BioGreenhouse

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IN SCIENCE AND TECHNOLOGY

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Horizon 2020

Market evolution to short chain in the organic horticulture in Flanders (Belgium)

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Situation

- Organic acreage in Europe:

  5.8% of total agriculture area

- Top of the list: - Austria
  - Sweden
  - Estonia

- Belgium: 4.7%

  0.8% Flanders and 8.4% Wallonia

Situation

- Flanders:
  - steady continuous growth:
    - in area (+5%) and definitely in number of farms (+7%)
    - Influx of smaller farms
      ➔ average size of organic farm: 14.7 hectares

Market situation

- Big farms
  - Long chain
  - Price competition → decreasing
    ➔ specialization of equipment

- Smaller companies
  - Short chain
  - ¼ of the Flemish organic farms
  - Professionalized the past few years

Short Chain

- Advantages
  - Customer:

    - environmentally friendly (few food kilometers)

    - sustainable

    - freshness
  - Farmer:

    - More impact on price

    - A lot appreciation for his work

    - Not dependent of one/some retailer(s)

Short Chain

- Distribution
  - Direct sale
  - Subscription system

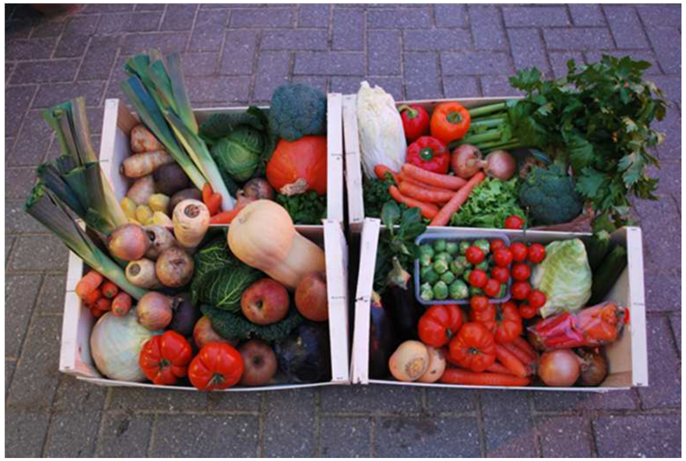
→ Choice: depending on the management of the grower

Subscription

- **Vegetable baskets**
  - Amount of different vegetables on a weekly basis
  - Composition done by grower
  - As much as possible from own production and varied (also forgotten vegetables)

Subscription

- **Vegetable baskets**
  - Different formulas: small, large, mixed
  - + Newsletter and/or recipe
  - Collected by the customer at a certain point of time and location



Voedselteams
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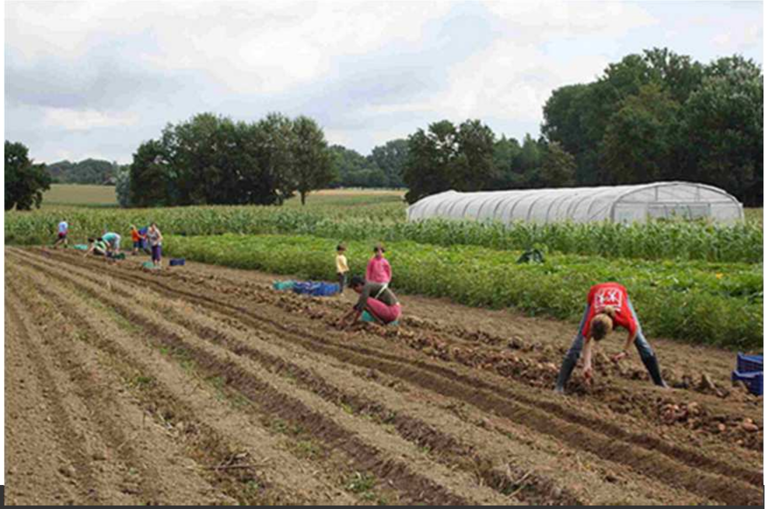
Subscription

