity of food chains to accommodate sustainability principles at different levels and scales.

2 PROJECT WORKPLAN

2.1 Introduction

In October 2005 a request for extension of the project until 30 June 2006 has been submitted along with an amended version of the Technical Annex. This request was approved. Delivery dates of milestones and deliverables as provided in this progress report are derived from the amended version of the Technical Annex (thus not on the original one)

To address the objectives and achieve the expected results a workplan consisting of five, partly consecutive and partly parallel, phases (which each consist of one or more workpackages) has been designed. The workplan has been divided into these phases, as each phase corresponds with one or two (in case of phase 4) milestone(s) (see table 3). The five phases are:

1. *Performance indicators*: development and fine tuning of food supply chain performance indicators (workpackage 1: months 0 - 26)
2. *State of the art*: the diversity and dynamics of food supply chains and consumers' attitudes (workpackages 2 & 3: months 2 - 14)
3. *Case studies*: micro-level assessment of the socio-economic performance of food supply chains (workpackages 4, 5 & 6: months 10 - 34)
4. *Recommendations*: recommendations for policy makers at regional, national and European level and for food supply chain stakeholders (workpackage 7: months 27 - 40)
5. *Dissemination and feedback*: dissemination of results to and feedback on provisional results by the academic and professional public (workpackage 8: months 6 - 42)

In the figure below the relations and interaction between the different phases is presented. This is followed by a brief description of the workplan per phase.

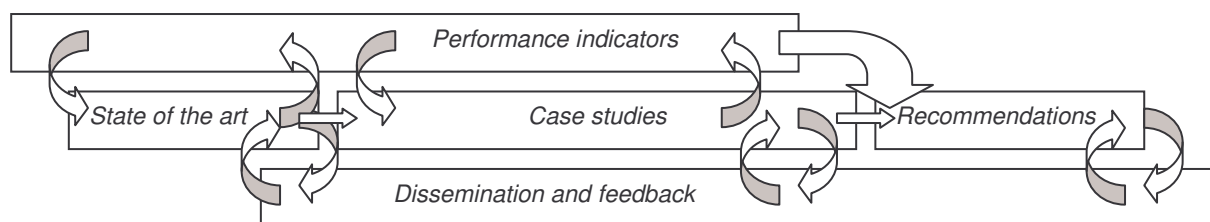


Figure 1. Relation and interaction between the different phases of SUS-CHAIN

Phase 1: Performance indicators (months 0 - 26)

The project commences with the development of a provisional set of performance indicators. Indicators will be developed for three different aspects of food supply chains:

1. The organisational structure of food supply chains.
2. The socio-economic sustainability of food supply chains and discourses on ecological sustainability.
3. The institutional setting of food supply chains.

The provisional set of performance indicators will be developed by means of a desk study on the basis of literature reviews and an assessment of completed and ongoing work of the project contractors and subcontractors. These provisional performance indicators will be used to:

- map and analyse the socio-economic dynamics and diversity of food supply chains and their institutional environment;
- assess the socio-economic performance of food supply chains;

The provisional set of performance indicators will serve as input for the second phase of the project. Based on the results of the second phase of the project, the set of indicators will be fine-tuned. The fine-tuned set of performance indicators will be used to conduct the case studies (phase 3 of the project). Based on the results of the case studies the set of performance indicators will be finalised. The final set of performance indicators will not only be used to map and analyse the socio-economic dynamics and diversity of food supply chains and to assess their socio-economic performance, but also to:

- identify strengths, weaknesses, opportunities and threats for enhancing the performance of food supply chains towards sustainability;
- identify 'entrance' or 'nodal' points for intervention aimed at enhancing the performance of food supply chains towards sustainability.

The final set of performance indicators will serve as input for the policy and practical recommendations (phase 4).

Phase 2: State of the art (months 2 - 14)

The second phase is entitled 'state of the art' and entails a macro-level description and analysis of the dynamics and diversity of food supply chains as well as of consumers' attitudes towards sustainable food products in the participating countries. The objectives of this description and analysis are:

1. To get a general overview of the diversity in socio-economic dynamics of food supply chains regarding sustainability in relation to their socio-institutional environment. This includes:
 - Approaches to and organisational forms of food supply chains;
 - Policies and regulations with respect to sustainable food production in general and food supply chains in particular;
 - Stakeholders' perceptions of and involvement in food supply chains;
 - Consumers' attitudes towards sustainable food products
2. To assess the general performance (sustainability, transparency, trust) of food supply chains, especially their ability to:
 - Initiate or encourage technical changes at both agricultural and processing levels;
 - Restore consumer confidence in food and the way it is produced at processed;
 - Incorporate environmental objectives and societal demands with regards to food production;
 - Enable viable economic development by retaining sufficient value added at farm level and within rural areas;
 - Create cohesion between different stages of the supply chain.
3. To identify major opportunities and constraints with respect to improving the performance of food supply chains towards sustainability.

The macro-level description and analysis will be conducted by means of a well-balanced range of complementary methods and tools, such as reviews of completed and ongoing research on different aspects of food supply chains as well as on their socio-institutional environment, analysis of policies at national and European level regarding food supply chains, a desk study summarising previous findings on consumers' attitudes towards sustainable food products and interviews with relevant stakeholders (e.g. farmers' associations, retailers, consumers' organisations and policy-makers).

Phase 3: Case studies (months 10-34)

The third phase of the project aims to result in a more in-depth and fine-tuned understanding of the socio-economic dynamics of food supply chains. This general aim of phase 3 is somewhat similar to that of phase

2. The main difference is that the focus of phase 2 is on the meso/macro-level dynamics of food supply chains, while phase 3 focuses on micro/meso-level dynamics. As such phase 3 will result in a much more detailed understanding of the dynamics of food supply chains compared to phase 2. Another difference between phase 2 and phase 3 is that the main focus of phase 2 is on description and analysis, while the main focus of phase 3 is on assessment of the performance of different food supply chains.

Phase 3 starts with the development of the case study methodology and the selection of cases. This is followed by 2 in-depth case studies per participating country. The objectives of the case studies are:

- A detailed description and analysis of the organisation forms and structures of different food supply chains;
- A detailed description and analysis of the ways of communication and mechanisms of (horizontal and vertical) coordination within different food supply chains (e.g. labelling, face to face selling, product regulations, farm plans, codes of best practice etc.) as well as an assessment of their effectiveness in creating cohesion and successful collective action between different actors in the chain.
- A detailed description and analysis of the socio-economic dynamics of different food supply chains, both in time and in space.
- An assessment of the performance of different food supply chains in terms of different aspects of sustainability;
- Identification (per case study) of bottlenecks that constrain the improvement of the collective performance towards sustainability.
- A detailed description of the relevant policy environment associated with sustainable food supply chains (per case study) and analysis of relevant policy interfaces for different food supply chains.

With respect to the case study selection it is crucial to come to an adequate, well-balanced and representative set of case examples, that cover diverse and contrasted food chain supply organisations. To reach this objective the well-known methodology of Glaser and Straus for comparative analysis² will be applied. On the basis of the macro-level description and analysis (Phase 2) contrasting cases with respect to relevant key factors will be added to the set of cases until the 'point of saturation' is more or less reached. That is until it reasonably well covers the range of sustainable food supply chain initiatives encountered in the relevant empirical reality. A provisional case-study selection will be presented to the Commission services for possible comments.

The case-study methodology to be applied will first of all be based on the provisional sets of indicators as developed in Phase 1 and will initially address the same key factors. When during Phase 2 of the project additional relevant themes emerge, additional indicators may be formulated. Based on the experience of applying the set of indicators in Phase 2 the provisional set of indicators will be improved and adjusted.

It is foreseen that the case-study methodology will incorporate elements of different research methods that are applied in sociological and economic sciences and in the study of consumer perceptions. These may include: qualitative interviews, quantitative surveys, transaction cost analysis, discourse analysis and innovative consumer studies. The final case study methodology will be presented to the Commission services for possible comments.

Phase 3 ends with a transversal analysis of all the case studies. By following a comparative approach the transversal analysis will focus at identifying communalities and dissimilarities within the representative set of case examples, in order to answer the following objectives:

- To identify major patterns and underlying trends and trajectories regarding the socio-economic structure and dynamics of sustainable food supply chains by building typologies;
- To identify mechanisms of communication and economic coordination that are successful in creating cohesion and effective collective action of stakeholders for different types of food supply chains.

² Glaser, B.G. and A.L. Strauss (1967) *The discovery of grounded theory. Strategies for qualitative research* (Chicago)

- To assess the performance of different types of food supply chains in terms of different aspects of sustainability and identify underlying key factors.
- To identify 'nodal' points for (policy and other types of) intervention aimed at enhancing the performance for different types of food supply chains.
- To identify bottlenecks and constraints for different types of food supply chains as well as possible ways to overcome these.
- To identify the relevant policy environment and associated policy interfaces for different types of food supply chains.

Phase 4: Recommendations (months 27-40)

The fourth phase of the project will focus on the translation of research findings into recommendations for policy and other types of intervention. The recommendations will first of all build upon the findings from the meso / macro-level analysis of phase 2 and the micro / meso-level analysis of phase 3. Where necessary at specific points (e.g. specific policy schemes or regulations) limited additional research will be done, mainly consisting of the consultation of policy makers (at different levels), organisations of stakeholders and desk-studies. Two types of recommendations are intended:

1. Policy recommendations, enabling policy-makers at regional, national and European level to support the development of sustainable food supply chains;
2. Practical recommendations (i.e. protocols: tools, methods and strategies), enabling actors in the food supply chain and 'surrounding' actors (e.g. farmers' unions, consumer organisations, environmental groups, extension services, applied research institutes, local partnerships) to improve the performance of food supply chains towards sustainability.

The 'nodal' points for intervention to enhance the collective performance of (different types) of food supply chains, that were identified in the previous phases, will form the basis for the formulation of recommendations. In this phase the relevant policy environment associated with sustainable food supply chains that was 'mapped' in Phase 2, and described more profoundly as part of the case-studies, will be analysed in relation to different types of food supply chains. The methodology to be applied is that of interface analysis. 'Interface analysis' focuses on the complex and often highly differentiated interactions between policy and practice, which can differ considerably between different contextual settings. It is therefore highly suitable for analysing the impact of policy frameworks on the performance of supply chains in the context of different supply chain organisations and national/regional contexts.

As far as possible it is intended to identify communalities in the policy interfaces associated with food supply chains in different territorial contexts in order to come to general recommendations for different types of supply chain organisations. Where this is not possible in view of regional differences, the focus will be on general, more procedural recommendations related to different aspects of the policy process such as policy formulation, implementation, monitoring and the role of organisations of stakeholders in these.

In the analyses of policy interfaces special attention will be given to interrelations between different policy schemes and measures, by assessing the impact of combined implementation, studying possibilities for creating synergies between different policies, and indicating ways to overcome fragmentation and contradictions. Also the evolutionary dynamics of sustainable food supply chains will be addressed by identifying specific bottle-necks and requirements in different stages of their development as well as ways to facilitate the building of 'social capital' over time.

Phase 5: Dissemination (months 6-42)

In SUS-CHAIN we opt for an active involvement of end-users throughout the project. The participation of NGO's (as subcontractors) is of crucial importance for the dissemination activities of the programme and guarantees adequate access to and good communication with three different target groups:

1. Stakeholders in the social and institutional environment of food chains (e.g. politicians, consumer organisations, environmental groups, applied research institutions, extension services etc.)
2. Actors in the food chain and organisations of these (e.g. farmers, retailers, processing industry, etc.)
3. The scientific community (agricultural sciences, environmental sciences, consumer studies, economy, sociology, rural studies, etc.).

At the start of this last phase of the project a dissemination plan will be drawn out, with a specific input of and role for the NGO-subcontractors. The plan will be presented to the Commission services for comments, suggestions and approval.

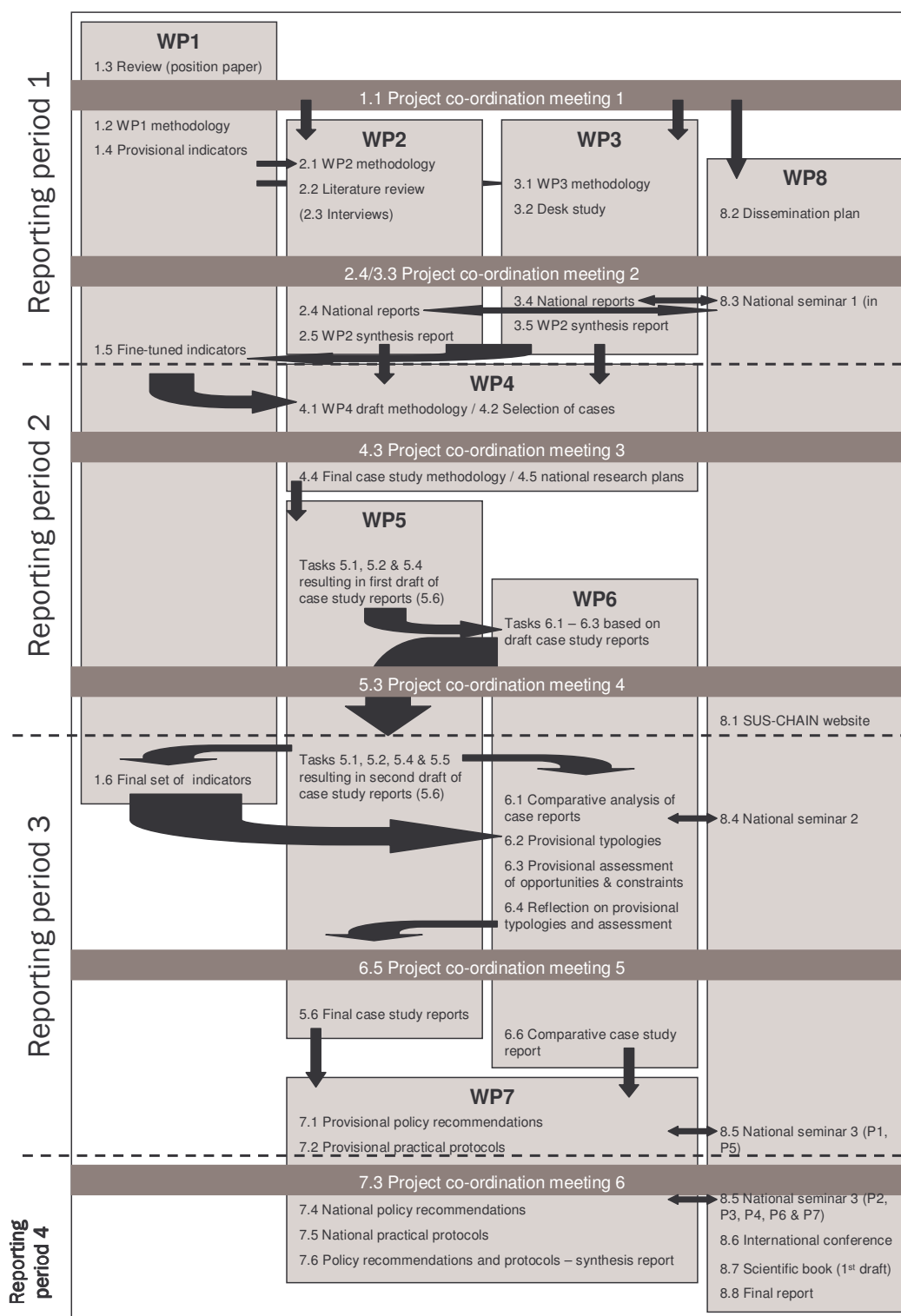
At national level three seminars will be organised oriented at the most relevant combination of target groups for each specific national/regional setting. The aim of these seminars is to get feedback from the target groups on the provisional results of the project, to validate these provisional findings and to disseminate results to the target groups. The seminars will be organised one month before the delivery date of important deliverables and/or milestones. In this way the national research teams (contractors and subcontractors) will be able to use the comments of the seminar participants (i.e. representatives of the target groups) in the finalisation of different deliverables (reports). The first seminar (month 11) is intended to get feedback on the provisional set of performance indicators and on the provisional results of phase 2 and to get suggestions for interesting and relevant cases for phase 3. The aim of the second seminar (month 26) is to get feedback on the results of the case studies, in particular on the assessment of the socio-economic performance of the food supply chains and on the identification of opportunities and constraints for the sustainable development of these food supply chains. At the second seminar the results from other countries will be discussed as well in order to assess whether experiences from other countries are relevant to the domestic situation. The third and last seminar (month 34) will be organised to get feedback on and fine-tune the practical and policy recommendations.

At the European level the dissemination activities will focus at the elaboration of a practical protocol of ways to improve the collective performance of sustainable food supply chains. This protocol will be presented at an international conference oriented at Commission representatives and policy makers / stakeholders' organisations from the participating countries. Dissemination of results to the scientific community will, besides the national seminars, mainly be done by means of the various reports of the project and a scientific book, in addition to normal channels of publication such as scientific journals, presentations at scientific conferences and the Internet.

2.2 Project structure, planning and timetable

2.2.1 Progress during the fourth reporting period

In the figure below the progress of the project during the whole duration of the project is visualised.



As the figure above shows, most of the fourth reporting period has been devoted to the recommendations and dissemination of project results (third national seminars, international conference, scientific book and professional publication). The professional publication, a book entitled *Nourishing Networks* (published by Reed Business Information and Wageningen University – Rural Sociology Group), was launched at the international conference on 22 June in Brussels. During the fourth reporting period all remaining deliverables were completed, except for the scientific book. Outlines of chapters were presented at the 6th project coordination meeting and draft chapters are to be submitted by the 15th of November. The final version will be send to the publisher (Ashgate) in March 2007.

The tables below present an overview of the milestones and the deliverables of the project, the expected delivery date and the status of the milestones and deliverables. Milestones have been completed or are in progress in line with the TA.

Milestone	Delivery date	Short characterisation	Current status
1. Food supply chain performance indicators	26	A methodological publication as final result of workpackage 1. Builds indirectly on workpackages 2, 3, 4, 5 & 6.	Completed
2. State of the art	14	A descriptive and analytical macro-level overview of the dynamics and diversity of food supply chains in Europe in relation to their institutional setting and consumers' attitudes towards sustainable food products. Final result of workpackages 2 & 3.	Completed
3. Case studies	34	A micro-level assessment of the dynamics, diversity and socio-economic performance of food supply chains and of the ways to improve the socio-economic sustainability of food supply chains. Final result of workpackages 4, 5 & 6.	Completed
4. Marketing sustainable agriculture: protocol for stakeholders	40	A practical set of recommendations, tools, methods and strategies for improving the performance of food supply chain, aimed at actors in the food supply chain and different stakeholders. Final result of workpackage 7, builds on all previous workpackages	Completed
5. Marketing sustainable agriculture: policy recommendations	40	Policy recommendations for regional, national and European authorities on the kind of policies and/or policy-making processes needed to enhance the development of sustainable food supply chains. Final result of workpackage 7, builds on all previous workpackages.	Completed
6. The role of food supply chains in sustainable rural development	42	Empirical, methodological and theoretical results, summarising all findings of the project. Final result of workpackage 8, builds on all previous workpackages.	Completed

All deliverables have been completed, except for the scientific book (D24), which will be completed at the beginning of 2007.

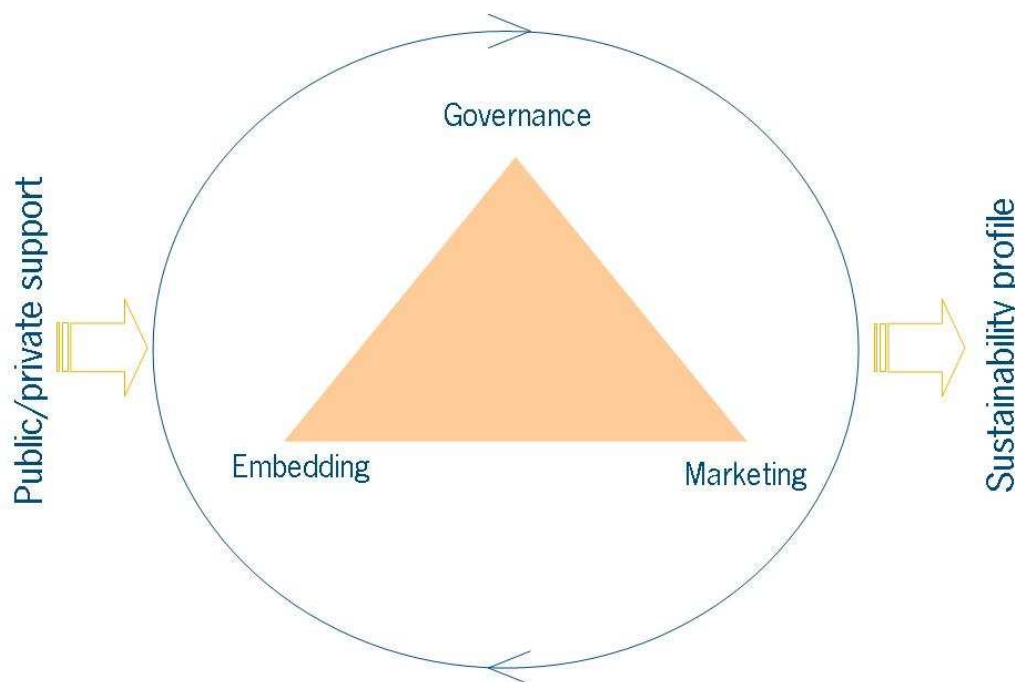
Deliverable	Delivery date (according to TA)	Status	Comments
1. Workpackage 1 methodology	1	Completed	
2. Provisional performance indicators	2	Completed	
3. Workpackage 2 methodology	2	Completed	
4. Workpackage 3 methodology	2	Completed	
5. Dissemination plan (Workpackage 8 methodology)	6	Completed	
6. SUS-CHAIN website	9	Completed	
7. National seminar 1 (feedback on workpackages 1, 2 & 3)	11	Completed	
8. FSC dynamics (national reports workpackage 2)	12	Completed	
9. Consumers' attitudes (national reports workpackage 3)	12	Completed	
10. FSC dynamics and diversity in Europe (synthesis report workpackage 2)	14	Completed	
11. Consumers' attitudes in Europe (synthesis report workpackage 3)	14	Completed	
12. Fine-tuned set of performance indicators	14	Completed	
13. Overall case study methodology	16	Completed	
14. National research plans	16	Completed	
15. National seminar 2 (feedback on case studies)	26	Completed	
16. Case study reports	30	Completed	<i>Draft case study reports were ready in November 2004; final reports by mid 2005</i>
17. Final set of performance indicators	26	Completed	<i>Not published as a separate deliverable but integrated in D18</i>
18. Transversal case analysis	34	Completed	<i>During 2005 several draft versions were distributed and discussed; final version was ready in Feb 2006</i>
19. National seminar 3 (feedback on provisional recommendations)	35	Completed	<i>National seminars in the Netherlands and Belgium were held in 2005, others in 2006</i>
20. Policy recommendations (national reports)	32	Completed	<i>Combined with D21 into 1 national WP7 report</i>
21. Practical protocols (national reports)	32	Completed	<i>Combined with D20 into 1 national WP7 report</i>
22. International conference	39	Completed	<i>Held on June 22 in Brussels</i>
23. Practical & Policy recommendations (synthesis report workpackage 7)	40	Completed	
24. Scientific book	42	Delayed	<i>Draft version ready by end of 2006. Publication foreseen for mid 2007</i>
25. SUS-CHAIN final report	42	Completed	
26. Professional publication	42	Completed	<i>Additional deliverable, focussing on case studies and recommendations. Was launched on 22 June 2006 at international conference</i>

2.2.2 Results, discussion and conclusions

In the previous progress report the analytical framework derived from the case studies was presented and discussed. Three different sustainability trajectories were then presented and discussed, followed by overall and trajectory specific lessons. In this reporting period the focus is on recommendations for policymakers,

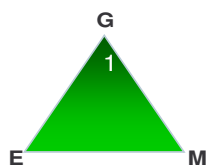
practitioners and researchers. Both general and trajectory specific recommendations will be presented and discussed.

