

# THE LEGAL SUSTAINABILITY OF SHORT FOOD SUPPLY CHAINS

**Tiago Picão de Abreu**  
Associate Lawyer

**Antas da Cunha Ecija & Associados**  
Lisbon, Portugal

ANTAS  
DA CUNHA  
ECIJA

*“Short supply chain”: means a supply chain involving a limited number of economic operators, committed to cooperation, local economic development, and close geographical and social relations between producers, processors and consumers.*

REGULATION (EU) No 1305/2013, Article 2.1.(m)

*Support for the establishment and development of short supply chains, as referred to in Article 35(2)(d) of Regulation (EU) No 1305/2013 shall cover only supply chains involving no more than one intermediary between farmer and consumer.*

COMMISSION DELEGATED REGULATION (EU) No 807/2014, Article 11.1



shutterstock.com • 1193059930

## Main Features

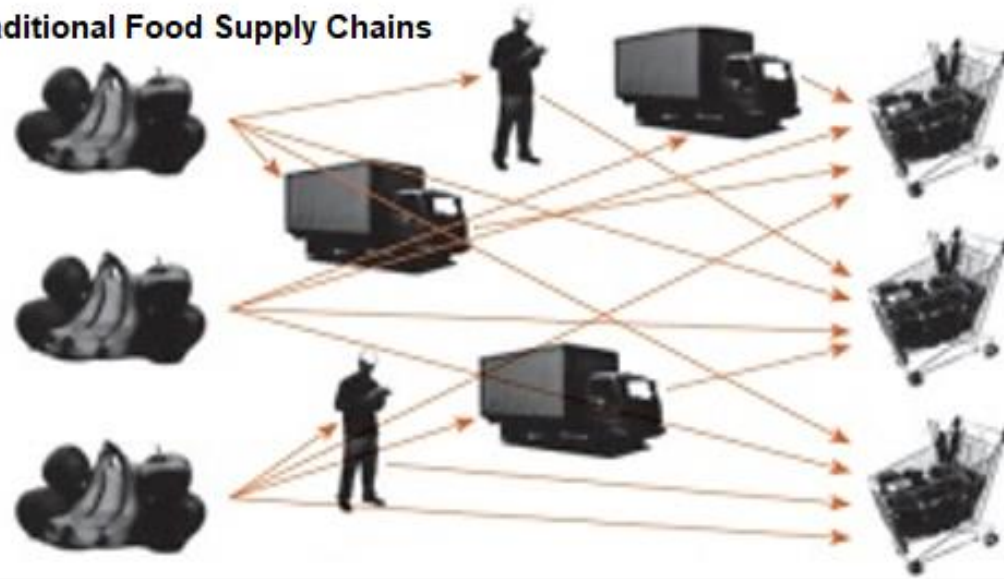


- Reduced number of intermediaries
- The food chain is transparent
- The producer retains a greater share of the value of the food that is sold
- Intermediaries become partners in SFCs
- Geographical proximity

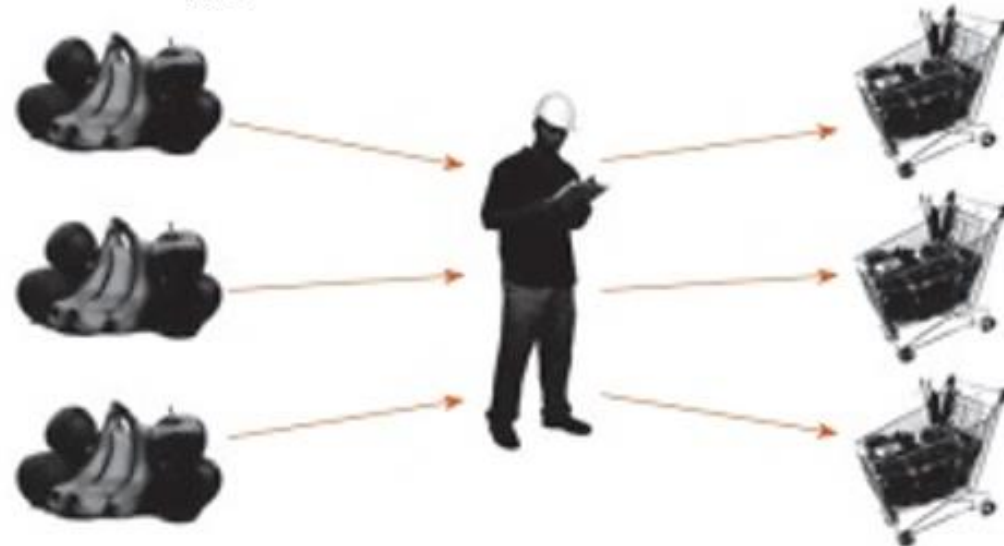
## Benefits

- Improved product range
- Resource sharing
- Maintaining infrastructure
- Increased negotiating
- Reduced competition
- Mutual support

Traditional Food Supply Chains



Short Food Supply Chains



# Key Issues

## ***EIP-AGRI Focus Group***

*“Innovative Short Food Supply Chain management”*

*Final Report, November 30, 2015*

- **Regulatory Barriers**

- EU hygiene rules pose considerable challenges to small and traditional food production systems

- **Access to finance**

- Smaller companies are generally constrained in their ability to borrow
- Food processing is regarded as high risk by banks
- How to secure investment amongst small companies?

