EIP-AGRI Workshop
Cities and Food

September 21 – 22, 2016 – Kraków, Poland

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AGRICULTURE & INNOVATION

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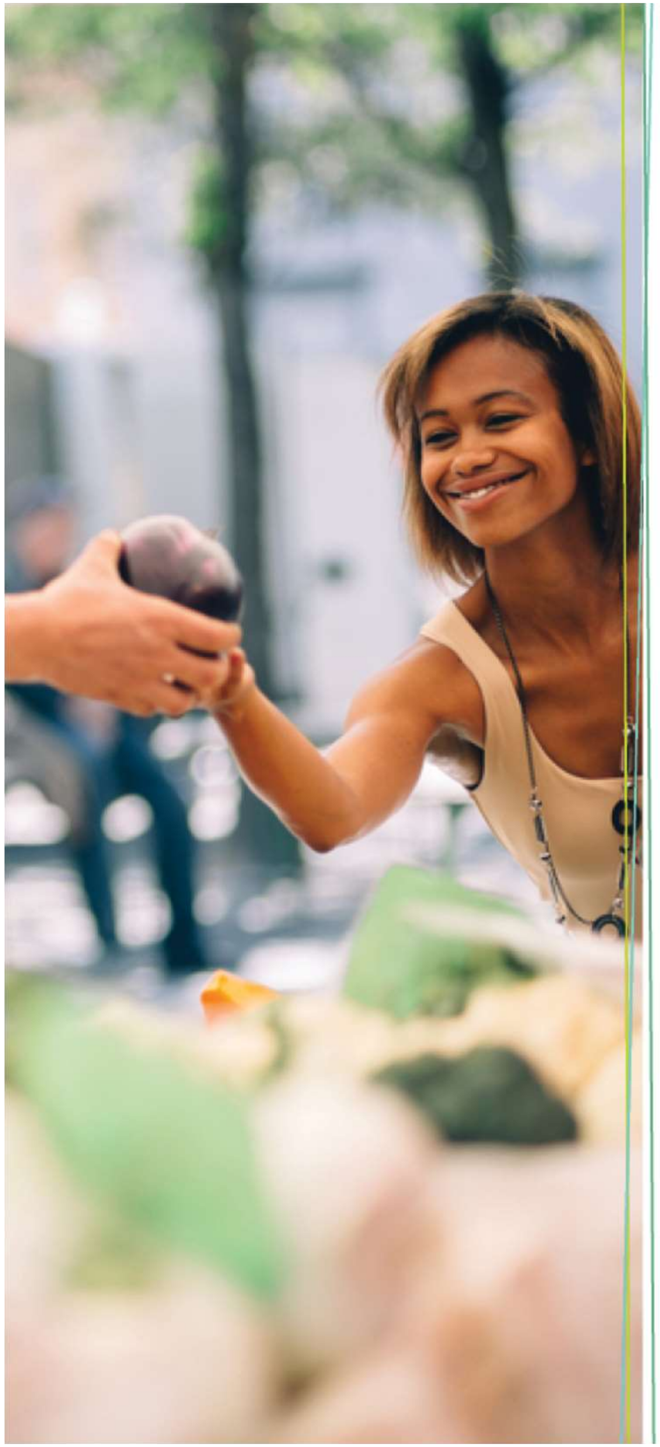

Programme September 21

INTRODUCTION AND SCOPE OF WORKSHOP

09:00-09:30 Introduction
Welcome – Mr Pawel Szabelak, Ministry of Agriculture and Rural Development of Poland and by the Marshal from Malopolska region
Setting the scene – Ms Inge van Oost, Directorate General of Agriculture and Rural Development, European Commission

09:30-10:30 Getting inspiration
Malopolska Region in the context of Cities and Food – Mr Rafal Serafin, President of Polish Environmental Partnership Foundation
Reconnecting consumers and producers in the food chain: trends and challenges – Ms Moya Kneafsey, Coventry University, United Kingdom
Cities and Food and the Milan Urban Food Policy Pact – Ms Cinzia Tegoni, Milan Municipality
Distribution of added value in the chain: a few practical cases – Mr Jan Willem van der Schans, Wageningen University and Research, the Netherlands
and Mr Patrick Pasgang, Innovation Support Centre, Flanders, Belgium

