

Recipes for Resilience

The impacts of COVID-19 on values-based food supply networks in Australia and the sector's response



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Cover image: Shirley Saywell and Renata Cumming started Strathbogie Local as a response to COVID-19. Image by Megan Fisher, courtesy of Shepparton News

This report can be cited as: Schultz, Isabella; Freeman, Camille; Kelly, Lauren; Sheridan, Jennifer(2020): Recipes for Resilience: The impacts of COVID-19 on values-based food supply networks in Australia and the sector's response. Open Food Network

<https://doi.org/10.6084/m9.figshare.13377401>

Glossary

Definitions

Transparent supply network	Farmer is visible to the final consumer.
Direct supply chain	Food moves directly from farmer to consumer.
Short supply chain	Food moves from farmer through very few and most often one intermediary to the final consumer, with source transparency maintained.
Supply network	Group of interrelated supply chains. In a healthy regional food economy, food passes from many farmers through many diverse supply partners to many consumers.
Values based supply chain	Values-based supply chains (VBSCs) involve partnerships between producers, processors, distributors, retailers, and/or food service operators who share environmental, economic and/or social values (Hardesty et al. 2014)
Local food	Food grown by farmers in a given geographic region is eaten by consumers in that region. We often interchange “local” and “regional”. We have found it is usually counter-productive to get hung-up on particular boundaries and distances. If claims are made about the relative benefit of local food (emissions; employment etc) this should also be backed up with evidence from the specific context.
Local food enterprise	An enterprise that helps get food from local farmers to local people. There are diverse models for local food enterprise - the simplest is a farm selling direct to consumers.
Regional food economies	A subset of the regional economy including farmers and local food enterprises supplying food to the regional population.

Community Food Enterprise	Community Food Enterprises (CFEs) are locally-owned/-controlled food businesses or ventures founded around a desire to create positive outcomes for the communities they serve. This may be in the form of improved social or environmental outcomes, increased access to healthy food and support of local producers by providing fair farm gate prices.
Regenerative agriculture	Agricultural practices that build ecological function
Community Supported Agriculture	Community-supported agriculture (CSA) is a model of food production and distribution that shares the risk of farming with the people who eat the food. People buy shares in a farm's projected harvest in advance and for a set period (a season, or a year, for example) and receive regular deliveries.
Food Hub	A food hub is a business or organisation that actively manages the aggregation, distribution, and marketing of source-identified food products primarily from local and regional producers in order to satisfy wholesale, retail, and institutional demand.

In this report we use the term 'CFE', which includes producers, distributors, producers and distributors, and food relief centres. The size of enterprise can be as small as a single part-time farmer, or can be a large enterprise. Since the experiences of these groups differ, we have used the colour-code (seen below) to help visualise direct quotations.

Producers
Distributors
Producers and Distributors
Food Relief

Executive summary

Community Food Enterprises (CFEs) are locally-owned/-controlled food businesses or ventures founded around a desire to create positive outcomes for the communities they serve. This may be in the form of improved social or environmental outcomes, increased access to healthy food, and support of local producers by providing fair farm gate prices. They range in size from individual farmers, to farmers' markets, to food hubs.

The impacts of COVID-19 on CFEs varied, with the most common experience being the unprecedented increase in demands. This occurred even though usual sales channels (farmers' markets and cafes/restaurants) for many CFEs were eroded, and workforces (paid and volunteer) were restricted or lost due to health and safety regulations outlined by state governments. Adapting to new circumstances presented challenges when planning because CFEs lacked clear information about the longevity of the pandemic and whether they should invest in long-term changes.

The most prominent example was a shift to online sales channels which provided CFEs with an opportunity to reach a larger customer base and launch a stronger online presence. It also brought new challenges and increased costs to many CFEs already operating with limited resources. CFEs experienced intensifying competition from new and big players (both private and public) who benefited from well financed logistics and online marketing campaigns.

In response, CFEs were successful in remaining open, relevant and effective through creating new markets, products and services in the face of disruptions. Those CFEs who saw the pandemic as long-term, and had the resources, invested in online platforms and managed increased workloads and complexities. These responses were additionally affected by the flexibility of CFEs' distribution networks. Those able to adjust with more delivery or pick up options were more effective in responding to COVID-19 impacts. COVID-19's effect on restricting workforces meant that CFEs had to focus on minimising risks through limiting customer contact and enforcing strict hygiene practices, whilst meeting increased demand with stretched resources and decreased workforces.

Lessons can be learned from 2020, and applied to increase the resilience of food systems for future crises. CFEs should be supported due to their close connection with communities, and their ability to adapt and meet community needs. Broadly, support is needed to enable CFEs to share practice, resources, and to collaborate as a way to achieve economies of scale. In times of crisis, existing CFEs should be supported to scale up, adapt and innovate. CFEs themselves should join information and support networks, collaborate, experiment, and build values-aligned relationships through the supply network. Government and philanthropy should support existing CFEs to scale and adapt, increase understanding of the CFE sector, increase investment in this sector, and support collaboration and capacity building.

Introduction

The COVID-19 pandemic has had a profound effect on the global food system on many levels. Trade disruptions have impacted the movement of food and critical agricultural inputs through complex global supply networks¹; and the economic recession, coupled with increasing unemployment, have led to rising rates of hunger and nutrition insecurity across the globe². These shocks to the food system, which led to empty supermarket shelves, and the destruction of edible crops due to loss of labour and sales streams, have exposed the fragility rooted in the global food system³.

Beyond exposing these deficiencies, COVID-19 has highlighted the importance of values-based, short supply chain actors in building a more resilient food system. During the crisis, these actors have rapidly innovated new ways to deal with food system disruption; provided food relief to vulnerable groups; all whilst responding to increasing demand for healthy, local and sustainable food⁴.

In the face of environmental pressures, growing populations, and increasing potential for future crises, it is hugely important that we change our food system to be more equitable, robust, and resilient towards potential shocks in the future. Hence this report aims to investigate the resilience of values-based food systems during the pandemic, by exploring the impacts of COVID-19 on CFEs, and the different factors that enhanced or hindered their ability to respond.

This research has been conducted by Open Food Network, a not-for-profit organisation who helps provide the tools and resources needed to shape a new food system that is fair, local and transparent. We have a strong focus on knowledge and resource sharing, with the aim of helping individual enterprises, whilst increasing the sector's visibility. These have been central drivers of this research report, as we aim to share knowledge with CFEs to better prepare them for future shocks to the system, whilst communicating the importance of CFEs to government, whose current food and agriculture policies are centred on large-scale, export-oriented agriculture⁵. In order to strengthen Australia's food system resilience, our agricultural policies need to recognise the value of diverse farming systems⁶.

¹ Carey, R., Larsen, K., & Clarke, J. (2020). *Good food for all: Resetting our food system for health, equity, sustainability and resilience* (Paper No.2). Victorian Health Promotion Foundation.

² Clapp, J., & Moseley, W. (2020). This food crisis is different: COVID-19 and the fragility of the neoliberal food security order. *The Journal of Peasant Studies*.

³ IPES-Food (International Panel of Experts on Sustainable Food Systems) (2020). *COVID-19 and the crisis in food systems: Symptoms, causes, and potential solutions*.

⁴ Carey, R., Larsen, K., & Clarke, J. (2020).

⁵ Ibid.

⁶ Ibid.

This report draws on insights from our open source database, with participants' responses openly available, and a process for trusted research collaborators to gain access to participants' contact details for follow-up research.

The following section briefly introduces the impacts of COVID-19 in the Australian context, followed by the methodology and theoretical framework. Next are the key findings, which have been divided into impacts and responses, and based on these findings we offer recommendations for CFEs, government and philanthropy to increase support for the sector, and help prepare for potential shocks in the future. We conclude the report by suggesting future areas of research.

Background

To provide context for the remainder of the report, this section will outline the core impacts of COVID-19 on Australia's food system. COVID-19 was first reported in Australia in January 2020, and by early March cases were being reported across the country. Concern about the increase in cases, coupled with the uncertainty linked to the virus, triggered the government to begin imposing measures to limit the spread. These responses included international border restrictions, closure of interstate borders, implementation of social distancing measures, and the introduction of lockdown rules. Whilst the severity of lockdown differed between states, the general notion was to shut non-essential services and limit the reasons for people leaving their homes. These preventative responses had a number of direct and indirect effects on the Australian food system, the most impactful of which have been listed below.