- **Skill issues**

- Lack of relevant skills by collaborative SFCs

# Key Issues

## ***EIP-AGRI Focus Group***

*“Innovative Short Food Supply Chain management”*

*Final Report, November 30, 2015*

- **Branding and Labelling**

- Collective label often needs special effort from development institutions

- **Technical Support for Product Development**

- Relative cost and low availability of small-scale artisanal and flexible technological equipment

- **Access to Markets and Consumers for Collaborative Short Food Chains**

- Different types of product categories, localities, food cultures and lifestyles and markets
- How to physically reach the consumers?



# pro<sup>ve</sup>

ANTAS  
DA CUNHA  
E CIJA



WE EMPOWER YOU<sup>™</sup>

Espanha | Portugal | EUA | Chile | Panamá | Costa Rica | Honduras | Nicaragua | República Dominicana | Guatemala | El Salvador





**COOPRAIZES**

COOPERATIVA DE PRODUTORES DAS  
TERRAS DE S. PEDRO SUL

ANTAS  
DA CUNHA  
E CIJA

Cabazes 7<sup>kg</sup> ou 10<sup>kg</sup>



Faça já o seu



A qualidade, frescura e pureza  
à sua mesa!

WE EMPOWER YOU™

Espanha | Portugal | EUA | Chile | Panamá | Costa Rica | Honduras | Nicaragua | República Dominicana | Guatemala | El Salvador

Os melhores Produtos da nossa Horta!



**cabaz**  
**horta**

MADE IN  
PORTUGAL

☎ 93 921 0466

@ cabzadahorta@portugalmail.pt

f <http://www.facebook.com/cabaz.dahorta.5>

ANTAS  
DA CUNHA  
E CIJA



WE EMPOWER YOU™

Espanha | Portugal | EUA | Chile | Panamá | Costa Rica | Honduras | Nicaragua | República Dominicana | Guatemala | El Salvador



# ReCiProCo

## Litoral Alentejano

ANTAS  
DA CUNHA  
ECIJA



WE EMPOWER YOU<sup>AE</sup>

Espanha | Portugal | EUA | Chile | Panamá | Costa Rica | Honduras | Nicaragua | República Dominicana | Guatemala | El Salvador

# DO PESCADOR PARA SI

## PESCA ARTESANAL SUSTENTÁVEL



ANTAS  
DA CUNHA  
E CIJA



WE EMPOWER YOU<sup>™</sup>

Espanha | Portugal | EUA | Chile | Panamá | Costa Rica | Honduras | Nicaragua | República Dominicana | Guatemala | El Salvador



# Legal regime applicable to local producers' markets

*Decree-law no. 85/2015, May 21*

1. Exclusively applicable to local producers
2. Subject to internal regulation from the local authority
3. Mandatory the presence of the producer at the market, duly identified
4. In the case of integrated or organic production, producers shall provide clear information on the quality, origin and production methods used
5. Compliance with the applicable legislation on marketing standards and food hygiene and safety as well as consumer rights

# Local Communities – a specific marketing approach

- **Types**

- Farmers markets
- Farmer-owned retail outlets
- Pop-up stalls
- Box delivery schemes
- Online sales/sales to artisans
- Small retailers

- **Benefits**

- High margins per unit
- Direct contact with customers
- Customer loyalty
- Regular feedback on product quality



# Public sector catering and territorial development

## Importance of Family Agriculture in Portugal

Territory	No. of Farms		Family Agriculture / Total Farms			
	Total (in thousands)	Family Farms (in thousands)	No. of Farms %	Work Units %	Agricultural and Forest Area %	Standard Output %
<b>Portugal</b>	305,3	282,8	93	81	49	49
<b>Autonomous Regions</b>	27,2	25,3	93	86	76	73
Azores	13,6	12,5	93	80	76	73
Madeira	13,6	12,8	94	91	86	75
<b>Mainland</b>	278,1	257,5	93	81	48	47
North and Coastal Centre	91,4	86,8	95	91	66	64
North and Interior Centre	78,9	76,0	96	93	77	69
South	107,8	94,7	88	63	38	35

# Public sector catering and territorial development

ANTAS  
DA CUNHA  
ECIJA

## Challenges:

- Difficult market access;
- High level of bureaucracy;
- Low margins and prices;
- Considered a risk/intimidating activity by public authorities;
- Little involvement of caterers.

## Benefits:

- Flow local production;
- Decrease food waste;
- Improve food diet;
- Encourage environmentally sustainable practices.



PROGRAMA DE  
DESENVOLVIMENTO  
RURAL 2014-2020

WE EMPOWER YOU™

WE EMPOWER YOU<sup>AE</sup>

**Tiago Picão de Abreu**  
Associate Lawyer

Av. Fontes Pereira de Melo, nº 6, 2º  
1050-121 Lisboa | Portugal  
Tel: +351 213 192 080  
[www.adcecija.pt](http://www.adcecija.pt)