Coffee with regional bites

Distribution of added value in the chain

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”EIP-AGRI Workshop
‘Cities and Food – Connecting Consumers and Producers’
21 and 22 September 2016
Kraków, Poland

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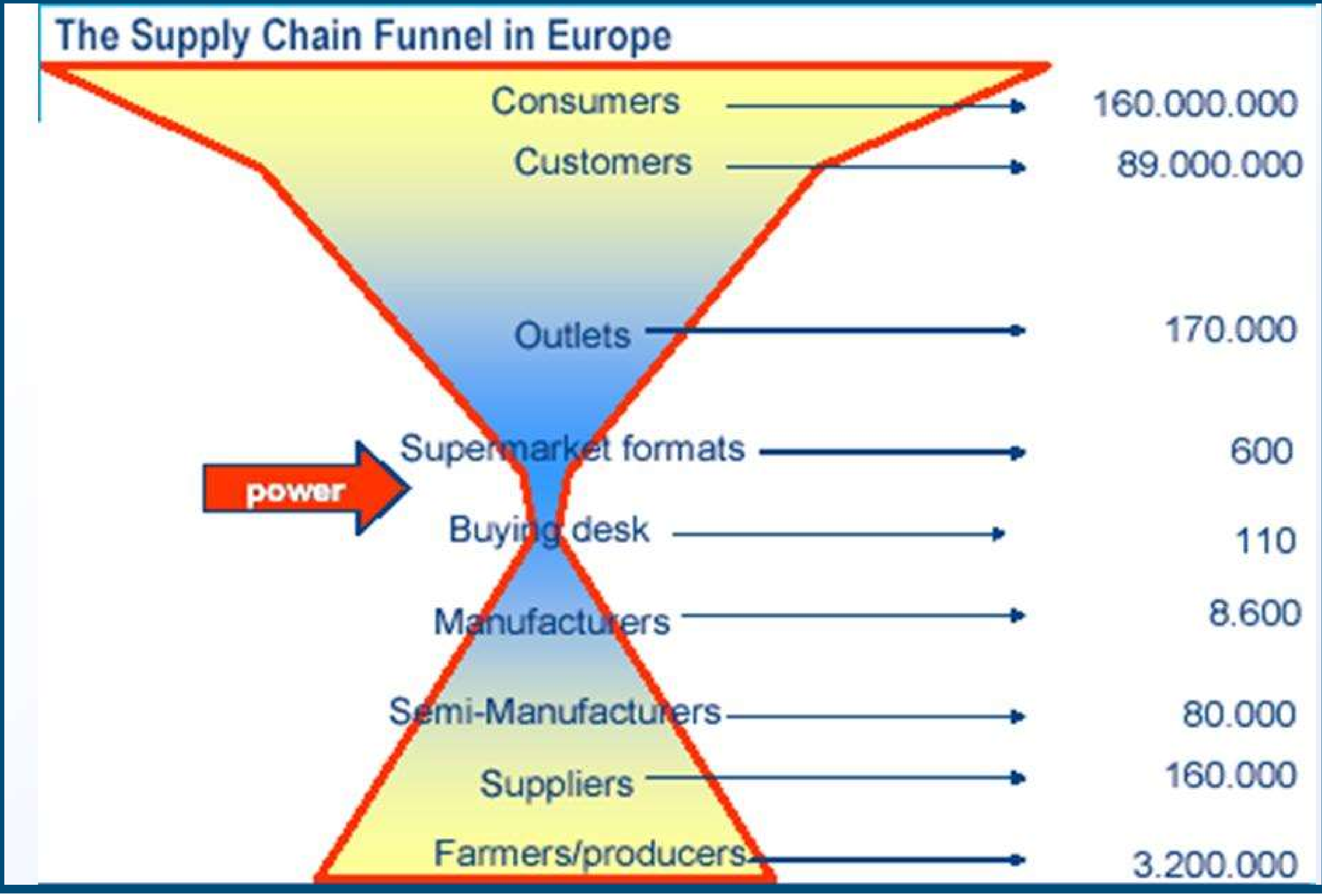
Downward pressure farmer incomes

