

WP5 Summary of tools

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Tools for the assessment of short food supply chains' sustainability

Summary: The following represents a summary of tools applied in a working group (WP5) of the EU-project SUPURBFOOD (“Towards sustainable modes of urban and peri-urban food provisioning”, www.supurbfood.eu). Within WP5, three research partners, three SME’s of short food supply chains and one food consultancy from Italy, the Netherlands, Switzerland and the UK commonly explored logistical strategies that aim to make regional food delivery systems more sustainable while remaining economically viable, including addressing issues of scale.

For more detailed information on the tools applied and also practical examples, this summary might be used alongside the SUPURBFOOD Report (WP5) ‘Short chain delivery of food in urban and peri-urban areas’ that is available for download at the SUPURBFOOD project website [www.supurbfood.eu].

Overall purpose: We wanted to better understand and assess the sustainability of short food supply chains (SFSC) and identify practical ways in which SME's can assess their own business sustainability and related wider impacts – impacts on themselves, on their suppliers and on their customers. SME’s that applied these tools during the project included wholesalers with predominantly organic product lines and a farmers’ co-operative.

The tools are mainly aimed at SMEs involved in retailing or variously acting as intermediaries in the chain (this is also witnessed by the definition of a questionnaire for suppliers, as indicated in Step 4, below). Nevertheless they can be adopted also by farmers (which may also be engaged in collecting food from other partners and selling it).

Approach: We took a holistic approach to assessing SFSC sustainability by looking at the whole of the short (and transparent) food supply chain that the SMEs are involved in. The tools that WP5 partners have collectively identified and developed can be used by a wide range of SME’s to support the assessment of their current performances and their supply chains sustainability. Outcomes could be also used to prioritise future improvements.

The assessment process can be detailed in the following steps.

Step 1: Collect contextual information about each SME to help the SME identify its current business practices and identify possible issues for improvement (using 4 tools):

- A brief narrative about the SME and its business including information on history, size, overview of supply chain, territory (1000 words)
- A flow chart diagram illustrating the current logistics of the SME’s supply chain
- Diary entries to monitor the most regular logistical challenges that need to be addressed

Step 2: SME self-assessment using f3 & EcoStudio sustainable business review to provide SME with a baseline of current performance and identify action areas for improvements.

Step 3: SME looks in more detail at the local supply/short chain impacts and decides which things are most applicable to their business and therefore useful to measure. A new self-assessment tool with a specific focus on exploring the SME's own short supply chain impacts and benefits is piloted for this purpose, designed by f3 with input from all WP5 partners. The tool aims at investigating three areas of concern, broadly corresponding to the three classic sustainability dimensions (ecological, economic and social).

- Transportation distances, fuel efficiency and waste management
- Contribution to building a vibrant local economy
- Contribution to building stronger social connections and ultimately a vibrant local community

Step 4: SME finds out what kind of impact it has on its suppliers and thus on the issue of synergies. For this, there is a newly designed supplier questionnaire developed by f3 and piloted by SME's and research partners. The purpose is to help the SME assess some of the benefits of its own work on keeping the supply chains short. In theory the supplier questionnaire should produce the following information for the SME:

- More about the suppliers' farming activities
- More about suppliers wider marketing & purchasing
- Suppliers' own social/environmental impacts
- Suppliers' employment (local economic) impacts
- Impact of SME on the supplier business
- Local community impacts of the supplier

Step 5: Combine results into a holistic view of SFSC SME's to support decision making on improving sustainability