1. Difficulty accessing agricultural inputs

The closure of national borders coupled with newly enforced trade restrictions reduced farmers' access to fertilisers, farm chemicals, fuel, farm machinery and animal feed⁷.

2. Industry closure

The closure of non-essential services caused most of the hospitality sector to shut. Uncertainty surrounding the definition of *essential services* put a strain on farmers' markets, who continued to stay open, whilst 'waiting' to be closed. Eventually farmers' markets were classified under essential services, but many local governments or other hosts pushed them to close, which significantly reduced opportunities to access and purchase fresh local foods.

3. Panic buying

Fear and uncertainty surrounding the length and severity of the impact led to a surge in panic buying, where households bought large quantities of essential goods in anticipation of the pandemic. This resulted in the depletion of many goods from

⁷ Carey, R., Larsen, K., & Clarke, J. (2020).

supermarkets, including toilet paper, canned goods, bottled water, long-life milk, frozen goods and flour.

By mid-May, Australia saw a reduction in the number of new cases, leading to a national easing of restrictions. By mid-June, Victoria entered their second wave of infection, pushing the state back into lockdown in July. The impact and repercussions of the pandemic continued to differ depending on the state.

Whilst Australia's high level of production and self-sufficiency bolstered the country's food system during this time⁸, the pandemic has exposed huge cracks in our national food supply networks, along with governance gaps in securing the production and provision of food⁹. As a response, civil society actors (such as community-based organisations and farmers groups) alongside public authorities have stepped in to address people's needs, such as offering food relief to those most in need¹⁰.

ABC NEWS

ABC RURAL

Growers plead for fresh ideas after \$150,000 worth of unpicked food ploughed back into paddocks

ABC Rural / By Tom Major

Posted Wed 28 Oct 2020 at 7:46am



Image: An article from the ABC on the loss of labour and subsequent food waste due to COVID-19¹¹

⁸ ABARES (Australian Bureau of Agricultural and Resource Economics and Sciences). (2020). Australian food security and the Covid-19 pandemic (Issue 3).

⁹ Carey, R., Larsen, K., & Clarke, J. (2020).

¹⁰ IPES-Food. (2020).

¹¹ <https://www.abc.net.au/news/rural/2020-10-28/growers-plead-for-farm-labour-as-food-ploughed-into-mulch/12814450>

Methodology

For many years Open Food Network has created open source software, which allows contributions to be volunteered by anyone and incorporated into the code. In recent years, we have also experimented with creating open source knowledge, where documents such as our sector reports become living documents that the community adds to with their own knowledge and experience.

When COVID-19 hit, we wanted to capture both the impact of the pandemic on the food system, and its response to the pandemic. We planned to undertake primary data collection through surveys and interviews.

We knew that we wanted to ensure that not only were our research outputs open source, but that any primary data we created was also open source and openly available.

We saw that food enterprises were likely to be the subject of multiple researchers' interests, and were potentially going to become an over-researched group at a time when they were already stretched thin with responding to community needs and changing regulations around COVID-19. We wanted to create data that was capturing real-time responsiveness and resilience, and was able to start being recorded immediately.

We also had close relationships with other organisations, such as farmers' market associations, who wanted to gather input from their members about the same topic, but also saw the value in those responses being available more broadly to help tell the story of this sector.

Our solution was to create an open source database, with participants' responses openly available, and a process for trusted research collaborators to gain access to participants' contact details for follow-up research.

The key criteria for our data collection method were:

- Participants able to complete a survey themselves
- All responses were auto-published to an open database
- Participants' contact details (if they chose to supply) weren't published publicly but available to trusted researchers

We used an Airtable form to collect survey responses. A public view of the responses to the form has a hidden field with participants' contact information. This can be viewed when signed in using the trusted researcher sign in.

The survey can be seen at: <https://bit.ly/ofn-covid>

The public database can be seen at: <http://bit.ly/ofn-covid-answers>

For those researchers seeking access to the database, we made sure that they had an ethical research agreement in place (modelled on common academic standards), and had a commitment to continuing to build the open source database as part of their use of the data. If you would like to access the database please contact us.

The database itself can be referenced as Open Food Network (2020): COVID-19 Impacts on food enterprises. Dataset. <https://doi.org/10.6084/m9.figshare.13226993.v1>

Because we found participants via our social media, webinars, newsletters and personal networks, plus similar channels from ally organisations, there is an inherent bias to CFEs who engage with Open Food Network and online sales. As a result there was a lot of data about those types of CFEs, and less data from parts of the sector which Open Food Network is less engaged with, such as food relief CFEs.





**OPEN FOOD
NETWORK**

**How are short supply networks, farmers
and community food enterprises
responding to COVID19?**

COVID19 has revealed the cracks in industrialised 'long' food supply chains - from widespread panic buying and food shortages, to instances of food waste as distribution chains are interrupted.

Image: The survey used to gather information from participants.

Theoretical Framework

Food System Resilience

When discussing the ability of value-based supply networks to respond to crises, we are looking at the resilience of the network, and actors within it. According to *Food System Resilience: Defining the Concept*¹², food system resilience is the capacity for the system to continue achieving its goals, despite facing disturbances and shocks.

To incorporate this into our report, we have used the five characteristics of successful CFEs discussed in our report, *Community Food Enterprises: Their role in food system change, opportunities, challenges, and support needs*¹³ as indicators of resilience, which have been outlined below in Table 1. These indicators have framed our understanding of how CFEs responded to COVID-19, and assisted us in making sectoral recommendations.

Table 1: Critical success factors for community food enterprises defined

Building community	CFEs are likely to be successful when they have built trusted relationships with their supply network (producers, distributors and/or customers). By building a strong values-aligned supply network, CFEs can rely on support from their network, who believes in the CFE's mission, and wants to help them succeed.
Appropriate scale	Another success factor of CFEs is their ability to match scale through their supply network, for instance, small food hubs targeting small-medium farmers. When CFEs want to transition to a larger scale, success depends on their ability to adjust their business process to fit the new scale, which is often aided through supply network collaboration (i.e. investing in shared infrastructure, logistics, or shared marketing).
Managing for impact	Since CFEs are defined by their intentions to contribute to public goods (i.e. environmental sustainability, affordable food etc.), it is important that they have a clear understanding of their objectives, their impacts, and the associated costs. Building a strong set of clearly outlined principles and values is imperative to their success.

¹² Tendall, D.M., Joerin, J., Kopainsky, B., Edwards, P., Shreck, A., Le Q.B., Kruetlie, P., Grant M., & Six, J. (2015). *Food System Resilience: Defining the Concept*. Global Food Security. 6.

¹³ Hill, S. (2019) Community food enterprises: Their role in food system change, opportunities, challenges, and support needs. Open Food Network Australia. <http://doi.org/10.6084/m9.figshare.10258577>

Understanding levers for viability	Since CFEs are often pursuing multiple (and sometimes competing) objectives, it is important that they understand what is needed for them to be viable - for instance which scale, model and conditions are best suited to their objectives.
Collaboration	Collaboration between projects increases viability, by providing a set of customers, reducing inefficiencies, and lowering costs by sharing infrastructure and logistics between multiple enterprises.



Image: Sas Allardice and Mel Willard of Gung Hoe Growers, part of the collaborative Harcourt Organic Farming Co-op community food enterprise. Image courtesy of Katie Johnson.

Findings

Impacts

The impacts of COVID-19 on CFEs varied, however a common theme amongst the majority was an unprecedented increase in demand. This occurred even though usual sales channels (farmers' markets and cafes/restaurants) for many CFEs were eroded and workforces (paid and volunteer) were restricted or lost due to health and safety regulations outlined by state governments.

The unsure nature of COVID-19 as a disruption proved difficult to predict or plan for. The most prominent example was a shift to online sales channels which brought new challenges and increased costs to many CFEs. Distribution networks with limited resources (cool rooms, vehicles, appropriate face masks) struggled. While an increase in online sales led to hard competition from new and big players (both private and public) who benefited from well-financed logistics and online marketing campaigns.

As the brittleness of long supply chains were exposed and consumers demanded local and trusted produce the majority of CFEs saw an opportunity for food system transformation if also supported by government and research.