	Average return on investment four Dutch agrifood chains				
			n	2000-2004	2005-2009
porc	supplies		28	12.2	15.5
	farmer		96	-5.9	-2.9
	processing		49	14.3	17.2
	retail		22	26.5	22.2
dairy	supplies		28	12.2	15.5
	farmer		278	0.1	0.3
	processing		48	17.1	18.8
	retail		22	26.5	22.2
vegetables	supplies		17	32.1	24.7
	farmer		158	0	-5.5
	processing/wholesale		32	22.7	22.3
	retail		22	26.5	22.2
fruits	farmer		17	-1.9	-2.4
	processing/wholesale		22	19.8	16
	retail		22	26.5	22.2

(Backus, ten Pierick, van Galen en Jager, 2011)

Power in food supply chain



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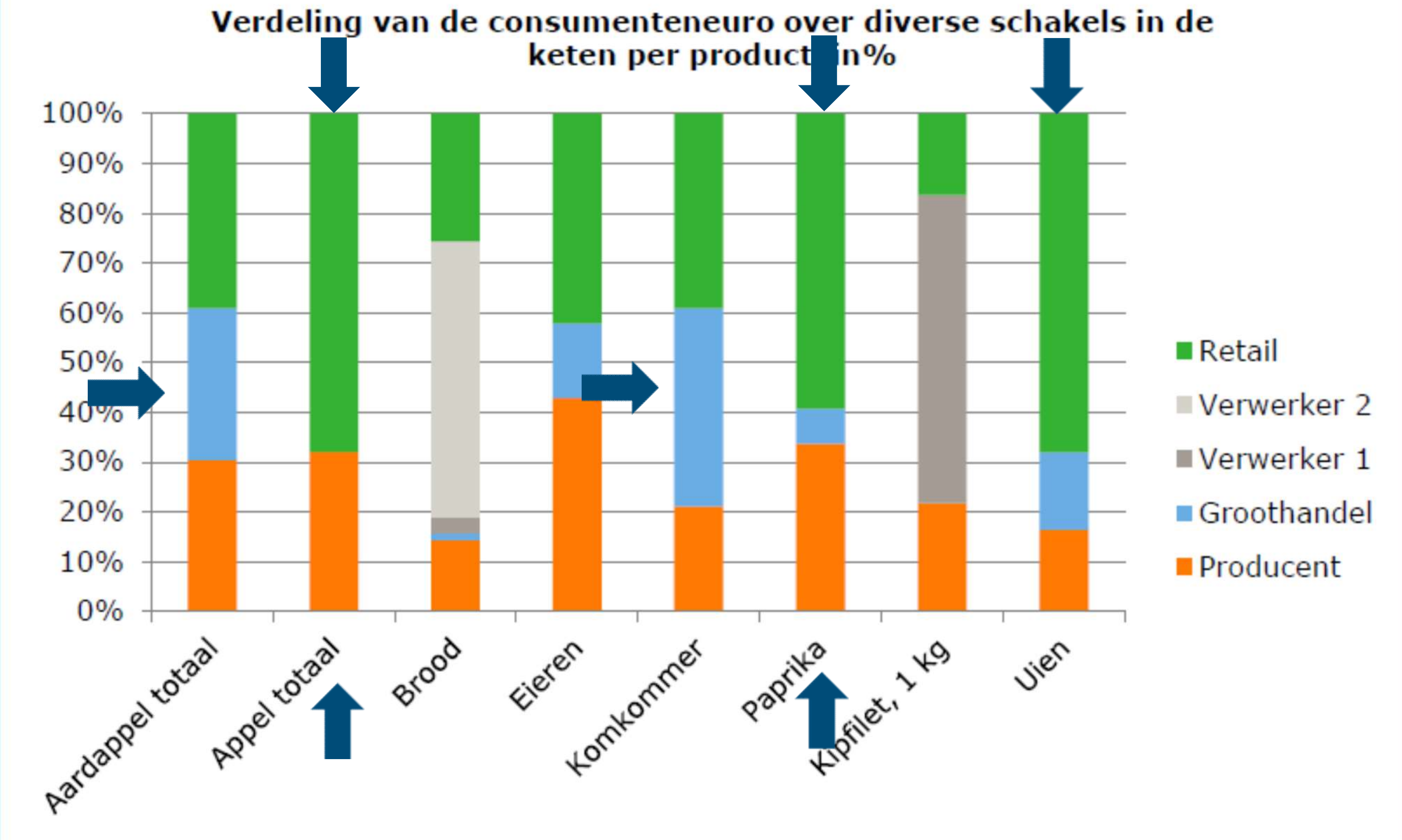
Potential for margin re-distribution