Before presenting and discussing the recommendations we will briefly outline the analytical framework and the three sustainability trajectories. The analytical framework captures the three main constituting processes in the evolution of food supply chain initiatives: i.e. through the mutual development and co-ordination of different forms of governance, embedding and marketing distinctiveness is actually created (see the figure below).



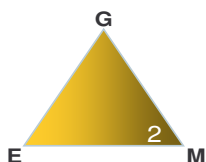
The circle stresses its evolutionary nature. This path has been reconstructed in case studies. The figure shows that the construction of a sustainable food supply chain is basically a matter of developing and combining different forms of marketing, embedding and governance, but the actual realisation and evolvement depends on the strategic decisions of its initiators *vis a vis* their strategic environment.

Based on the case studies and the GEM-framework three different, ideal typical sustainability trajectories are distinguished: 1) chain innovation, 2) chain differentiation and 3) territorial embedding. Each type is a specific configuration of G+E+M that is related to its specific focal point or point of departure. In chain innovation focus is on developing new modes of governance, while in chain differentiation and territorial embedding focus is on developing new modes of marketing respectively new modes of embedding.



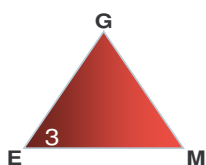
1. Chain innovation

- Key objective is to strengthen the bargaining power and commercial position of farmers in the food supply chain
- Focus is on designing, developing and implementing new forms of chain governance (new rules, new division of roles, new arrangements) by mobilising strategic alliances, and building a strong support network to create a protected space or niche for experimenting and learning.
- Often initiated by farmers aiming to improve their livelihood



2. Chain differentiation

- Key objective is to improve the commercial performance of an existing (in terms of organisational configuration) food supply chain
- Focus is on developing and marketing more distinctive products (or assortment of products) alongside existing, well established products.
- Often initiated by highly influential chain captains or directors (usually processors or retailers) aiming to improve the competitive position of their firm



3. Territorial embedding

- Key objective is to (re-)construct a food supply chain as vehicle for sustainable regional development
- Focus is on strengthening interlinkages and creating coherence and synergies between food supply chains and other economic activities in the region
- Often initiated by public-private partnerships aiming to address public/societal concerns regarding sustainable regional development.

In the previous progress report the general as well as the trajectory specific conclusion and lesson were presented and discussed. The key question to be addressed in this progress report is how the experiences and lessons can be applied to enhance the creation of sustainable food supply chain initiatives and by that sustainable regional development. For this purpose lessons need to be elaborated, transformed into recommendations for good practices and disseminated. In this section some of the main lessons are elaborated and turned into recommendation for good practice by practitioners, consultants, policy makers and researchers. In addition, sustainability trajectory specific recommendations are shortly summarised.

RECOMMENDATIONS FOR CHAIN PARTNERS AND THEIR CONSULTANTS

The need for a coherent strategy

Food supply initiatives need a clear and coherent development strategy. This implies that the initiative is organised in such a way that the strategy and its main objectives are clear and transparent to every actor in the chain. Only when the strategy is supported by all the actors along the chain will the initiative be successful. In several cases the success can mainly be attributed to a clear and coherent development strategy, one supported by all the actors along the chain: including the *Rankas Piens* Dairy in Latvia, the *CONO* Dairy in The Netherlands or *NaturaBeef* in Switzerland.

A coherent development strategy does not necessarily need to include formal regulation of production and processing system, but for some initiatives it is very useful to have formal regulations. Examples like *Valais* Rye bread show that a 'code of practice', as embodied in PDO or PGI products, can be very important. Such a code of practice means that every participant in the chain knows the relevant production standards and what and how to communicate towards consumers and other actors outside the chain. This helps avoid constant repetition of discussions about basic standards and principles, allowing the actors to focus on the core business. Codes of practice can also readily be communicated to consumers and may contribute to building consumers' trust.

Good communication and coordination is based on a strong alignment

Good coordination and structuring of the food chain makes it easier to communicate along the chain and to put the product on the market in more cost-efficient ways. Individuals often play a key role in this process. Effective management and well-connected and respected people playing a central role help reduce the effort needed for communication. They also often have better access to institutional support systems. An example is the Dutch case of *De Hoeve* where two people assumed responsibility for initiating and organising a successful chain for pork. The same is also true for *Pecorino di Pistoia* in Italy. The *Rankas Piens* Dairy in Latvia also relies heavily on the skills and networking of one individual. This case also demonstrates the dangers of over-reliance on one key player.

The involvement of professionals in marketing and communication activities can contribute significantly to improving the success of an initiative. This is evident in the case of *Valais* Rye Bread. Public support made it possible to appoint a part-time FSC manager who took responsibility for marketing and communication activities. The Cornwall Food Programme (CFP) in the UK, which is still under development, has also had a dedicated manager employed to follow the project through. His main task is to improve communication between the initiatives organisers, local producers and suppliers and support organisations. The need for a dedicated co-ordinator appears to grow with the complexity of a chain or its institutional support network. FSCs with fewer actors in the chain do not need to put so much effort into achieving the involvement, commitment and coordination of all actors. A short FSC therefore can normally be operated more cost-efficiently, but its scope or potential may not be as large.

Develop a clear marketing concept with convincing and credible promises

The marketing concept needs to be built around clear, convincing and credible claims that send a concise and positive message to consumers. Consumer loyalty and repeat purchases are to be encouraged and this requires that consumers understand the promises and the quality of the product. However for most consumers, the product itself and its organoleptic attributes will always remain the most important characteristics. One initiative that combines a convincing marketing concept with credible product quality is the *Tegut* supermarket chain in Germany. The group's marketing concept places much emphasis on providing product information that is regularly distributed in an attractively presented and informative consumer journal.

Often the marketing concepts implemented by alternative FSCs involve differentiating the initiative and product(s) from the mainstream. Mid-sized players like the Dutch *CONO* Dairy Co-operative and small players like the Uplaender Dairy in Germany have managed to develop new marketing visions and implement new strategies within a highly competitive market. Very often it is the semi-artisanal production methods, the specific intrinsic quality attributes and the extrinsic association with the appealing nature of the production area such as, the *Beemster* polder or the *Upland*, that helps build a stronger market position and a strong brand (*Beemsterkaas* in the case of *CONO*). In both cases the dairies have been able to strengthen their market position and realise a premium price which is shared with the farmers.

Building alliances with public bodies, societal and consumer movements

Regional marketing and the (re-)creation of territorial identity play an important role in many sustainable FSCs. Cooperation with, and involvement from, public bodies and societal movements at both the regional and local level seems to be a crucial factor in this respect. Institutional arrangements, involvement in regional networks and cultural relations indicate that the actors involved in these chains use more than just economic logic in setting their market orientation. Many marketing initiatives are embedded in 'their' region. Several examples highlight the importance of networks and relationships with public bodies and societal movements, which can directly influence the functioning and success of sustainable FSCs within a particular local context and ultimately in a broader one too.

The Uplaender Dairy in Germany is a good example of this. Due to the strong personal commitment of the key actors, that also found expression in their willingness to take personal economic risks the initiative was able to involve the municipality, several non-governmental organisations and private investors. This led to the involvement and alignment of different interest groups such as *BUND*, one of Germany's foremost environmental and nature conservation associations. The dairy was able to attract these non-economic actors through their strategy of marketing the *Upland* region. This strategy involved linking the region's attractive cultural landscape and inherent nature conservation interests (biodiversity) with the particular pattern and style of farming within the region (mixed dairy farms that efficiently make use of semi-mountainous grasslands) and a fresh and tasty product, the marketing of which is done in a modern and attractive way. This package encouraged a very diverse group of actors to financially support the dairy during its critical initial phase and later promote the initiative in other ways.

Similarly the *Pecorino di Pistoia* case in Italy achieved embeddedness through the Slow Food movement that aligned itself with the initiative and helped promote the product. Through its promotional activities, Slow Food was able to support the producers' consortium, with which it held shared values and common interests.

In another example, that of the Latvian Cattle Breeders Association, this embeddedness and these alliances still need be developed. This initiative, which is still vulnerable and has not yet achieved its potential or its initial objectives, needs to establish more alliances with partners outside the chain in order to be more successful.

The two cases from the UK provide good examples that demonstrate the importance of building alliances with actors that are not directly involved with the chain. The Cornwall Food Programme shows the potential of public-private co-operation, driven by concerns over health, food and sustainable development. The local sourcing initiative by the Cooperative supermarket chain could become successful if local store managers had more room for manoeuvre and the freedom to decide for themselves which products are right for their store and for their customers. This would enable new networks to be built. Other examples of retailers attempting to localise their procurement policies show that such alliances are able to overcome problems such as logistics, packaging, pricing and quality assurance.

Recommendations for advisory services

If advisory services want to provide effective advice to new and innovative FSCs, they have to adopt new ways of thinking and development, and, in general, to develop a broader range of professional competences, either in-house or through contracting-in. To date 'alternative' or 'new' forms of food marketing are rarely supported by advisory services, which appear to lack the capacity to support such initiatives. A necessary first step is that advisory services recognise the potential of 'alternative' or 'new' forms of food marketing and the, often important, role of rural enterprises as driving forces for food chain differentiation.

CREATING A SUPPORTIVE ENVIRONMENT FOR SUSTAINABLE FOOD SUPPLY CHAINS

Governments, policy-makers and societal organisations can influence the environment in which FSCs develop. In this section we formulate recommendations for these different actors.

Better targeting of support

Policy is about making choices: who and what to support, and how to provide this support in the most effective way. A great range of instruments is available for creating a more favourable environment for the development of FSCs. While public support is often important, it is also crucial to note that not all initiatives *depend* on public support. In at least three of the fourteen cases - *Biomelk Vlaanderen* (Belgium), the *Tegut* supermarket (Germany) and the *CONO* Dairy co-operative (Netherlands) there was no, or no noteworthy, public support for the initiative. It is also important to remember that support is not only financial, but can also come in other

forms. Finally, it is not only public bodies that can act as a source of support; social organisations, communities, individuals and (actual or potential) trading partners are also potential sources of support.

This notwithstanding, the majority of the examples show the relevance and importance of financial, as well as non-financial support, from the public sector as well as from other sources. We can identify a number of different types of support: financial, (e.g. through investment or start-up finance); marketing, information and public relations; advocacy and public legitimisation of the initiative, brokering; training and consulting; and technical and legal support for innovative and experimental approaches.

The question of how to provide effective support in the most efficient way comes back to issues of identifying the type of support needed, and providing it in the right amount and at the right time. The GEM-framework allows for a better understanding of development opportunities, constraints and risks faced by different types of alternative FSCs at different stages in their development. This framework provides a tool that could prove of use in helping improve the targeting of support.

Support to reduce financial risks and transition costs: risk capital

Support from public institutions can play a particularly vital role in helping establish and develop 'new' or 'alternative' FSCs, especially in their initial start-up phases. Generally starting a new food supply chain involves high administration, transaction and start-up costs. Banks and other chain partners are often unwilling to finance the initial 'risky' development phase until a critical mass has been reached. When public support was available in the initial phase, this helped reduce the high risks involved, creating room for manoeuvre for developed the required technical and organisational innovations and the structural changes.

The Cornwall Food Programme in the UK is an example of this. The initiative received public support (in the form of European Rural Development Funding) from the very beginning. This allowed for accumulating the required knowledge for rearranging the chain and adapting to existing regulations and procedures. By contrast there was insufficient support provided for the start up of *Biomelk Vlaanderen* in Belgium and this hindered its initial development. The financial support received did cover the cost of an expert to provide the farmers with organisational advice, but was not sufficient for providing additional advisory services, particularly over marketing issues. More prolonged support would have allowed this project to get off to a better start.

At the other end of the spectrum, there is the problem of excessive support and the over-dependence that this can give rise to. Several examples indicate that provision of financial support by public bodies may imply the risk of (over)dependence. Common characteristics of such dependency are inadequate business plans, excessive personnel costs and insufficient attention paid to profitability within a given time frame.

Acknowledge SMEs as drivers of sustainable regional development

Experience from many regions indicates that small and medium rural enterprises (SMEs) are important drivers of sustainable development. One good example is the hotels and tourism agencies that have developed alongside the Slow Food movement in parts of Italy. These new hotels, bed and breakfast or farm tourism establishments are not formally connected to the Slow Food movement and may even not use the movement as suppliers, but they do nonetheless benefit from its efforts, which create regional jobs and income earning opportunities.

Other illustrative examples from the initiatives studied are the Swiss *Valais* Rye Bread PDO and the activities of the German *Tegut* supermarket chain in the *Rhön* region. Both initiatives contribute to making their particular region more attractive and better known. They are giving a positive impulse to economically disadvantaged regions and stagnating or threatened sectors, such as rye production in the *Valais* area or agricultural activities in mountainous regions in general. So, supporting a single initiative may not only have the direct effect of helping consolidate a specific enterprise, but indirect (multiplier) effects on other small and medium enterprises in the region.

Create regulatory flexibility

Many of the fourteen initiatives illustrate the constraints that new FSCs face from regulatory regimes and the bureaucracy of public administration. These almost always contribute to a higher burden of administration costs for an initiative and can even hinder the realisation of new ideas in production and processing.

The pork supply chain initiative of *De Hoeve* in the Netherlands is an example of this. It had to face the problem of a lack of governmental flexibility with regard to environmental regulations. Farmers participating in *De Hoeve* are obliged to produce according to the rules of the environmental certification scheme, which includes monitoring and control procedures. Yet, at the same time there is additional set of national rules and regulations that must also be adhered to. This means that the farmers face a double burden of administrative checks and form-filling, which could be reduced if it were possible to implement a coherent single system that meets the requirements of both sides.

In the initiative of *De Westhoek* in Belgium food safety became a critical issue. Farmers had to implement HACCP-like measures, with a high burden for the individual farmer. Here a large part of the projects' workload was with providing advice to farmers, initially those within the initiative but, later on, for those in similar initiatives elsewhere in the region on how to satisfy these requirements. There were similarities in the German case of *Rhöngut*, where a product innovation launched by the *Tegut* supermarket chain was hindered by excessively strict interpretation of hygiene regulations by the local health authorities. *Rhöngut* was intended as a label for dry-cured air-dried ham and sausage specialities; similar to those produced in southern European countries (*Parma* ham or salami from Italy, *Serrano* ham from Spain, etc). Initially, however, the German health authorities did not accept dry-curing as a way of processing, as it was not a traditional practice. The management of *Tegut* had to put considerable effort into analysis and seek legal advice in order to overcome these administrative obstacles. Only after gathering information from southern Europe and appealing to existing European legislation, the initiative finally did succeed in getting approval.

The case of Coop supermarkets in the UK demonstrates the difficulties that big players, even those with a reputation for ethical trade relations, face when attempting to source locally. In the case of the Coop obstacles in the areas of logistics (and particularly centralised procurement), as well as with packaging, pricing and quality assurance posed insurmountable obstacles to achieving an effective local sourcing policy. The other examples in the chapter, of the Italian chain and Waitrose, show that with when sufficient space is made available practical solutions to these problems can be found.

These examples illustrate the need for more room for manoeuvre and experimentation in both legal and procedural terms. Often such regulations and procedures originated from a completely different context and need to be re-examined and adjusted to make them applicable, and prevent them becoming a barrier, to the development of alternative FSCs. Over strict regulations may inhibit the emergence and development of many interesting and promising FSC initiatives.

RECOMMENDATIONS FOR RESEARCH

In this final section we identify research issues and in particular address the apparent discrepancy between much on-going research in this field and the needs of practitioners.

Use of the GEM framework facilitates more systemic and integrated research

The conceptualisation of the main constituting processes into the GEM-framework allows a better understanding of how sustainable chains are constructed. By using this conceptual framework it is possible to better conceptualise different types of alternative FSCs at different stages of their development. It posits that a sustainability trajectory always involves a combination of Governance, Embedding and Marketing. Different types of trajectories can be formulated that reflect different configurations of these three aspects. The analytical framework also intends to demonstrate how each type of sustainability trajectory has a specific

performance in terms of sustainability, in terms of its impact on rural development as well as commercial performance, marketing and communication, etc. Particular types of trajectory require specific kinds of public or private support to enhance their sustainability performance and enable them to meet their full potential.

In initiatives that have their point of departure in chain innovation the key objective is to strengthen the bargaining power and commercial position of farmers in the food supply chain. The focus of related research and advisory work should be on the development of the most suitable forms of chain governance. Key questions are how to mobilise strategic alliances and to build strong support networks that create a protected space, or niche, for experimenting and learning. In initiatives where chain differentiation is the most characteristic feature, emphasis is typically on improving the commercial performance of a particular organisational configuration. The key questions then are those of how to develop and market more distinctive products (or a range of products) alongside existing, well established ones. Initiatives that are mostly characterised by a high level of territorial embedding often aim to (re-)construct a food supply chain as a vehicle for sustainable regional development. An important question in related research and advisory work is how to strengthen the inter-linkages and to create coherence and synergies between food supply chains and other regional economic activities. The role of public-private partnerships that contribute to a sustainable development of 'their' region is often a key issue that needs to be addressed.

Improving the research - practice interface

The construction of new FSCs that embody innovation, differentiation and territorial embedding is a complex process. It requires a substantial amount of experience and a wide spectrum of competences and skills. Researchers and other non-chain actors can contribute their expertise and help chain actors get off to a good start. Key issues for research should be the contributions that it can make to organisational, process and product innovations, as well as studies and action research of the issues involved with major structural changes and scale enlargement processes. The *Co-operativa Agricola Firenzuola* in Italy and the Latvian Association of Beef Cattle Breeders are examples of initiatives that are not yet successful, where better external advisory and research inputs would be useful.

More transdisciplinary research is also needed on the tensions between the increasing pressure towards standardisation, (for example through hygiene regulations), and innovative as well as traditional forms of production and processing. Relatively little is known about the way in which product development as well as regional and societal embedding of new FSCs can be optimally designed and governed, and which parties should be involved. The position and further development of the marketing of local, regional and traditional food products (and qualities) requires further investigation. The impact of such products and the related marketing initiatives in terms of sustainable agriculture and rural development also requires further detailed investigation. In parallel with this, there is, as yet, a lack of suitable and sufficiently transparent monitoring of such market segments.

TRAJECTORY SPECIFIC RECOMMENDATIONS

Each sustainability trajectory has its own drive and logic, has to overcome specific technical and institutional obstacles to overcome and has accordingly specific needs. In addition to the more general recommendations above, we formulated also more trajectory specific recommendations. We present them as a shortlist, acknowledging that these recommendations, like the more general ones, need further operationalisation. This can best be done in close co-operation with initiators and other stakeholders of initiatives as part of a common learning process.

Chain innovation specific recommendations

Chain partners

- Strengthen the societal embedding of a new food supply chain by building new alliances with societal organisations, governmental agencies, researchers, et cetera, and develop the skills to develop and manage these networks.
- Opt for a stepwise approach in the construction and development of a new food supply chain and create time and space for experimentation and evaluation.

Research, advisory services and other intermediaries

- Investigate the societal impact of innovations in new food supply chains. Relevant question to be addressed are for instance:
 - Which kinds of innovations are developed by small-scale food supply chains?
 - What is the impact of these innovations on large-scale conventional scales and society in general?
 - Which innovations are complementary?
- Examine the way in which product development and regional and societal embedding of new food supply chains are to be designed and governed and which parties are to be involved.
- Redefine the role of researchers, advisors and other intermediaries in supporting new food supply chains. Constructing a new food supply chain requires a good mixture of different skills and initiators usually lack one or more of these skills. Researchers, advisors and other intermediaries can temporarily complement a lack of skills.

Governments, policy-makers and societal organisations

- Make venture capital available for new food supply chains to develop to a stage of sufficient critical mass.
- Do not neglect or underestimate the importance of small food supply chains in the development of food-related innovations.
- Societal organisations can mobilise their networks to interest market parties (e.g. retailers) in new sustainable food products and simultaneously to raise awareness and interest among consumers.

Chain differentiation specific recommendations

Chain partners

- Search actively for links between interest in food distinctiveness and (combinations of) territorial embeddedness.
- Be transparent and trust-worthy in the communication of food distinctiveness.
- Search for an active involvement of primary producers to deepen claims on embeddedness.

Research, advisory services and other intermediaries

- Recognition of the potential role of SME's as private driving forces for food chain differentiation with sustainability promises.
- Development of monitoring system to assess performances of private food labels from SARD perspective.
- Facilitation of learning processes that link food distinctiveness to territorial embeddedness.

Governments, policy-makers and societal organisations

- Recognition of SME's as important drivers in sustaining food chains.
- Safeguarding transparency in claims on distinctive food qualities through private labels.
- Create the legal room for experimentation within standardized food regulations.
- Facilitation of chain differentiation with sustainability claims.
- Participation in and facilitation of learning communities that link food distinctiveness to territorial embeddedness.
- Financial support to reduce transaction costs.

Territorial embedding specific recommendations

Chain partners

- Protect/construct/promote/commercialize embedded food qualities within public-private partnerships.
- Focus on chain partners with a strategic interest in embedded food qualities.
- Search for self-regulation mechanisms to balance commercial interests of involved chain partners.
- Invest also as chain partners actively in the promotion of embedded food qualities.
- Cooperate closely with public bodies and societal movements in region marketing and the (re-)creation of territorial identities (free promotion).
- Search for synergy effects through cooperation with non-food oriented other rural SME's.

Research, advisory services and other intermediaries

- Research on the protection/development/marketing of embedded food qualities.
- Research on ongoing tensions between standardization of food hygienic regulations and processes aiming for more embedded food qualities.
- Development of more transparent monitoring systems to assess the impact of embedded food qualities from a sustainable rural development perspective.
- Support learning communities in search for embedded food qualities actively.

Governments, policy-makers and societal organisations

- Recognize that the impact of embedded food qualities might be primarily expressed in multiplier- and spin-off effects.
- Recognize the crucial role of food related SME's in the creation of public private partnerships with the objective to support territorial embedded food qualities.
- Recognize the shortcomings of public certification systems with regard to the mobilization of private interest to invest in embedded food qualities.
- Invest in chain coordination of embedded food qualities.
- Facilitate rural entrepreneurship in search for synergy effects at firm level to enlarge private investment capacity in embedded food qualities.
- Facilitate territory based networks between SMEs to enlarge private interest in embedded food qualities.
- Support learning communities in search for embedded food qualities actively.

2.3 Description of the workpackages

2.3.1 Development and fine-tuning of food supply chain performance indicators (WP1)

Phase: 1

Start date: 1

Completion date according to TA: 26

Completion date: 29

Current status: completed

Partners responsible: P3

Person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	4.50	1.50	6.75	1.50	1.50	1.50	1.50	18.75

Already devoted person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	4.45	0.85	6.75	1.50	1.00	1.50	1.80	17.85

Objectives

The main objective of this workpackage is to develop and fine-tune (through literature review, policy analysis and case-studies) food supply chain performance indicators. These indicators will be used for:

- mapping and analysing the socio-economic dynamics of food supply chains;
- assessing the socio-economic performance and ecological sustainability of food supply chains;
- identifying constraints and opportunities for improving the collective performance of food supply chains towards sustainability;
- identifying 'entrance' or 'nodal' points for intervention aimed at enhancing the collective performance of food supply chains towards sustainability.

Methodology and study materials

The work for this workpackage is divided into 6 consecutive tasks:

1. Project coordination meeting 1: In month 1 all participants (P1-P7) and their subcontractors (S1-S7) will meet to discuss the overall framework of the project and to outline the work to be done for WP1.
2. WP1 methodology: After the meeting (and based upon it) the workpackage coordinator ETHZ (P3) will, in collaboration with the scientific coordinator (P1), construct a methodology for WP1. The methodology will entail guidelines on how to collect, describe and assess performance indicators for three different aspects of food supply chains:
 - a The organisational structure of food supply chains.
 - b The sustainability of food supply chains in terms of socio-economic performance and discourses on ecological sustainability.
 - c The institutional setting of food supply chains.
3. Review: Following the WP1 methodology, P1-P7 will conduct a review of literature on food supply chains and of completed and ongoing research on food supply chains, in order to collect, describe and assess relevant and interesting food supply chain performance indicators for three different aspects of food supply chains.