Changes to demand

Changes to demands varied, but most CFEs witnessed an unprecedented increase in demand from new customers. For instance, many CFEs experienced an upsurge in new clientele for weekly produce boxes, jumping anywhere from 40 to 100 percent increase in new subscribers. The increased pressure on CFEs to meet customer needs, along with an increase in home deliveries and box scheme subscriptions, was at times '*utterly impossible*' to manage. As an illustration, the Edithvale Community Grocer, based in Victoria, discussed managing on average 15 families per week, but with the pandemic in place, they saw those numbers jump to 200 families per week. Whereas for others, demands have fluctuated depending on the height of the pandemic, but are now considered steady and manageable.

Although demand increase has been received with gratitude, it has brought with it an array of new challenges. Some food distributors discussed the difficulties to obtain staple foods (e.g., grains, pulses, flour), as well as guaranteeing enough available food per week. Upholding core values and practices that align with CFEs' vision meant finding viable solutions to balance customer needs sustainably. By way of example, Food Connect Wholesale, located in Brisbane, responded by limiting new wholesale customers but maintained a close relationship with long-term wholesale contracts in order to ensure enough product availability to all current customers. As for other CFEs, changes to demand resulted with a move towards

online sale systems, adjustments to packing shifts, streamlining certain buyer options, and/or offering door-to-door delivery options. These actions were enacted to ensure that regular and new customers were supported.

However, in order to guarantee food availability to long-lasting relationships and mutual loyalty customers, CFEs reconsidered their capacities to support new customers. This resulted with limiting the number of new subscriptions or establishing waiting lists until food producers could adequately and sustainably provide available food. Since many CFEs work within close-knit networks, this allowed CFEs to communicate with one another frequently. As a result, CFEs redirected customers to other enterprises who had the resources and capacity for new customers.

"We suddenly changed our distribution to a centralized safer area in Melbourne when it was utterly impossible to keep up with private orders and home deliveries. We were grateful to our local trucking company who were back-loading our produce to the City after they had unloaded food to our local supermarket who were also being hammered by panic buying. For us, the teamwork with supermarkets, wholesalers, distributors and trucking companies was vital to look after our customer base as best we could..."

The big surprise for us was dealing with unreasonable demands from over anxious people. It was exhausting reasoning with people who didn't have the storage in place to handle the excessive amounts of the produce they were asking for. There were even more stranger and suspicious requests that needed dealing with quickly. We did however manage to divert a total clean-out so we can somehow look after most of our existing customers going forward."

(Burrum Biodynamics, Participant 9, Producer Distributor, VIC, May)

Sustaining capacity also entailed adjusting customer buying options. Though this raised concerns with regards to controlling customer choices, CFEs found customers tended to be understanding given the circumstances. Despite demands increasing and CFEs experiencing relentless pressure, their capability to collaborate and communicate came through as a strong asset to negotiate and work with the community and customers. Many CFEs identified the importance of existing networks as supporting them through this period. Additionally, CFEs utilisation of online tools assisted in their ability to amass a larger customer base and connect with other producers.

"[We are] experiencing a large increase in demand, and struggling with deciding how many people to onboard; how to onboard them; and how to ensure they can maintain their growth. This is an ethical issue, as essentially they are having to put people on a waiting list for food."

(Participant 5, Distributor, VIC, March)

"I want to continue providing opportunities for new farmers to join, so hence I didn't want to close the subscription off altogether. The ad hoc list is giving us an indication of viability with the

increased demand coming into the next year, and we probably won't actually open up any more subscription spaces until the next summer season."

(Southern Harvest, Participant 69, Distributor, NSW & ACT, June)

CFEs have voiced that despite the difficulties to meet demands, their ability to successfully collaborate across sectors – such as local farmers markets, distributors, and customers – demonstrates that strength and resilience:

"[We] saw an opportunity for the local food system, showcasing a lot more food collaborations and offerings locally ... we noticed more local cafes working with other local cafes/artisans/producers to sell their goods on their behalf."

(Participant 32, Distributor, VIC, May)

Since demands varied, there is a proportion of CFEs that expressed little to no change in customer demands. For CFEs that experienced little impact, they advocated that because of direct-to-consumer models (e.g., Community Supported Agriculture), provides a system that guarantees customer consistency in light of existing and/or new member subscriptions. Customer loyalty and CFEs commitment to value-based supply channels demonstrates the resilience of a solidarity economy. It shows a significant opportunity for the role that local food systems have:

"Local food will continue to be available. If anything, the system has allowed us to provide more certainty of demand for our farmers' produce."

(Wangaratta's Farmers Market, Participant 21, Distributor, VIC, May)

Moreover, there is a recognisable difference in the way customers interact with CFEs, which was less overt prior to the pandemic. More consumers are intentionally seeking out CFEs, and are willing to assist and support local, small scale farmers however they can. Now, more than ever, customers are more willing, understanding, and encouraged to be flexible to the constraints and even limitations that CFEs may face:

"We have more direct customer sales and are selling out. More customers aware of supporting small family businesses have seeked us out, even at an inconvenience to them."

(Participant 62, Producer and Distributor, NSW, June)

Demands are now directed towards a 'peer-to-peer relationship' as a way for CFEs to build stronger customer relations that are rooted in the local context and community. Emphasising opportunities that support and nurture community through sharing and building stronger

social bonds regardless of adversity. It also encourages future growers and CFEs to produce and supply local foods, while reducing food miles and food waste.

"Our increase in new customers has posed the big question of how to switch to a hub so we have more control over who buys what. We are really nervous of this transition, as we are presently a well-oiled machine. However, it is necessary to ensure that our regulars, who have supported us for years, remain our top priority."

(Participant 28, Producer and Distributor, NSW, May).

"Many new faces at our markets but also many missing due to self-isolation. Complete overhaul of our processes. Huge increase in interest in delivery. Big increases in quantity of purchase quantity from customers (average sale increasing)."

(Flame Tree Community Food Co-op, Participant 11, Distributor, VIC, May)

Impacts - Changes to supply

A major hurdle that lingered for aggregator CFEs such as food hubs or food relief centres was managing food supplies. Changes to supply levels was a direct result of increased demands in new sales. High demand and panic buying affected certain product availability. Still, CFEs continued to reliably source and supply fresh foods and local products. However, rapid and ongoing demands made it difficult for food producers to determine how much to plant and when to harvest. As a consequence, some producers over harvested or picked too early in the season. Whereas for CFEs impacted by previous crises, such as drought and the bushfires of early 2020, put production behind.

In order to supply the growth of new customers and support local CFEs, food producers faced questions of uncertainty on how to best manage their supply levels. Some CFEs expressed concerns with restocking prices and the struggle to obtain basic supplies, such as seedlings that were out of stock. Adding to this pressure, information regarding the development of the pandemic was either inaccurate or unreliable. This made it difficult for producers to plan accordingly. As a result, certain enterprises that rely on specific products had to adjust their orders which impacted their production and supply levels:

"Our cucumbers are grown in QLD and the farmers have been unable to plant in advance to meet demand because the prediction has been so inaccurate due to rapidly changing demands."

(Participant 46, Producer, VIC, May)

Closures of abattoirs due to COVID-19 outbreaks led some meat producers to turn off more animals than they usually would over a short period of time. These decisions were made to avoid the risk of not being able to get their meat to market. As a result, in later months they had a shortage of produce (in some cases this meant almost no supply for a month or so around August). This 'lumpiness' of supply, characterised by increased supply followed by low supply, was seen across a number of different parts of the sector.

Some producers selling livestock had limited options to sell through their normal channels and had a greater reliance on stock agents. For those who sold through these agents, they saw numbers increase and gain high returns, but found restocking expensive. In spite of this, the increase in sales combined with limits on workforce meant that abattoirs and butchers were often overbooked or oversupplied. The limited options to sell through the system impacted the delivery of supplies to requested customers.

Although uncertainty persisted, a significant rise in orders from the retail sector increased by at least double for many CFEs. Supplying to the hospitality sector nearly or completely stopped. Producers often redirected the quantity of supplies that would have otherwise been sold to cafes and restaurants to retailers or direct sales instead. This gave CFEs with limited storage space more liberty to move products quickly since retailers had more space to store, ration and interact with customers on a regular basis.

"I don't have hard data here, but going by the network I coordinate, availability has still been there, but some products of course not available due to demand (panic buying). Again some of our fresh food retailers continue to source local products to meet demand more so... opportunity there for sure. I think it would be good to research this further and look at the longer term opportunities here."

