



The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.

Special Issue: Opportunities and challenges of EU farm-to-fork strategy

EDITORIAL

Mariantonietta Fiore^a, Loïc Sauvé^{b,c,Ⓣ} and Joanna Wiśniewska-Paluszak^d

^a*Professor, Department of Economics, University of Foggia, Via Caggese, n. 2, 71122 Foggia, Italy*

^b*IFAMA Europe Chairman, UniLaSalle, France*

^c*Head of InTer:ACT research unit, Institut polytechnique UniLaSalle, 19, rue Pierre Waguet, 60026 Beauvais, France*

^d*Professor, Department of Economics, Poznań University of Life Sciences,
Wojska Polskiego Street 28, 60-637 Poznań, Poland*

Abstract

In the context of the Farm-to-Fork strategy towards climate and natural resources neutralization, all players in agri-food value chain actors and stakeholders – citizens, consumers and business – cope with new challenges based on a better understanding of the complex interrelations between public health, ecosystems, value chains, consumption patterns, and planetary boundaries. From a managerial perspective, several dimensions appear crucial. The first one is circularity, i.e. the move from line to circular models which brings opportunities and threats in terms of quality management standards, procurements arrangements and skills for this circular turn. The second dimension is inclusiveness, with the renewed roles of farming systems as part of complete sustainable agri-food chains, with the core topic of social-environmental inclusivity within either existing agri-food companies or business models from scratch. The third dimension is path-dependency for conventional firms, with knowledge, technological and/or organizational lock-in, along with roles for newcomers and startups in this business model transformation, as well as the place and role of innovation ecosystems. The articles of this special issue offer contrasted view of these challenges.

Keywords: agribusiness, business models, farm-to-fork, food industry, rural development, R & D policy, system innovation

JEL code: L14, L21, L66, Q13, Q16

[Ⓣ]Corresponding author: loic.sauvee@unilasalle.fr

The launch of the Farm-to-Fork (F2F) strategy by the European Commission on 20th May 2020 brings a new perspective for integrating agri-food systems. The strategy is a part of a worldwide project – European Green Deal – challenging to guide Europe towards building the climate-neutral continent.

Agriculture and food systems are key drivers of climate change and environmental degradation worldwide. This call aims to identify opportunities, challenges, and possible pitfalls of the F2F strategy for European agribusiness and food firms towards climate and natural resources neutralisation. The new approach is systemic: it involves all agri-food value chain actors and shareholders – citizens, consumers and business. The challenges are based on understanding the complex interrelations between public health, ecosystems, value chains, consumption patterns, and planetary boundaries. The foreseen integration gives rise to theoretical and empirical issues.

In this context from a business perspective, several dimensions appear crucial. The first one is *circularity*, i.e. the move from line to circularity which brings challenges in terms of quality management standards, procurements arrangements, governance, and skills (both human and technological) for this ‘circular’ turn. The second one is inclusiveness, with the renewed roles of farming systems as part of complete sustainable agri-food chains, with the core topic of *inclusivity* (community, social, ecological, biodiverse-oriented inclusivity) within either existing agri-food business or business models from scratch. The stakeholders’ issues mean the participation of consumers, citizens, third parties, in this innovative agri-food business models. The third one is *path-dependency* for conventional firms, knowledge, technological and/or organizational lock-in, roles for newcomers and startups in this business model transformation, place and role of existing innovation ecosystems.

This ‘IFAMA Europe Special Issue 2022’ of IFAMR provides various contributions, research articles as well as case studies from several European countries. It gives an overview of hot issues for both management scientists and agrifood managers in the context of the EU Farm-to-Fork Strategy. It shows, if needed, the interrelatedness of sustainability issues at different levels, firms, local territories, regions and States, pushes forward the need for systemic visions and disruptive innovation approaches for the European agribusiness and food sectors.

The article ‘Traceability issues of honey from the consumers’ perspective in Romania’ by Cristina Bianca Pocola, Peter Šedíkib, Alexandra-Ioana Glogovețanc and Ioan Sebastian Brumă, addresses the question of traceability in relation with European rules of protected origin. Indeed, the Romanian honey market is facing a problem related to traceability, especially when honey is produced in more than one country and its origin is indicated as a blend of EC and non-EC honeys. The increase of honey adulteration has consequences on both consumers and honey producers with considerable negative effects. The aim of the article is to identify the factors that influence honey purchasing behaviour and to evaluate consumers’ awareness related to honey adulteration in Romania among selected age segments. The results showed that the most important factors considered during the purchasing process by Romanian honey consumers were health factor and country of origin followed by producer reputation and ecological aspect, while the least important were discounts, promotion and brand reputation. Education in terms of honey authenticity and traceability will help consumers to choose local honey of high quality and to avoid adulterated products. This consumption and purchasing behaviour will discourage producers from honey counterfeiting.