4. Provisional indicators: At national level the results of the review will be discussed by the national teams of participants and subcontractors, resulting in national sets of provisional indicators. These national sets of provisional indicators will be collected, compared and assessed by P3 (in collaboration with P1) in order to develop general provisional sets of indicators. This provisional framework will be used as input for WP2 & WP3.
5. Fine-tuned indicators: Based upon the results of WP2 & WP3 and the feedback given at the first national seminars (see WP8), P1 to P7 and S1 to S7 will assess the provisional sets of indicators and propose improved sets of indicators. All proposals will be collected, compared and assessed by P3 (in collaboration with P1) in order fine-tune the sets of indicators. This fine-tuned framework will be used as input for WP4 (case study methodology).
6. Final indicators: Based upon the results of the case studies (WP5) and the feedback given at the second national seminars (see WP8), P1 to P7 and S1 to S7 will assess the fine-tuned sets of indicators and propose final sets of indicators. All proposals will be collected, compared and assessed by P3 (in collaboration with P1) in order finalise the sets of indicators. The final sets of indicators will be used as input for the comparative case-study analysis (WP6) and for the recommendations (WP7).

Progress during the fourth reporting period

Completed during third reporting period.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D1) Workpackage 1 methodology	1	completed	
D2) Provisional sets of FSC performance indicators	2	completed	
D12) Fine-tuned sets of FSC performance indicators	14	completed	
D17) Final sets of FSC performance indicators	26	completed	<i>D17 has not been published a separate deliverable. The final sets of performance indicators have been included in D18</i>

Milestones

Milestone	Completion date (according to TA)	Status	Comments
M1) Food supply chain performance indicators	26	completed	

2.3.2 Macro-level analysis of food supply chain dynamics and diversity (WP2)

Phase: 2

Start date: 1

Completion date according to TA: 14

Completion date: 18

Current status: completed

Partners responsible: P2

Person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	4.50	6.50	2.50	2.50	2.50	2.50	2.50	23.50

Already devoted person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	4.80	7.90	3.90	2.50	2.50	2.50	3.70	27.80

Objectives

1. To get a general overview of the territorial diversity of the socio-economic dynamics of food supply chains regarding sustainability and transparency in relation to their socio-institutional environment. This includes:
 - Approaches to and organisational forms of food supply chains;
 - Policies and regulations with respect to sustainable food production in general and food supply chains in particular;
 - Stakeholders' perceptions of and involvement in food supply chains.
2. To assess the general performance (sustainability, transparency, trust) of food supply chains.
3. To identify major bottlenecks with respect to improving the collective performance of food supply chains towards sustainability.

Methodology and study materials

The work for this workpackage is divided into 6 consecutive tasks:

1. **WP2 Methodology:** The workpackage coordinator (P2) will develop, in collaboration with the scientific coordinator P1, a methodology for the workpackage. The provisional sets of indicators (D2 - see WP1) will serve as input for the development of the methodology of WP2. The methodology for the workpackage will include the following aspects:
 - The kind of literature to be reviewed: e.g. policy documents, scientific papers, empirical descriptions, etc.;
 - A guideline for assessing the reviewed literature;
 - The kind of actors to be interviewed: e.g. policy-makers, consumer organisations, environmental groups, farmers' unions, retailers, researchers, etc.;
 - A guideline or questionnaire for conducting the interviews;
 - A framework (i.e. detailed table of contents) for the WP2 national reports.
2. **Literature review:** All participants (P1-P7) will carry out a review of literature on different aspects of food supply chains to assess the socio-economic dynamics of food supply chains in relation to their socio-institutional environment (e.g. policies, regulations, institutional arrangements, stakeholders' perceptions and actions).

3. Interviews: P1 to P7 and S1 to S7 will conduct interviews with different experts and stakeholders to complete the macro-level analysis of the socio-economic dynamics and performance of food supply chains. At national level the participants and their subcontractors will decide on the allocation of interviews.
4. Project coordination meeting 2: In month 8, after having completed the literature review and the interviews, P1 to P7 will meet to exchange research findings and to assess the kind of feedback wanted on the provisional results of WP2 from the target groups at the first national seminars (see WP8).
5. WP2 national reports: Based on the literature review (task 2.2), the interviews (task 2.3), the decisions made at the second project coordination meeting (task 2.4) and the feedback from the target groups at the first national seminars (task 8.3) national WP2 reports will be written by P1-P7 in collaboration with S1-S7.
6. WP2 synthesis report: Based on the national reports P2, in collaboration with P1, will write a synthesis report, which will:
 - stress the diversity of approaches, socio-economic dynamics and socio-institutional settings with respect to food supply chains;
 - identify the main similarities and differences between countries or European regions regarding these topics;
 - assess the performance of different forms of food supply chains;
 - identify major bottlenecks and opportunities for enhancing the performance of food supply chains.

Progress during the fourth reporting period

Completed during second reporting period.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D3) Workpackage 2 methodology	2	completed	<i>D3 included as Annex 2 in progress report 2003 (www.sus-chain.org)</i>
D8) FSC dynamics (national reports WP2)	12	completed	<i>All 7 national reports can be downloaded from www.sus-chain.org</i>
D10) FSC dynamics and diversity in Europe (synthesis report WP2)	14	completed	<i>Finalised in June 2004, can be downloaded from www.sus-chain.org</i>

Milestones

Milestone	Completion date (according to TA)	Status	Comments
M2) State of the art	14	completed	<i>Completed in June 2004</i>

2.3.3 Desk study on consumers' attitudes towards sustainable food products (WP3)

Phase: 2

Start date: 1

Completion date according to TA: 14

Completion date: 16

Current status: completed

Partners responsible: P5

Person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	3.75	1.75	1.75	1.75	6.50	1.75	1.75	19.00

Already devoted person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	3.50	1.25	1.75	1.75	7.00	1.35	2.35	18.95

Objectives

The objective of this workpackage is to identify and assess the diversity in consumers' attitudes towards sustainable food products by means of a desk study summarising previous findings.

Methodology and study materials

The work for this workpackage is divided into 5 consecutive tasks:

1. WP3 methodology: At the start of the workpackage P5 will produce a workpackage methodology, specifying the research methods to be used for the desk study, the kind of literature to be reviewed and a framework for assessing the reviewed literature and for documenting the findings of the desk study.
2. Desk study (literature review): On the basis of the methodology all participants will carry out a desk study for their own country. The provisional results of the national desk studies will be discussed with the subcontractors for feedback and comments.
3. Project coordination meeting 2: All participants will meet to exchange national findings of the desk studies to identify differences and similarities between regions and countries regarding the consumers' attitudes.
4. National reports: The participants and their subcontractors will document their findings in a national report.
5. Synthesis report: Based on the national reports and the project coordination meeting, P5 will write a synthesis report, summarising the results of this workpackage.

Progress during the fourth reporting period

Completed during second reporting period.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D4) Workpackage 3 methodology	2	completed	D4 included as Annex 3 in progress report 2003 (www.sus-chain.org)
D9) Consumers' attitudes (national reports WP3)	12	completed	All 7 national reports can be downloaded from www.sus-chain.org
D11) Consumers' attitudes in Europe (synthesis report WP3)	14	completed	Finalised in April 2004, can be downloaded from www.sus-chain.org

Milestones

Milestone	Completion date (according to TA)	Status	Comments
M2) State of the art	14	completed	<i>Completed in June 2004</i>

2.3.4 Case study methodology (WP4)**Phase:** 3**Start date:** 10**Completion date according to TA:** 16**Completion date:** 19**Current status:** completed**Partners responsible:** P4**Person months per partner and total:**

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	2.75	0.75	0.75	3.25	0.75	0.75	0.75	9.75

Already devoted person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	3.45	2.05	1.00	3.25	0.75	1.15	0.95	12.60

Objectives

1. To develop a methodology for conducting in-depth qualitative and quantitative studies of food supply chains.
2. To develop methodologies for assessing the dynamics and performance of food supply chains.
3. To select 2 cases per country, ensuring that together the case studies are representative for the diversity of food supply chains in the participating countries.
4. To develop a national research plan, based upon the overall case study methodology.

Methodology and study materials

The work for this workpackage is divided into 5 consecutive tasks:

1. Draft methodology: In collaboration with P1, P4 will develop a draft version of the case study methodology.
2. Selection of cases: In each country the participants in collaboration with their subcontractors select 2 case studies. They will present their proposed cases by means of a brief description of the food supply chains they intend to study.
3. Project coordination meeting 3: All participants and their subcontractors will meet to comment on, discuss and fine-tune the draft version of the methodology. At this meeting the complete collection of proposed case studies will be discussed to assess whether all case studies together represent the diversity observed by means of the macro-level description and analysis (WP2). Important criteria for assessing the representativeness are organisational forms of food supply chains, success and failure and sustainability issues (e.g. environmental aspects, economic aspects or socio-cultural aspects).
4. Final case study methodology: After the meeting P4 (in collaboration with P1) will develop a final version of the case study methodology.
5. National case-study research plans: All participants and their subcontractors will translate the case study methodology to their national context. This may, for instance, include the translation of questionnaires (for

interviews or surveys) into the national language. All participants and their subcontractors will develop national research plans, entailing e.g. the persons to be interviewed, the number of interviews and surveys, the division of work between the participant and its subcontractor, etc.

Progress during the fourth reporting period

Completed during second reporting period.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D13) Overall case study methodology	16	completed	<i>Finalised in July 2004; included as annex 1 in progress report 2004 (see www.sus-chain.org)</i>
D14) National research plans	16	completed	<i>Finalised in July 2004; not published as separate deliverable as national research plans were usually not more than lists of specific agreements made between contractor and subcontractor at national meetings during execution of WP5</i>

Milestones

Milestone	Completion date (according to TA)	Status	Comments
M3) Case studies	34	In progress	<i>Expected completion in Feb 2006</i>

2.3.5 Case studies (WP5)

Phase: 3

Start date: 15

Completion date according to TA: 30

Completion date: 36

Current status: completed

Partners responsible: P4

Person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	9.75	6.75	6.75	8.75	6.75	6.75	6.75	52.25

Already devoted person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	10.25	7.00	8.00	8.75	8.75	6.75	8.75	58.25

Objectives

The general objective of this WP is to conduct 2 in-depth case studies per country. Specific objectives of the case studies are:

- A detailed description and analysis of the socio-economic dynamics of different food supply chains;
- An assessment of the performance of different food supply chains;
- Identification (per case study) of bottlenecks that constrain the improvement of the collective performance towards sustainability

Methodology and study materials

The work for this workpackage is divided into 6 consecutive tasks:

1. Data collection: interviews and surveys: All participants and all subcontractors will collect data by means of interviews, surveys, and transaction costs analysis. The methods of data collection are outlined in D13 (see WP4) and may differ according to varying national or regional circumstances (see D14).
2. Description and analysis per case: All participants and all subcontractors will produce a draft description and analysis of the dynamics of the food supply chains being studied.
3. Project coordination meeting 4: The draft descriptions and analyses will be discussed at a meeting of all participants. The aim of the meeting is to exchange research findings and to assess whether sufficient data have been collected to meet the objectives of WP5. Depending on the outcome of the meeting, additional data may have to be collected by the participants and their subcontractors.
4. Assessment of food supply chain performance: All participants and subcontractors will assess the performance of the food supply chains they have studied. The fine-tuned sets of performance indicators (D14 – see WP1) will be a crucial instrument for performance assessment.
5. Identification of opportunities & constraints: All participants and subcontractors will identify opportunities and constraints for improving the performance of the food supply chains they have studied.
6. Case study reports: All participants and subcontractors will publish their findings in case study reports, which will address the objectives of the workpackage.

Progress during the fourth reporting period

Completed during the third reporting period.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D16) Case study reports	30	completed	<i>First drafts were ready in November 2004, second drafts in May 2005, final versions in December 2005</i>

Milestones

Milestone	Completion date (according to TA)	Status	Comments
M3) Case studies	34	Completed	<i>Completed in Feb 2006</i>

2.3.6 Comparative case study analysis (WP6)

Phase: 3

Start date: 22

Completion date according to TA: 34

Completion date: 38

Current status: in progress

Partners responsible: P7

Person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	2.25	0.25	0.25	0.25	0.25	0.25	3.75	7.25

Already devoted person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	2.25	0.25	1.25	0.25	0.50	0.25	6.75	11.50

Objectives

The overall aim of this workpackage is to conduct a transversal analysis of all case studies. Specific objectives of the transversal analysis are:

1. To identify major patterns and trends regarding the socio-economic evolutionary dynamics of food supply chains by building typologies;
2. To identify key factors that determine the performance of food supply chains.

Methodology and study materials

1. Analysis of case study reports: Using the finalised sets of performance indicators (D17) P7 will review and analyse all case study reports (i.e. the executive summaries of the case study reports as for dissemination purposes the case study reports will be written in the national languages).
2. Provisional typologies of food supply chains: In collaboration with P1, P7 will build provisional typologies of food supply chains to order the diversity of food supply chain dynamics.
3. Provisional assessment of constraints and opportunities: P7 will, together with P1, identify (per typology) the key factors that determine the performance of the food supply chain and assess the
4. Feedback on provisional typologies and assessment: All subcontractors will comment on the provisional typologies and assessment of constraints and opportunities.
5. Project coordination meeting 5: The provisional typologies, the provisional assessment of constraints and opportunities and the feedback from the subcontractors will be discussed at a meeting.
6. Comparative case study report: Based on the feedback from the subcontractors and the discussions during the meeting, P7 will write a comparative case study report, summarising all findings from the case studies.

Progress during the fourth reporting period

The final draft version was presented and discussed at the interim coordination meeting in Brussels on 3 February 2006. Last comments and suggestions were incorporated in the final version of the report, which was completed by the end of February 2006.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D18) Transversal case analysis	34	Completed	<i>Final draft version completed in December 2005; final report completed in Feb 2006</i>

Milestones

Milestone	Completion date (according to TA)	Status	Comments
M3) Case studies	34	Completed	<i>Completed in Feb 2006</i>

2.3.7 Recommendations (WP7)

Phase: 4

Start date: 27

Completion date according to TA: 40

Completion date: 42

Current status: completed

Partners responsible: P1

Person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	5.25	1.25	1.25	1.25	1.25	1.25	1.25	12.75

Already devoted person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	5.00	1.25	1.25	1.25	1.25	1.25	1.25	12.50

Objectives

1. To provide policy recommendations for policy-makers at regional, national and European level with respect to improving the collective performance of food supply chains towards sustainability.
2. To recommend tools, methods and strategies to actors in food supply chains and surrounding actors (e.g. farmers' unions, consumer organisations, environmental groups), which can be used to improve the collective performance of food supply chains towards sustainability

Methodology and study materials

1. Provisional policy recommendations: All participants will develop provisional policy recommendations for regional and national public authorities, based on the results of workpackages 1, 2, 3 and 5.
2. Provisional practical protocols: All subcontractors will develop provisional practical protocols for actors in the food supply chain and different stakeholders in the institutional environment of food supply chains, based on the results of workpackages 1, 2, 3 and 5.
3. Project coordination meeting 6: All participants and all subcontractors will meet to comment on and fine-tune the provisional national policy recommendations and provisional practical protocols. Through a comparative analysis the participants and subcontractors will propose ideas for a European report entailing practical and policy recommendations.
4. Policy recommendations (national reports): All participants will finalise the national policy recommendations, taking the comments given at the meeting into account, by writing a national report.
5. Practical protocols: All subcontractors will finalise the national practical recommendation, taking the comments given at the meeting into account, by writing a national protocol for actors in the food supply chain and stakeholders in the institutional environment of food supply chains.

Progress during the fourth reporting period

At the end of the third reporting period a first draft of the WP7 synthesis report (D23) was sent to all consortium members. The draft version was also presented and discussed at the interim coordination meeting in Brussels on 3 February 2006. Comments of partners were incorporated in a second version of the synthesis report, which was discussed at the 6th project coordination meeting in Gent (20 – 22 April 2006). At this meeting it was decided to develop a policy brief (in addition to the synthesis report), summarising the main results and

recommendations of the project (see <http://www.sus-chain.org/sus-chain%20leesvolgorde.pdf> for the policy brief). After this meeting the WP7 synthesis report was completed as well as the national reports. The national reports were written in the national language and are a combination of the policy recommendations (D20) and the recommendations for practitioners (D21). In the book Nourishing Networks (D26 – see WP8) a chapter on recommendations for policymakers, practitioners and researchers has been included.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D20) Policy recommendations (national reports)	32	Completed	<i>Combined with D21 into 1 national report</i>
D21) Practical protocols (national reports)	32	Completed	<i>Combined with D20 into 1 national report</i>
D23) Practical & policy recommendations (synthesis report WP7)	40	Completed	<i>First draft finished in December 2005</i>

Milestones

Milestone	Completion date (according to TA)	Status	Comments
M4) Marketing sustainable agriculture: protocol for stakeholders	40	Completed	
M5) Marketing sustainable agriculture: policy recommendations	40	Completed	

2.3.8 Dissemination and feedback (WP8)

Phase: 5

Start date: 6

Completion date according to TA: 42

Completion date: 42

Current status: completed (except for D24)

Partners responsible: P6

Person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	9.05	1.55	1.55	1.55	4.80	5.05	1.55	25.10

Already devoted person months per partner and total:

Participant no.	P1	P2	P3	P4	P5	P6	P7	Total
Person-months	10.85	2.75	3.25	3.25	4.60	5.20	3.15	33.05

Objectives

To have feedback on the provisional results of the project and to disseminate the final results of the project to three different target groups:

1. stakeholders in the social and institutional environment of food chains (e.g. politicians, consumer organisations, environmental groups, etc.)
2. actors in the food chain (e.g. farmers, retailers, processing industry, etc.)
3. the scientific community (agricultural sciences, environmental sciences, consumer studies, economy, sociology, rural studies, etc.).

Methodology and study materials

1. SUS-CHAIN website: As soon as the project starts P1 will develop a SUS-CHAIN website, which will be launched at the start of this workpackage. P1 will maintain and update the website throughout the project. All synthesis reports, executive summaries of national reports and reports of the national seminars will be placed on the website. The website will also entail descriptions of the participants and subcontractors, brief CV's of the scientific teams and links to websites of relevant stakeholders' organisations. The website is a means to disseminate results to different target groups.
2. Dissemination plan: At the start of the workpackage P7 (in collaboration with P1) will write a dissemination plan, outlining in detail the practical implications (e.g. target groups, timetable for deliverables, methodology for the national seminars, etc.) of the dissemination strategy as described in section 5 of the technical annex.
3. National seminar 1: In month 11 the subcontractors will organise the first national seminar to disseminate the provisional results of WP1, 2 & 3 to the target groups and to get feedback on the provisional sets of performance indicators (WP1) and on the state of the art concerning the dynamics of food supply chains (WP2) and consumers' attitudes (WP3). The seminar is also intended to get suggestions from the target groups for the case studies (WP5).
4. National seminar 2: In month 26 the subcontractors will organise the second national seminar to disseminate the provisional results of the case studies and get feedback on these provisional results. In addition the second seminar is intended to collectively assess the opportunities and constraints for improving the performance of food supply chains.
5. National seminar 3: In month 35 the subcontractors will organise the third national seminar to disseminate the provisional practical and policy recommendations and to fine-tune the recommendations on the basis of the feedback given by the target groups.
6. International conference: In month 39 P5 will, in collaboration with P1 organise an international conference especially oriented at Commission representatives and policy makers / stakeholders' organisations from the participating countries. At the conference the major policy recommendations and the protocol to enhance the collective performance of sustainable food chains will be presented.
7. Scientific book: P1 will, together with P5 and P6, edit a scientific book, which will discuss the potential role of new food supply chains in sustainable rural development. All contractors and subcontractors will contribute to this book by writing and submitting empirical, methodological and/or theoretical papers.
8. Final report: P1 will write a final report according to the Commission guidelines.

Progress during the fourth reporting period

During the last reporting period the third national seminars were held in the United Kingdom, Switzerland, Italy, Latvia and Germany (see chapter 5 for brief descriptions of the national seminars). At these seminars the results and provisional recommendations for policymakers and practitioners were presented and discussed.

During the fourth reporting period the book entitled 'Nourishing Networks' was written. This professional publication (D26) discusses the 14 main lessons of the project, each lesson being illustrated by one of the 14 case studies carried out as part of WP5. The book has been edited by P1 and contains contributions from all consortium members (see chapter 5 for more details; see also <http://www.sus-chain.org/book.htm> for book cover, foreword and table of contents)

The international conference was held on 22 June 2006 in Brussels and hosted by the Cabinet of the President of the Committee of the Regions. Central to the conference was the public launch of the book *Nourishing Networks*. After a brief introduction by the project coordinator the book was presented to a forum of stakeholders and policymakers from different countries. These forum members reflected on the book and the

project results, after which the floor was open for discussion with the conference participants (see chapter 5 for more details; see also annex 1).

The finalisation of the scientific book has been delayed. At the interim meeting in Brussels on 3 February 2006 the table of contents of the book was determined. At the 6th project coordination meeting in Gent (20-22 April 2006) 8 of the 12 chapters were presented and discussed. After the meeting all authors submitted final versions of the chapter abstracts to the editors and this was used to approach several publishers to examine whether or not they were interested to publish the book and if so, under what conditions. Several months after the end of the fourth reporting period an agreement was reached with Ashgate Publishers. The book will be published in spring 2007.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D5) Dissemination plan	6	completed/ in progress	
D6) SUS-CHAIN website	9	completed	
D7) National seminars 1	11	completed	
D15) National seminars 2	26	completed	
D19) National seminars 3	35	completed	
D22) International conference	39	completed	Held on 22 June 2006 in Brussels
D24) Scientific book	42	In progress	Draft chapters presented at 6 th coordination meeting; final drafts ready by 15 November 2006, final version by 1 March 2007
D25) SUS-CHAIN final report	42	completed	
D26) Professional book	42	completed	Finalised in June 2006, presented on 22 June 2006 in Brussels

Milestones

Milestone	Completion date (according to TA)	Status	Comments
M6) The role of food supply chains in sustainable rural development	42	complete d	All workpackages, tasks and deliverables contribute towards this final milestone of the project.

3 ROLE OF PARTICIPANTS

3.1 Wageningen University – Rural Sociology Group (P1)

Name and address of the participating organisation

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Scientific team

Prof. dr. ir. J.S.C. Wiskerke	Chair & Professor / Head of Department
Ir. P.J. Brandsma	Jr. researcher (hired for this project)
Ir. J. Wiersum	Jr. researcher (hired for this project)
Dr.ir. D. Roep	Sr. researcher (hired for this project)
Ir. H.A. Oostindie	Jr. researcher (hired for this project)

Contractual links to other participants

None

Objectives

The overall aim of the project is to assess the potential role of food supply chains in the enhancement of sustainable food production and rural development by identifying critical points in food supply chains which currently constrain the further dissemination of sustainable production, and recommend actions that are likely to enhance the prospects for sustainable food markets.

Specific objectives for the work to be carried out in the Netherlands are:

- To map the current definitions of sustainability that are associated with new food supply chains in the Netherlands. To examine the extent to which sustainability claims are interwoven with other quality attributes. To map, on the basis of a set of indicators, the diversity of food chains in the Netherlands.
- To identify the bottlenecks which constrain the enhancement of sustainable food production in the Netherlands.
- To examine ways of communication and mechanism of economic coordination between the actors in the food chain in the Netherlands.
- To develop performance indicators and methods in order to assess the collective performance of the food chain as a whole towards sustainable food production.
- To examine the relevant policy environment for the development of sustainable food supply chains and to formulate policy recommendations for provincial and national authorities in the Netherlands.

The results derived from the research activities carried out in the Netherlands will be used to address the overall objectives (see section 1.1) of the SUS-CHAIN project.