(Wodonga Local Food Network, Participant 32, Distributor, VIC, May)

Case Study 1 - McIvor Farm Foods

Belinda and Jason Hagan have owned and run McIvor Farm Foods for ten years. Prior to COVID-19, they sold their pasture-raised pork to restaurants, cafes, butcher shops, and farmers' markets. Due to the pandemic, many of these sales channels were lost overnight and Belinda and Jason quickly adapted their model to sell a larger proportion of their pork directly to consumers.

McIvor Farm Foods had experience engaging with online platforms as they manage Christmas periods by selling to consumers via a deposit system on their website. However, even with this experience the increased consumer demand they experienced resulted in

them struggling logistically to deliver their product to consumers. Belinda and Jason decided to join the Open Food Network in March and after two weeks, their first delivery went out. Belinda has described the first few runs for the business as 'astronomical' and the business found strength in collaborating with Warialda Belted Galloway Beef to organise deliveries. A two week cycle was set up on the Open Food Network platform where customers created orders the first week and then orders were processed and delivered in the second.

Belinda has reflected that using the Open Food Network to switch to direct sales and manage increased consumer demand was 'very beneficial' for McIvor Farm Foods. Being able to adapt quickly and successfully engage with consumers allowed the business to sell products meant for wholesale at retail price in a time of uncertainty. Additionally, the business accustomed to roughly predicting quantities for farmers' markets, however now have systems in place that allow them to accurately predict.



McIvor Farm Foods selling direct to consumers at their new on-farm shop alongside Warialda Beef and Yapunyah Meadow Grazed Chicken. They are also stocking a range of produce from other local farmers both online and in-store. Sourced from @mcivorfarmfoods on Instagram.

Belinda and Jason's success has resulted in them being able to go ahead with their 2020 plans to build a butcher shop on-farm giving them control over the previously outsourced butchering process. This is an exciting next step for the business as it allows them to reduce the environmental impact of their products (a value central to the business model as Belinda and Jason are industry leaders in regenerative and 'beyond free range' practices where not only the animal but also the environment is respected). Processing the animals

on-farm reduces the food miles of the products and also minimises the businesses plastic waste as there is no longer double handling and packaging.

Their success in responding to the impacts of COVID-19 has meant they've stayed on track with their future plans for the farm, including plans for a cooking and smoking license for the farm and work towards helping other small producers increase their product ranges (e.g. bone broths).

For more information: <https://www.mcivorfarmfoods.com.au/> or follow @mcivorfarmfoods on Instagram.

Impacts - Changes to sales channels

Farmers' markets and direct sales channels, specifically with the hospitality sector, were significantly impacted due to partial or complete closure. This resulted in a decrease in income streams, adding pressure on CFEs to readjust orders and rapidly find new sales channels. Food producers whose businesses relied on sales from the hospitality sector saw their orders reduced by at least 50 percent. Many CFEs were left with uncertainty as to how long restaurants would remain closed, and even saw some restaurants shift to box schemes, which added additional competition to current sales channels. In spite of this, direct sales to consumers grew with CFEs switching to delivery or pick-up points. However, not all CFEs found that direct-to-consumer sales sufficiently made up for the losses accrued with the closure of the hospitality sector.

"[With] farmers markets cancelled and cafes closed, we lost half of our business overnight."

(Participant 62, Producer and Distributor, NSW, June)

Despite farmers' markets being classified as essential services, many markets remained closed. A few farmers' markets managed to shift to online sales, but this created new challenges and increased production costs for CFEs. The closure of farmers' markets also resulted with reduced space availability because of health and safety regulations to maintain social distancing, causing a loss in direct customer engagement.

"Local farmers markets have died as people are not wanting to gather and cash has become a no-no. Therefore, most opportunities to sell as a small-scale producer are gone."

(Your Salad Garden, Participant 79, Producer, VIC, August)

For markets that remained open, they had to implement and manage state health and safety regulations by enforcing stricter rules. Owing to the fact that markets may be forced to shut down at any time, it was essential to tighten up measures to mitigate potential risks and ensure the longevity of market openings. For example, markets provided washing stations for sellers and customers, and adjusted the degree of distance between sellers, as well as requesting the use of card payments instead of cash. Interestingly, a few CFEs expressed concerns about using EFTPOS machines if their enterprises were small, which would reduce their opportunities as small-scale farmers to sell.

In accordance with state health and safety requirements, markets monitored on-site dining, prevented customers from touching items, and closely observed social distancing at all times during selling hours. In addition, market workers had to assure customers felt safe despite some markets experiencing pressure to shut down from local residents, for example stating, “We are focused on keeping our market open in the face of community pressure to have us closed” (Lancefield District and Malmsbury Village Farmers Market, participant 71, distributor, VIC, July).



Image: The Guardian Australia edition reporting on the closure of farmers markets in the state of Victoria¹⁴

¹⁴<https://www.theguardian.com/food/2020/sep/08/i-have-found-my-tribe-despite-closures-farmers-markets-flourish-h-during-victorias-lockdown>

Impacts - Changes to workforce

The Government restrictions on social gatherings, leaving home, and workplace operations affected CFEs by restricting their workforces during a time when they were experiencing greater demands. Farmers were constantly understaffed and overworked. For example, some online markets saw a tripling of labour hours needed in order to meet the packing demands of online orders, yet experienced a 20 percent reduction in their workforce. Community gardens experienced an abrupt end to volunteers attending sites, with vulnerable individuals (over 65 years of age, or immunocompromised) not being permitted. Many food hubs, co-ops and relief centres saw up to half of their volunteers no longer attend due to fear, health reasons, and/or being restricted by social distancing measures on site. Food relief centres also experienced a decrease in labour due to their reliance on volunteers over 65 years of age. Some lost more than 70 percent of their volunteer base, at a time when their services were being required more than ever by the community. For example, Combined Churches Caring Melton (Food Relief, VIC, May) experienced a drop of volunteers from 76 to 12.

Central to workforce oriented impacts were government decisions aimed at limiting the spread of the virus. For instance, producers experienced two-thirds of their staff members being unable to reenter the country due to travel restrictions. The JobKeeper initiative helped many domestic workers and companies to stay afloat through the restrictions, but CFEs with a majority non-domestic workforce were not covered. This made supporting salaries throughout the extended COVID-19 measures extremely difficult.

A handful of CFEs were in a position to counter this impact by increasing the hours of paid staff members. However, this was only possible for the minority of CFEs. The majority were forced to rely heavily on remaining volunteers. To illustrate this, one farmers' market based in Tasmania (participant 16, distributor, TAS, March) needed their volunteer numbers to be doubled in the early stages of the pandemic, then tripled by mid year so as to pack boxes in a manner which adhered to stringent packaging guidelines. Food relief centres also noticed a shift in demographics with the new volunteers that they onboarded in reaction to initial losses in volunteers. As the usual volunteers (generally an older demographic) stepped away from organisations, young professionals were seen in much greater numbers.

Impacts - Changes to distribution: packing and logistics

Increasing demand from new customers meant that CFEs experienced pressures to manage and distribute an increase in inventory. Adapting meant increasing packaging shifts and/or changing current box schemes options. This reduced customer choice but was a strategy to manage demands and limited resources. Prioritising on incoming inventory had to be implemented, particularly for food distributors who have long standing relations with

producers. On the other hand, having these close relations established allowed producers who may have over-harvested to meet the influx of customer demands. It also provided CFEs more freedom to move additional inventory to distributors who were able to manage higher quantities of goods. Whereas other CFEs had strategies on how to best use limited storage space to cope with the increased flow of sales. Some enterprises were fortunate to have additional coolrooms which aided in the management of products and increased customer numbers.

For food producers selling for the first time online, it meant navigating a new platform. This resulted in the need for additional time to process consumer demands, keeping websites updated with available products and price changes, and dealing with technological system errors:

"Our staff and volunteers prepare customer's order which is time consuming and subject to error. There is also a lag between the order being submitted and being ready for pick up. There is significant work required keeping the website updated with product presence and absence and price changes."

(Flame Tree Community Food Co-op, Participant 11, Distributor, NSW, May)¹⁵

There were struggles to obtain basic materials, such as boxes and paper bags. Values around no-waste were set aside in order to manage increased sales and safety regulations. Health and safety regulations were a consistent pressure. Food distributors had to factor in additional cleaning, washing, and sanitation measures when using crates or boxes, and handling foods while packaging. For example, Baw Baw Food Hub described their process by first soaking used crates, followed by using a high-pressure washer to hose down the clean crates, and finally left to sun-dry. These measures took additional time, especially considering the additional influx of sales demands. Some CFEs started to ask customers to wash their own crates as a way to establish better practices and save time.