- **CSA**

Community Supported Agriculture

  - ° 1984: USA
  - 1986 – now: 17000 CSA-farms in the world
  - Belgium: 2007: first CSA

    2015: 34 CSA's



Subscription

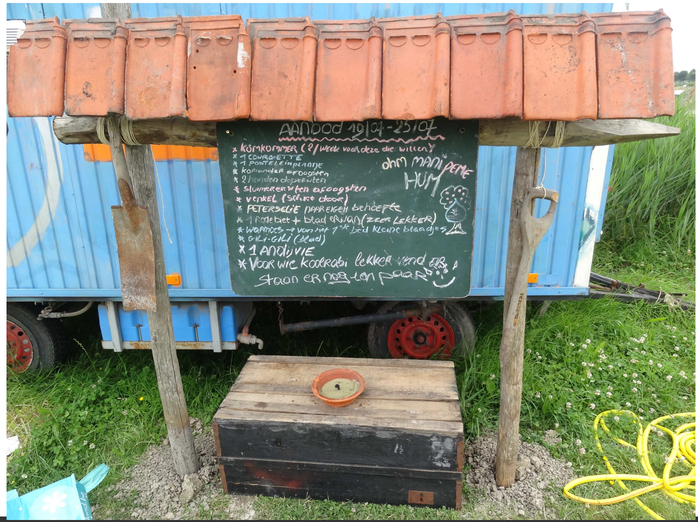
- **CSA**

Community Supported Agriculture

- Basic principle: collective

Sharing of harvest and costs

➔ requirement: open and transparant business management



Subscription

- **CSA**
  - Grower gets the reimbursement in advance
  - Family can harvest during the coming season
  - Involvement of the customer
  - Annual subscription cost

    → dependent on the equipment of the grower
  - Creating meeting opportunities

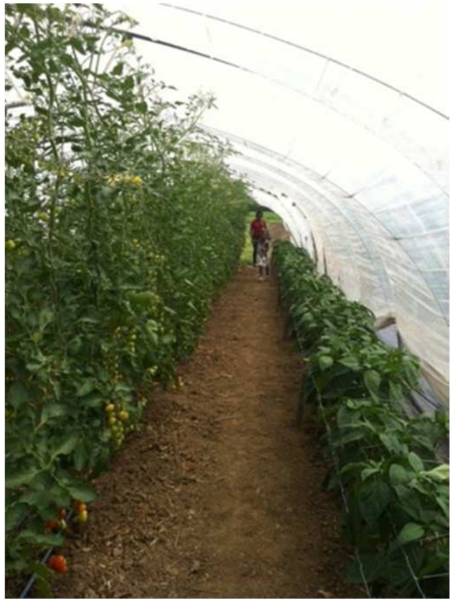
Subscription

- **CSA**
  - CSA-network Flanders
    - Consultation between the CSA-farmers
    - Information to (beginning) farmers and consumers
    - Forum
    - Meetings

Loose sale

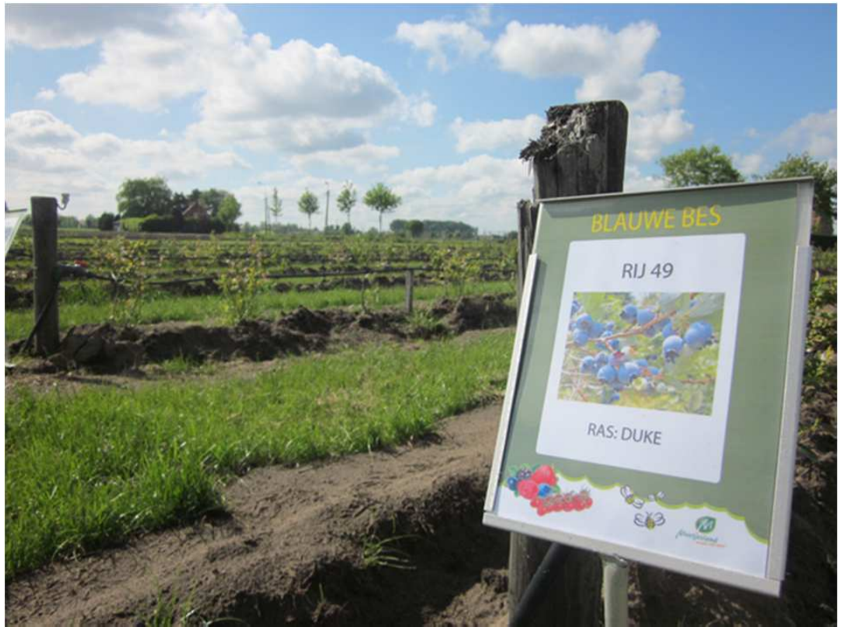
- **Self-picking garden**
  - Customer pays what he has harvested
    - Young families
    - Newly retirees
  - Everyone can come during opening hours

