Bioregional food systems: finding the shortest route between producers and consumers

Jo Hunt
4 questions….

• What does a food network do?
• Do we have a bioregional food system?
• What are the routes to food security?
• Will consumers get the opportunity to decide?
In a nutshell….

• We are creating a network that links producers and consumers

• But it’s a long way from being a bioregional food system

• The road is forking and there are three possible routes ahead

• We are going to have to shout very loudly and work closely with consumers, if we want to take to the local food security route
a tale of two carrots....
Q1 What does a food network do?
Welcome to the Highlands & Islands Local Food Network

We are a group of food consumers, farmers, crofters, community groups, retailers and projects from across the Highlands and Islands of Scotland who are working together to make fresh, locally grown food more available in our communities.

To use the map – click on one of the category symbols below it – then just click on a symbol on the map to find a food producer near you.

Click any of the following to find out more about them:

- Producers, Retailers, Caterers & Producer Groups – IN LIST FORM

If you would like your farm, croft, restaurant, shop, business, project or community group added to this map and directory, please explore the Join the Network section on this site or contact us. If you simply wish to receive our monthly eTine (packed full of information on what we’ve up to, what else is happening in local food at the moment, details of events, courses, workshops and markets), sign up to the ‘Information Only’ option by clicking here and you will automatically receive this, as well as our quarterly newsletter.

To catch up on previous monthly eTines and past copies of our newsletter, ‘Local Bites’, check out the Library section of this site.
Spread over a wide area….

• Inner Moray Firth – medium scale businesses operating independently
• Crofting areas – micro-businesses often working in groups
• ‘000’s of food consumers looking to eat local

• 35% of the land area of Scotland
• 8% of the population of Scotland
Using lots of local marketing routes….

- Box scheme
- Community Supported Agriculture
- Mail order
- Internet
- Restaurants
- School contract

- Farmers markets
- Farm shops
- Gate sales
- Local retailer
- National small retailer network
- Supermarket
- Local processor
- Co-op contract
So, what does HILFN add to this…. 

- Connect 
- Co-ordinate 
- Share information 
- Advise businesses 
- Transfer skills 
- Provide missing infrastructure

- Push 

  PUSH
Q2 Do we have a bioregional food system?
What do we eat at home?  
- household consumers

- Over 70% regularly eat some local foods
- ‘local’ is within 50 miles
- ‘supporting the local economy’ is top reason
- 40% are willing to pay up to 10% more for local produce
- High growth in spend expected

Total local food purchasing of £200M pa  
c.18-20% of all food purchases
HILFN members trade c2% of local trade

Ref: ‘Review of current supply and demand for local ‘food in the Highlands and Islands’  
SAC and f3 for HIE, March 2008
And when we eat out? – trade customers

- Wide variation from 6% to 70% of supplies
- Strong in red meat and fish/shellfish
- Weak in fruit, veg and prepared products
- Low growth in spend expected

Total local purchasing cannot be accurately estimated

Ref: ‘Review of current supply and demand for local food in the Highlands and Islands’
SAC and f3 for HIE, March 2008
Eat already….
• ‘Popular’ products:
  – Beef
  – Root veg
  – Soft fruit
  – Eggs
  – Cheese
  – Farmed fish

• Purchasing from:
  – Farmers market
  – Farm shops

Want to in future….
• ‘Missing’ products:
  – Chicken
  – Salads
  – Top fruit
  – Locally baked bread
  – Milk and butter
  – Sea fish

• Purchasing from:
  – Small general store
  – Specialist local food shop

But is it available?

Ref: ‘Eat Local Campaign’ consumer survey
HILFN, October 2008
And what about producers?

- Over 90% process or sell their own products
- 40% sell direct to consumers: 2% to public sector: 3% to multiples
- Direct sales and direct to food service are main growth areas

Most local food producers do not plan to expand dramatically – increased supply depends on more producers entering market

Ref: ‘Review of current supply and demand for ‘local ‘ food in the Highlands and Islands’ SAC and f3 for HIE, March 2008
Barriers to connecting consumers and producers....