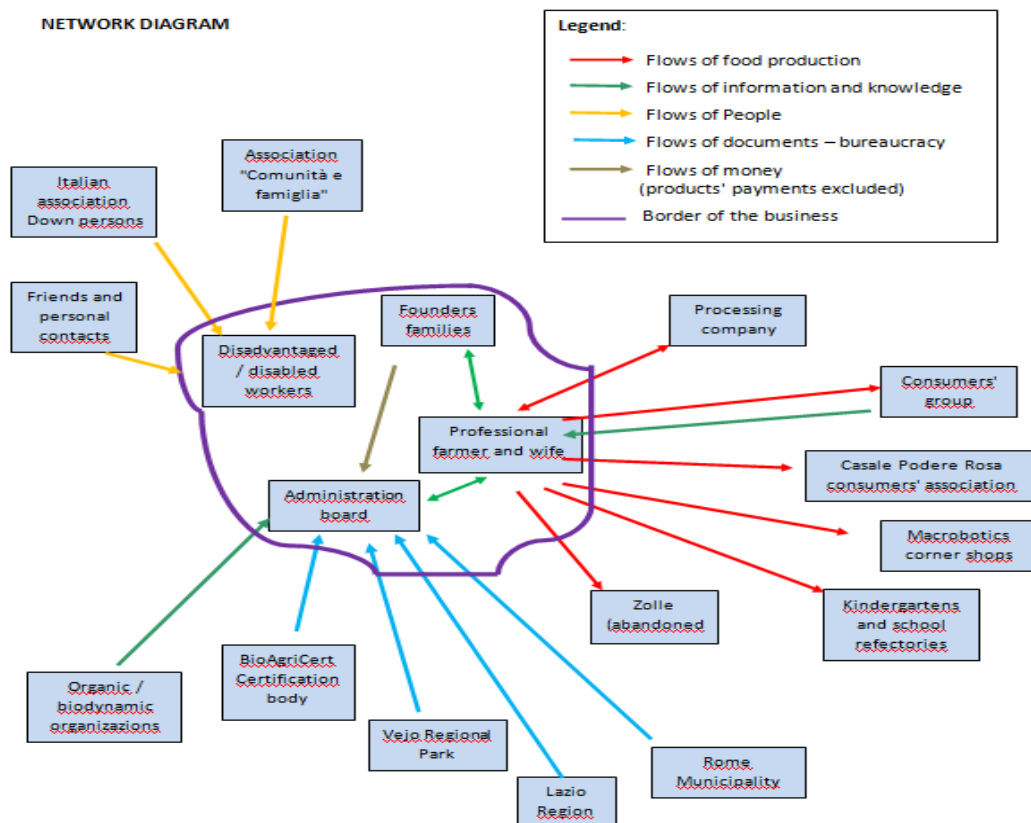
STEP 1

Collect contextual information about each SME to help the SME identify its current business practices and identify possible issues for improvement:

- A brief narrative about the SME and its business including information on history, size, overview of supply chain, territory (1000 words). Examples are available in the annex of the project's main report.
- A flow chart diagram illustrating the current logistics of the SME's supply chain
- Diary entries to monitor the most regular logistical challenges that need to be addressed

Network diagram, example Casale vecchio business network

The network diagram was created using the following free software Cmap Tool
<http://cmap.ihmc.us/Download/>



STEP 2

SME self-assessment using f3 & EcoStudio sustainable business review to provide SME with a baseline of current performance and identify action areas for improvements.

f3/EcoStudio Sustainable Business Review

The Sustainable Business Review contains a valuable online self-assessment that breaks down sustainable business criteria into 21 practical indicators that make commercial sense.

Indicators include the following:

- Having a sustainable business strategy
- Working to responsible environmental and social values
- Building a clear and consistent brand
- Seeking innovation
- Trading locally
- Working with responsible suppliers
- Providing decent employment
- Participating with local communities
- Raising awareness of good practice
- Encouraging responsible land use
- Preventing food waste
- Appropriate packaging use
- Preventing pollution
- Planning efficient distribution runs
- Reducing reliance on fossil fuels
- Using water efficiently
- Providing healthy food choices
- Maintaining regional food culture
- Staying ahead of quality standards and accreditations
- Measuring impacts

All food companies are free to use the assessment, which takes around 1 hour to complete. A completed assessment triggers a bespoke report that the company can use to boost its sales and marketing. The Review process has been informed by trials with food businesses, as well as by rigorous peer reviews, and is supported by the Welsh Government.

Feedback from food companies that have carried out this self-assessment reveal it to be a highly useful strategic planning tool.

<http://sustainablebusinessreview.org.uk/> and instructions at
(<http://vimeo.com/user17672117/review/105737611/17150510ef>)

STEP 3

SME looks in more detail at the local supply/short chain impacts and decides which things are most applicable to its business and therefore useful to measure. A new self-assessment tool with a specific focus on exploring the SME’s own short supply chain impacts and benefits is piloted for this purpose, designed by f3 with input from all WP5 partners.

- Transportation distances, fuel efficiency and waste management
- Contribution to building a vibrant local economy
- Contribution to building stronger social connections and ultimately a vibrant local community

NB: In an ideal scenario, it would only be at this point that the SME decides on what innovation to make. Some of the qualitative information required to provide an assessment of the SME impacts are collected in the supplier questionnaire below.

SME Short Supply Chain Review

This is based on a similar self-assessment format as the Sustainable Business Review (step 2). The motivation behind it was to find a way to help SME’s become more aware of their short food supply chain impacts. It was undertaken in the form of a structured discussion between an f3 facilitator, the SME and their research partner.