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No bricks, only clicks

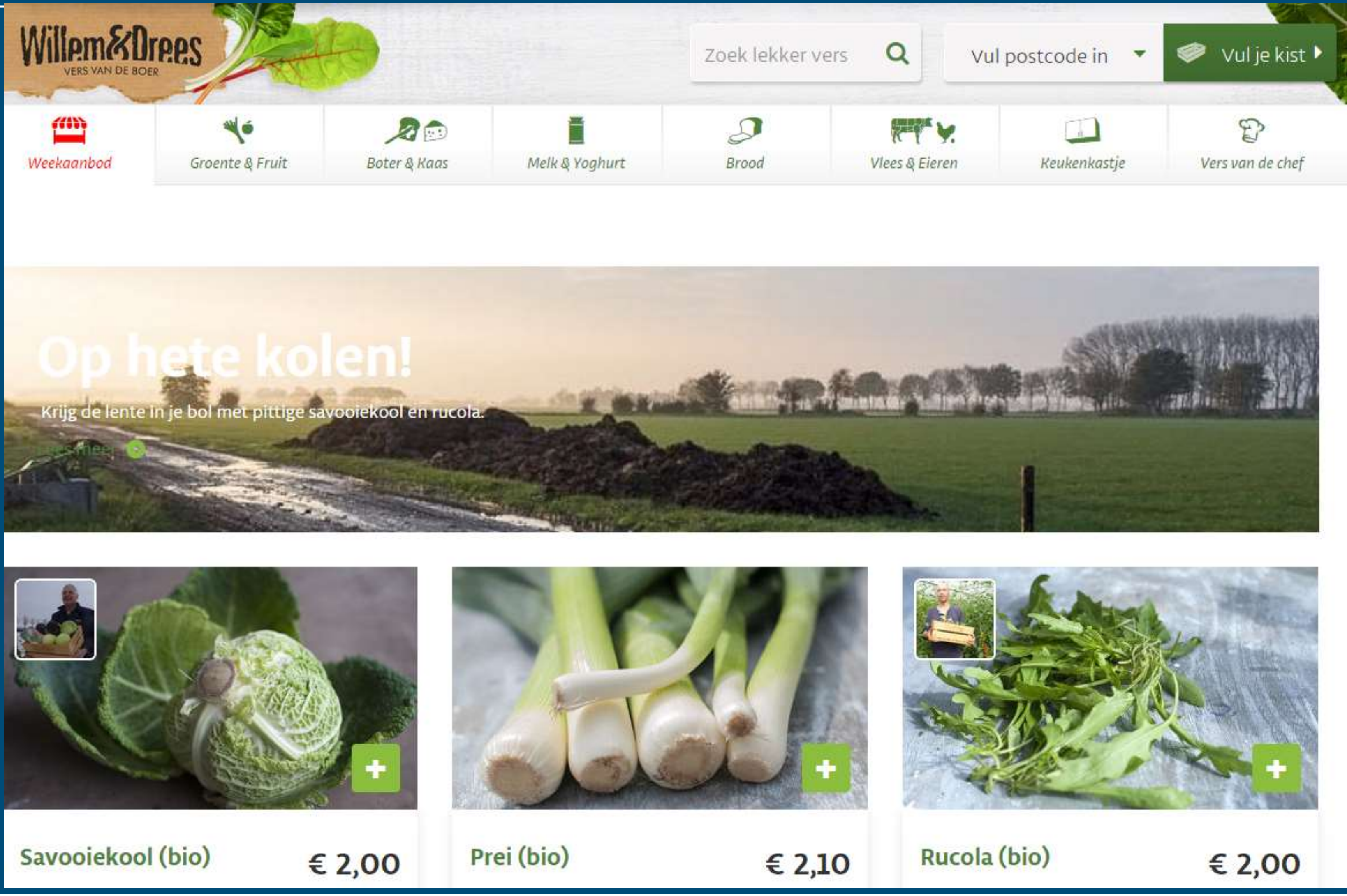
PIC NIC

Welkom bij de nieuwe online supermarkt

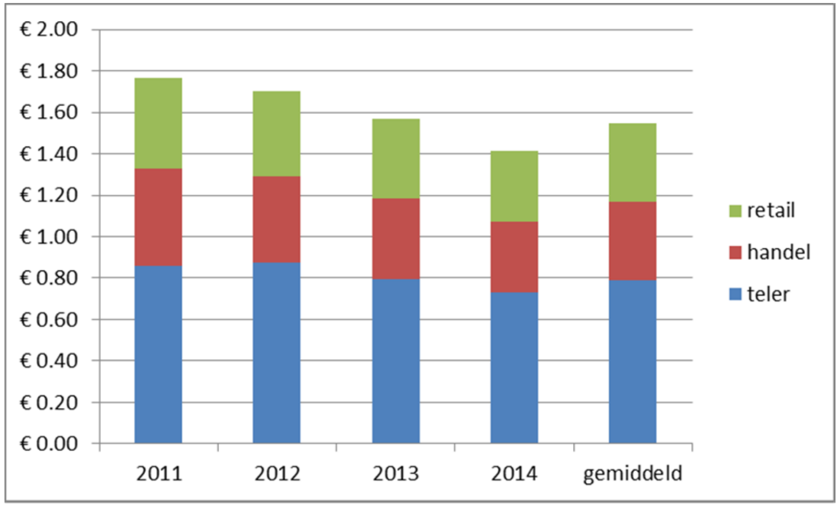
Nu open in Amersfoort en Leusden!