= “Open air supermarket”



Loose sale

- **Self-picking garden**
  - Grower decides prices and what is ready to harvest
    - Pricesetting → purchasing behavior of customer

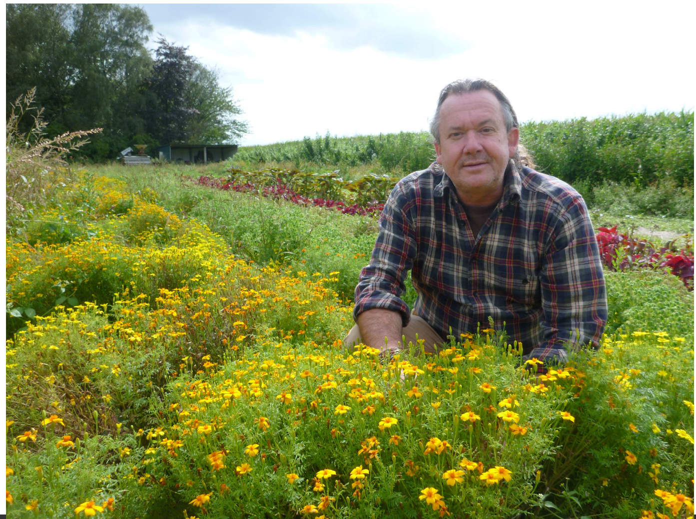


Loose sale

- **Other systems**
  - Ex.
    - “La Ruche qui dit oui” or “Buurderijen”
    - Cityfarms
    - Hellofresh
  - Group together products of different growers
  - Online selling system
  - Delivery at home or at local farmers’ market

Growing for restaurants

- Survey: Restaurants strongly interested
  - Prepared to pay a supplement for regional and fresh products
- Assortment: micro- and mini vegetables, vegetable germs, edible flowers, …



Growing for restaurants

- Frequent deliveries of small quantities

➔ Major challenge: transport

  - Chef can harvest or pick the order, grower can deliver, specialized wholesaler

Conclusion

- Demand another business structure
  - Diverse range of vegetables, frequently ready to harvest