Purpose: To enable SME food businesses to review operations and strategy in respect of short supply chains, in order to:			
i) Review current strategy and operational systems			
ii) Record or measure progress, both for internal benchmarking and potentially for communication with customers			
Use: This is best used in a discussion, either between business colleagues; or with an external 'facilitator' who can work through the questions with the business in a discursive way and also take notes			
What this tool covers: This seeks to explore issues that are raised strictly in relation to short supply chains; it does not address more generic sustainability issues like sustainable farming practices and multifunctional land use.			
Before you start...			Please infill the yellow boxes
Define what you mean by 'local' or 'regional' and make this clear in the notes where relevant:			
Define which products or product categories you will focus on - if not your whole operation:			
Define who is your 'customer' who you sell to, who may or may not be the end-consumer:			

In the tool some additional indications are given to make questions more clear:

- **Indicator** - specific strategic and operational issues.
- **Importance** - how important do you consider this issue to be? Scaling rate: 1 (not at all) to 4 (high).
- **Assessment or measurement** - please use quantitative data where you have it and indicate what that is - but qualitative records are acceptable. (Examples are included below but you may have more appropriate measures that are meaningful to your business).
- **Progress** - how well do you feel you currently perform on this issue? Scaling rate: 1 (not at all) to 4 (fully).
- **Comments/ explanations** - summarise your current approach, and future plans (this could be abstracted for use in communicating progress with buyers/consumers).

Subjects for consideration	Quest. no.	Indicator	Importance	Assessment or measurement	Progress	Comments / explanations
1. Transportation distances, fuel efficiency and waste management - How your company actively works towards reducing mileage (food miles) and fuel costs between relevant points in the supply chain, and reducing waste. You may choose to contain your calculations to certain products or customers - if so please define. For example: identify the total number of points in the supply chain and then decide which points in the supply chain are most relevant to which products	1.1	A logistics plan exists and is regularly reviewed that reviews strategy / mission, and operational systems (as informed by all the other indicators). This should indicate why and how short supply chain goals can be met.				
	1.2	Clear records are kept of distances travelled (may be appropriate to keep records for different categories of products)		eg. Vehicle mileage totals (or different product categories); targets for reduction		
	1.3	Clear records are kept of fuel usage (for different categories of products as appropriate)		eg. Fuel costs (for different product categories); targets for reduction		
	1.4	Monitoring procedures regarding emissions are in place and generate clear information		eg. Carbon footprint calculations and method used; frequency of review and analysis		
	1.5	Alternatives to fossil fuels are used where possible - or steps taken to use fuel efficient and low emission vehicles				

Subjects for consideration	Quest. no.	Indicator	Importance	Assessment or measurement	Progress	Comments / explanations
	1.6	Efficiency of vehicle journeys are reviewed - for example to include consideration of part-empty running or use of vehicle on backhaul				
	1.7	Collaboration on delivery has been explored with other potential supply chain partners		eg. Examples of local/regional collaboration - which could be with other producers (horizontal) or other supply chain businesses (vertical)		
	1.8	Efficient operational systems are in use to process orders and inform the distribution requirement, and designed for most efficient route planning option		eg. Systems in place; frequency of review to find better systems		
	1.9	Initiatives aiming at re-using or recycling resources and products as locally as possible (raw materials, food, water, packaging)		eg. Internal re-use (composting, etc.); cooperation with other local/regional initiatives such as local waste collection /recycling		
2. Contribution to building a vibrant local economy - How your company proactively engages with other local businesses or otherwise contributes to local economic development - this could include non-food services if appropriate eg. accounting, vehicle & machinery maintenance etc	2.1	Proportion of your bought-in goods or services that you spend with local/regional businesses (if you have this information - if not make an educated estimate)		eg. Proportion of total annual spend on bought-in goods or services		
	2.2	Priority is given to localising the supply chain		eg. Proportion of marketing budgets that are focused to local/regional marketplaces or to create localised supply chains		
	2.3	Proportion of your products or services that are sold to customers in the locality / region (if you have this information - if not		eg. Proportion of total annual sales		

