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# Shortening Food Supply Chains: a recipe that works for SMEs

Bringing regional food products closer to the consumers can be a challenge for SMEs. Factors such as volumes, price and logistics are obstacles hard to overcome for small-scale food producers who want to deliver their products to grocery stores, institutional kitchens, food processing companies or even bid on public procurements.

Nevertheless, solutions can be found. For five years, partners from Belgium, Denmark, Germany, the Netherlands and Sweden have been working together to come up with solutions to overcome the challenges through the European project REFRAME.

### More local products in the supermarket

In West-Sweden focus has been on increasing sales of regional food in grocery stores by supporting grocery stores in finding suitable regional suppliers and helping small-scale food producers to be able to meet the demand and fulfil the requirements from the grocery stores. This includes skills development, networking activities, sales training, coaching and arranging mini fairs at which small-scale food producers can present their products for specially invited purchasers. And this approach has proven to be successful.

- With help from REFRAME, the ICA Maxi supermarket stores were able to increase sales of regional food with 30 percent from 2017 to 2019, which is an increase worth 9,6 million EUR. In addition, the number of regional SMEs selling products in the stores increased from 164 to over 300, says Marcus Nyström, CEO of Lokalproducerat i Väst in Sweden.

### Connecting SME food producers with buyers who demand smaller quantities

Bringing the local products closer to the consumers also applies for the B2B sector. Again, the SMEs face a challenge, as they are unable to deliver large quantities of their products to institutional kitchens or food processing companies. One of REFRAME's solutions to this challenge has been to organise a B2B Taste Market, which connects food producers and potential buyers from retail and restaurants, who demand smaller quantities.

- More than 100 local exhibitors participated in the B2B Taste Market, which took place twice, once in Kortrijk and once in Ghent. Almost all exhibitors indicated that they had made at least ten new contacts. Many of them even 20 or more, says Gaël Staelens, lector at VIVES University College and co-organiser of the event.

# A procurement strategy that works for food related local SMEs

On the political level, the lead partner of REFRAME, Municipality of Groningen has adjusted its procurement strategy in such a way that it enables more food-related regional SMEs to participate in the tender for municipal canteens. By using the Best Value Procurement Strategy, interested parties were to show how their offer included regional sourcing, stimulated innovation of food related SMEs and delivered also a substantial Social Return. The Municipality of Groningen chose the offer from a local SME with



substantial regional sourcing, innovative cooperation with regional food related SMEs and a substantial Social Return.

Many other successful examples on how the REFRAME partners have been bringing regional food products closer to the consumers and shortening the food supply chain can be found in REFRAME's <u>Online Resource</u> <u>Centre</u> on the project website.

#### About REFRAME

REFRAME is a project supported by the Interreg North Sea Region Programme. In REFRAME partners from Belgium, Denmark, Germany, the Netherlands and Sweden are working together to create better conditions for food related SMEs, social enterprises and initiatives. The project promotes greater diversity in the supply of food, supports innovation and sustainability, and creates local employment, thereby strengthening the local communities. This involves developing new skills for food related SMEs, fostering regional cooperation, supporting transnational learning and stimulating innovation. REFRAME also supports food-related SMEs by raising awareness of regional food supply and demand as well as nudging local governments and large-scale consumers to buy food regionally, and mostly regional food.

## For further information please contact

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