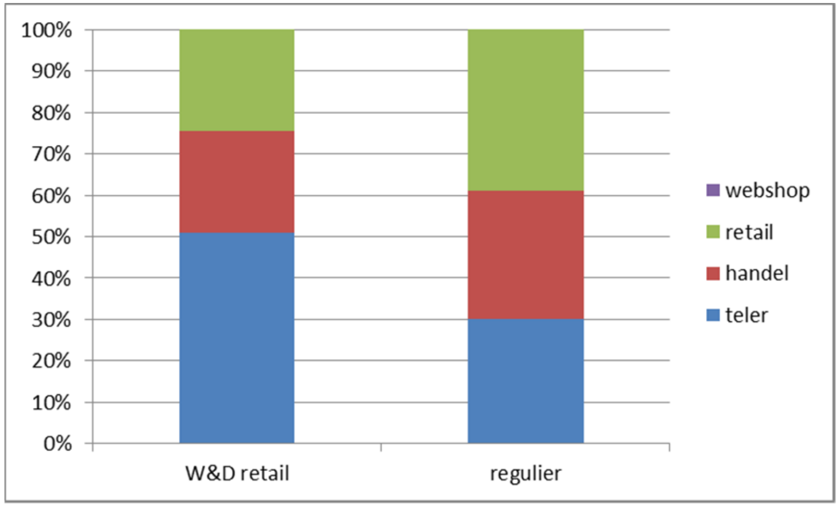
Producer->W&D->Supermarket->Consumer

Willem & Drees webshop



Potato





- Retail price conventional: € 0.80 per kg (0.40-1.20)
- W&D: higher price and higher margin
- Different varieties
- Packaging now done by W&D supplier