Workplan

P1 is the administrative and scientific coordinator of the project and will therefore play a key role in the scientific coordination, development, monitoring and finalisation of all 8 workpackages (in collaboration with the respective workpackage coordinators). P1 is also coordinator of workpackage 7. In addition to these

coordination tasks, P1 carries out the full range of research and dissemination activities in the Netherlands required to realise the project's objectives.

More specifically the workplan for the Dutch team (i.e. P1 and S1) is as follows:

- *WP1:* P1 will support P3 in the development of a methodology for WP1. According to the WP1 methodology, P1 will conduct a review of Dutch literature and research on food supply chains, in order to assess relevant and interesting FSC performance indicators for three different aspects of FSCs, and to develop national sets of provisional indicators with S1. Based upon the results of WP2 & WP3 and the feedback from the first national seminar, P1 and S1 will contribute to the assessment of the provisional indicators and propose improved sets of indicators. Based upon the results of the case studies and feedback from the second national seminar, P1 and S1 will contribute to the assessment and finalisation of the fine-tuned sets of indicators.
- *WP2:* P1 will support P2 in developing a methodology for the workpackage. The provisional sets of indicators will serve as input for this. P1 will carry out a literature review for the Netherlands on different aspects of FSCs to assess their socio-economic dynamics. P1 and S1 will carry out interviews to supplement this. Based on the review and the interviews P1 will write a national report in collaboration with S1 (D8).
- *WP3:* P1 will support P5 in developing a methodology for the workpackage. P1 will carry out a desk study and (in collaboration with S1) write a national report for the Netherlands on consumer attitudes to sustainable food products (D9).
- *WP4:* P1 will support P4 in developing a methodology for the case studies. P1 and S1 will propose and select 2 case studies for in depth study in the Netherlands. Following the finalisation of the case study methodology, P1 and S1 will translate the case study methodology to the Dutch context and develop a national case study research plan (D14).
- *WP5:* P1 and S1 will collect data for the two Dutch case studies according to the methods outlined in D13 and D14. The Dutch team will also produce a draft description and analysis of the dynamics of the Dutch FSCs being studied and will assess their performance making use of the indicators developed for performance assessment (i.e. WP1). From this, the Dutch team will identify opportunities and constraints for improving the performance of the FSCs under study. Finally, the Dutch team will publish the findings in two case study reports (D16).
- *WP6:* P1 will support P7 in the transversal analysis of the case studies report. The Dutch team will comment on the provisional typologies and assessment of constraints and opportunities produced by P7 and P1.
- *WP7:* P1 will develop provisional policy recommendations for the Dutch regional and national public authorities based on the results of WPs 1, 2, 3 and 5. S1 will develop provisional practical protocols for Dutch FSC actors and different stakeholders in the institutional environment of FSCs based on the results of WP 1, 2, 3 and 5. These will be fine-tuned at the third national seminar and at meeting 6, and Dutch national reports will be written on policy recommendations (D20) and practical protocols (D21) by P1 and S1 respectively. P1 will develop a synthesis report of workpackage 7 (D23), summarising and synthesising all national reports on policy recommendations and all national practical protocols as well as the results of the international conference.
- *WP8:* P1 will develop and regularly update a SUS-CHAIN website (D6). P1 will support P6 in developing a dissemination methodology. S1 will organise the first Dutch national seminar to disseminate and get feedback on the provisional results of WP 1-3 (D7). S1 will also organise the second national seminar to disseminate and get feedback on the provisional Dutch case study results (D15). The provisional policy recommendations and practical protocols will be disseminated in the third national seminar (D19) organised by S1 where these results will be refined. Together with P5, P1 will organise an international conference aimed to discuss and fine-tune the scientific findings and the provisional practical and policy

recommendations with Commission representatives and policy makers and stakeholders' organisations from the participating countries (D22). P1 will, together with P5 and P6, edit a scientific book, which will discuss the potential role of new food supply chains in sustainable rural development (D24). Both P1 and S1 will contribute to this book. Finally P1 will develop a final report summarising all project findings (D25).

Deliverables

Deliverable	Delivery date (according to TA)	Status
D6) SUS-CHAIN website	9	Completed
D7) National seminar (feedback on WP1, 2 & 3)	11	Completed
D8) FSC dynamics (national report WP2)	12	Completed
D9) Consumers' attitudes (national report WP3)	12	Completed
D14) National research plan	16	Completed
D15) National seminar 2 (feedback on case studies)	26	Completed
D16) Case study reports	30	Completed
D19) National seminar 3 (feedback on provisional recommendations)	35	Completed
D20) Policy recommendations (national report)	32	Completed
D21) Practical recommendations (national report)	32	Completed
D22) International conference	39	Completed
D23) Practical & policy recommendations (synthesis report WP7)	40	Completed
D24) Scientific book	42	In progress
D25) SUS-CHAIN final report	42	Completed
D26) Professional book	42	Completed

Research activities during the fourth reporting period

WP1: This WP was completed during the third reporting period.

WP2: This WP was completed during the second reporting period.

WP3: This WP was completed during the second reporting period.

WP4: This WP was completed during the second reporting period.

WP5: This WP was completed during the third reporting period.

WP6: This WP was completed during the third reporting period.

WP7: At the end of the third reporting period P1 had completed a first draft of the WP7 Synthesis report: Practical and Policy Recommendations. This report was then sent to all partners for comments. At the interim meeting on February 3, 2006, this draft version of the WP7 Synthesis report and the provisional recommendations have been discussed extensively. Taking in consideration the various comments on the provisional recommendations from all partners as well as the feedback they got from stakeholders participating at the third national seminars on the lessons and draft recommendations, P1 had completed the WP7 Synthesis report (D23) by the end of the fourth reporting period.

At the final co-ordination meeting in Ghent (April 20, 21, and 22) the partners agreed to integrate the deliverables D20 Practical protocols and D21 Policy Recommendations into one national report, written in the national language. S1 and P1 have co-operated in this and completed the national report on Practical Protocols and Policy recommendations by the end of the fourth reporting period.

WP8: In the fourth reporting period P1 had the lead in the design, the editing and the publication of the professional book (D26). A draft outline was presented and discussed at the interim meeting in Brussels, February 3 2006. This was then elaborated into a detailed outline for the book and its chapters. This outline was sent to all partners with clear instructions for the authors of the respective chapters. At the mean P1 came to an agreement with Reed Business Information to do the lay out and publish the book. A draft lay out of the cover of the book and chapters was

presented at the final co-ordination meeting in Ghent, April 20, 21 and 22. The professional book was completed in the beginning of June and officially presented at the conference in Brussels, June 22.

In the fourth reporting period P1 had also the lead in the design and publication of an international leaflet, capitalising the main results of the SU-CHAIN project. This leaflet has been presented together with the professional book at the international conference in Brussels. The leaflet has been distributed in all countries.

P1 also organised an international conference (D22) in Brussels, June 22, where the results of the SUS-CHAIN project were presented to an international audience of stakeholders (chain members, policymakers and researchers) from all participating countries and the European Union (see Annex 1 for a report on the final event).

P1 had taken the lead in developing a draft outline for the scientific book (D24). All potential authors were asked to submit a (joint) abstract for a chapter before the final co-ordination meeting in Ghent. In Ghent the draft outlines of chapters were presented by the respective authors and discussed. In Ghent all partners agreed that P1, P2 and P5 would take the lead and become editors the scientific book. Draft versions of all chapters are to be delivered by the end of 2006 and publication by an international publisher is foreseen in the spring of 2007.

Significant difficulties or delays experienced during the fourth reporting period

No specific difficulties or delays were experienced by P1.

Sub-contracted work during the third reporting period

Subcontractor (S1)

Centre for Agriculture and Environment

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People involved

- Natasja Oerlemans (coordinator of SUS-CHAIN activities for CLM)
- Eric Hees (researcher)
- Gerwin Verschuur (researcher)

Activities carried out by the subcontractor during the fourth reporting period:

- Meeting with director of CONO to disseminate results of Suschain case study
- Co-writing handbook on best practices with other NGO partners in Suschain project (completion expected end of 2006)
- Writing of chapter 9 in Nourishing Networks (D. Roep & H. Wiskerke eds.)
- Participation in 6th project coordination meeting in Gent, Belgium (20-22 April 2006)
- Attendance of international conference in Brussels, Belgium (June 22nd 2006)
- Writing of the Dutch WP7 National Report.
- Interim meetings with researchers from Wageningen University (P1)

3.2 University of Gloucestershire - Countryside and Community Research Unit (P2)

Name and address of the participating organisation

University of Gloucestershire
Countryside and Community Research Unit (CCRU)
Dunholme Villa
Park Campus
Cheltenham GL50 2RH
United Kingdom

Scientific team

Prof. Bill Slee	Professor and Director of CCRU
Dr. James Kirwan	Research Fellow
Carolyn Foster	FT researcher (employed for SUS-CHAIN from 01.01.2004)
Jonathan Somper	PT researcher (employed for SUS-CHAIN from 01.09.2005)

Contractual links to other participants

None

Objectives

The overall aim of the project is to assess the potential role of food supply chains in the enhancement of sustainable food production and rural development by identifying critical points in food supply chains which currently constrain the further dissemination of sustainable production, and recommend actions that are likely to enhance the prospects for sustainable food markets.

Specific objectives for the work to be carried out in the UK are:

- To map the current definitions of sustainability that are associated with new food supply chains in the UK. To examine the extent to which sustainability claims are interwoven with other quality attributes. To map, on the basis of a set of indicators, the diversity of food chains in the UK.
- To identify the bottlenecks which constrain the enhancement of sustainable food production in the UK.
- To examine ways of communication and mechanism of economic coordination between the actors in the food chain in the UK.
- To develop performance indicators and methods in order to assess the collective performance of the food chain as a whole towards sustainable food production.
- To examine the relevant policy environment for the development of sustainable food supply chains and to formulate policy recommendations for regional and national authorities in the UK.

The results derived from the research activities carried out in the UK will be used to address the overall objectives (see section 1.1) of the SUS-CHAIN project.

Workplan

P2 will carry out the full range of research and dissemination activities in the UK required to realise the project's objectives. P2 is also responsible for WP2 coordination and all the research tasks in the UK. S2 will contribute to all workpackages by means of feedback and reflection on intermediate results and provisional conclusions. In addition S2 will carry out one case study, organise the UK national seminars and write the practical protocols for the UK.

More specifically the workplan for the UK team (i.e. P2 and S2) is as follows:

- *WP1*: According to WP1 methodology, P2 will conduct a review of UK literature and research on food supply chains, in order to assess relevant and interesting FSC performance indicators for three different aspects of FSCs, and to develop national sets of provisional indicators with S2. Based upon the results of WP2 & WP3 and the feedback from the first national seminar, P2 and S2 will contribute to the assessment of the provisional indicators and propose improved sets of indicators. Based upon the results of the case studies and feedback from the second national seminar, P2 and S2 will contribute to the assessment and finalisation of the fine-tuned sets of indicators.
- *WP2*: P2 will develop a methodology for the workpackage (D3). The provisional sets of indicators will serve as input for this. P2 will carry out a literature review for the UK on different aspects of FSCs to assess their socio-economic dynamics. P2 and S2 will carry out interviews to supplement this. Based on the review and the interviews P2 will write a national report in collaboration with S2 (D8). Based on all the national reports P2 will write a synthesis report (D10). As part of this workpackage and WP3, P2 organised a project coordination meeting in Cheltenham.
- *WP3*: P2 will carry out a desk study and (in collaboration with S2) write a national report for the UK on consumer attitudes to sustainable food products (D9).
- *WP4*: P2 and S2 will propose and select 2 case studies for in depth study in the UK. Following finalisation of the case study methodology, P2 and S2 will translate the case study methodology to the UK national context and develop a national case study research plan (D14).
- *WP5*: P2 and S2 will collect data for the two UK case studies according to the methods outlined in D13 and D14. P2/S2 will also produce a draft description and analysis of the dynamics of the UK FSCs being studied and will assess their performance making use of the indicators developed for performance assessment. From this, P2 and S2 will identify opportunities and constraints for improving the performance of the FSCs under study. Finally, P2/S2 will publish the findings in two case study reports (D16).
- *WP6*: P2 and S2 will comment on the provisional typologies and assessment of constraints and opportunities produced by P7 and P1.
- *WP7*: P2 will develop provisional policy recommendations for the UK regional and national public authorities based on the results of WPs 1, 2, 3 and 5. S2 will develop provisional practical protocols for UK FSC actors and different stakeholders in the institutional environment of FSCs based on the results of WP 1, 2, 3 and 5. These will be fine-tuned at meeting 6, and UK national reports will be written on policy recommendations (D20) and practical protocols (D21) by P2 and S2 respectively.
- *WP8*: S2 will organise the first UK national seminar to disseminate and get feedback on the provisional results of WP 1-3 (D7). S2 will also organise the second national seminar to disseminate and get feedback on the provisional UK case study results (D15). The provisional policy recommendations and practical protocols will be disseminated in the third national seminar (D19) organised by S2 where these results will be refined. Both P2 and S2 will contribute to a scientific book based on the project.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D3) WP2 methodology	2	Completed	
D7) National seminar (feedback on WP1, 2 & 3)	11	Completed	
D8) FSC dynamics (national report WP2)	12	Completed	
D9) Consumers' attitudes (national report WP3)	12	Completed	
D10) WP2 Synthesis report	14	Completed	
D14) National research plan	16	Completed	
D15) National seminar 2 (feedback on case studies)	26	Completed	

D16) Case study reports	30	Completed	
D19) National seminar 3 (feedback on provisional recommendations)	35	Completed	
D20) Policy recommendations (national report)	32	Completed	
D21) Practical recommendations (national report)	32	Completed	

Research activities during the fourth reporting period

WP1: This WP was completed during a previous reporting period.

WP2: This WP was completed during a previous reporting period.

WP3: This WP was completed during a previous reporting period.

WP4: This WP was completed during a previous reporting period.

WP5: This WP was completed during the third reporting period.

WP6: This WP was completed during the third reporting period.

WP7: The national practical and policy recommendations were completed during the fourth reporting period. They were based on the results of WPs 1, 2, 3 and 5, as well as the WP7 synthesis report. They were further fine tuned following the third national seminar, which was held in May 2006.

WP8: The second national seminars were held in the third reporting period. The third national seminar was held on 22 May 2006 at the National Trust headquarters, Swindon. It was entitled 'getting a rural development win from regionalising food supply chains': organised by S2 with assistance from P2. This seminar was attended by 24 persons (from research, consultancy, rural development agencies, food-related NGOs and societal organisations). At this seminar, the results of the two UK case studies, both of which have examined the regionalisation of food procurement, were presented (including drawing on the draft policy recommendations and practical protocols). The seminar started with a scene-setter that set out the research and policy state of play in relation to regionalising food supply chains and rural development, based on work done within the Suschain project. Four different perspectives were then given on what this means in practice. Each of the two UK case studies were reported by the researchers concerned. This was followed by a presentation of the Suschain Tegut retailer case study by Burkhard Schaer of Ecozept, in order to provide a German comparison. This session was then concluded with an economic perspective on food chains and money flows, given by the director of the New Economic Foundation, Jim Sumberg, who is based in London. In the afternoon, there were group discussions on the barriers and solutions to making the link between local procurement and rural development. The seminar concluded by drawing out some of the main crosscutting themes to emerge during the day, which were then fed into the policy recommendations and practical protocols. In addition, a 12 page workshop report was completed by S2 and disseminated to the participants. Each of the participants was also sent a copy of the Suschain book *Nourishing Networks: Fourteen Lessons About Creating Sustainable Food Supply Chains*, once it was published.

P2 and S2 actively contributed to an extraordinary Suschain meeting held in Brussels in February 2006, as well as to the final project coordination meeting in Gent in April 2006. P2 also attended the professional book launch in Brussels in June 2006.

Both P2 and S2 are contributing to the scientific book based on the project. In total they are contributing to five chapters and, in addition, one of the P2 team are co-editing this book.

Significant difficulties or delays experienced during the fourth reporting period

No specific difficulties or delays were experienced by P2 during this reporting period.

Subcontracted work during the third reporting period*Subcontractor (S2)*

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Activities carried out by the subcontractor during the fourth reporting period:

- Taking the lead in organising the third national seminar, which was held on 22 May 2006 at the National Trust Headquarters, Swindon.
- Producing a 12 page workshop report which was disseminated to the participants of the third national seminar, together with a copy of the Suschain book *Nourishing Networks: Fourteen Lessons About Creating Sustainable Food Supply Chains*.
- Contributed towards an extraordinary Suschain meeting held in Brussels in February 2006, as well as to the final project coordination meeting in Gent in April 2006.
- Contributed towards the UK policy recommendations and practical protocols.

3.3 Swiss Federal Institute of Technology – Institute of Agricultural Economics (P3)

Name and address of the participating organisation

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Scientific team

Dr. Jean-Marc Chappuis	Senior researcher (until 30. 03 .2005)
Dr. Sophie Réviron	Senior researcher
Mrs. Marguerite Paus	Junior researcher
Prof.dr. Bernard Lehmann	Professor

Contractual links to other participants

None.

Objectives

The overall aim of the project is to assess the potential role of food supply chains in the enhancement of sustainable food production and rural development by identifying critical points in food supply chains which currently constrain the further dissemination of sustainable production, and recommend actions that are likely to enhance the prospects for sustainable food markets.

Specific objectives for the work to be carried out in Switzerland are:

- To map the current definitions of sustainability that are associated with new food supply chains in Switzerland. To examine the extent to which sustainability claims are interwoven with other quality attributes. To map, on the basis of a set of indicators, the diversity of food chains in Switzerland.
- To identify the bottlenecks which constrain the enhancement of sustainable food production in Switzerland.
- To examine ways of communication and mechanism of economic coordination between the actors in the food chain in Switzerland.
- To develop performance indicators and methods in order to assess the collective performance of the food chain as a whole towards sustainable food production.
- To examine the relevant policy environment for the development of sustainable food supply chains and to formulate policy recommendations for regional and national authorities in Switzerland.

The results derived from the research activities carried out in Switzerland will be used to address the overall objectives (see section 1.1) of the SUS-CHAIN project.

Workplan

P3 will carry out the full range of research and dissemination activities in Switzerland required to realise the project's objectives. P3 is also responsible for WP1 coordination and all the research tasks in Switzerland. S3 will contribute to all workpackages by means of feedback and reflection on intermediate results and provisional conclusions. In addition S3 will carry out one case study, organise the Swiss national seminars and write the practical protocols for Switzerland.

More specifically the workplan for the Swiss team (i.e. P3 and S3) is as follows:

- *WP1*: At the start of the project P3 will develop a methodology for WP1 (D1). According to this methodology, P3 will conduct a review of Swiss literature and research on food supply chains, in order to assess relevant and interesting FSC performance indicators for three different aspects of FSCs, and to develop national sets of provisional indicators with S3. Based upon all national reviews P3 will develop a provisional set of FSC performance indicators (D2). This deliverable will serve as input for the methodologies of WP2 and WP3. Based upon the results of WP2 & WP3 and the feedback from the first national seminars, P3 will assess the provisional indicators and propose improved sets of indicators (D12). Based upon the results of the case studies and feedback from the second national seminars, P3 will develop a final set of FSC performance indicators (D17).
- *WP2*: Based upon the WP2 methodology P3 will carry out a literature review for Switzerland on different aspects of FSCs to assess their socio-economic dynamics. P3 and S3 will carry out interviews to supplement this. Based on the review and the interviews P3 will write a national report in collaboration with S3 (D8).
- *WP3*: Based upon the WP3 methodology P3 will carry out a desk study and (in collaboration with S3) write a national report for Switzerland on consumer attitudes to sustainable food products (D9).
- *WP4*: P3 and S3 will propose and select 2 case studies for in depth study in Switzerland. Following finalisation of the case study methodology, P3 and S3 will translate the case study methodology to the Swiss national context and develop a national case study research plan (D14).
- *WP5*: P3 and S3 will collect data for the two Swiss case studies according to the methods outlined in D13 and D14. The Swiss team will also produce a draft description and analysis of the dynamics of the Swiss FSCs being studied and will assess their performance making use of the indicators developed for performance assessment. From this, the Swiss team will identify opportunities and constraints for improving the performance of the FSCs under study. Finally, the Swiss team will publish the findings in two case study reports (D16).
- *WP6*: P3 and S3 will comment on the provisional typologies and assessment of constraints and opportunities produced by P7 and P1.
- *WP7*: P3 will develop provisional policy recommendations for the Swiss regional and national public authorities based on the results of WPs 1, 2, 3 and 5. S3 will develop provisional practical protocols for Swiss FSC actors and different stakeholders in the institutional environment of FSCs based on the results of WP 1, 2, 3 and 5. These will be fine-tuned at meeting 6, and Swiss national reports will be written on policy recommendations (D20) and practical protocols (D21) by P3 and S3 respectively.
- *WP8*: S3 will organise the first Swiss national seminar to disseminate and get feedback on the provisional results of WP 1-3 (D7). S3 will also organise the second national seminar to disseminate and get feedback on the provisional Swiss case study results (D15). The provisional policy recommendations and practical protocols will be disseminated in the third national seminar (D19) organised by S3 where these results will be refined. Both P3 and S3 will contribute to a scientific book based on the project.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D1) WP1 methodology	1	Completed	
D2) Provisional set of FSC performance indicators	2	Completed	
D7) National seminar (feedback on WP1, 2 & 3)	11	Completed	
D8) FSC dynamics (national report WP2)	12	Completed	
D9) Consumers' attitudes (national report WP3)	12	Completed	
D12) Fine tuned sets of FSC performance indicators	14	Completed	
D14) National research plan	16	Completed	
D15) National seminar 2 (feedback on case studies)	26	Completed	
D16) Case study reports	30	Completed	
D17) Final sets of performance indicators	26	Completed	<i>Integrated in D18</i>
D19) National seminar 3 (feedback on provisional recommendations)	35	Completed	<i>Postponed to 3.05.2006</i>
D20) Policy recommendations (national report)	32	Completed	
D21) Practical recommendations (national report)	32	Completed	

Research activities during the fourth reporting period

WP1: All research activities related to WP1 were finalised during the third reporting period.

WP2: All research activities related to WP2 were finalised during the first reporting period.

WP3: All research activities related to WP3 were finalised during the first reporting period.

WP4: All research activities related to WP4 were finalised during the first reporting period.

WP5: M. Paus completed the survey that was started during the third period to assess the effects of the two Swiss initiatives on sustainable rural development. The final results were presented during the third final national seminar in May 2006.

WP6: The Swiss team made edits and comments on the last version of the WP6 report prepared by P7.

WP7: P3 reviewed the WP7 synthesis report and wrote with S3 the WP7 national report in French: recommendations et outils de mise en oeuvre.

WP8: The extension period from January to June 2006 was mostly dedicated to dissemination of results:

- Presentation of a scientific paper at the 96th seminar of the European agricultural Economists association: Révion S., "New architecture, new transaction skills in the food supply chains", 10-11 January, Taenikon, Switzerland.
- Writing and editing of chapter 14 (Valais rye bread PDO) of the professional book that was launched in Brussels on June 23.
- Writing of two special reports to transfer the Sus-chain methodology and results to the Siner-Gi European project team: the first one about the Sus-chain methodology (Révion S. with H. Van der Meulen from Wageningen University), the second one a review of methods for assessing initiatives' effects on rural development (Révion S. & Paus M.)
- Writing papers for the scientific book: scaling up, benefits versus risks (S. Révion with G: Brunori and J-M Chappuis), Hybrid firms and decision power distribution within the Sus-chain initiatives (S: Révion with A. Vuylsteke and G. Van Huylenbroeck).
- Translation of the WP2 report in French, which was presented during the 3rd national seminar.

The 3rd and final national seminar was held on June 3 in Zollikofen. We invited for a talk Gundula Yahn (from P7), A. Vuylsteke (P5) and Ada Rossi (P 4). Mr Zizyadis, member of the Swiss parliament, which created recently a parliamentary group about "tasty food" was invited to react to the Swiss team recommendations report.