"Moving beyond the farmers market, we have expanded our box orders to reach those who can't access markets. In terms of packing these boxes, we used to package all the produce in bulk, it would go to a hub, and be distributed by a volunteer who received a box for free. Now we have to package each order individually, and since we have expanded our box orders, this is even more work. These boxes are sanitised using hospitality food-grade sanitiser, and then left in the sun."

"We are also starting to use fabric bags that can be washed and dried in the sun or a dryer. This is increasing the amount of required labour (as we need a workforce to wash and dry these bags), however the other option is single-use plastic, which goes against our sustainable business model, and hence will not be used."

¹⁵ Given this report is being published by Open Food Network and we create a software platform specifically designed for selling food, we would just like to add a cheeky aside that this issue of stock levels wouldn't arise if using the Open Food Network platform!

(Participant 16, Distributor, NSW, March)

Some food distributors implemented mask wearing during packing processes. However, face masks were rarely available due to high demand in the early stages of the pandemic. Interestingly, many of the CFEs attending Open Food Network's shared learning webinars shifted to mask wearing quite early in the year, as CFEs from other countries where the pandemic was more advanced (e.g. Beijing Farmers' Market) provided insight into their best practice recommendations.

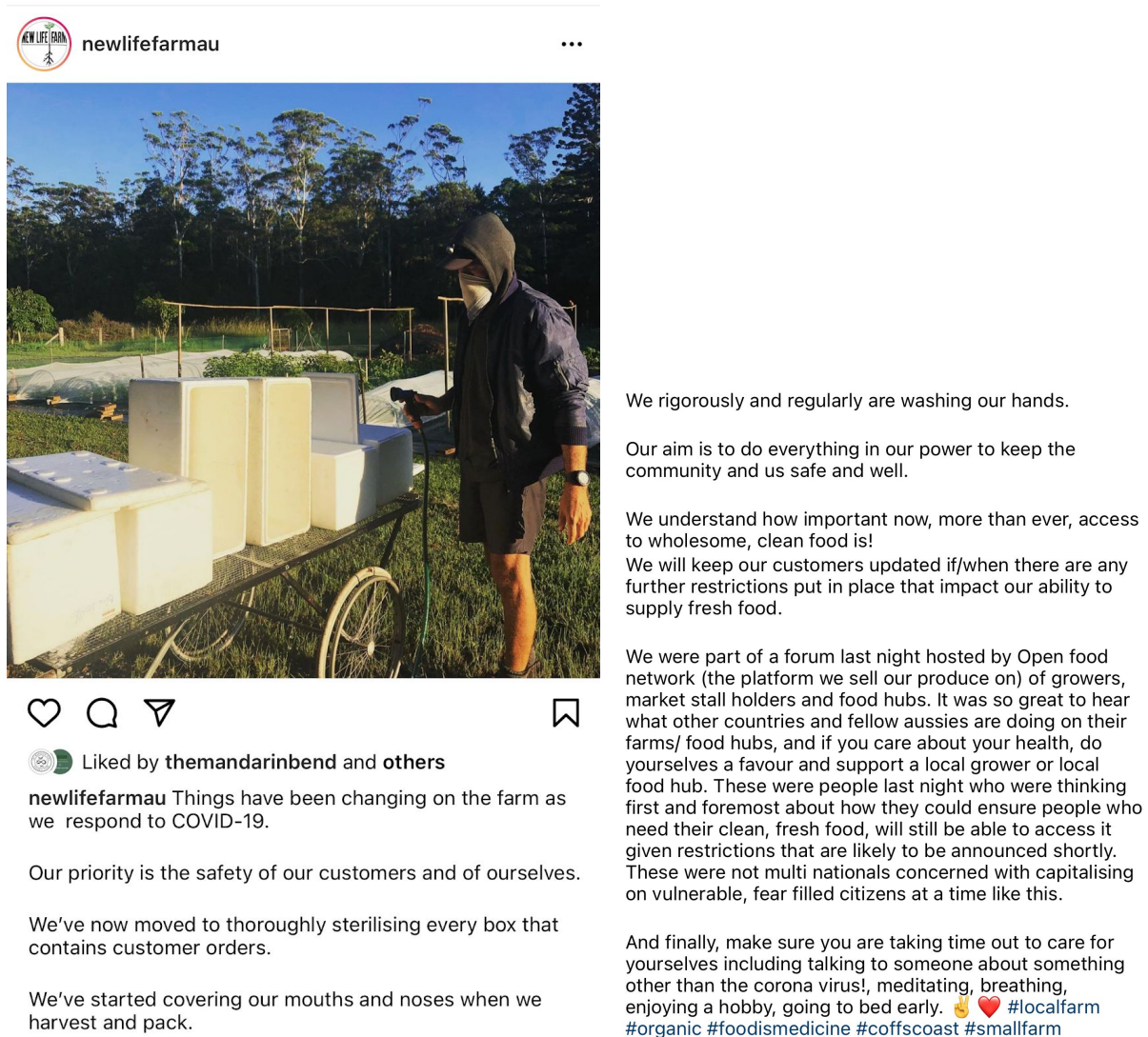


Image: Instagram post from New Life Farm, March 19 2020¹⁶

As sales increased, so did the demand for deliveries. CFEs had to consider the frequency of deliveries, expanding delivery radius, establishing new pick up points for customers, and

¹⁶ <https://www.instagram.com/p/B94-FnTJoDi/>

invest in additional vehicles, equipment, and staff. For some, this was an additional strain on existing or limited resources, which required extra hours to manage increased workload. While for others, the shift towards home or collection deliverers, provided CFEs with new opportunities and sales channels. Adjustments entailed changes to delivery schedules to ensure staff had space for social distancing if there were customer pick up points, or contactless pick up points. All new pick up points required implementing additional safety measures (such as sanitation and monitoring social distancing):

"We have had to make changes to delivery schedules to make sure people have the opportunity to social distance where/ when we have community pick up points. This has affected co-ops we supply who have increased prepack times due to numbers of volunteers allowed in the one location."

(Food Connect Wholesale, Participant 19, Distributor, QLD, May)

Border crossings and closures impacted delivery routes for CFEs that live near or sell across state lines. When borders opened up, delivery drivers needed to fill out forms each time they entered and re-entered a state. This was particularly pressing for drivers having to cross state lines between Queensland and New South Wales borders. CFEs based in Queensland had to fill out a Queensland Government form each week to make their deliveries in New South Wales. Filling out forms and waiting in line to be permitted entrance added additional time to delivery routes. Closure between state borders inevitably prevented CFEs from selling across different states. While for food distributors, border closures sometimes resulted in supply networks being held up and unable to be retrieved.

Impacts - Changes to competition

Several CFEs have noticed 'new players' in the market. These competitors are offering similar services that include box scheme models or selling fresh produce claiming to be local and organic. Box schemes have gained popularity over the past decade, but more competitors, specifically several bigger players and the hospitality sector, are introducing a food-box model to consumers. Other examples of new enterprises included health and lifestyle coaches selling items such as microgreens.

Similarly, the pandemic has provided supply competitors (e.g., supermarkets) and e-commerce companies with an opportune moment to ramp up online advertisement for deliveries, as well as offering faster delivery services through online conveniences and selling familiar store-bought items to consumers. The pandemic has created a new space for grocery stores and supermarkets to shift their focus to online ordering and deliveries, allowing them to utilise more targeted and wide-spread advertising campaigns through well-known services that are familiar to consumers. As a result, these bigger players can afford to adapt and pivot their marketing strategies to expand their current clientele and further intensify competition.

This has added additional pressure for CFEs, but at the same time, emphasising the values of CFEs:

"New key contenders who claim to be organic, when often they are not, are becoming competition. This has pushed us to ensure we keep delivering our message (chemical free, local, NFP), and hope that people can see where the real value lies."