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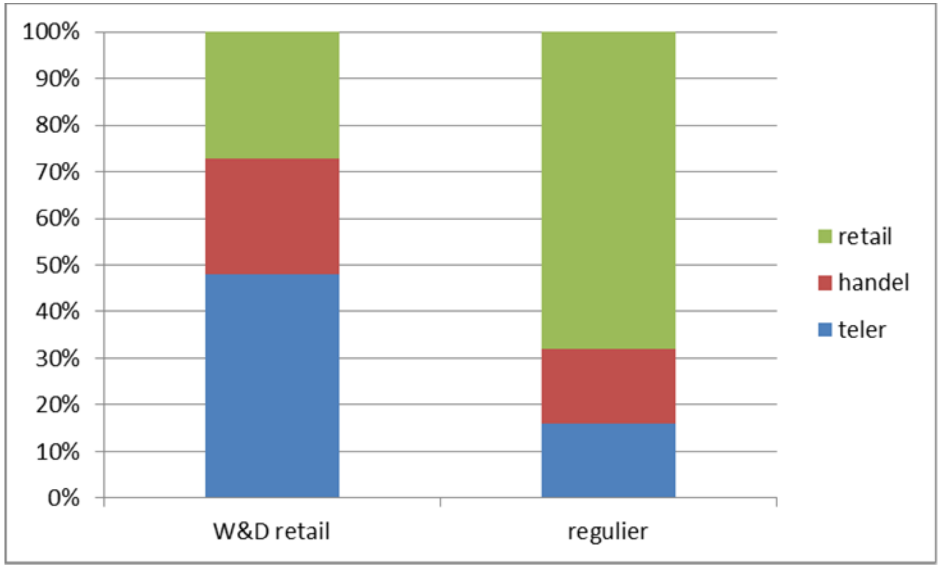
Pepper

- Conventional: € 0.80 piece (0.40-1.20); year round import
- W&D: € 1.38 piece; seasonal, NL produce
- W&D: higher price and higher margin



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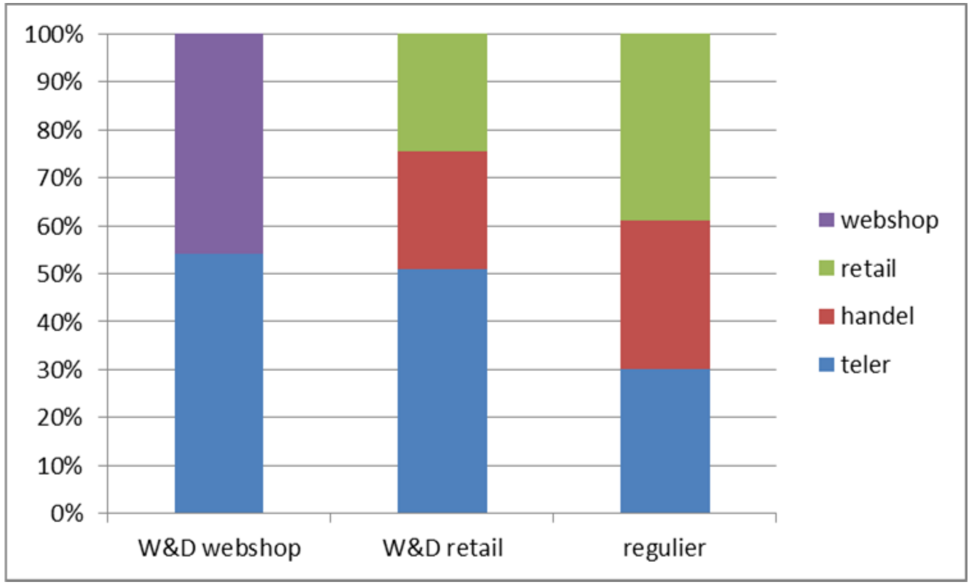
Webshop W&D

- Since fall 2014
- Only 1 intermediary
- Different business model
  - Sharing of costs grower and trader
  - website, logistics
- Example potato



Conclusion

- W&D growers capture larger part of gross margin, but
- Grower works harder and invests more
  - Organic (e.g. mechanical weed control)
  - Prepare produce (storing, sorting, packaging)

Following examples from the Innovation Support Centre (Patrick Pasgang) will illustrate this

- Grower-trader agreements (rather than spot market)
- Transparancy (supplier, price composition)
- Comparability: variety, growing system, season, quality of data