Significant difficulties or delays experienced during the fourth reporting period

The extension period led to extra-work, with some organisational and budget problems.

Sub-contracted work during the third reporting period*Subcontractor (S3)*

AGRIDEA , ex Service romand de vulgarisation agricole (SRVA)

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Switzerland

Persons involved:

- Dr. Dominique Barjolle (SRVA) [d.barjolle@srva.ch]
- Peter Damary (SRVA) [p.damary@srva.ch]
- Pierre Praz (SRVA) [p.praz@srva.ch]

Sub-contracted work during the fourth reporting period

- AGRIDEA (ex SRVA) was mainly involved in the realisation of D8, the third national seminar that was held in Zoligofen on 3 June 2005.
- AGRIDEA finalized the chapter 6 of the professional book dedicated to Naturabeef.
- AGRIDEA was co-author of the WP7 national report.
- It was in charge of printing and disseminating the reports prepared by the Swiss team .
- D. Barjolle and P: Damary are co-authors of a chapter in the scientific book.
- SRVA was co-leader with S1 and S7 in preparing a project to build-up a “too-kit” for professionals that would be interested in creating and running a sustainable agriculture initiative. But it was not possible to go on with this project because of a lack of budget.

3.4 University of Pisa – Department of Agricultural Economics (P4)

Name and address of the participating organisation

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Scientific team

Prof. G. Brunori	Associate Professor
Prof. L. Iacoponi	Professor – Chair of Agricultural Economics
Ir. A. Rossi	Senior Researcher
Ir. R. Cerruti	Junior Researcher (collaborator)
Ir. S. Medeot	Junior Researcher (collaborator)

Contractual links to other participants

None

Objectives

The overall aim of the project is to assess the potential role of food supply chains in the enhancement of sustainable food production and rural development by identifying critical points in food supply chains which currently constrain the further dissemination of sustainable production, and recommend actions that are likely to enhance the prospects for sustainable food markets.

Specific objectives for the work to be carried out in Italy are:

- To map the current definitions of sustainability that are associated with new food supply chains in Italy. To examine the extent to which sustainability claims are interwoven with other quality attributes. To map, on the basis of a set of indicators, the diversity of food chains in Italy.
- To identify the bottlenecks which constrain the enhancement of sustainable food production in Italy.
- To examine ways of communication and mechanism of economic coordination between the actors in the food chain in Italy.
- To develop performance indicators and methods in order to assess the collective performance of the food chain as a whole towards sustainable food production.
- To examine the relevant policy environment for the development of sustainable food supply chains and to formulate policy recommendations for regional and national authorities in Italy.

The results derived from the research activities carried out in Italy will be used to address the overall objectives (see section 1.1) of the SUS-CHAIN project.

Workplan

P4 will carry out the full range of research and dissemination activities in Italy required to realise the project's objectives. P4 is also responsible for WP4 and WP5 coordination and all the research tasks in Italy. S4 will contribute to all workpackages by means of feedback and reflection on intermediate results and provisional conclusions. In addition S4 will carry out one case study, organise the Italian national seminars and write the practical protocols for Italy. More specifically the workplan for the Italian team (i.e. P4 and S4) is as follows:

- *WP1*: According to WP1 methodology, P4 will conduct a review of Italian literature and research on food supply chains, in order to assess relevant and interesting FSC performance indicators for three different aspects of FSCs, and to develop national sets of provisional indicators with S4. Based upon the results of WP2 & WP3 and the feedback from the first national seminar, P4 and S4 will contribute to the assessment of the provisional indicators and propose improved sets of indicators. Based upon the results of the case studies and feedback from the second national seminar, P4 and S4 will contribute to the assessment and finalisation of the fine-tuned sets of indicators.
- *WP2*: Based upon the WP2 methodology P4 will carry out a literature review for Italy on different aspects of FSCs to assess their socio-economic dynamics. P4 and S4 will carry out interviews to supplement this. Based on the review and the interviews P4 will write a national report in collaboration with S4 (D8).
- *WP3*: Based upon the WP3 methodology P4 will carry out a desk study and (in collaboration with S4) write a national report for Italy on consumer attitudes to sustainable food products (D9).
- *WP4*: P4 will develop, with support of P1, a draft methodology for the case studies. P4 and S4 will propose and select 2 case studies for in depth study in Italy. Together with P1, P4 will assess the case studies proposed by the participants and make a final selection according to several criteria. The draft methodology and the selected cases will be discussed at third project coordination meeting, which will be organised by the Italian team. After this meeting P4, together with P1, will develop a final case study methodology (D13). P4 and S4 will translate the case study methodology to the Italian national context and develop a national case study research plan (D14).
- *WP5*: The Italian team will collect data for the two Italian case studies according to the methods outlined in D13 and D14. The Italian team will also produce a draft description and analysis of the dynamics of the Italian FSCs being studied and will assess their performance making use of the indicators developed for performance assessment. From this, P4 and S4 will identify opportunities and constraints for improving the performance of the FSCs under study. Finally, the Italian team will publish the findings in two case study reports (D16).
- *WP6*: P4 and S4 will comment on the provisional typologies and assessment of constraints and opportunities produced by P7 and P1.
- *WP7*: P4 will develop provisional policy recommendations for the Italian regional and national public authorities based on the results of WPs 1, 2, 3 and 5. S4 will develop provisional practical protocols for Italian FSC actors and different stakeholders in the institutional environment of FSCs based on the results of WP 1, 2, 3 and 5. These will be fine-tuned at meeting 6, and Italian national reports will be written on policy recommendations (D20) and practical protocols (D21) by P4 and S4 respectively.
- *WP8*: S4 will organise the first Italian national seminar to disseminate and get feedback on the provisional results of WP 1-3 (D7). S4 will also organise the second national seminar to disseminate and get feedback on the provisional Italian case study results (D15). The provisional policy recommendations and practical protocols will be disseminated in the third national seminar (D19) organised by S4 where these results will be refined. Both P4 and S4 will contribute to a scientific book based on the project.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D7) National seminar (feedback on WP1, 2 & 3)	11	Completed	
D8) FSC dynamics (national report WP2)	12	Completed	
D9) Consumers' attitudes (national report WP3)	12	Completed	
D13) Overall case study methodology	16	Completed	
D14) National research plan	16	Completed	
D15) National seminar 2 (feedback on case)	26	Completed	

studies)			
D16) Case study reports	30	Completed	
D19) National seminar 3 (feedback on provisional recommendations)	35	Completed	
D20) Policy recommendations (national report)	32	Completed	
D21) Practical recommendations (national report)	32	Completed	

Research activities during the fourth reporting period

WP1: All research activities related to WP1 were finalised during the third reporting period.

WP2: All research activities related to WP2 were finalised during the first reporting period.

WP3: All research activities related to WP3 were finalised during the first reporting period.

WP4: All research activities related to WP4 were finalised during the second reporting period.

WP5: All research activities related to WP5 were finalised during the third reporting period.

WP6: All research activities related to WP6 were finalised during the third reporting period.

WP7: Provisional policy recommendations were analysed and discussed during the 6th SUS-CHAIN co-ordination meeting in Gent. The Third National Seminar also gave relevant inputs in order to finalise Policy Recommendations and Practical recommendations (D20, D21 and D23).

WP8: On April, 11th 2006 the Third SUS-CHAIN National Seminar was organised in Rome, in order to have feed-backs on the provisional policy and practical recommendations. During the seminar it was possible to share analysis and conclusions of SUS-chain project not only with national stakeholders, but also with other SUS-CHAIN partners, what facilitated the further common work on the scientific book (D24) and professional publication (D26). Besides, also P4 members participated to other SUS-CHAIN partners National Seminars (Switzerland, May 2006), while in June 2006 they were involved, as all the other SUS-CHAIN partners, in the International Conference (D22).

Significant difficulties or delays experienced during the fourth reporting period

The fourth reporting period enabled to conclude the entire work of SUS-CHAIN project despite the delay developed during the previous reporting periods. Therefore it was possible to organize the Third National Seminar, to finalize the lacking deliverables, such as the Policy and Practical Recommendations, and to conclude the scientific and professional books.

Sub-contracted work during the third reporting period

Subcontractor (S4)

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WP7: IRIPA provided the provisional practical protocols and helped to conclude Policy and Practical recommendations (D20, D21 and D23)

WP8: IRIPA and UNIPi jointly organised the Third National Seminar, held in Rome at Palazzo Rospigliosi on April, 11th 2006. IRIPA also provided important inputs for the International Conference (D22) and the professional book (D26).

3.5 University of Ghent – Department of Agricultural Economics (P5)

Name and address of the participating organisation

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Scientific team

Prof. dr. Guido Van Huylenbroeck	Professor
Prof. dr. Wim Verbeke	Professor
Ir. Anne Vuylsteke	Researcher

Contractual links to other participants

None

Objectives

The overall aim of the project is to assess the potential role of food supply chains in the enhancement of sustainable food production and rural development by identifying critical points in food supply chains which currently constrain the further dissemination of sustainable production, and recommend actions that are likely to enhance the prospects for sustainable food markets.

Specific objectives for the work to be carried out in Belgium are:

- To map the current definitions of sustainability that are associated with new food supply chains in Belgium. To examine the extent to which sustainability claims are interwoven with other quality attributes. To map, on the basis of a set of indicators, the diversity of food chains in Belgium.
- To identify the bottlenecks which constrain the enhancement of sustainable food production in Belgium.
- To examine ways of communication and mechanism of economic coordination between the actors in the food chain in Belgium.
- To develop performance indicators and methods in order to assess the collective performance of the food chain as a whole towards sustainable food production.
- To examine the relevant policy environment for the development of sustainable food supply chains and to formulate policy recommendations for regional and national authorities in Belgium.

The results derived from the research activities carried out in Belgium will be used to address the overall objectives (see section 1.1) of the SUS-CHAIN project.

Workplan

P5 will carry out the full range of research and dissemination activities in Belgium required to realise the project's objectives. P5 is also responsible for WP3 coordination and all the research tasks in Belgium. S5 will contribute to all workpackages by means of feedback and reflection on intermediate results and provisional conclusions. In addition S5 will carry out one case study, organise the Italian national seminars and write the practical protocols for Belgium.

More specifically the workplan for the Belgian team (i.e. P5 and S5) is as follows:

- *WP1*: According to WP1 methodology, P5 will conduct a review of Italian literature and research on food supply chains, in order to assess relevant and interesting FSC performance indicators for three different aspects of FSCs, and to develop national sets of provisional indicators with S5. Based upon the results of WP2 & WP3 and the feedback from the first national seminar, P5 and S5 will contribute to the

- assessment of the provisional indicators and propose improved sets of indicators. Based upon the results of the case studies and feedback from the second national seminar, P5 and S5 will contribute to the assessment and finalisation of the fine-tuned sets of indicators.
- *WP2*: Based upon the WP2 methodology P5 will carry out a literature review for Belgium on different aspects of FSCs to assess their socio-economic dynamics. P5 and S5 will carry out interviews to supplement this. Based on the review and the interviews P5 will write a national report in collaboration with S5 (D8).
 - *WP3*: P5 will develop a methodology for the desk study on consumers' attitudes and behaviour (D4). Based upon the WP3 methodology P5 will carry out a desk study and (in collaboration with S5) write a national report for Belgium on consumer attitudes to sustainable food products (D9). Based upon all national reports P5 will write a WP3 synthesis report, summarising and analysing differences and similarities in consumers' attitudes and behaviour in the participating countries (D11).
 - *WP4*: P5 and S5 will propose and select 2 case studies for in depth study in Belgium. P5 and S5 will translate the case study methodology to the Belgian national context and develop a national case study research plan (D14).
 - *WP5*: The Belgian team will collect data for the two Belgian case studies according to the methods outlined in D13 and D14. The Belgian team will also produce a draft description and analysis of the dynamics of the Belgian FSCs being studied and will assess their performance making use of the indicators developed for performance assessment. From this, P5 and S5 will identify opportunities and constraints for improving the performance of the FSCs under study. Finally, the Belgian team will publish the findings in two case study reports (D16).
 - *WP6*: P5 and S5 will comment on the provisional typologies and assessment of constraints and opportunities produced by P7 and P1.
 - *WP7*: P5 will develop provisional policy recommendations for the Belgian regional and national public authorities based on the results of WPs 1, 2, 3 and 5. S5 will develop provisional practical protocols for Belgian FSC actors and different stakeholders in the institutional environment of FSCs based on the results of WP 1, 2, 3 and 5. These will be fine-tuned at meeting 6, and Belgian national reports will be written on policy recommendations (D20) and practical protocols (D21) by P5 and S5 respectively.
 - *WP8*: S5 will organise the first Belgian national seminar to disseminate and get feedback on the provisional results of WP 1-3 (D7). S5 will also organise the second national seminar to disseminate and get feedback on the provisional Belgian case study results (D15). The provisional policy recommendations and practical protocols will be disseminated in the third national seminar (D19) organised by S5 where these results will be refined. Together with P1 P5 will organise an international conference (D22). Together with P1 and P6 P5 will edit a scientific book (D24). Both P5 and S5 will contribute to a scientific book based on the project.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D3) WP3 methodology	2	Completed	
D7) National seminar (feedback on WP1, 2 & 3)	11	Completed	<i>Held on 15 December 2003</i>
D8) FSC dynamics (national report WP2)	12	Completed	
D9) Consumers' attitudes (national report WP3)	12	Completed	
D11) WP3 synthesis report	14	Completed	<i>Completed in April 2004</i>
D14) National research plan	16	Completed	
D15) National seminar 2 (feedback on WP4 & 5)	26	Completed	<i>Held on 8 March 2005</i>
D16) Case study reports	30	Completed	
D19) National seminar 3 (feedback on provisional recommendations)	35	Completed	<i>Held on 8 December 2005</i>

D20) Policy recommendations (national report)	32	Completed	
D21) Practical recommendations (national report)	32	Completed	
D22) International conference	39	Completed	
D24) Scientific book	42	In progress	

Research activities during the third reporting period

WP1: No activities have been undertaken by P5 and S5 concerning this workpackage

WP2: All research activities related to WP2 were finalised during the first reporting period.

WP3: All research activities related to WP3 were finalised during the second reporting period.

WP4: All research activities related to WP4 were finalised during the second reporting period.

WP5: All research activities related to WP4 were finalised during the third reporting period

WP6: The final results of the comparative case study reports were presented by the German team on the coordination in Brussels (February, 3rd 2006). Afterwards, P5 gave some final remarks in order to finalise the report.

WP7: During the fourth reporting period, P5 and S5 worked on a report called “Belgisch nationaal rapport: Lessen en aanbevelingen uit het onderzoek”. Starting from the WP7 synthesis report elaborated by the Dutch team, the Belgian report gives an overview of the general findings of the SUS-CHAIN project in relation to the Flemish examples of alternative food supply chains and the cases that were studied in the project. Furthermore, practical and policy recommendations are formulated starting from the Flemish context.

WP8: The activities concerning WP8 concerned contributions to the professional book “Nourishing Networks”, the preparation of 2 chapters for the scientific book and reporting on the international conference (held on June 22th, 2006). All these issues were also addressed in the final coordination meeting that took place in Ghent, from 19 to 22 April 2006. P5 was responsible for the organisation of the meeting.

In the preparations of the chapters for the professional book, the lay-out prepared by the Dutch team was used. Eventually, the realisation of these texts took about 1 month for both P5 and S5 (which are not included in the following table) and resulted in the following chapters:

- A strategic alliance with chain partners (Lieve Vercauteren)
- Willingness to invest in a shared enterprise (Anne Vuylsteke and Guido Van Huylenbroeck)

Guido Van Huylenbroeck will be one of the editors of the scientific book and the first steps towards publication have been taken. P5 is also involved in two papers that will be included in the scientific book of the project and that have the following working title:

- Hybrid firms and decision power distribution within the SUS-CHAIN initiatives (Sophie Réviron, Anne Vuylsteke and Guido Van Huylenbroeck)
- Alternative food supply chains as examples of innovative systems and their relation with support (Anne Vuylsteke and Guido Van Huylenbroeck)

During the fourth reporting period, the main writing activities concerning this papers have taken place and a final draft is sent to the editors of the book.

On June 22th, 2006, the SUS-CHAIN international conference was organised in Brussels. P5 and S5 partners were hereby responsible for the invitation of the Belgian stakeholders and member of the European Parliament’s Committee of Agriculture and for the report on the event.

Significant difficulties or delays experienced during the fourth reporting period

No significant difficulties or delays to be reported for the fourth reporting period.

Sub-contracted work during the third reporting period

Subcontractor (S5)

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E-mail: Lieve.Vercauteren@vredeseilanden.be

Activities carried out by subcontractor during the third reporting period:

- Participation in the project coordination meetings in Ghent.
- Preparation, discussion and finalisation of the national WP 7 report (practical recommendations, policy recommendations)
- Participation in the SUS-CHAIN final event (June, 22nd 2006, Brussels)

3.6 Baltic Studies Centre (P6)

Name and address of the participating organisation

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Tel. +371 9417173
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E-mail tt@lza.lv

Scientific team

Dr.soc. Talis Tisenkopfs	Senior researcher/Director and country team coordinator in Latvia
Ma. Soc. Sandra Sumane	Jr. researcher (hired for this project)
Ma. Soc. Ilze Lace	Jr. researcher (hired for this project)
Ma. Soc. Anita Kalnina	Jr. researcher (hired for this project)

Contractual links to other participants

None

Objectives

The overall aim of the project is to assess the potential role of food supply chains in the enhancement of sustainable food production and rural development by identifying critical points in food supply chains which currently constrain the further dissemination of sustainable production, and recommend actions that are likely to enhance the prospects for sustainable food markets. Specific objectives for the work to be carried out in Latvia are:

- To map the current definitions of sustainability that are associated with new food supply chains in Latvia. To examine the extent to which sustainability claims are interwoven with other quality attributes. To map, on the basis of a set of indicators, the diversity of food chains in Latvia.
- To identify the bottlenecks which constrain the enhancement of sustainable food production in Latvia.
- To examine ways of communication and mechanism of economic coordination between the actors in the food chain in Latvia.
- To develop performance indicators and methods in order to assess the collective performance of the food chain as a whole towards sustainable food production.
- To examine the relevant policy environment for the development of sustainable food supply chains and to formulate policy recommendations for regional and national authorities in Latvia.

The results derived from the research activities carried out in Latvia will be used to address the overall objectives (see section 1.1) of the SUS-CHAIN project.

Workplan

P6 will carry out the full range of research and dissemination activities in Latvia required to realise the project's objectives. P6 is also responsible for WP8 coordination and all the research tasks in Latvia. S6 will contribute to all workpackages by means of feedback and reflection on intermediate results and provisional conclusions. In addition S6 will carry out one case study, organise the Latvian national seminars and write the practical protocols for Latvia.

More specifically the workplan for the Latvian team (i.e. P6 and S6) is as follows:

- *WP1*: According to WP1 methodology, P6 will conduct a review of Latvian literature and research on food supply chains, in order to assess relevant and interesting FSC performance indicators for three different

aspects of FSCs, and to develop national sets of provisional indicators with S6. Based upon the results of WP2 & WP3 and the feedback from the first national seminar, P6 and S6 will contribute to the assessment of the provisional indicators and propose improved sets of indicators. Based upon the results of the case studies and feedback from the second national seminar, P6 and S6 will contribute to the assessment and finalisation of the fine-tuned sets of indicators.

- *WP2*: Based upon the WP2 methodology P6 will carry out a literature review for Latvia on different aspects of FSCs to assess their socio-economic dynamics. P6 and S6 will carry out interviews to supplement this. Based on the review and the interviews P6 will write a national report in collaboration with S6 (D8).
- *WP3*: Based upon the WP3 methodology P6 will carry out a desk study and (in collaboration with S6) write a national report for Latvia on consumer attitudes to sustainable food products (D9).
- *WP4*: P6 and S6 will propose and select 2 case studies for in depth study in Latvia. P6 and S6 will translate the case study methodology to the Latvian national context and develop a national case study research plan (D14).
- *WP5*: The Latvian team will collect data for the two Latvian case studies according to the methods outlined in D13 and D14. The Latvian team will also produce a draft description and analysis of the dynamics of the Latvian FSCs being studied and will assess their performance making use of the indicators developed for performance assessment. From this, P6 and S6 will identify opportunities and constraints for improving the performance of the FSCs under study. Finally, the Latvian team will publish the findings in two case study reports (D16).
- *WP6*: P6 and S6 will comment on the provisional typologies and assessment of constraints and opportunities produced by P7 and P1.
- *WP7*: P6 will develop provisional policy recommendations for the Latvian regional and national public authorities based on the results of WPs 1, 2, 3 and 5. S4 will develop provisional practical protocols for Latvian FSC actors and different stakeholders in the institutional environment of FSCs based on the results of WP 1, 2, 3 and 5. These will be fine-tuned at meeting 6, and Latvian national reports will be written on policy recommendations (D20) and practical protocols (D21) by P6 and S6 respectively.
- *WP8*: P6 will develop, together with P1, a methodology of dissemination and feedback (D5) S6 will organise the first Latvian national seminar to disseminate and get feedback on the provisional results of WP 1-3 (D7). S6 will also organise the second national seminar to disseminate and get feedback on the provisional Latvian case study results (D15). The provisional policy recommendations and practical protocols will be disseminated in the third national seminar (D19) organised by S6 where these results will be refined. Together with P1 and P5 P6 will be responsible for editing a scientific book (D24). Both P6 and S6 will contribute to this book based on the project.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D5) Dissemination plan	6	Completed	
D7) National seminar (feedback on WP1, 2 & 3)	11	Completed	<i>Held in November 2003</i>
D8) FSC dynamics (national report WP2)	12	Completed	
D9) Consumers' attitudes (national report WP3)	12	Completed	
D14) National research plan	16	Completed	
D15) National seminar 2 (feedback on case studies)	26	Completed	<i>Held in April 2005</i>
D16) Case study reports	30	Completed	<i>Finalised in November 2005</i>
D19) National seminar 3 (feedback on provisional recommendations)	35	Completed	<i>Held in March 2006</i>
D20) Policy recommendations (national report)	32	Completed	<i>D20 and D21 combined in one document disseminated among</i>

			<i>stakeholders and policy makers</i>
D21) Practical recommendations (national report)	32	Completed	
D24) Scientific book	42	In progress	<i>Draft chapter to be ready by 15 November 2006</i>

Research activities during the fourth reporting period

WP1: The work on elaborating the final sets of indicators based on case study analysis and discussions at national seminars was mainly done during the 1st and 2nd reporting periods. During the third reporting period the set of food supply chain performance indicators was discussed and commented by stakeholders at 2nd national seminar. The comments were taken forward in the framework of WP6 comparative analysis, especially discussing the draft comparative reports at project coordination meetings in Riga (May 2005) and Brussels (September 2005).

WP2: All research activities related to WP2 were finalised during the first reporting period.

WP3: All research activities related to WP3 were finalised during the first reporting period.

WP4: All research activities related to WP4 were finalised during the second reporting period.

WP5: The Latvian team finalised case studies in 2005 (during the 3rd reporting period). The final case study reports based on the main cases *Rankas Piens (Ranka Dairy)* and *the Latvian Beef Cattle Breeders Association* were completed and sent to partners in November 2005.

WP6: The Latvian team was responsible for organisation of the 5th project coordination meeting in Riga (18-20 May 2005), whose focus was on comparative analysis and development of preliminary typology of new food supply chains. P6 contributed to the development and finalisation of WP6 by commenting on draft and final versions of the comparative case study analysis. WP 6 report on transversal case study analysis was discussed at SUS-CHAIN interim meetings in September 2005 and February 2006 in Brussels.

WP7: P1 developed a common framework for WP7 "Practical and policy recommendations". This format was used to translate the case- and theme-specific conclusions and lessons into recommendations for practitioners, policy-makers and researchers, and to develop a typology of FSC development trajectories. The scientific team of P1 did this analytical work. P6 participated in discussions on the FSC typology and development trajectories at interim meetings in Brussels on 30 September 2005 and 3 February 2006. The common framework was subsequently used by P6 to write Deliverables 20 and 21 – The National Report that included policy recommendations and practical protocols.