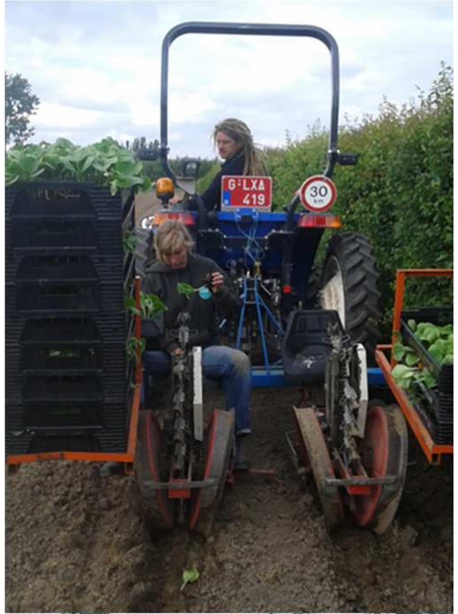
→ Less specialization

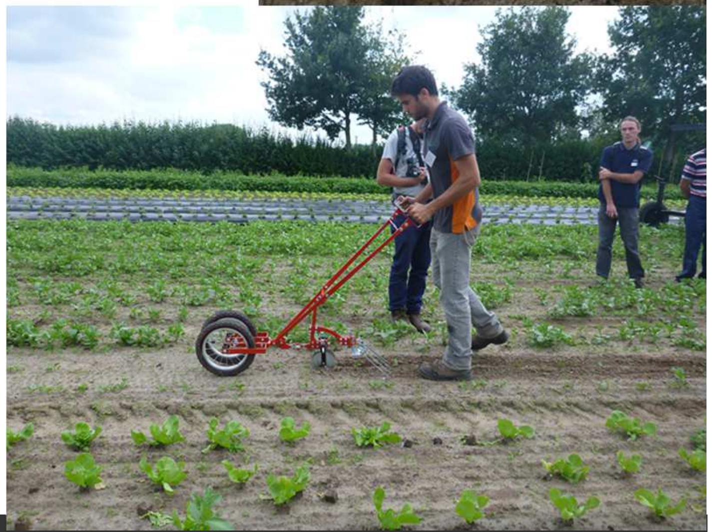
→ use of anti-root fabric or biologically degradable foil

→ Sow and plant on regular basis (every 2 weeks an assortment)

→ Very intensive cropping

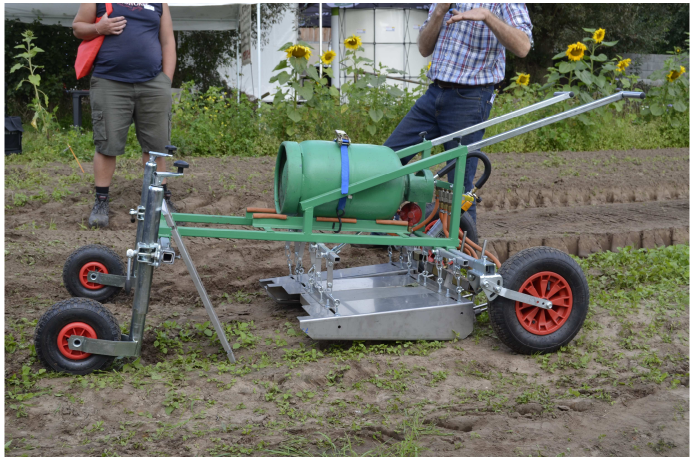
→ Important quantity of manual labor needed