The article ‘Collective smart innovations and corporate governance models in Italian wine cooperatives: the opportunities of the farm-to-fork strategy’ by Concetta Nazzaro, Marcello Stanco, Anna Uliano, Marco Lerro and Giuseppe Marotta, deals with the issue of technology in the context of agroecology transitions. European policies, especially the ‘farm-to-fork strategy’, address the challenge posed by the ecological transition in agriculture setting up a new technological paradigm. In this context, collective smart innovations may play a crucial role, enabling to meet current citizen-consumers’ needs as well as producing positive environmental and social externalities. Lately, wineries, in the attempt to improve the sustainability of production process and the creation of competitive advantages, reoriented their investments in research and development embracing

smart innovations. The latter, when supported by appropriate models of corporate governance, can facilitate business decisions and create shared value. This article aims to investigate the role played by collective smart innovations and corporate governance in the sustainable and ecological transition of wineries and, specifically, wine cooperatives. Results show that the collective smart innovation had impacts in terms of internal economies, such as increase in sales and costs reduction; and in terms of external social economies, such as local development and environmental protection.

The article ‘Are there any differences in rural development challenges within European countries? Social and economic contexts from EU rural leaders’ by Tomasz Kusio, Joanna Kudelko, Alexandra Borges, Anamarija Delic and Iulia Stroila addresses the question of rural development and entrepreneurship. Rural development has become a significant policy challenge in Europe. More employment opportunities have increasingly been concentrated in urban areas, leaving rural regions with ever-continuing down-fall in terms of population size and economic growth. In this context, rural entrepreneurship activity that positively influences rural communities is embedded in broader social or structural policies at the European level. The aim of the article is to investigate societal and economic challenges and their innovative solutions in five European rural regions. The comparative analysis reveals that most essential activities aimed at alleviating the development problems of rural areas include education of local communities, improvement of economic and digital infrastructure, activities supporting production and promotion of local products, promotion of cooperation between local communities and producers, and stronger orientation of local policy towards financial support of production enterprises and farms. The conclusions resulting from the study lead to formulating recommendations concerning rural policies in the context of developing entrepreneurship strategies in rural areas.

The article ‘Resilience in the food sector – environmental, social and economic perspectives in crisis situations’ by Justyna Franc-Dąbrowska and Nina Drejerska takes the starting point of resilience in agrifood sectors. Environmental, social and economic perspectives, derived from the sustainability approach and present within by the resilience concept, are integral parts of food systems. At the same time they are clearly articulated within the EU farm-to-fork (F2F) strategy referring to building up resilience to possible future crises as diseases and pandemics. The aim of this article is to investigate resilience in the food sector referring to its selected environmental, social and economic dimensions, which in fact rely on each other and cannot be separated, simply because of the character of food system itself (work with living organisms, soil, within natural environment, etc. done by people for business purposes). The issue of resilience in the food sector must be considered multidimensionally. In this approach, the basic direction of activities should be the one focused on the resilience approach, both in environmental protection and society. For a harmonious combination of these activities, it is also necessary to look at economic perspective of food system and entire rural livelihoods (e.g. income and employment diversification). Considering the last shocks discussed (COVID-19, war in Ukraine, drought, embargo on grain exports from Russia, rising inflation), a difficult situation on the food market can be expected in the nearest future, which makes the concept of resilience in the food sector even more relevant than it has been so far.

The article ‘Too much power or no power: When does intermediaries’ bargaining power result into better wine and happier farmers?’ by Orjon Xhoxhi, Drini Imami, Jon Hanf and Ekrem Gjokaj analyzes the trading relationship performance between farmers and intermediaries and the factors shaping it, with a focus on intermediaries’ bargaining power, based on a structured survey of vineyard farmers in Kosovo. Confirmatory factor analysis is employed to develop measures for the study latent variables, and OLS regression is used to test the hypothesis. To further validate the results, machine learning (i.e. random forest) is used to model the factors affecting the relationship performance between farmer and intermediaries. The results show that when the intermediary has considerable bargaining power, it leads to low trading relationship performance with farmers. Also, when the intermediary has low bargaining power, the relationship performance with farmers behaves in a similar way. The main contribution of this article is to further illuminate the debate of the role of power in business-to-business relationships, in that it points out an alternative explanation, stating that there is an optimal level zone that power needs to exist, in order to achieve above average trading

relationship performance. Outside this zone, either low or excessive high intermediary's bargaining power results in poor relationship performance.