<table>
<thead>
<tr>
<th>Household consumers</th>
<th>Trade customers</th>
<th>Food producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of availability</td>
<td>Lack of availability</td>
<td>Limited expansion</td>
</tr>
<tr>
<td>High prices (relative to supermarkets)</td>
<td>High prices (relative to non local wholesale)</td>
<td>Low prices (relative to cost base)</td>
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<tr>
<td>‘it’s invisible’</td>
<td>‘hassle to order’</td>
<td>‘missing infrastructure’</td>
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Big shops vs. small farms reduces diversity
Q3  What are the routes to food security?
What is everyone else up to?

Wheat and oil prices

- Brent crude $/barrel
- Wheat £/tonne
And where are they going?

Most Scottish farms do not cover fixed costs and rely on SFP and ‘schemes’

• Average age of a Scottish farmer is 58 years
• Average age of a crofter is 67 years
• Only 1 in 12 crofters make their primary income from agriculture
• 70% of Highland farms have less than one person working them

At the current rate of decline Scottish farmers will be extinct in 2045
Starting from quite a low base….

Run low on:
- Labour
- Skills
- Younger farmers
- Regional and local infrastructure
- Independent retail points

Challenged by:
- Volatile markets
- Complex regulation
- Heavy borrowing
- Large retailer dominance
- Distance and density
hearing some very mixed short term signals....

Food prices are rising
  • Organic premium is squeezed
  • Local sales are still growing

Increasing price volatility
  • High prices: producers leave local supply
  • Low prices: their businesses fail

Credit crunch
  • 1 in 10 farms refused overdraft extension

Decoupling of CAP:
  • 25% reduction is stock, threatening habitat grazing and infrastructure viability
making slow progress in the medium term….

2003 to 13

- Half way thru’ CAP decoupling and ‘freedom to farm’
- Half way thru’ period for food production realignment with the market

- Are we half way toward viable farming systems that meet consumer demands, without subsidy?
...with clear long term goals.

Doubling world food production by 2050

80% cut in carbon emissions by 2050

Strong rural communities
3 routes out of here…

Global ‘business as usual’

Scottish ‘self-sufficiency’

Local ‘food systems’
Q4 Will consumers get the opportunity to decide?
Filling the local food gap...

From 2008:
• 20% of market
• Direct sales
• Lonely micro businesses
• Monopoly
• Consumer polarity

To 2018:
• 40% of market
• Networked retail access
• Joint medium scale business
• Diversity
• Consumer inclusion
What are the components of a secure local food system?

- Local businesses and consumers
- working collaboratively
- to trade locally
- in a ‘level’ local market
- aware of the impact they make
Component 1
Local businesses and consumers

- Mixed farming with high animal welfare
- Grown with minimal carbon inputs and using renewable energy sourced on site
- Involving local consumers who support ‘their’ farm
Component 2
working collaboratively

• Sharing information
• Transferring skills
• Co-owning infrastructure
Component 3
to trade locally

• Using local food hubs to service
• Local points of sale
• For products with a ‘clearly different’ identity
Component 4 in a level local market

- Land is zoned for new entrants, allotments and diverse retail activity
- Competition controls are applied at a local level - and not allowed to reach 60%
- And communities own and can lease-out the right to operate a retail store that commands more than a 10% market share
Component 5
aware of the impact they make

- Food access and diversity
- Local economic impact
- Carbon load.
Even the NFUS recognise the opportunities....

- Local food
- Differentiated products
- Local processing
- Organic sector
“On the other hand world demand for wheat is increasing and stocks remain low. All it needs is a poor harvest somewhere in the world to create a shortage and prices will climb again”
4 more questions....

1. How do we involve both producers and consumers in the same ‘solution’?

2. How do we create a local market environment that allows diversity?

3. How do we build scale into local food production and infrastructure, whilst retaining local control?

4. How do we know and measure when we feel locally food ‘secure’?
And before the end of the day, please.....