WP8: Organisation of the 3rd National seminar was the main dissemination activity in the fourth reporting period. The seminar took place on 31 March 2006. It was attended by 20 participants – representatives of the Ministry of Agriculture, research, agricultural marketing and farmers organisations and the media. The discussion was organised around three themes: diversity of food supply chain configurations and development trajectories in Europe; the lessons learnt from the comparative case study analysis; and the recommendations for practitioners, policy makers and researchers using examples of two Latvian case studies.

Several policy and practical recommendations resulted from the discussion. Participants identified key directions and practical steps in order to improve the functioning and governance of sustainable FSCs in Latvia: improved communication and information among consumers; education and training of producers; cooperation among producers; collective marketing; cooperation between chain partners; development and support to trade marks and quality labels for sustainable products; scientific research. These recommendations were later specified and included in the National Report. P6 wrote two chapters for the professional book "Nourishing networks" based on Latvian case studies. The copies of professional book are being disseminated together with project leaflets and the National Report among relevant policy institutions, research organisations, libraries, agricultural advisory service organisations, farmers' organisations and other stakeholders. These activities

enhance access to project results and improve relations between researchers and stakeholder community.

P6 participates in writing a draft chapter on embeddedness of food supply chains for the scientific book due to be finalised by the end of 2006.

Significant difficulties or delays experienced during the fourth reporting period

No specific difficulties or delays were experienced by P6.

Sub-contracted work during the fourth reporting period

Subcontractor (S6)

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The following persons have contributed to the project: Aivars Tabuns, Aija Zobena, Ausma Tabuna, Mareks Niklass, Laura Sīma.

The subcontractor's work during the fourth reporting period was mainly related to three tasks: organisation of 3rd national seminar; writing a chapter on the Latvian beef case for the professional book; and contributing to preparation of the National Report on policy and practical recommendations. Subcontractor transcribed discussion minutes of the 3rd national seminar and specifically elaborated on practical protocol part of the national Report. Researchers from subcontracting organisation participated in the final project coordination meeting in Ghent (20-24 April 2006). The subcontractor is also responsible for technical dissemination of professional book copies and National Report paper versions for relevant Latvian audiences and stakeholder organisation. This dissemination activity is due to be finalised by the end of 2006.

3.7 JW Goethe University – Institute for Rural Development Research (P7)

Name and address of the participating organisation

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Scientific team

Dr. Karlheinz Knickel	Senior Researcher, Coordinator German team
Dipl.-Ing.agr. Gundula Jahn	Junior Researcher (hired for this project for 2004-2006)

Research assistant

Sarah Peter	Research assistant
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Contractual links to other participants

None

Objectives

The overall aim of the project is to assess the potential role of food supply chains in the enhancement of sustainable food production and rural development by identifying critical points in food supply chains which currently constrain the further dissemination of sustainable production, and recommend actions that are likely to enhance the prospects for sustainable food markets.

Specific objectives for the work to be carried out in Germany are:

- To map the current definitions of sustainability that are associated with new food supply chains in Germany. To examine the extent to which sustainability claims are interwoven with other quality attributes. To map, on the basis of a set of indicators, the diversity of food chains in Germany.
- To identify the bottlenecks which constrain the enhancement of sustainable food production in Germany.
- To examine ways of communication and mechanism of economic coordination between the actors in the food chain in Germany.
- To develop performance indicators and methods in order to assess the collective performance of the food chain as a whole towards sustainable food production.
- To examine the relevant policy environment for the development of sustainable food supply chains and to formulate policy recommendations for regional and national authorities in Germany.

The results derived from the research activities carried out in Germany will be used to address the overall objectives (see section 1.1) of the SUS-CHAIN project.

Workplan

P7 will carry out the full range of research and dissemination activities in Germany required to realise the project's objectives. P7 is also responsible for WP6 coordination and all the research tasks in Germany. S7 will

contribute to all workpackages by means of feedback and reflection on intermediate results and provisional conclusions. In addition S7 will carry out one case study, organise the German national seminars and write the practical protocols for Germany.

More specifically the workplan for the German team (i.e. P7 and S7) is as follows:

- *WP1:* According to WP1 methodology, P7 will conduct a review of German literature and research on food supply chains, in order to assess relevant and interesting FSC performance indicators for three different aspects of FSCs, and to develop national sets of provisional indicators with S7. Based upon the results of WP2 & WP3 and the feedback from the first national seminar, P7 and S7 will contribute to the assessment of the provisional indicators and propose improved sets of indicators. Based upon the results of the case studies and feedback from the second national seminar, P7 and S7 will contribute to the assessment and finalisation of the fine-tuned sets of indicators.
- *WP2:* Based upon the WP2 methodology P7 will carry out a literature review for Germany on different aspects of FSCs to assess their socio-economic dynamics. P7 and S7 will carry out interviews to supplement this. Based on the review and the interviews P7 will write a national report in collaboration with S7 (D8).
- *WP3:* Based upon the WP3 methodology P7 will carry out a desk study and (in collaboration with S7) write a national report for Germany on consumer attitudes to sustainable food products (D9).
- *WP4:* P7 and S7 will propose and select 2 case studies for in depth study in Germany. P7 and S7 will translate the case study methodology to the German national context and develop a national case study research plan (D14).
- *WP5:* The German team will collect data for the two German case studies according to the methods outlined in D13 and D14. The German team will also produce a draft description and analysis of the dynamics of the German FSCs being studied and will assess their performance making use of the indicators developed for performance assessment. From this, P7 and S7 will identify opportunities and constraints for improving the performance of the FSCs under study. Finally, the German team will publish the findings in two case study reports (D16).
- *WP6:* P7 will study and analyse all case study reports and in collaboration with P1 produce provisional typologies of FSCs and a provisional assessment of constraints and opportunities. S7 will comment on this. Based upon comments from the subcontractors and discussions during the 5th project coordination meeting P7 will write a comparative case study report, summarising all findings from the case studies (D18).
- *WP7:* P7 will develop provisional policy recommendations for the German regional and national public authorities based on the results of WPs 1, 2, 3 and 5. S4 will develop provisional practical protocols for German FSC actors and different stakeholders in the institutional environment of FSCs based on the results of WP 1, 2, 3 and 5. These will be fine-tuned at meeting 6, and German national reports will be written on policy recommendations (D20) and practical protocols (D21) by P7 and S7 respectively.
- *WP8:* S7 will organise the first German national seminar to disseminate and get feedback on the provisional results of WP 1-3 (D7). S7 will also organise the second national seminar to disseminate and get feedback on the provisional German case study results (D15). The provisional policy recommendations and practical protocols will be disseminated in the third national seminar (D19) organised by S7 where these results will be refined. Both P7 and S7 will contribute to the scientific book based on the project.

Deliverables

Deliverable	Delivery date (according to TA)	Status	Comments
D7) National seminar (feedback on WP1, 2 & 3)	11	Completed	<i>Took place in February 2004</i>
D8) FSC dynamics (national report WP2)	12	Completed	
D9) Consumers' attitudes (national report WP3)	12	Completed	
D14) National research plan	16	Completed	
D15) National seminar 2 (feedback on case studies)	26	Completed	<i>Took place in February 2005</i>
D16) Case study reports	30	Completed	<i>Completed end 200</i>
D18) Transversal case study analysis	34	Completed	<i>Completed in Feb 2006</i>
D19) National seminar 3 (feedback on provisional recommendations)	35	Completed	<i>Held 16 February 2006 at Biofach</i>
D20) Policy recommendations (national report)	32	Completed	
D21) Practical recommendations (national report)	32	Completed	

Research activities during the fourth reporting period

WP1: No activities were undertaken in this work package during the third reporting period.

WP2: No activities were undertaken in this work package during the third reporting period.

WP3: No activities were undertaken in this work package during the third reporting period.

WP4: No activities were undertaken in this work package during the third reporting period.

WP5: No activities were undertaken in this work package during the third reporting period.

WP6: The report with the comparative case study analysis was finalized during the fourth reporting period (February 2006): Gundula Jahn, Sarah Peter and Karlheinz Knickel: *Comparative Case Study Analysis - Marketing Sustainable Agriculture: An analysis of the potential role of new food supply chains in sustainable rural development* (SUSCHAIN), Project Report D 18, Institute for Rural Development Research (IfLS) Frankfurt / Main. Key results of the comparative analysis were also published: Karlheinz Knickel, Gundula Jahn, Dirk Roep & Han Wiskerke (2006) Enhancing sustainable food supply chain initiatives In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 165-175. And they have been presented at a number of conferences (Odense, DK, Soesterberg, NL, Rome and Florence, Italy, Vienna, AU).

WP7: IfLS (P7) and ECOZEPT GbR (S7) supported the formulation of recommendations that has been led by WUR (P1). IfLS (P7) ensured a feeding in of the results of the comparative case study analysis into WP7 and checked consistency. IfLS (P7) and ECOZEPT GbR (S7) took part in the working meetings that addressed the development of recommendations as well as the final project conference in Brussels on 22 June 2006.

WP8: The third German national feedback seminar was held on the 16 February 2006 at the BIOFACH fair in Nürnberg (DE). The form of the seminar was a podium discussion with introductory presentation of national level SUSCHAIN project results. The title of the third national seminar „Preisdumping in den Lebensmittelmärkten – mit dem Anspruch einer nachhaltigen Entwicklung vereinbar?“ - price dumping in food markets – compatible with a sustainable development? – turned out to attract a high level audience.

The moderation of the podium discussion was done by a professional journalist, Mr. Werner Prill (Lebensmittelzeitung). Participants on the podium have been: Eckhard Engert, Bundesministerium für Ernährung, Landwirtschaft und Verbraucherschutz (MoA), Friedrich-Wilhelm Graefe zu Baringdorf, Europäisches Parlament, Agrarausschuss (European Parliament), Jutta Jaksche, Verbraucherzentrale Bundesverband e.V. (Consumer association), Dr. Heinrich Graf von Bassewitz, Deutscher Bauernverband (German Farmers Union), Herr Karsten Ziebell, CMA – Centrale Marketinggesellschaft der deutschen Agrarwirtschaft mbH (German Agricultural Marketing Agency), Josef Jacobi, Upländer

Bauernmolkerei GmbH (Upländer Dairy; SUSCHAIN case study), Gerald Wehde, Bioland Bundesverband (Organic Farmers Association), Christian Waffenschmidt, Coop Schweiz (Coop Switzerland), Dr. Burkhard Schaer, ECOZEPT GbR (France). There had been approximately 20-35 other participants (varying during seminar).

The objective of the podium discussion was to present and discuss the main results of the project against the background of the extreme process of concentration in the food retail sector. The podium discussion and presentation of national level SUSCHAIN project results has had a significant repercussion in relevant circles in Germany. The two case studies that have been implemented in the project illustrate nicely that product labels with a specific regional statement and relevant information about product quality help the consumer to differentiate his product choice and to support a more sustainable agriculture.

Significant difficulties or delays experienced during the fourth reporting period

The main delays in the fourth reporting period were:

- Apart from the overall delays in the implementation of the project there had been no additional or other specific delays.
- The final draft of the comparative analysis report was only available at the end of September 2005. The final version of the comparative case studies analysis report was available in February 2006 (Gundula Jahn, Sarah Peter and Karlheinz Knickel: Comparative Case Study Analysis - Marketing Sustainable Agriculture: An analysis of the potential role of new food supply chains in sustainable rural development (SUSCHAIN). Project Report D 18, Institute for Rural Development Research (IfLS) Frankfurt / Main.

Sub-contracted work during the fourth reporting period

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ECOZEPT Team

Dr. Burkhard Schaer

Claudia Strauch

The activities carried out by ECOZEPT GbR in the fourth reporting period (2006) were:

Meetings

In 2006, Ecozept researchers Claudia Strauch and Burkhard Schaer participated at the final conference in Brussels, 22 June 2006.

Research and Reporting

ECOZEPT has been supporting IfLS in the formulation of policy and practice recommendations for Germany. The results of two in-depth case studies in Germany provided a sound basis for that and complemented

effectively the work on the cross-national case study analysis. The particular work included the identification of the main bottlenecks in each case, and a description of the relevant policy environment and interfaces.

National Seminars

ECOZEPT GbR prepared and organized the third German national seminar which was carried out on 16 February 2006. As venue again the world organic trade fair “BioFach 05” which took place in Nürnberg was chosen. The BIOFACH is the world biggest trade fare of organic products and it provides a perfect forum for the questions dealt with in the SUSCHAIN project. A workshop report has been prepared. Throughout 2006, ECOZEPT GbR used contacts with the food branch actors and with researchers to disseminate information about the SUSCHAIN project.

4 PROJECT MANAGEMENT AND COORDINATION

4.1 Project coordination meetings

Electronic communication and project coordination meetings are the key instruments used in the management and coordination of the project. According to the Technical Annex *“the participants will meet 6 times. On 3 of the 6 project coordination meetings the subcontractors will also be present”*. At the first project coordination meeting in the Netherlands it was decided that presence of the subcontractors at all 6 meetings would be important for the progress of the project, given the fact that the subcontractors play a specific and crucial role in all phases of the project. In the table below the dates, venues and topics of the 6 project coordination meetings are given. All meetings have been held according to the schedule foreseen in the TA.

Overview of project coordination meetings

Meeting no.	Date	Location	Participants	Issues and workpackages (to be) discussed
1	5 – 7 March 2003	Utrecht, The Netherlands	P1 – P7, S1 – S7	Overall framework of the project (i.e. decision-making structures, communication flows, procedures); Methodology of WP1, 2 & 3; Time table for progress monitoring of WP1, 2 & 3
2	1 – 3 October 2003	Cheltenham, United Kingdom	P1 – P7, S1 – S7	Provisional results of WP2 & 3; Dissemination plan; Preparation of National Seminar 1
3	27 – 30 January 2004	Pisa, Italy	P1 – P7, S1 – S7	Provisional set of indicators; Case study methodology; Selection of cases; Time table for progress monitoring of WP5
4	10 – 12 November 2004	Martigny, Switzerland	P1 – P7, S1 – S7	Draft case studies; Thematic comparison of cases; Evaluation of National Seminar 1; Preparation of National seminar 2
5	18 – 20 May 2005	Riga, Latvia	P1 – P7, S1 – S7	Final set of indicators; Comparative case study analysis; Methodology for WP7; Time table for progress monitoring of WP7; Preparation of National seminar 3; Preparation of books
6	20 – 22 April 2006	Ghent, Belgium	P1 – P7, S1 – S7	Preparation of international conference; Draft chapters of two books; Finalisation and evaluation of project; Time table for remaining months

During the fourth reporting period one project coordination meeting was held, the 6th and last coordination meeting. This meeting took place in Ghent (Belgium) from 20 to 22 April 2006. The meeting focused on the finalisation of work packages 7 and 8 (see Annex 2 for the programme of the meeting). Regarding WP7 the final draft of the WP7 synthesis report was discussed. Furthermore the WP7 national reports were discussed and the conclusion was reached that these were to be short reports in the national language. The consortium also proposed to the coordinator to make a policy leaflet, summarising the main results and recommendations of the projects. This leaflet was made and distributed among consortium members together with the book *Nourishing Networks*. The leaflet can also be downloaded from the SUS-CHAIN website. Regarding WP8 the printer's proofs of *Nourishing Networks* were presented and discussed: several minor changes were proposed to the editors. Another topic discussed was the international conference. A large part of the meeting was devoted to the presentation and discussion of the draft chapters of the scientific book. The meeting was concluded with a brief evaluation of the project.

4.2 Other meetings

In addition to the project coordination meetings other kinds of meetings have been held:

- Interim meetings
- National coordination meetings

Interim meetings

On the 3rd of February an interim coordination meeting was held in Brussels. This meeting was attended by one or two representatives of each national team. The aim of this meeting was to discuss the final version of the WP6 synthesis report and the first draft of the WP7 synthesis report. Furthermore several issues regarding dissemination activities were discussed: the contents and scope of the professional book, the table of contents of the scientific book and the international conference. At this meeting it was decided to present the professional book at the international conference.

National coordination meetings

At national level the research teams (contractors and subcontractors) have met on a regular basis to discuss the progress of the research activities and to decide on the allocation of tasks and responsibilities. The frequency, contents and objectives of these meetings differ per country.

4.3 Electronic communication

From the very start of the project the habit to send draft and final versions of workpackage methodologies, national reports and synthesis reports to all project members by e-mail has been internalised and respected by all project members. The same holds true for commenting on drafts. All in all this demonstrates the active involvement in and commitment to the project.

5 EXPLOITATION AND DISSEMINATION ACTIVITIES

5.1 National seminars

As part of workpackage 8 each national team is obliged to organise three national seminars for a multiple target audience (e.g. FSC actors, scientists, policy-makers, interest groups, other stakeholders). The objective of these national seminars is to disseminate provisional results to different stakeholders but at the same time to get feedback on those provisional results. The latter can support national teams in the process of finalising reports, workpackages and milestones.

5.1.1 Third national seminars

The objective of the third national seminars is to discuss the lessons, conclusions and recommendations of the project within the national context. During the fourth reporting period the third national seminars were held in all countries, except in the Netherlands and Belgium. The third national seminars in these two countries were held at the end of the third reporting period and have thus been described in the previous progress report.

The UK

- Date: 22nd May 2006 (24 participants: mainly from research, consultancy, rural development agencies, food-related NGOs and societal organisations).
- First objective was to present and discuss the main results of the project: e.g. diversity of food supply chain configurations and development paths in Europe, the typology of sustainability trajectories, the lessons learnt from the comparative case study analysis and the recommendations for practitioners, policy-makers and researchers.
- Second objective was to help elaborate the potential (and perhaps identify a 'tipping point') for initiatives, such as those examined within the Suschain case studies, to become part of the mainstream. This involved:
 - A stock taking of what's known in terms of research on regionalised food procurement, including the core question: is there empirical evidence of a positive impact on the rural economy?
 - A stock taking of what's known about policies that facilitate successful and sustained regionalisation of food procurement.
 - Research and policy priorities for 2006-7 to maintain the momentum in creating regional food supply chains.

Switzerland

- Date: 3 May 2006
- First objective was to present and discuss the main results of the project: e.g. diversity of food supply chain configurations and development paths in Europe, the typology of sustainability trajectories, the lessons learnt from the comparative case study analysis and the recommendations for practitioners, policy-makers and researchers. We invited for a talk Gundula Yahn (from P7), A. Vuylsteke (P5) and Ada Rossi (P 4) to contribute with the Swiss researchers to this presentation.

- Second objective was to discuss the specific problems in Switzerland for developing sustainable food chains. Mr Zizyadis, member of the Swiss parliament, which created recently a parliamentary group about “tasty food”, was invited to react to the Swiss team recommendations report. The parliament has recently approved the declaration on food products packaging about the respect of ecological and animal welfare requirements linked to the Swiss agricultural law. Discussion with the participants highlighted a strong interest for developing new initiatives.

Italy

- Date: 11 April 2006
- Participants: around 20 participants from public institutions (Agricultural Policy Ministry, Regional Governments), research organisations (Wageningen University, Pisa University, INEA, ARSIA), producers' organisations (Associazione La Fierucola, Assobio Toscana, AIAB, Anagribios, Foro Contadino, etc.), opinion makers (Legambiente), and other organisations leader in agricultural and rural development.
- The Third National seminar was held in Rome, with the objective of presenting and discussing the main results of SUS-CHAIN project, such as the diversity of food supply chains in Europe, the typology of sustainability trajectories, the lessons learnt from the comparative case study analysis and the recommendations for practitioners, policy-makers and researchers.
- In order to involve all the participants in this discussion, the joint intervention of P4 (University of Pisa) and P1 (University of Wageningen) was centered around the three main axis of sustainable food-chains: governance, commercial performance, territorial and social embeddedness.
- The further discussion of participants was focused on the current paths of organic production in Italy, which provided insightful inputs for policy and practical recommendations, such as: enhancement of short food supply-chains, connecting local production to catering, involvement of organic production in long food supply-chains, and particularly considering producers and territorial specificities in drawing up code of practices.

Latvia

- Date: 31 March 2006 (20 participants: representatives of Ministry of Agriculture, research, agricultural marketing and farmers organisations and media).
- First objective was to present and discuss the main results of the project: e.g. diversity of food supply chain configurations and development paths in Europe, the typology of sustainability trajectories, the lessons learnt from the comparative case study analysis and the recommendations for practitioners, policy-makers and researchers.
- Second objective was to elaborate the recommendations for different stakeholders using the examples of two Latvian case studies *Rankas Piens* and *Latvian Beef Cattle Breeders Association*.
- Several policy recommendations resulted from discussions:
 - Since there are several interpretations and understandings to food supply chains among different stakeholders (economic understanding among producers, chain partners, marketing organisations; technological/ scientific understanding among researchers, micro-biologists; regulative understanding among policy makers; safety and traceability understanding among consumers) there is a need for improved communication and sharing knowledge among stakeholders in order to improve functioning of food supply chains.
 - The weakest point in marketing sustainable agriculture in Latvia is communication with consumers. Trade marks and quality marks/ labels developed by market promotion organisations and producers organisations based on their codes of practice are seen as major tool to promote sustainable products and food chains.

- There is a need for greater public support to organisations and producers associations that develop quality marks for sustainable products. Certain quality marks that entail greater sustainability promise, e.g. – beef production based on grazing, positive impact on the environment, contribution to rural development, could be given priority within public support programmes.
- The Ministry of Agriculture was recommended to allocate greater support to collective marketing initiatives undertaken by groups of producers together with processors and retail organisations.
- There should be considered a possibility of “mitigation” or “adjustment” of EU food regulations with regard to specific conditions in which small producers and small-scale initiatives in sustainable food production operate. The regulative policies need to take into account specificities and sustainability advantages of small productions and localised food chains.
- The practical recommendations / protocols identified the following actions for the improvement of sustainable food chains in Latvia:
 - Communication with consumers, information and awareness rising among consumers
 - Education and training among producers
 - Producers cooperation
 - Collective marketing
 - Scientific research
 - Cooperation between chain partners
 - Development of trade marks and quality labels

Germany

- Date: 16 February 2006. Place: BIOFACH fair in Nürnberg (DE)
- Podium discussion with introductory presentation of national level SUSCHAIN project results. Title of the third national seminar „*Preisdumping in den Lebensmittelmärkten – mit dem Anspruch einer nachhaltigen Entwicklung vereinbar?*“ (price dumping in food markets – compatible with a sustainable development?)
- Moderation of podium discussion by a professional journalist, Mr. Werner Prill (*Lebensmittelzeitung*)
- Participants on podium: Eckhard Engert, Bundesministerium für Ernährung, Landwirtschaft und Verbraucherschutz (MoA), Friedrich-Wilhelm Graefe zu Baringdorf, Europäisches Parlament, Agrarausschuss (European Parliament), Jutta Jaksche, Verbraucherzentrale Bundesverband e.V. (Consumer association), Dr. Heinrich Graf von Bassewitz, Deutscher Bauernverband (German Farmers Union), Herr Karsten Ziebell, CMA – Centrale Marketinggesellschaft der deutschen Agrarwirtschaft mbH (German Agricultural Marketing Agency), Josef Jacobi, Upländer Bauernmolkerei GmbH (Upländer Dairy; SUSCHAIN case study), Gerald Wehde, Bioland Bundesverband (Organic Farmers Association), Christian Waffenschmidt, Coop Schweiz (Coop Switzerland), Dr. Burkhard Schaer, ECOZEPT GbR (France).
- Other participants: approx. 20-35 (varying during seminar)
- The objective was to present and discuss the main results of the project against the background of the extreme process of concentration in the food retail sector: Nearly two thirds of the German food trade is covered by five enterprises. This process also takes place in the processing sector. Market access therefore gets more and more difficult for smaller businesses and farmers. It is expected that the market share of ‘discounters’ (which is – within Europe – the highest in Germany) will steadily increase (from 35 % in 2002 up to 40 % in 2007).
- In the discussion it was found that support systems (technology development, policy support, advisory services, training) are not well targeted at the specific needs of alternative chains and the actors

involved in these chains. Some progress in the last four years has been made in Germany in the course of the 'reorientation' of Federal level agricultural and food policy.