Subjects for consideration	Quest. no.	Indicator	Importance	Assessment or measurement	Progress	Comments / explanations
		make an educated estimate)				
	2.4	Employment and skills development opportunities are offered to the local community		eg. Proportion of employees who live locally; take up of local training initiatives; apprenticeships, work placements etc		
	2.5	Your company provides products or services which are otherwise missing from the local economy - or which helps build a more sustainable and resilient local economy and a stronger ethical marketplace		eg. Examples of unique products/services which meet a gap in provision; or making more sustainable or ethical goods and services available in the local/regional area; evidence of traceability or clear provenance		
	2.6	Collaboration (other than on distribution) has been developed with other potential local/regional supply chain partners, helping to build a local trading network or local supply chain infrastructure		eg. Examples of local/regional collaboration - which could be with other producers (horizontal) or other supply chain businesses (vertical)		
3. Contribution to building stronger social connections and ultimately a vibrant local community - How your company proactively engages with local people or otherwise contributes to the health and well-being of local people and the local community. This might be through direct contact with the final consumer; or it might be indirect because	3.1	Regular communication is made with local customers , including face to face interaction		eg. Examples of media that are in place for communication locally; examples of how your business responds to any issues that are raised		
	3.2	Active engagement (re-connection to their food) of consumers is sought. Regular communication is made with local consumers, including face to face interaction (if this is		eg. Examples of media in place for communication locally; examples what your business communicates to final consumers		

Subjects for consideration	Quest. no.	Indicator	Importance	Assessment or measurement	Progress	Comments / explanations
your customers are other businesses (retailers, caterers, other wholesalers). Important to focus on your own customers in responding to this question.		relevant to your business).				
	3.3	Regular communication is made with local supply chain partners , including face to face interaction		eg. Examples of media in place for communication with supply chain partners; examples of how your business responds to and addresses issues raised?		
	3.4	Business is flexible and innovative in meeting local community needs and gaps		eg. Examples of local community needs/gaps that are relevant to your business; examples of your flexibility and innovation (in response to communication re local needs/gaps)		
	3.5	Events, open days or other direct interactions are made with local people (if this is relevant to your business)		eg. Examples of events, initiatives		
	3.6	Your business promotes healthy, local, fresh, seasonal and locally distinctive products which support local food culture and dietary health		eg. Examples of products and their 'benefits', examples of culturally distinctive products		
	3.7	Your pricing and distribution is designed to make good food affordable and accessible to the final customer (those local to your own business, or local to your customer businesses, or to the points of production - whichever is relevant to your business)		eg. Evidence such as increased sales of local veg in local shops; and also in your own business decisions		

Subjects for consideration	Quest. no.	Indicator	Importance	Assessment or measurement	Progress	Comments / explanations
	3.8	You collaborate with (local) public agencies and contribute to policy measures regarding local supply chains		eg. Participation in local public initiatives; lobbying for regulation or public support (could also be at national or even EU-level)		
	3.9	Engagement in knowledge transfer with local people and businesses; sharing learning locally		eg. Presentations to students, farmers, traders, scholars, the wider public, policy makers, etc.		

STEP 4

For SME's to better understand their suppliers (mostly primary producers) a newly designed supplier questionnaire was developed by f3 and piloted by SME's and research partners. The purpose is to help the SME assess some of the benefits of its own work on keeping the supply chains short. In theory the supplier questionnaire should produce the following information for the SME:

- More about the suppliers' farming activities
- More about suppliers wider marketing & purchasing
- Suppliers' own social/environmental impacts
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Supplier Survey template

The purpose of the survey was to help SME's add information to their short supply chain reviews through undertaking a survey with their suppliers. The questions below are the starting point. Each research partner then discussed the survey questions with their SME, adapted and translated the questions to suit the specifics of the SME.

INTRODUCTION

1. Please enter your contact details (for contact purposes only, data will be anonymous).
2. Please could you provide a brief description of your farming activities?
 - Size of the farm
 - How many hectares are horticultural
 - How many hectares are arable
 - How many hectares are grassland
 - What crops do you grow
 - What livestock do you have

3. What other non-farming activities are you involved in?
- Agri-tourism
 - Education
 - Composting
 - Others, please name
4. What percentage of organic and conventional do you grow/farm by turnover?
- Organic
 - Conventional
5. Where do you sell to (please include sales to us)? Please estimate the % of your sales through the following:
- Direct marketing
 - Intermediaries (e.g. wholesalers, national farmers co-ops and including xxx)
 - Supermarkets
 - Other (please name):
6. Do you buy in from other farms too? If yes, please provide details on the type of products, total value and where it is being sold to.

YES

NO

Details of buying in:

7. What drives your business? Please rate the core objectives that underpin your business activities.

	Not important	Important	Very important
Maintain/increase financial return			
Maintain farm for the next generation			
Provide local employment			
Improve animal welfare			
Increase biodiversity			
Decrease pollution			
Providing healthy food			
Increase farm diversity			
Other, please specify:			

Any further comments?

FARMING PRACTICES

8. Do you grow or farm local/heritage or unusual varieties or breeds?

	YES	NO	N/A
Local/heritage variety			
Please name:			
Unusual variety			
Please name:			
Local/heritage breeds			
Please name:			
Unusual breeds			
Please name:			

9. Does xxx value or encourage local/heritage/unusual varieties or breeds?

10. Have there been changes in your farming practices that resulted from the trade with xxx and do you anticipate future changes as a result of trading with xxx?