The article 'Research and Innovation (R&I) challenges for better policies in food systems and bioeconomy transitions - evidence from Poland' by Paweł Chmieleński and Barbara Wieliczko analyses climate changes and depleting natural resources which call for the urgent sustainability transition of the economy. This also refers to food systems, which are a vital part of the economy directly linked to the nature. The first step in creating better forward-looking policies for the transition of food systems is identification of knowledge gaps to target R&D spending. The article focuses on the presentation and analysis of research directions that constitute future challenges for the transformation of research and development in Poland. The methodology of research applied in the study is based on participatory action research philosophy. The approach to determine the research challenges and needs included round tables and focus groups under the BIOEAST initiative. The results show that the most important weakness is low level of R&D expenditure in bioeconomy sectors, while the strength is a large number of new active entities for implementation of innovations, supporting bioeconomy and science-practice cooperation. The key recommendation is increasing the R&D spending and prepare national bioeconomy strategy to make use of the large potential of the Polish bioeconomy sector.

The article 'Operationalizing circular economy. Reflections on a bio-waste upcycling value chain construction in the brewing sector' by Gaëlle Petit, Samira Rousselière, Sibylle Duchaine, Emilie Korbel, Véronique Cariou, Sergey Mikhaylin and Luc K. Audebrand is focused on the concept of a circular economy as a response to the problems related to the limits of the dominant linear economic system in contemporary societies and of the finite resources of our planet. The transition from waste status to a raw material by reusing it makes it possible to modify its value for future users and thus to redistribute this value. This article considers the case of spent grain to illustrate the role of the circular economy in food transition. Bases on a series of interviews, the article discusses business modeling to operationalize sustainable development in the food sector and presents a discussion and conclusion on the advantages and limitations of the deployment of the circular economy in the brewing industry, taking into account and understanding the interests and constraints of various stakeholders.

Acknowledgements

The guest editors would like to thank the editorial board and more particularly the editor-in-chief Dr. Kevin Chen for giving us the opportunity to launch this issue. The guest editors would also like to say thank to all the authors and the reviewers for their work which has lead to publishing this special IFAMA Europe issue of IFAMR.

References

- Chmieleński P. and B. Wieliczko. 2022. Research and innovation challenges for better policies in food systems and bioeconomy transitions – evidence from Poland. *International Food and Agribusiness Management Review* 25(5): 789-801.
- Franc-Dąbrowska, J. and N. Drejerska. 2022. Resilience in the food sector – environmental, social and economic perspectives in the crisis situations. *International Food and Agribusiness Management Review* 25(5): 757-770.
- Kusio, T., J. Kudelko, A. Borges, A. Delic and I. Stroila. 2022. Are there any differences in rural development challenges within European countries? Social and economic contexts from EU rural leaders. *International Food and Agribusiness Management Review* 25(5): 737-756.
- Nazzaro, C., M. Stanco, A. Uliano, M. Lerro and G. Marotta. 2022. Collective smart innovations and corporate governance models in Italian wine cooperatives: the opportunities of the farm-to-fork strategy. *International Food and Agribusiness Management Review* 25(5): 723-736.

- Petit, G., S. Rousselière, S. Duchaine, E. Korbel, V. Cariou, S. Mikhaylin and L.K. Audebrand. 2022. Operationalizing circular economy. Reflections on a by-product upcycling value chain construction in the brewing sector. *International Food and Agribusiness Management Review* 25(5): 803-817.
- Pocol, C.B., P. Šedík, A-I. Glogoveţan and I.S. Brumă. 2022. Traceability issues of honey from the consumers' perspective in Romania. *International Food and Agribusiness Management Review* 25(5): 709-722.
- Xhoxhi, O., D. Imami, J. Hanf and E. Gjokaj. 2022. Too much power or no power: when does intermediary's power result into better wine and happier farmers? *International Food and Agribusiness Management Review* 25(5): 771-787.