- The *Upländer dairy* and its development of a branding and corresponding marketing measures has been referred to as a typical example that shows that alternative development trajectories are possible. In particular the offer of high quality and healthy products from the region to the consumers, linked with a uniform branding, relating the product to the region Upland, is recognized positively by the consumers. The dairy's management has successfully aligned the interests of the dairy with those of the region and have thereby generated a widespread commitment to their objectives from across the region. Thus, the company has built up a remarkable affiliation within the region and extended this to a very successful marketing strategy.
- The podium discussion and presentation of national level SUSCHAIN project results has had a significant repercussion in relevant circles in Germany. The two case studies that have been implemented in the project illustrate nicely that product labels with a specific regional statement and relevant information about product quality help the consumer to differentiate his product choice and to support a more sustainable agriculture.

5.2 International conference

The international conference was held on June 22nd 2006 in Brussels and hosted by the Cabinet of the President of the Committee of the Regions. The international conference was organised to present the SUS-CHAIN results to and discuss the conclusions and recommendations with different stakeholders, policy-makers and researchers (see annex 1b for the list of participants). The focus of the conference was on the question whether sustainable rural development could be enhanced through the creation of sustainable food supply chains (see also Annex 1a). The conference commenced with a presentation by the SUS-CHAIN coordinator about the main findings, lessons and recommendations of the project. After this introduction the book *Nourishing Networks* was presented to a panel of 4 stakeholders (see Annex 1a). All four panel members briefly reflected on this book (see Annex 1c). This reflection was followed by a discussion among the panel members and with the audience. The main topics of discussion were 'agro-food and rural development policies', 'stakeholder involvement' and 'trust' (see Annex 1c for a summary of the discussion).

5.3 Public presentations

Han Wiskerke – *De meerwaarde van biologische landbouw voor de kwaliteit van de leefomgeving*. Presentation at 'Zeeuws Eko Congress', 23 March 2006, Rilland

Han Wiskerke – *Constructing sustainable food supply chains: trajectories, lessons learned and recommendations*. Presentation at the SUS-CHAIN international conference "Enhancing rural development through the creation of sustainable food supply chains: Valuable perspective or mission impossible?", Committee of the Regions, 22 June 2006, Brussels.

Roep, D. (2006). *Costruire filiere sostenibili: percorsi e iniziative*. Presentation at the INEA (National Economic Research Institute) seminar on Biological agriculture, 11 April 2006, Rome (www.inea.it/sabio/eventi.cfm).

- Brunori, G. & Cerruti, R. - *Differentiation strategies and marketing networks: evidence from two marginal areas of Tuscany* – Paper presented at the 2nd Seminar of the Scientific Professional Network on Mediterranean Livestock Farming, Saragozza, 18-20 May 2006
- James Kirwan - Marketing sustainable agriculture: an analysis of the potential role of new food supply chains in sustainable rural development. Paper presented to the Monmouthshire Food Forum, The Hill Education and Conference Centre, Abergavenny, Monmouthshire, 12th June.
- James Kirwan - Sustainable food procurement in the NHS: the Cornwall Food Programme. Paper presented at the third Suschain Workshop: Getting a Rural Development Win from Regionalising Food Supply Chains, National Trust Headquarters, Heelis, Kemble Drive, Swindon, 22nd May.
- Sophie Révion - “New architecture, new transaction skills in the food supply chains”, paper presented at the 96th European Association of Agricultural Economists (EAAE), “Causes and impacts of agricultural structures”, 10-11 January 2006, Taenikon, CH, 16p.
- Sophie Révion, Marguerite Paus, “Impact analysis methods regarding positive effects of Geographical Indications products on rural development”, special report presented at the 2nd European project SINER-GI meeting: Strengthening International Research on Geographical Indications: from research foundation to consistent policy, 12 January 2006, 35 p.
- Sophie Révion, “pain de seigle valaisan AOC: enjeux et risques”, présentation at the initiative’s board meeting, 19 September 2006.
- Talis Tisenkopfs – New Ideas and Initiatives in Rural development. Paper presented at the Rural Extension Network in Europe International Conference “*Development of Agricultural and Rural Advisory Services in Globalizing and Changing Environment*”, Jurmala (Latvia), 23-24 March 2006
- Karlheinz Knickel (2006) Public demands on the rural environment between supply of food production, recreation and ecosystem services. Contribution to international conference on “*Sustainable Rural Development: Applied Science for Knowledge Driven Governance*”. Florence, University of Florence, Faculty of Economics, 16-17 November 2006
- Karlheinz Knickel (2006) Strengthening the positive links between organic farming and a sustainable development of rural areas. Contribution to international conference “*Organic farming and European rural development*”, Odense (DK), 30-31 May 2006
- Karlheinz Knickel (2006) Von der Praxis zur Theorie: Paradigmenwechsel in der Agrarökonomie? Contribution to 16. Jahrestagung der Österreichischen Gesellschaft für Agrarökonomie „*Ländliche Betriebe und Agrarökonomie auf neuen Pfaden*“, Universität für Bodenkultur, Wien, 28-29 September 2006

5.4 Scientific and professional publications

5.4.1 Published during the fourth reporting period

- Roep, D. & J.S.C. Wiskerke (eds) (2006). *Nourishing networks; fourteen lessons about creating sustainable food supply chains*. Rural Sociology Group, Wageningen University and Reed Business Information, Wageningen/ Doetinchem, 176 pp.
- Wiskerke, J.S.C. & D.Roep (2006). Nourishing networks: a grounded perspective on sustainable food provision. In: D. Roep & J.S.C. Wiskerke (eds). *Nourishing networks; fourteen lessons about creating sustainable food supply chains*. Rural Sociology Group, Wageningen University and Reed Business Information, Wageningen/ Doetinchem, p. 7-16.

- Tabuns, A., L. Suna & A. Zobena (2006). Developing a supportive institutional environment: Latvian beef cattle breeders association. . In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 17-26
- Oostindie, H.A., P. Brandsma & D. Roep (2006). Creating space for change; De Hoeve pork supply chain. In: D. Roep & J.S.C. Wiskerke (eds.) *Nourishing networks; fourteen lessons about creating sustainable food supply chains*. Rural Sociology Group, Wageningen University and Reed Business Information, Wageningen/ Doetinchem, p. 27-38.
- Vercauteren, L. (2006). Creating space for change: Biemelk Vlaanderen, . In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 39-48.
- Vuylsteke, A. & G. van Huylbroeck (2006). Willingness to invest in a shared enterprise: De Westhoek hoeveproducten. . In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 49-58
- Claudia Strauch, Karlheinz Knickel & Burkhard Schaer (2006) Upländer Bauernmolkerei: Mobilising investment capital for scaling up. In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 59-68
- Damary, P. (2006). Anticipating the implications of scaling up: Naturabeef. . In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 69-78
- Tisenkopfs, T. & S. Sumane (2006). A visionary and capable leader: Rankas piens dairy. . In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 79-90.
- Oerlemans, N. & E. Hees (2006) Building a strong brand: Beemsterkaas of the CONO dairy co-operative. . In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 91-102
- Vorley, B, Fearne, A, Pitts M and Farmer W (2006) Supermarket sourcing of local food. Pp. 104-112 in D. Roep and H. Wiskerke (Eds.), *Nourishing Networks: Fourteen Lessons about Creating Sustainable Food Supply Chains*. Rural Sociology Group, Wageningen University; and Reed Business Information, Agriboek, PO Box 4, 7000 BA Doetinchem, The Netherlands.
- Brunori, G., R. Cerruti, S. Medeot & A. Rossi (2006). Regional marketing as basic security: the organic beef initiative of the Cooperative Agricola Firenzuola. . In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 113-122
- Burkhard Schaer, Karlheinz Knickel & Claudia Strauch (2006) Tegut supermarket and Rhöngut meat processing: Regional embedding as a marketing strategy. In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 123-134
- Brunori, G., R. Cerruti, S. Medeot & A. Rossi (2006). Specificity as a key in aligning regional interests: Pecorino di Pistoia, on farm made sheep cheeses of raw milk. In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 135-144.
- Reviron, S. (2006). Promotion of regional identity: Pain de seigle du Valais AOC (Valais Rye Bread PDO). In: Roep, D. and H. Wiskerke (eds.) *Nourishing networks: Fourteen lessons about creating sustainable food supply systems*. Doetinchem: Reed Business Information, 145-154.

- Kirwan, J. and Foster, C. (2006) Public sector food procurement through partnerships: the Cornwall Food Programme. Pp. 155-164 in D. Roep and H. Wiskerke (Eds.), *Nourishing Networks: Fourteen Lessons about Creating Sustainable Food Supply Chains*. Rural Sociology Group, Wageningen University; and Reed Business Information, Agriboek, PO Box 4, 7000 BA Doetinchem, The Netherlands.
- Knickel, K., G. Jahn, D. Roep & J.S.C. Wiskerke (2006). Enhancing sustainable food supply chain initiatives. In: D. Roep & J.S.C. Wiskerke (eds). *Nourishing networks; fourteen lessons about creating sustainable food supply chains*. Rural Sociology Group, Wageningen University and Reed Business Information, Wageningen/ Doetinchem, p. 165-175.
- Révillon S., "New architecture, new transaction skills in the food supply chains", paper presented at the 96th European Association of Agricultural Economists (EAAE), "Causes and impacts of agricultural structures", 10-11 January, Taenikon, CH, 16p.
- Révillon S., Paus M., "Impact analysis methods regarding positive effects of Geographical Indications products on rural development", special report, WP2, European project SINER-GI : Strengthening International Research on Geographical Indications : from research foundation to consistent policy, January, 35 p.
- Karlheinz Knickel & Burkhard Schaer (2005) Nachhaltigkeit in der Lebensmittelwirtschaft: Experten diskutieren Zustand und Zukunft nachhaltiger Lebensmittelproduktion. Auf unterstützende Rahmenbedingungen angewiesen. *AgraEurope*, 17/05, Markt und Meinung, 5-8
- Karlheinz Knickel & Gundula Jahn (2006) Promoting a sustainable development of rural areas: The 'Active Regions' pilot programme in Germany. In: B. Haverkort & C. Reijntjes (eds.) *Moving worldviews: Reshaping sciences, policies and practices for endogenous sustainable development*. Compas series on Worldviews and Sciences, Nr. 4, Leusden (NL): Compas, 254-265
- Karlheinz Knickel & Melanie Kröger (2006) Public demands on the rural environment between supply of food production, recreation and ecosystem services. In: R. Simoncini (ed) *Sustainable Rural Development: Applied Science for Knowledge Driven Governance*. University of Florence, Faculty of Economics.
- Karlheinz Knickel, Merit Mikk, Nick Parrott & Antonio Alonso Mielgo (2006) Dedicated organics: Farmers' markets, box schemes, on-farm shops and the civic conventions around organic production. 9. Wissenschaftstagung Ökologischer Landbau. http://orgprints.org/view/projects/wissenschafts_tagung-2007.html
- Karlheinz Knickel, Susanne von Münchhausen & Sarah Peter (2006) Strengthening the positive links between organic farming and a sustainable development of rural areas. In: C.B. Andreasen, L. Elsgaard, L. Sondergaard Sorensen & G. Hansen (eds.) (2006) *Organic farming and European rural development*. Tjele (DK): Darcof, 22-23
- Knickel, K. & B. Schaer (2005) Nachhaltigkeit in der Lebensmittelwirtschaft: Experten diskutieren Zustand und Zukunft nachhaltiger Lebensmittelproduktion. Auf unterstützende Rahmenbedingungen angewiesen. *AgraEurope*, 17/05, Markt und Meinung, 5-8
- Peter, S., C. Strauch & K. Knickel (2005) Nachhaltige Lebensmittelwirtschaft: Ergebnisse aus zwei Fallstudien in Deutschland. *Ländlicher Raum*, Agrarsoziale Gesellschaft, 56 (5), 31-34
- Sarah Peter, Claudia Strauch & Karlheinz Knickel (2006) Nachhaltige Lebensmittelwirtschaft: Ergebnisse aus zwei Fallstudien in Deutschland. *Ländlicher Raum*, Agrarsoziale Gesellschaft, 56 (5), 31-34

5.4.2 Forthcoming (to be published after fourth reporting period)

- Wiskerke, J.S.C. & D. Roep (forthcoming). Constructing a sustainable pork supply chain: a case of techno-institutional innovation. *Journal of Environmental Policy and Planning* (accepted for publication).

- Wiskerke, J.S.C. & D. Roep (forthcoming). Agro-food dynamics: a grounded perspective on the construction of regional food networks.
- Brunori (2006), Post-rural processes in wealthy rural areas: hybrid networks and symbolic capital, in *Research in Rural Sociology and Development*, Vol. 12, "Between the Local and the Global: Confronting Complexity in the Contemporary Agri-Food Sector", edited by Terry Marsden and Jonathan Murdoch, MacMillan, London (in press)
- Brunori, G., Cerruti, R., Medeot, S. e Rossi A. (2006), Looking for alternatives: the construction of organic beef chain in Mugello, Tuscany, in *International Journal of Agricultural Resources, Governance and Ecology (IJARGE)*, to be published
- Brunori, G., Medeot, S. (eds) (2006), *Condizioni di successo e fattori limitanti delle strategie di regionalizzazione dei consumi alimentari*, ARSIA, to be published
- Kirwan, J. and Foster, C. (accepted – due 2007) Public sector food procurement in the UK: examining the creation of an alternative system. In D. Maye, L. Holloway and M. Kneafsey (Eds.), *Constructing Alternative Food Geographies: Representation and Practice*. Elsevier.
- Wiskerke, J.S.C., G. van Huylenbroeck & J. Kirwan (eds.) (2007). *Sustaining food supply chains: grounded perspectives on the dynamics and impact of new modes of food provision*. Ashgate, Hampshire.
- Wiskerke, J.S.C., G. van Huylenbroeck & J. Kirwan (2007). Sustaining food supply chains: an introduction. In: J.S.C. Wiskerke *et al.* (eds.) *Sustaining food supply chains: grounded perspectives on the dynamics and impact of new modes of food provision*. Ashgate, Hampshire.
- Slee, R.W. & J. Kirwan (2007). Towards a grounded theory of food supply chain dynamics. In: J.S.C. Wiskerke *et al.* (eds.) *Sustaining food supply chains: grounded perspectives on the dynamics and impact of new modes of food provision*. Ashgate, Hampshire.
- Jahn G., Karlheinz Knickel, H. Oostindie, D. Roep & J.S.C. Wiskerke (2007). Food supply chains (FSCs): Patterns of development and key factors that affect their evolutionary dynamics and sustainability performance. In: J.S.C. Wiskerke *et al.* (eds.) *Sustaining food supply chains: grounded perspectives on the dynamics and impact of new modes of food provision*. Ashgate, Hampshire.
- Brunori, G., S. Reviron & J.M. Chappuis (2007). Scaling-up an initiative: benefits versus risks. In: J.S.C. Wiskerke *et al.* (eds.) *Sustaining food supply chains: grounded perspectives on the dynamics and impact of new modes of food provision*. Ashgate, Hampshire.
- Reviron, S., A. Vuylsteke & G. van Huylenbroeck (2007). Hybrid firms and power distribution. In: J.S.C. Wiskerke *et al.* (eds.) *Sustaining food supply chains: grounded perspectives on the dynamics and impact of new modes of food provision*. Ashgate, Hampshire.
- Wiskerke, J.S.C. & D. Roep (2007) Path creation and path dependencies in developing sustainable food supply chains. In: J.S.C. Wiskerke *et al.* (eds.) *Sustaining food supply chains: grounded perspectives on the dynamics and impact of new modes of food provision*. Ashgate, Hampshire.
- Barjolle, D., P. Damary & B. Schaer (2007). The role of origin of the products in the supply chains' strategies of sustainable food. In: J.S.C. Wiskerke *et al.* (eds.) *Sustaining food supply chains: grounded perspectives on the dynamics and impact of new modes of food provision*. Ashgate, Hampshire.
- Kirwan, J., T. Tisenkopfs & A. Rossie (2007). Mediating trust and locality: examining the role of social embeddedness in shaping new food supply chains. In: J.S.C. Wiskerke *et al.* (eds.) *Sustaining food supply chains: grounded perspectives on the dynamics and impact of new modes of food provision*. Ashgate, Hampshire.
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- Slee, R.W., H. Oostindie, J. Kirwan, D. Roep & J.S.C. Wiskerke (2007) Alternative food chains, sustainability profiles and targeting of institutional support. In: J.S.C. Wiskerke *et al.* (eds.) *Sustaining food supply chains: grounded perspectives on the dynamics and impact of new modes of food provision*. Ashgate, Hampshire.

5.5 Website

During the third reporting period the project's website (www.sus-chain.org) has been regularly updated by P1. New items added during and after the fourth reporting period are:

- Comparative case study analysis report
- National reports (in national language) about policy and practical recommendations
- Synthesis report about policy and practical recommendations
- Information about the book *Nourishing Networks*
- Information about the international conference held on 22 June 2006 in Brussels
- The report of the international conference
- The progress report covering the third and fourth reporting period
- The final SUS-CHAIN report

6 ETHICAL ASPECTS AND SAFETY PROVISIONS

No ethical problems occurred during the fourth reporting period. The same holds true for safety provisions.

ANNEX 1a. Programme international conference 22 June 2006



www.sus-chain.org



Enhancing rural development through the creation of sustainable food supply chains: Valuable perspective or mission impossible?

SUS-CHAIN is a research project co-financed by the European Commission, which ran from January 2003 to July 2006. It brought together a multi-disciplinary team of sociologists, economists and marketing experts from seven leading European universities paired with IIGOs, which are active in the field of sustainable food production and marketing. The work has been undertaken at times when issues of food quality and sustainable rural development emerged as central concerns in the future development of food, farming and rural areas in Europe. SUS-CHAIN has contributed to this debate by assessing the potential role of food supply chains in the enhancement of sustainable food production and rural development. At the end of the project the SUS-CHAIN consortium would like to present its results to and discuss its conclusions and recommendations with different stakeholders and policy-makers. This will take place on:

Thursday 22 June 2006 from 13.30 - 17.00 hrs

at

Committee of the Regions, Rue de Belliard 101, Brussels



PROGRAM

- | | |
|-------------|---|
| 13.30-14.00 | Start / Coffee / Tea |
| 14.00-14.20 | Constructing sustainable food supply chains: trajectories, lessons learned and recommendations
<i>Prof.dr. Han Wiskerke (SUS-CHAIN coordinator)</i> |
| 14.20-14.25 | Presentation of book <i>Nourishing Networks: fourteen lessons about creating sustainable food supply chains</i> |
| 14.25-15.00 | Comments from stakeholders on Nourishing Networks <ul style="list-style-type: none"> - Dr. Flaminia Ventura (Head of the Technical Cabinet - Ministry of Agriculture, Italy) - Rita Sile (Executive director of <i>Zemnieku Saeima</i> (Farmers Parliament), Latvia) - Nathan Harrow (Project Manager of the Cornwall Food Programme, United Kingdom) - Koen Symons (Consultant Sales & Marketing of the Innovation Support Centre for Agriculture and Horticulture, Belgium) |
| 15.00-16.15 | Round table discussion with stakeholders: <ul style="list-style-type: none"> - Marketing sustainable agriculture: a matter of image building? - More regulatory flexibility: will this be harmful to food quality and safety? - Policy is all about making choices: which choices ought to be made to support sustainable rural development? |
| 16.15-16.30 | Implications for research policy and for agro-food and rural development policy |
| 16.30-17.00 | Drinks |



ANNEX 1b. List of participants 22 June 2006

Name and first name of the participants	Occupation
HAN WISKERKE (NL)	RESEARCHER, SUSCHAIN COORDINATOR
DIRK ROEP (NL)	RESEARCHER
HENK OOSTINDIE (NL)	RESEARCHER
PIETER JAN BRANDSMA (NL)	STAKEHOLDER
GERWIN VERSCHUUR (NL)	NGO
RIENTS KOOPMANS (NL)	PUBLISHER
NICK PARROT (UK)	STAKEHOLDER
JAMES KERWAN (UK)	RESEARCHER
NATHAN HARROW (UK)	STAKEHOLDER
RITE SILE (LV)	NGO
SANDRA SUMANA (LV)	RESEARCHER
TALIS TISSENKOPFS (LV)	RESEARCHER
GUIDO VAN HUYLENBROECK (BE)	RESEARCHER
ANNE VUYLSTEKE (BE)	RESEARCHER
LIEVE VERCAUTEREN (BE)	NGO REPRESENTATIVE
KOEN SYMONS (BE)	STAKEHOLDER
PAUL VERBEKE (BE)	STAKEHOLDER
ERIK MATHIJS (BE)	AGRICULTURE AND FOOD RESEARCH
GIANLUCA BRUNORI (IT)	SUS-CHAIN RESEARCHER
FLAMINIA VENTURA (IT)	POLICYMAKER (NATIONAL)
ADA ROSSI (IT)	RESEARCHER
MARGUERITE PAUS (CH)	RESEARCHER
SOPHIE REVIRON (CH)	RESEARCHER
ALESSANDRA SILAURI (CH)	STAKEHOLDER
ERICH WALDMEIER (GE)	STAKEHOLDER
DOMINIQUE BARJOLLE (CH)	RESEARCHER
KARL HEINZ KNICKEL (GE)	RESEARCHER
BURKHARD SCHAER (GE)	RESEARCHER
CLAUDIA STRAUCH (GE)	RESEARCHER
FRIEDER THOMAS (GE)	STAKEHOLDER
CLAUDIA STRAUCH (GE)	NGO
STEPHANIE SCHLEGEL	POLICYMAKER (EU)
BARBARA STUTZ	POLICYMAKER (EU)
GESA WESSELER	POLICYMAKER (EU)
MARY BROWN	POLICYMAKER (EU)
GINEVRA ROSSIGNOLO	STAKEHOLDER
HANDAN GIRAY	RESEACHERS
DANIELE TISOT	EU-SCIENTIFIC OFFICER SUS-CHAIN
THYS WISSINK (NL)	POLICYMAKER (EU)

ANNEX 1c. Report international conference

Constructing sustainable food supply chains: trajectories, lessons and recommendations

Prof.dr.ir. Han Wiskerke
SUS-CHAIN coördinator



Contents

- Context
- SUS-CHAIN:
 - Objective
 - Structure of the project
- Initiatives
- Sustainability trajectories
- Lessons and recommendations



Context

- **Changes in the agro-food sector in Europe:**
 - Globalisation: industrialisation, standardisation & concentration in processing industry and retail
 - (Re)localisation: new food supply chains / networks: relocalisation, embedding, turn to quality
- **New food networks as countermovement to globalisation**
 - Creating distinctiveness, e.g. regarding organoleptic qualities
 - New forms of connectivity between production and consumption, reconnecting food production to its social, cultural and ecological context



Introduction

Objective

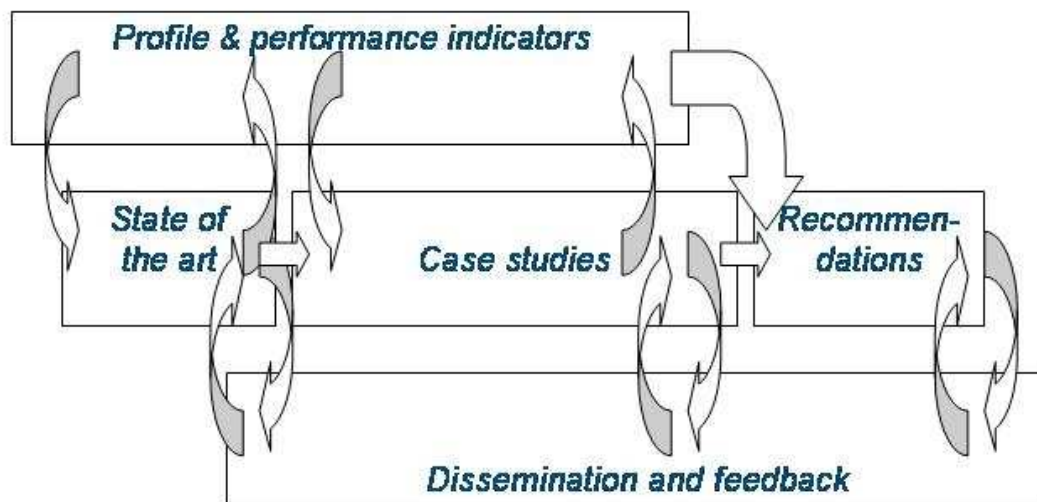
To assess the potential role of FSCs in enhancing sustainable food production and rural development and recommend actions that are likely to improve the prospects for sustainable food markets.