(Participant 24, Producer and Distributor, NSW, May)



Images: New players in the food box market during COVID-19

One of the most surprising forms of competition has come from the government. In Victoria, the State Government set up Victorian Country Market (initially set to launch as Victorian Farmers' Market, although changed just before to launching thanks to advocacy from the existing farmers' market sector including the Victorian Farmers' Market Association). The service provided an online sales platform for Victorian producers and free delivery anywhere across the state with no minimum order size. That would be a loss-making exercise for any other enterprise. The model undermined existing online sales platforms (such as the Open Food Network), existing direct sales from farmers who could not compete with the free logistics being paid for by the government, and existing collective marketing channels (e.g. Prom Coast Food Collective lost suppliers, and farmers stopped attending farmers' markets). While the initiative was successful at supporting individual farmers, it initially eroded existing supply networks who could not compete but were expected to continue and be ready and waiting for suppliers to return once the subsidised logistics ceased.

Impacts - Challenging nature of planning within uncertainty

The unknown length of the pandemic made it challenging for many CFEs to plan their response. There was a sense of uncertainty underpinning all decisions, which made it difficult for people to decide whether to invest in solutions or wait for normality to return. Some CFEs weighed up whether to invest in permanent solutions, such as new vehicles, cool rooms or packing infrastructure. There was a rising cost associated with continuing to use temporary solutions like marquees, generators, or hired cool rooms. This put pressure on CFEs to try and guess how long the pandemic would continue to impact their operations, and therefore which solution was more cost effective.

"If things will go back to normal soon, we will not invest much into different practices, but if this is semi-permanent, we need to begin adapting..."

(Participant 27, Distributor, TAS, April)

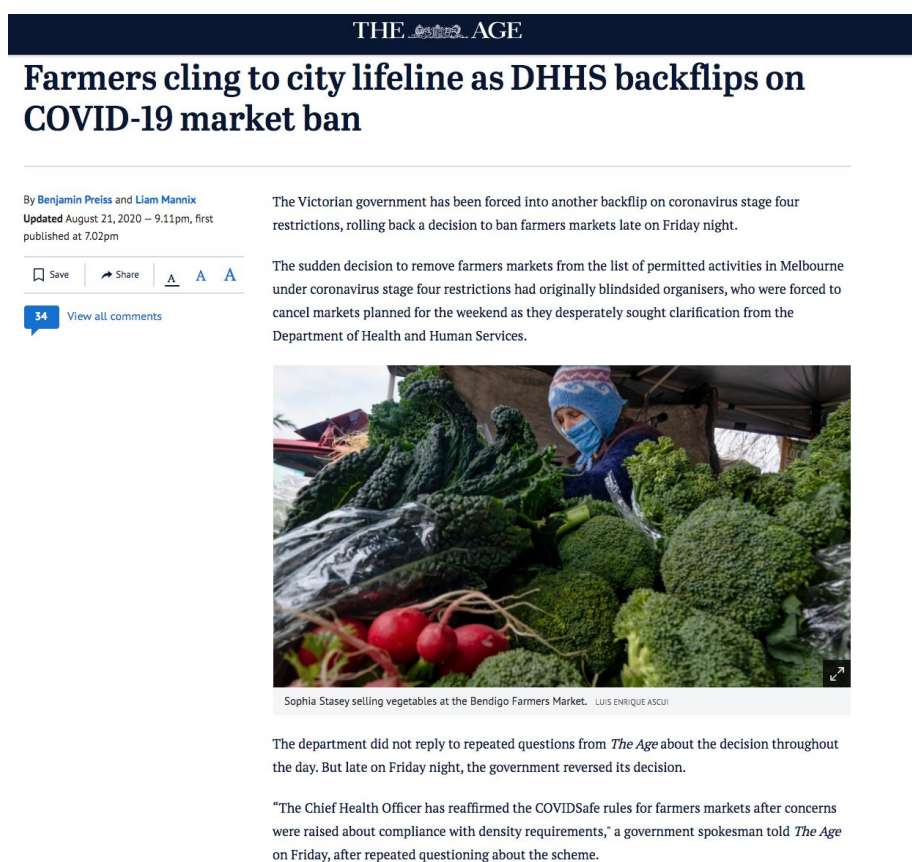


Image: An article from the Age on the sudden changes to farmers' market conditions in Victoria¹⁷

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<https://www.theage.com.au/national/victoria/absolutely-blindsided-farmers-markets-forced-to-close-a-mid-covid-19-rule-confusion-20200821-p55ny4.html>

The pandemic's unknown quantity was apparently in contrast to many of the other challenges CFEs were accustomed to facing, such as bushfires or floods, which had known seasonal contexts to them, and usually were short-lived compared to the pandemic. For many, the uncertainty had significant impacts on morale and the emotional and mental health of those working in food systems.

"Fires are a season, you know when you can expect it and when it will likely end. Whilst COVID was out of the blue with no psychological preparation - no 'season', no look for first rain (like when you know bushfire season is over)...Fires are scary but they are at least familiar. This is totally unfamiliar, ill-informed and very hard to prepare for... I feel powerless, like I am at the end of whip and being flicked around. Which is demoralising..."

(Your Salad Green, Participant 79, Producer, VIC, August)

Impacts - Compounding factors

The compounding factor of responding on multiple fronts had an impact on people's resilience and ability to respond. For example, they were creating new health and safety processes for customers and workers, whilst also trying to do business plans around a shifting set of regulations and impacts. All of these additional needs were on top of normal farming or food enterprise operations.

The pandemic didn't happen in a void, and people were also operating in a landscape of stressors such as the impacts of drought, or the after effects of a summer of bushfires. These were taking a toll on both enterprises, in terms of recovering financially from negative summers, and people, in terms of their mental capacity to keep being adaptive and energetic. In some instances the financial constraints from having just endured a challenging season underpinned an inability to pivot.

"We are significantly affected by fluctuations in availability and price as a result of drought. This is an issue occurring in conjunction with covid and remains an ongoing issue."

(Flame Tree Community Food Co-op, Participant 11, Distributor, NSW, May)

Impacts - Awareness of the food system

Rising demand, food shortages, and a disruption to business-as-usual for consumers has created a sense of opportunity to deliberately increase awareness of the food system and demonstrate the resilience of local food systems. This moment is special as it holds a 'captive

audience' (as one participant described it) in which to communicate the complexities and inequalities of the current food system.

COVID-19 has exposed the brittleness of long supply chains and industrial food production via its effects on import and exports, as well as its limitation on personal travel. Consumers have been reminded of the importance of local food production (especially those in Melbourne restricted to a 5km radius from August till November 2020) and the strength of short supply networks to food system shocks.

"Many more people are realising that it's community and local supply that is most reliable when there are shocks..."

(Participant 73, Food Relief, VIC, July)

As COVID-19 affected long supply networks, consumers responded by demanding more locally-produced food. There was also a renewed interest in growing for subsistence in home gardens or public space, like nature strips. Alongside this was an increased respect for and trust of local farmers. The Cardinia Shire Council Bushfire Economic Recovery team (participant 63, other, VIC, July) stated that there was more interest in direct farmer-to-consumer sales channels. A greater importance was being placed on where produce came from and how it was grown. Consumers became focused on farmer margins, and the trust between them and the supplier became an element of value.

However, 6% of participants did not agree that COVID-19 is presenting an opportunity for transformation of the food system (76% agreed and 18% did not answer). There is a lack of belief for these CFEs in consumer behaviour shifting permanently as the motivation is still to buy produce, and not to support farmers they do not know or protect environments they do not visit.

"Most people don't think about where their veggies come from. As long as you can buy it at the supermarket they do not care."

(The Little Blue Ute, Participant 55, Producer, NSW, May)

In contrast, for CFEs who see this moment as an opportunity, there is also a push to increase government support and researcher collaboration to continue the momentum towards change. Lobbying by CFEs to all levels of government, at this moment, is vital for ensuring future food system initiatives.

"We do see this as an opportunity to draw attention to what we do and are in touch with local government about expanding our footprint with their support, trying to drive an urban agriculture policy within their framework. We are also sharing and working with researchers in food security and health and well being."

(Participant 47, Producer, WA, April)

The disruptions of COVID-19 have presented a moment of opportunity where consumer and government attention could support the transformation of the current food system to be one that is more local, sustainable, and environmentally conscious. While also focusing on a food system that respects fair and just work and the leadership of CFEs.

"This is the single most opportune time for amplifying and accelerating the transformation of the food system."

(Food Connect, Participant 54, Distributor, QLD, May)

Other impacts

The impacts of the pandemic have not been experienced equally. Despite health and safety regulations being mandatory for everyone, the implementation and management of restrictions were experienced differently. At times, this was harsher for residents and CFEs based in urban areas compared to their regional counterparts. This has brought unexpected questions, such as the lasting impacts it will leave behind.