	Since trading with xxx – YES	Since trading with xxx – NO	Future changes – YES	Future changes – NO
Range of crops/animals				
Please specify:				
Breeds or varieties				
Please specify:				
Dealing with waste				
Please specify:				
Changing farm inputs				
Please specify:				
Changing rotations				
Please specify:				
Composting				
Please specify:				
Other:				
Please specify:				

11. Has the trading with xxx enabled you to support or enable traditionally local or regional farming practices?

YES

NO

Please comment:

EMPLOYMENT/SOCIAL BENEFITS/COMMUNITY

12. How many employees (excluding family members) do you have and where do they live?

	Local village(s)	Regional (60 to 100km)	National	International
Full time, permanent				
Part-time, permanent				
Full-time, seasonal				
Part-time, seasonal				

Comments?

13. What other, non-employed labour input do you have?

	You	Your partner and other family members	Help from other farms	Volunteers
Full time, permanent				
Part-time, permanent				
Full-time, seasonal				
Part-time, seasonal				

Comments?

14. Did employment change at your farm as a result of trading with xxx?

	Increase	No change	Decrease
Number of staff			
Change in hours			
Change in permanent contracts			
Other, please name:			

Please provide details of the changes that have taken place:

15. Do you anticipate any future changes to employment at your farm as a result of trading with xxx? For example:

	Increase	No change	Decrease
Number of staff			
Change in hours			
Change in permanent contracts			
Other, please name:			

Please provide details of the changes that you anticipate and what are the reasons:

16. What is your total turnover?

- Under 50.000 Euro
- 50.000 to 100.000 Euro
- 100.000 to 250.000 Euro
- 250.000 to 500.000 Euro
- 500.000 to 1.000.000 Euro
- 1.000.000 to 2.500.000 Euro
- 2.500.000 to 5.000.000 Euro
- Over 5.000.000 Euro

Other, please specify:

17. What percentage of your annual turnover do you estimate comes from the trade with xxx?

18. Where did you buy farming inputs or services BEFORE or SINCE trading with xxx:

	local village - BEFORE	local village - SINCE	region - BEFORE	region - SINCE	national - BEFORE	national - SINCE	inter-national - BEFORE	inter-national - SINCE
Feed								
Seeds								
Machinery								
IT								
Other								
Other								

Please name other:

19. What other involvement does your business have with your local community? For example, supporting local events, employing local people, supporting traditional practices (e.g. traditional mountain grazing), support each other by sharing machinery and seasonal work, educational work. Please provide as much detail as possible and please list by local village(s) and region.

Local village(s):

Region:

20. How would it influence your business and how would you respond and adapt if xxx no longer traded with you?

WORKING CONDITIONS AND EQUALITY

21. Do you employ minority groups (e.g. ethnicity, people with disability, long-term unemployed)? Please list by before and since trading with xxx.

	NO – before trading with xxx	NO – since trading with xxx	YES – before trading with xxx	NO – before trading with xxx
Ethnicity				
People with disability				
Long-term unemployed				
Youth				
Older people				
Other, please name below				

Please name other or list further comments:

22. How does the wage that you pay your employees differ to the regional/industry-specific minimum wage? Please differentiate between permanent employees and seasonal workers.

	Lower	The same	Higher
Permanent employees			
Seasonal workers			

Please comment:

23. Do you offer training opportunities for your employees? Please provide details:

	YES	NO
Internal training		
External training		

Please provide details:

24. Do you have a professional on-farm health and safety policy and follow appropriate procedures?

YES

NO

Please provide details:

FAIRNESS THROUGHOUT THE SUPPLY CHAIN

25. How does the price xxx pays you compare to your other customers?

	Compared with your own direct marketing	Compared with other intermediaries (e.g. wholesalers, national farmers co-ops)	Compared with supermarkets and their processors
Much better			
Slightly better			
The same			
Slightly worse			
Much worse			
Not applicable			

Any further comments?

26. Do you perceive the price that xxx pays you for your produce to be fair? By fair we mean that the price covers the cost of production, requirements for re-investment and an appropriate premium for your sector.

Poor

acceptable

good

very good

Any further comments?

27. Do you perceive that the relationship with xxx has changed your control on the supply chain, or your autonomy within it?

YES

NO

Don't know

Any further comments?

28. And finally are there any other impacts (positive or negative) that you have experienced as a result of trading with xxx?

STEP 5

Use the combined results of the SME's whole short supply chain to support decision making on improving sustainability and prioritising actions.