Specificity of the project

To examine the development of sustainable food supply chains from a regional perspective



Introduction



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Differences between initiatives

These initiatives differ with respect to:

- **Sustainability meanings (promises):** Ethical, Ecological, Health, Quality, Culture, Locality
- **Starters:** Public, NGO, Retail, Processors, Farmers
- **Actions taken:** Communication, Education, Technical innovation, Certification, Regulation, Political action, Organisational innovation
- **Output pursued or obtained:** Awareness, Technical standards, Codes of practices, New technologies, Organisational arrangements, New organisations, Labels, Hallmarks, etc. ...
- **Functional integration (impact on subsystems):** Production, Processing, Food service, Marketing and Distribution, Consumption
- **Geographical scope of the chain:** local to international
- **Type of product:** Conventional, Fair Trade, PDO/PGI, Organic



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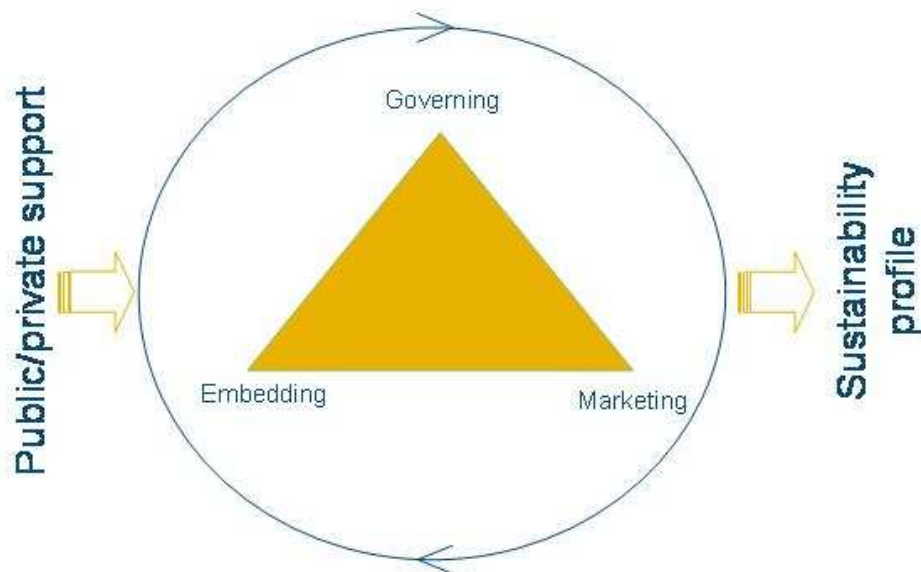
Similarities between initiatives

- The process of increasing the sustainability of food networks is rooted in the co-ordination of and strategic choices regarding three dimensions:
 - Governance (structure and process)
 - Embedding (societal and local)
 - Marketing (commercial strategy, goals, communication)
- These three dimensions are inextricably interrelated
- When seeking to scale up an initiative these interrelations need continuous co-ordination and rebalancing
- A food network (as a specific combination of governance, embedding and marketing) requires specific kinds of support to strengthen its sustainability profile



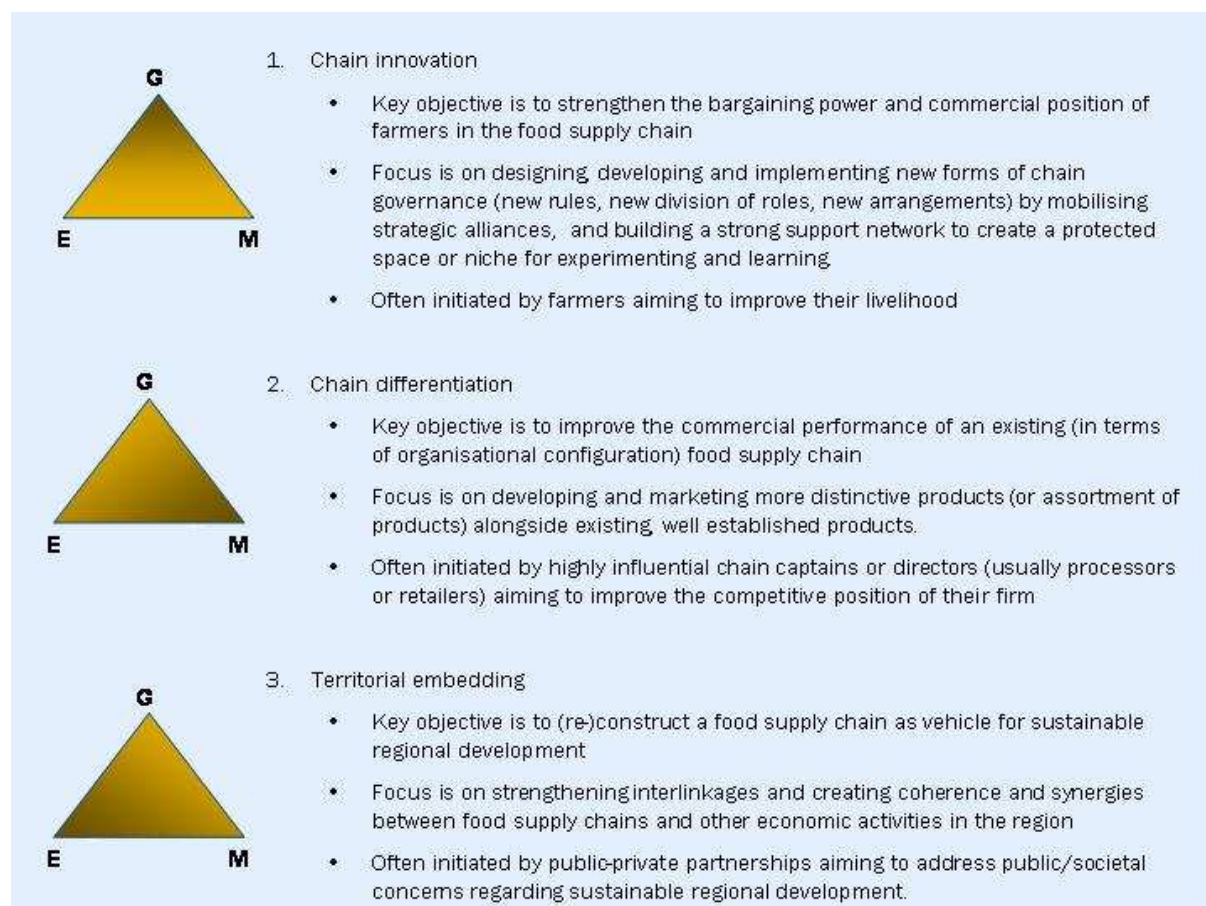
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Analytical framework



Sustainability trajectories

- Depending on its starting point, the initiators, their strategies and abilities and the alliances they are able to create, each initiative carves out its own distinct trajectory through time.
- However, amidst all this apparent diversity three different underlying trajectories can be distinguished:
 - Chain innovation
 - Chain differentiation
 - Territorial embedding
- Each trajectory reflects a specific drive and scope and a specific path towards sustainability



Sustainability profiles

- The trajectories differ regarding their sustainability profiles:
- Chain innovation:
 - Economic: farmer's share of value added
 - Social: self-organizational capacity, enhancement of learning and knowledge, increased job satisfaction
- Chain differentiation:
 - Economic: Net Value Added in food supply chain
 - Social: trust in food system
 - Environmental: reduction of negative and increment of positive externalities
- Territorial embedding:
 - Economic: NVA in region, direct and indirect employment in the region (synergies with other economic activities)
 - Social: discouraging out-migration of skilled labour
 - Environmental: enriching cultural landscape, reducing road miles

Lessons and recommendations

> COHERENT MARKETING STRATEGIES

Food supply initiatives need a clear and coherent development strategy. This implies that the initiative is organised in such a way that the strategy and its main objectives are clear and transparent to every actor in the chain. Only when the strategy is supported by all the actors along the chain will the initiative be successful. Additionally marketing strategies need to be built around clear, convincing and credible claims that send a concise and positive message to consumers.



Lessons and recommendations

> BUILDING REGIONAL PARTNERSHIPS

Regional marketing and the (re-)creation of territorial identity play an important role in many sustainable food networks. Cooperation with, and involvement from, public bodies and societal movements is often a crucial factor in this respect. Institutional arrangements, involvement in regional networks and cultural relations indicate that actors involved in new food networks use often more than just economic logic in setting their market orientation.



Lessons and recommendations

> TARGETING

Policy is about making choices about who and what to support and how to provide this support in the most effective way. While public support is often important, sustainable food network initiatives certainly do not always need to draw on public support. A major lesson from SUS-CHAIN is that the provision of relevant public support to food chain initiatives should be targeted towards the specific nature of the different trajectories (see figure 2).



Lessons and recommendations

> REDUCING RISKS

SUS-CHAIN's analysis demonstrates that the support provided by public institutions can play a vital role in the initial phases of establishing and developing new food chains which can involve high costs (transaction- as well as investment costs). Banks or other commercial institutions are often reluctant to finance these, the most 'risky' phases. The provision of public financial support during the initial phases can reduce the risks faced by initiators and acknowledge the often crucial role of Small and Medium Enterprises, both food and non-food related in sustainable food chain initiatives.



Lessons and recommendations

> **LEARNING AND EXPERIMENTAL SPACE**

SUS-CHAIN learns that most successful initiatives demonstrate a strong capacity to integrate the experiences, competences and skills of food chain partners, researchers, policy bodies and societal organisations. Policy could more actively strengthen such learning communities and give the support that these require in terms of process management, process facilitation as well as experimental space to overcome constraints related to public regulations and bureaucracy. In this respect specific attention needs to be paid to the prevailing agro-industrial food hygiene regulations, which frequently hinder sustainable food chain initiatives that build on farm-based, artisanal or regional typical food qualities.



Presentation of Nourishing Networks by Dr. Dirk Roep

Comments of the stakeholders on “Nourishing networks”

➤ **Dr. Flaminia Ventura (Head of the Technical Cabinet – Ministry of Agriculture, Italy)**

The work presented in “Nourishing networks” is very important as it encompasses a great amount of information on food networks that can serve as an input for the current discussions concerning the new rural development policy (2007-2013). It, for example, illustrates the role of supply chains in rural development strategies, the importance of quality policies (which are the leading trajectories) and show what the lessons are for policy makers at all levels.

Although many initiatives concerning PDO or organic products aim at an improved remuneration of the farmer's efforts, it is however important to maintain products at their regional level by fixing a price that allows a consumer to use the product on a daily base. When the prices are too high (because of a high value added), the products leave the region and cannot longer be a component of the attractiveness of a region. In this respect, it is also important to reflect on the definition of the quality of life in rural and peri-urban regions, but also to focus on the balance within the rural area between agriculture and newcomers.

A second important issue that is addressed by the book is the one of innovation in food production and marketing. This also relates to changing food habits, also in rural areas, and the importance of out-of-house meals (schools, restaurants, etc.). In this context, it is necessary to develop innovation to preserve the quality and the identity of the food.

A third element concerns the problem of integrating different forms of policy (support, regulation) at the different levels and which are managed by different administrations. It shows that there is a need for a different type of governance. Different stakeholders also have divers interests, which are defended through lobbying. In the case of food safety regulation, big food processors and retailers favour increasing food safety levels but this can be an important threat for local food systems. It is therefore important to find a balance between the interests.

The book also illustrates the importance of public-private partnerships in order to achieve the trajectory “regional embedding” and this is also an important goals of the Leader program and other bottom-up approaches. Practice however learns that it is very difficult to realise these objectives within the existing measures as the framework is designed, but no proper projects are on the table.

A final element concerns the new role of public administrations, which focuses on the new need for coordination, but at the same time, the people lack the necessary knowledge and skills. Therefore, an investment in human capital is needed and new forms of governance should be developed.

➤ **Rita Sile (Executive director of Zemnieku Saeima (Farmers Parliament), Latvia)**

The Farmers Parliament is a lobbying organisation and represents here the farmers in new entering countries.

An important field of innovation that is open for the farmers in Latvia are the cooperatives, but in reality the farmers have not accumulated enough funding (cfr. EU funding) to realise this collaboration.

Also in Latvia, discussions are going on concerning the timing and content of the new rural development plan, but this process has only started and a long discussion is going on about possible measures. It is however regrettable that matters such as sustainability disappear when elections come nearby.

The solutions to these problems are training, education, science, consulting and an increased knowledge in general. In practice, you have to be very well-trained as a farmer, consultant, administrator, etc. and that is were this research comes in by providing experience and expertise.

➤ **Nathan Harrow (Project Manager of the Cornwall Food Programme, United Kingdom)**

Nathan Harrow is involved in one of the SUS-CHAIN cases and looks from a health perspective as the combination of economic, social and ecological sustainability will lead to an improved health of the

community. With the Cornwall Food Programme, they come from a long, 7-years road and its has been very interesting to read people's perspective on it.

The emphasis put on the development of distinction is very recognisable from his perspective and asks for an alignment of problems and issues. It is indeed to talk to all upstream and downstream actors and to take their considerations into account. The two other issues, marketing and embedding, are also very close to his heart. When the actors can be aligned and the financial and marketing objectives are identified, the benefits of sustainability will follow. Funding is critical in this process, but a lot of emphasis has also to be put on human resources and finding people that can take the lead. In setting-up an initiative, it is also important to identify the key problem to have a kick start.

The robustness and depth of the research were furthermore appreciated, but it remains a massively complex subject. The significance of the book will be in inspiring people to look for opportunities. They hereby have to bear in mind that there is no wrong or right way, but that is important to get started. In that perspective, it is important that the EU finances this kind of research.

The example of the Cornwall Food Programme that you can have a massive influence in terms of environmental sustainability (reduction of food miles and CO₂ emission) and economic impact (the initiative has a turnover of xxx).

➤ ***Koen Symons (Consultant Sales & Marketing of the Innovation Support Centre for Agriculture and Horticulture, Belgium)***

This type of research is considered to be the right work on the right time because of the enormous pressure of globalisation and competition. This situation will push farmers towards innovation, new networks, etc. Three important elements of the work that has been done are particularly relevant in the Flemish situation.

A first element concerns the requirement to combine a good product with a coherent marketing strategy.

Second, initiatives should gain some kind of societal support for their actions. Farmers are, at this moment, afraid of for example environmental organisations while the example of De Hoeve clearly shows that discussion and interaction can lead to a win-win situation.

Finally, the farmers themselves should be the initiators of this type of initiatives, while the government should create the framework and provide the subsidies at the start.



➤ ***Synthesis by Gianluca Brunori***

A first element that occurs throughout the reactions of the stakeholders is the dilemma between local food and the locality of food. While the first one relies on local networks, the second one may lead to more globalised consumption of expensive, sustainable products.

Secondly, the need for an integration of policies was stressed with emphasis on cooperation and dialogue and with attention for different networks and discourses. The examples in the book have shown that this kind of integration is possible.

Summary of the round table discussion

➤ ***Policy changes could be crucial in the future***

- Need for an integration of policies

See comments of the F. Ventura on the book.

In the research we have illustrated the ability of policy (makers) on new forms of FSCs, but we did not identify the good policy tools, the good incentives to strengthen FSCs to produce sustainable agriculture (D. Barjolle)

There is an urgent need for integration of policies without creating trade distortions. The government should get actively involved in the initiatives and for example give an exemption of general rules (after setting goals) and so create some kind of experimental space (H. Wiskerke).

Need for more flexibility in applying support and offering different kinds of support; also to other actors than farmers and to overcome to lack of knowledge. This should lead to some kind of flexibility in policy management and the EU policy is going in this direction, but unfortunately this is a lot to implement at the same time. A farmer could for example ask a subsidy for an investment at farm level in a unit that pasteurises raw milk, but who is supporting this research => need for more flexibility as there is no procedure available and this is exactly what the EU asks for (F. Ventura)

Many support measures are designed for individual farmers, while groups cannot apply or are even hampered by policy. For example, in Flanders, farmers can open a farm shop and get subsidies for it, but it is often not possible to sell products from his neighbour (G. Van Huylenbroeck).

There is indeed a need for an integration or coordination of policy, but this is very difficult to put into place. In Switzerland, a new support tool has now been developed for projects. It will now be possible to get a subsidy even before the project takes form in order to compensate the time and resources to fix the right strategy. The amount will cover 50% of the costs for research, advice, design of an organisational form... This idea comes from the perspective that in order to have 1 good project, you should have many ideas (A. Silauri).

Problem: how to measure what you have done? But this is certainly a way of funding immaterial innovation and then the process can be evaluated (G. Brunori).

- Governance

In the past, two main governance arenas could be identified: government and market. Nowadays, the citizen has become more aware and has started to express his wishes, which has lead to the creation of a new (citizen) arena. This observation is also consistent with the G-E-M framework proposed by the research. The future will learn if it will be possible to create added value through territorial embedding or whether it should happen through influencing the other corners. This last trajectory does not only concern the production of food, but everything that is produced with it (G. Verschuur).

Sustainability is not an objective or fixed concept, but has to be rediscussed and renegotiated every time and that's where this third arena comes into play. Only by learning you can go along the way, but it should be

taken into account that sustainability is highly contextual and that there are thus important differences between e.g. Italy and Latvia (D. Roep).

When it comes to the governance arenas, rural development could be the vehicle to realise the objectives. Everybody is asking for increased support, but at the same time it are still the individual stakes that are at the table. Is it possible to have a shift towards a general food policy? (G. Van Huylenbroeck).

- **Current policy and support measures**

If you make the distinction between sustainable and not so sustainable products, then you have to decide that, at this moment, most governments, lobbying organisations and farmers' organisations rather support the not so sustainable products. What to do with this observation? (E. Mathijs)

This is indeed an important discussion, but the multitude of sustainable labels and initiatives shows that also traditional chains and actors become more sustainable. But the consumer's willingness-to-pay should hereby be taken into account. The cases of Tegut and Naturabeef have however illustrated that there is a real potential for up-scaling (H. Wiskerke).

More and more organic and typical products are marketed without certification. In this case, the producers rely on personal trust to communicate about their products while the costs are lowered at the same time. This is a certain way to address a weak point of the regulation (G. Brunori).

➤ ***Importance of knowledgeable and capable people***

People that work in the administration urgently need to acquire more knowledge. At this moment, a lot of them are not able to take the responsibility to decide (F. Thomas).

This need for an improved knowledge also not only applies for people involved in the policy making and administration, but also for those working in hospitals. They should learn about agriculture and the provision of food. It is important to construct some kind of "knowledge supply chain" (N. Harrow).

Role of those involved in education: how to contribute to the education and formation of knowledgeable people that are able to make the right choices? (G. Brunori)

➤ ***Involvement of all stakeholders***

We should reflect what is the role of each actor, each stakeholder in realising sustainable rural development. Attention should hereby be paid for example to the marketing (to the other actors in the supply chain) of what is going on in agriculture and rural development. Another question is what could change if there is a direct support of sustainable development. In Italy, there is the example of food retailers that took into consideration the relation between the efforts on the local level and the budget spent by the employees (F. Ventura).

➤ ***Marketing***

Regional food supply chains have an important role to fulfil in linking people in rural areas. Traditionally, markets can be considered as the places where people meet and there the link can be made with marketing. In the case of sustainable food supply chains, 5% of the market is creating a positive marketing image but thereby they serve the entire food market and contribute in re-linking agriculture to the consumer (B. Schaer).

This can however also be a big risk: the niches serve as an eye-catcher while the rest is getting disconnected. How to communicate in a positive manner to the community without disqualifying the rest, but still make a distinction (G. Verschuur).

Research had shown that the perception of the food sector is very black, even for alternatives. A lot of consumers are quite sceptical about organic, so a huge work of image improving has to be done (B. Schaer).



➤ **Mediation of trust**

It may be even worse, a lot of consumers do not have an image of the food system at all. The fundamental task of communication is to picture the food system (E. Mathijs).

Generally, the consumer's trust is higher when he is closer to the production (so if there is for example no or little processing). Is there evidence for this in the project? (D. Tissot)

The geographical distance is certainly important in the mediation of trust as it is more easy for the consumer to identify with the region or town of production. In the case of the Cornwall Food Programme, the patient can exactly locate the production process, but it also contributes to have a normal dining routine in a strange environment. When it comes to the degree of processing, it will not only be a question of marketing but also of education, as shown by the case of "red sudan" (N. Harrow).

Trust has to do with people and systems, but is also vulnerable. It provides however also room for changing systems. When values in society are changes, some kind of mismatch occurs. Trust is therefore questioned when crises occur and therefore the citizens arena (see governance) is gaining importance. There is a need for diversity that cannot be handled top-down (G. Verschuur).

The importance of trust is much more emphasised upon in the agri-food sector in comparison with other sectors with a personal context. This peculiarity can be a consequence of the direct relationship with the body and health, but there is also much more involvement of nature. There are a lot of examples where trust is built through certification, but it should also help to realise free trade (G. Brunori).

ANNEX 2. Programme 6th project coordination meeting

Wednesday 19 April

evening/night: arrival and accomodation of the participants

Thursday 20 April

- 09.00 – 09.15 Welcome and practical information by local organisers (Anne / Guido)
- 09.15 – 09.30 General introduction to the 6th co-ordination meeting by Han Wiskerke
- 09.30 – 10.00 SUS-CHAIN leaflet: aim, scope, contents, audience, ...
- 10.00 – 10.30 Coffee break*
- 10.30 – 11.30 WP7 – recommendations
 - 3rd national seminars
 - synthesis report
 - national reports
- 11.30 – 12.30 Presenting and feedback on draft publication (of parts of the) Professional book
- 12.30 – 13.45 Lunch*
- 13.45 – 17.00 Scientific book
 - 13.45 – 14.00 General outline of the book (Han)
 - 14.00 – 14.30 Scaling-up an initiative : benefits versus risks (Gianluca, Sophie, Jean-Marc)
 - 14.30 – 15.00 Hybrid firms and power distribution (Sophie, Anne, Guido)
 - 15.00 – 15.30 Coffee / tea break*
 - 15.30 – 16.00 Path creation and path dependencies (Han, Dirk)
 - 16.00 – 16.30 The role of the origin of the products (Dominique, Peter, Burkhard)
 - 16.30 – 17.00 Mediating trust and locality (James, Talis)
- 18.00 Diner

Friday 21 April

- 09.00 – 10.30 Scientific book
 - 09.00 – 09.30 Re)localising national agrifood procurement and distribution systems (James, Bill V., Carolyn, Andrew)
 - 09.30 – 10.00 Marketing and communication in sustainable FSCs (Burkhard)
 - 10.00 – 10.30 Targeting support to innovative food supply chains (Anne, Guido)
- 10.30 – 11.00 Coffee break*
- 11.00 – 12.30 Toolkit: outline, funding and schedule
- 12.30 - 13.30 Lunch*
- 13.30 – 14.00 SUS-CHAIN final conference, Brussels, 22 June 2006
- 14.00 – 14.30 Project management: 4th progress report, final report, technical implementation plan
- 14.30 – 15.00 Evaluation of SUS-CHAIN
- 15.00 - 15.30 Tea break*

Saturday 22 April

Excursion