Without knowing how long the pandemic will continue, CFEs address concerns that there may be a shift in expectations and standards from customers going forward. For example, the flexibility to adapt to online services may indirectly change sale distributions for some CFEs who previously did not use online sales as a primary sales outlet. If customers prefer online ordering over in-person shopping, it will require CFEs to change certain distribution channels in order to meet customer satisfaction. However, not all CFEs have the time or resources to provide online services, or necessarily desire to use only online sales outlets.

"As a farmer, I am concerned that our customers will expect our online services to keep running after this all ends, and this will be unsustainable as we don't have the resources or time. Does offering certain circumstances now set up expectations for the future?"

(Participant 27, Producer, TAS, April)

In-person exchange for some food distributors is a vital part of their business model and philosophy of the work they do. Offline sales provide opportunities for customer and community engagement, providing space to share and exchange resources and information. CFEs are cautious that maintaining high standards takes both time and energy, but also additional workload. Therefore, considering the additional resources they may need to acquire.

With restrictions in place, in particular around social distancing, CFEs voice their frustration at being unable to directly respond and provide in-person community support as they normally would in past crises. Still, the pandemic has provided CFEs with opportunities to find novel solutions for engagement regardless of the limitations placed on them. For instance, CFEs are sharing their knowledge, skills, and experiences to support residents and the community towards building spaces for solidarity, as well as creating and implementing solutions to immediate problems faced by communities during this pandemic:

"When neighbours started saying, 'We want to do what Kurt is doing', we created an informal 'food co-op' (mainly because people were only allowed to gather for work, and this gave a 'cover'), there was a desire to be more self-sufficient. This info sharing built social bonds in the face of adversity, [and] highlighted that when times get tough, people reach out and help each other."

(Your Salad Green, Participant 79, Producer, VIC, August)



Image: Fawkner Commons responded quickly to needs in their local area, which experienced additional lockdowns as a 'hotspot' suburb. (See case study further into report for more details.¹⁸

¹⁸ <https://www.instagram.com/p/CCTS8XCjtFK/>

How the community food enterprise sector responded

Many farmers have experienced crises – be they drought, floods, or fire – however COVID-19 has proved an unusual crisis demanding novel forms of resilience. COVID-19 has lasted longer and seen an increase in demand, versus an inability to produce. There is a key difference in CFEs' ability to prepare for or predict this crisis and depending on scale, character, and/or location of operations CFEs have been impacted by both intensification and cessation of operations. COVID-19 has required CFEs to innovate so that increased demand is met in new social circumstances, many shifting to online platforms.

When considering the five characteristics of resilience (listed below), we noted that many of these characteristics were evident in the response to COVID-19:

1. Building community
2. Appropriate scale
3. Managing for impact
4. Understanding levers for viability
5. Collaboration

In particular, CFEs' ability to connect directly with their community and to collaborate in order to continue operating was key to remaining viable for many CFEs. That connection enabled very direct feedback and responsiveness between CFEs and their customers. As a result enterprises were able to quickly adapt and change.

The agility of the sector was notable in the response to COVID-19. The scale of many CFEs may have contributed to their ability to pivot and adapt, but the diversity of the sector also played an important role. This included diversity of supply networks, and a diverse scale of producers and logistics providers.

The direct responses from CFEs included responsive innovation, as they came up with new and adapted products and services that met their community needs; new collaborations that facilitated continued operation; and changes to sales channels, distribution, and workforce set-up. Values underpinning this sector – of a healthy community and environment – drove responses that placed community needs at their core.

Responses - Innovation

During the pandemic, CFEs used innovative solutions to stay open and relevant, and address the changing situational and community demands. Their success is a testament to the sector's resilience and strong value base, as they responded to real pressures and demands, all within the scope of the CFEs' values.

New products and services

CFEs who experienced a loss in sales were able to continue trading by innovating different products to seek out alternative markets. This was particularly important for farmers who specialised in restaurant-quality goods, as many lost their main sales revenues due to the closure of the hospitality sector. By adapting their products to align with household consumer needs, they were able to supplement their lost market with new income streams.

For instance, Your Salad Green (participant 79, producer, VIC, August), who specialises in microgreens, diversified their path to market by adapting their products to fit household needs. They achieved this by selling seedlings to households through the Open Food Network, and by adapting their crops to be more familiar to household buyers.

Some food distribution enterprises innovated new products to respond to the limited availability of household essentials in other stores and supermarkets. By addressing these deficiencies, CFEs could do more for their communities in a time of need. To illustrate, a grocer and box scheme distributor began sourcing essential products for their customers, including hand sanitizer made by a local gin distillery, and bread (participant 49, distributor, VIC, April).

In addition to offering new products, CFEs offered a range of new services that responded to government restrictions, and helped them to continue trading. Most commonly, this was through the addition or expansion of delivery services, and the movement to online platforms. This was particularly important for food distribution enterprises who had to close their physical stores and/or hubs, and hence needed new, innovative ways to reach their customers. For instance, Green Connect pivoted aspects of their business that could no longer operate due to lockdown, such as replacing farm tours with online workshops (participant 10, producer and distributor, NSW, May).

New values-based solutions

Since CFEs function according to a core set of values, many were driven to step up and address the deficiencies felt in communities due to the pandemic, such as limited access to food and basic essentials. When speaking about their role in feeding their community, one community grocer noted that *“this is an ethical issue”* (participant 5, distributor, VIC, March).

The pandemic’s resultant food insecurity catalysed innovative and collaborative efforts to ensure vulnerable community members were able to access food. The Whittlesea Food Collective (participant 53, food relief, Vic, May) achieved this by opening a food distribution centre ahead of schedule, *“to meet food security needs of our community.”* Case study 2 offers another example of how CFEs have pivoted towards providing community needs.

Case study 2 – Fawkner Food Bowls

Fawkner Food Bowls is a resident-led community garden and gathering space, that has transformed a disused bowling green into an urban farm. In collaboration with The Neighbourhood Project, Fawkner Bowling Club and Moreland Council, they are working towards building a family-friendly gathering place and food growing hub in Fawkner.

During COVID-19, Fawkner Food Bowls identified a number of pandemic-induced challenges faced by their community, and decided to respond by embarking on a 6-month quick response, scaling-up process. By innovating a number of new values-based solutions, they were able to increase their community output, by (1) increasing production of affordable and organic produce in their garden; (2) providing food relief to the most vulnerable community members; and (3) increasing community resilience. This was particularly important, as a number of local agencies that normally provided community support had to close due to the changing conditions brought about by COVID-19. Below is an outline of their innovations partnerships, and how they helped Fawkner Food Bowls expand their reach during the pandemic.

1. Fawkner Food Bowls increased their production capabilities through a number of new innovations. They hired a full time gardener via the Eco Justice Hub with the help of the Working for Victoria Program, and also partnered with Fawkner Primary School to provide extra space for food growing. In addition, they organised a variety of donated garden supplies by partnering with: the M80 extension project (to provide mulch), Ratio chocolatiers (to provide cocoa husks), and the Back to Earth initiative (to provide compost).

2. In terms of food relief, Fawkner Food Bowls provided a number of new products to ensure their community were fed during the crisis, which was particularly important when Fawkner was labelled a COVID-19 hotspot. They provided 20 weekly food parcels that were distributed through the Fawkner Commons through a partnership with Open Table. These weekly parcels have been available since May, and delivered through collaboration with Moreland Council. They also supplied an additional 70 to 90 boxes from OZ Harvest's essentials box scheme to families in Fawkner for ten weeks. In terms of cooked meals, Fawkner Food Bowls partnered with Rumi restaurant who ran a pop-up soup kitchen in Fawkner for four weeks, and Lentil as Anything who provided a 'pay what you feel' takeaway pop-up over 9 Fridays.

3. Finally, Fawkner Food Bowls helped increase community resilience through participation in alternative food systems by innovating a local COVID-response project, Fawkner Commons, which is a not-for-profit, community-led, food distribution hub working with local food initiatives and small businesses. Their main purpose is to secure access to food that is local to Fawkner and surrounds and distributed safely, with a secondary purpose being social cohesion and support of local businesses. They use the Open Food Network to distribute their supply of fruit and vegetable boxes, organics, dry bulk goods, bakery items, dairy, cooked meals and beef. During stage 3 and 4 restrictions, they collaborated with the

State government to offer a delivery service and hire a cooling system, and they also offer a pay it forward feature, in which food boxes can be bought for others.