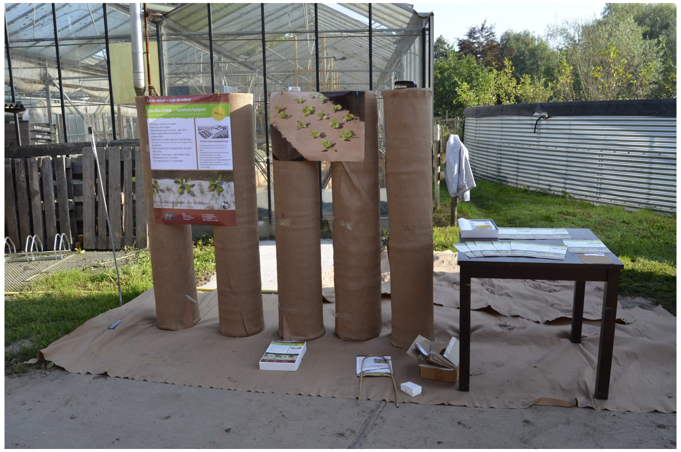


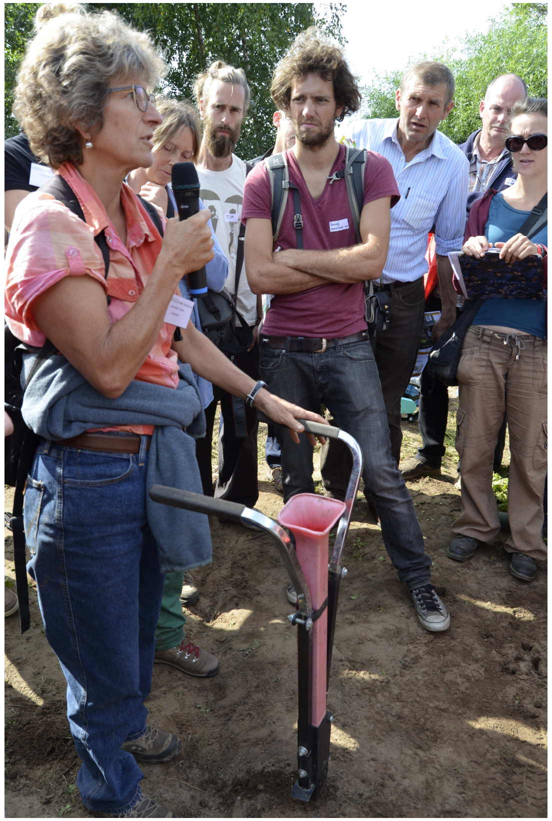


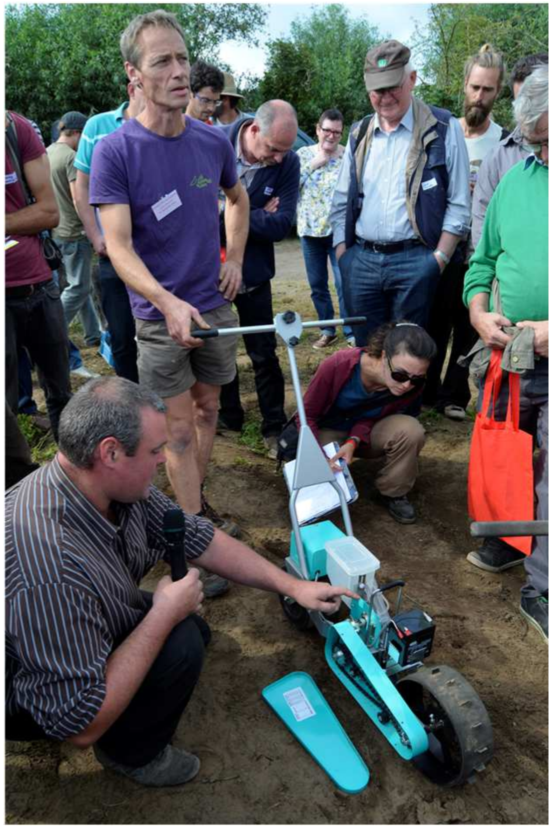
Conclusion

- Demand another business structure



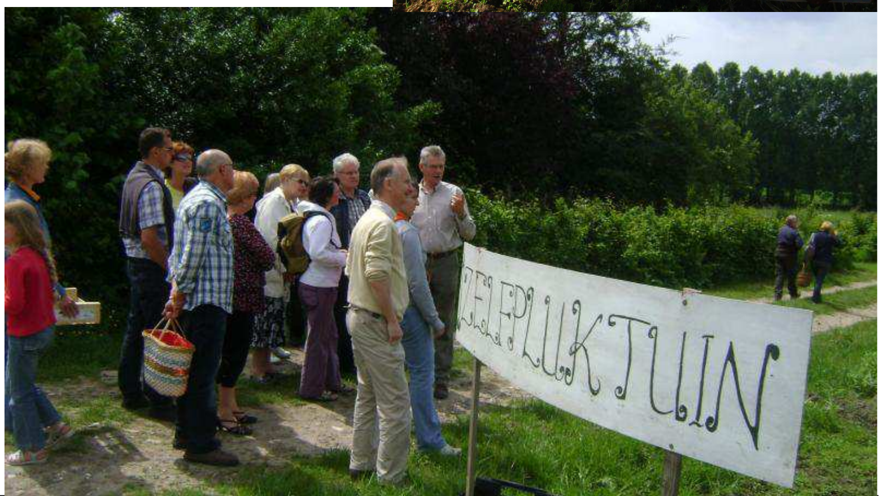






Conclusion

- Short chain distribution channel:
  - Needs time to grow
- Grower more involved in the process of price-fixing
- More satisfaction because of the satisfied customer ?!



Thank you for your attention!

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