This huge 6-month response to COVID-19 was not without a number of challenges. Quick response and scaling up processes are huge amounts of work, and require additional funding and staffing to run smoothly. Since their response had neither of these, it relied on a huge level of personal sacrifice in the form of family time and income, and depended on the massive help of 22 volunteers in Fawkner Commons, and 12 in the Fawkner Food Bowl Garden. Despite these challenges, Fawkner Food Bowl's ability to collaborate and innovate a variety of responses to community pressures allowed them to respond quickly and effectively, and make a huge impact in their community.

Responses - Collaboration

CFEs responded to COVID-19 using one of their most valuable resources – their connections. They were able to reach out to their communities and other food enterprises, and collaborate in mutually beneficial ways. This response was largely successful, due to the sharing of core ideals, and the value placed on every member of the supply network.

"Due to our established connections within the community we have been able to respond really well. That said, this has been much more difficult than responding to flooding and bushfires."

(Wangaratta Farmers Market, Participant 21, Distributor, VIC, May)

Between food enterprises

During the pandemic, several organisations facilitated collaborative knowledge sharing by hosting a variety of online events. An example of this is the Open Food Network webinar series, in which the Australian Open Food Network community of food producers and distributors met weekly to share knowledge and updates on different regulations, their impact on the sector, and examples of their responses. The online nature of this series meant that for the first time, Open Food Network users from all over Australia were able to connect with one another, which hadn't occurred during previous year's Victorian-based in-person meetings.

Another example is the Australian Food Sovereignty Alliance (AFSA) webinar series that ran fortnightly, and was open to AFSA members and the general public¹⁹. These sessions focused on how to build and sustain solidarity-based economies by introducing a range of Australian alternative food networks, initiatives, and enterprises to present and answer attendees questions.

¹⁹ These sessions remain available to the public and can be visited at <https://afsa.org.au/afsa-solidarity-economy-sessions/>

These webinar series were valuable in creating space for people involved in the food system to share information and learn from others in the sector. The ongoing nature of these webinars invited participants to network with a variety of people in the field, build relationships, and assist in iteratively building a solid body of knowledge.

In addition, CFEs collaborated to navigate the loss of sales channels due to the closure of farmers' markets and the hospitality sector. This was particularly important for producers who relied heavily on these markets, and subsequently found themselves with large quantities of produce they were unable to move. For some producers who had already contemplated increasing their direct sales to customers, this was the necessary factor that pushed them to introduce their own box schemes or online sales. In these instances, strong, established networks were vital in the success of this transition. In general, however, most producers did not have this capacity, and so they relied on their distributors to help sell their extra produce.

For instance, Edithvale Community Grocer (participant 67, distributor, VIC, June) assisted three local businesses to establish their own box scheme programs, to ensure that supply and demand could be managed in their local food bowl. This form of collaboration is a testament to the strong network and relationships built amongst the CFEs, and the greengrocers' desire to help their community:

"[We are focused on] thanking and celebrating our growers, connecting our families to their work, [and] collaborating and growing in our local food bowl."

(Edithvale Community Grocer, Participant 67, Distributor, VIC, June)

CFEs also collaborated with other members of the supply network in order to help reduce individual workloads and share limited resources. These partnerships were particularly important for food relief programs, whose ability to continue running during COVID-19 usually hinged on their networks. The Whittlesea Food Collective (participant 53, food relief, VIC, May) found that COVID-19 helped them forge a number of important new partnerships: they established home delivery services in partnership with another social enterprise, and maintained a steady supply of food by partnering with a number of local wholesale suppliers.

Between community members

The nature of the pandemic, and the shock it brought to the food system, also provided a space in which CFE were able to collaborate with their communities, to strengthen pre-existing relationships, and harness new connections.

Collaboration with regular customers was important, as it ensured that both the CFEs and customers were supported during the crisis. For customers, this meant uninterrupted access to produce, regardless of the broader industry shocks:

"Whilst other community members were faced with empty supermarket shelves, our customers would say 'well you know, look at us, we're fine because we've been investing in local food for a while now.' That was really important for us to hear." (See case study 3 below for more detail)

(Southern Harvest, Participant 69, Distributor, NSW & ACT, June)

This was particularly important as CFEs began onboarding new customers, because regardless of the new demand, they ensured their regular customers remained a top priority in return for their loyal support. One farmer was inundated with new customers, causing their produce to sell out quickly from their online store (participant 28, producer and distributor, NSW, March). The sense of responsibility to provide food to the people *"who have supported [them] for years"*, pushed them to start using new online features that gave them greater control over who buys what, ensuring their long-term supporters had prioritised access to produce whilst new customers were also welcomed.

"We sent [our regulars] each an email ensuring we would always have produce for them as a thanks for all of their years of support. We actually received a reply from each of these regulars, and hence this challenge provided an opportunity to really cement these strong relationships."

(Participant 28, Producer and Distributor, NSW, March)

In return, many CFEs could rely on their customers for support during the crisis, through increased subscription prices, increased volunteering effort, or customer loyalty during tumultuous times. This was particularly apparent for CSAs, whose use of memberships and subscriptions meant they were not impacted by huge changes to customers during the peak of the pandemic, *"once again demonstrating the resilience of a solidarity economy"* (Jonai Farms and Meatsmiths, participant 70, producer and distributor, VIC, July).

As was discussed in the impacts section, COVID-19 presented a rare opportunity for producers to connect with a wider audience to ensure their community could be resilient during uncertain times. For instance, Food Connect Wholesale food hub (participant 19, distributor, QLD, May) referenced the importance of reaching new customers in a time when people are permeable to change. Through the sharing of knowledge and resources, CFEs were able to educate their new customers, whilst building trust, loyalty and connections which will hopefully continue beyond COVID-19. The people at Your Salad Green (participant 79, producer VIC, August), for instance, created an informal co-op to share knowledge on self-sufficiency, whilst another community garden shared free produce, seeds and information, to assist people to begin home gardening.

The long-term outcome of these new relationships has been varied, with some CFEs witnessing a drop as the panic began dying down, whilst others experienced a plateau and

retention of new customers. To better understand the long-term retention-rate, further longitudinal research is necessary.

Case Study 3 – Southern Harvest

Southern Harvest was established in 2011 as a conduit between farmers and consumers in South East NSW and the ACT. Through the Southern Harvest Farmers' Market, and the provision of food boxes, they act as a networking and marketing food association for local farmers and consumers in the region. Both of these activities depend on a team of dedicated volunteers, who receive fresh produce as thanks for all the hard work they do.



Image: A photo of Southern Harvest's adapted packing regime, courtesy of Ruth from Southern Harvest

"Since the start of COVID-19, a huge challenge that our food enterprise has faced is the doubling of workload. Our produce box scheme bounced from 70 to 115 subscribers in the first month of the pandemic, and the changing workplace restrictions pushed us to adapt our model. We moved our market stall online through the OFN, and adapted our packing process to fit the stringent hygiene standards. This increased workload pushed us to expand our volunteer base from 4-5, to about 16-20 volunteers each week.

In spite of these challenges, COVID-19 led to the strengthening of community amongst our volunteers and customers. It was amazing to see our volunteer base quadruple when we reached out for help, many of whom did not claim their free food box compensation as they just wanted to help keep the scheme running. In addition, we had a lot of positive feedback from our existing customers, many of whom had friends facing empty supermarket shelves. Our customers happily

advocated for us and their local farmers, saying “Look at us, we’re fine, because we’ve been investing in local food for a while now.” That was really important for us to hear.

In addition, COVID-19 has provided a huge opportunity, in that our community and reach have expanded. The pandemic, and subsequent food-related shock, made community members more aware of their local food systems, causing some to reevaluate how they purchase their essential needs. Many of these new customers were people who were already tipping in that direction, and the shock felt by COVID-19 was the necessary push. When joining our food enterprise, we ask new subscribers to invest in our program, which helps finance facilities that are available to our farmers and producers, whilst providing them with a safeguard. As a result, we expect that almost all of these new subscribers will remain a part of our community well into the future.”

(Southern Harvest, Participant 69, Distributor, NSW & ACT, June)

Responses - Changes to Sales Channels

During COVID-19, the majority of CFEs had to adapt their sales channels to ensure they could continue trading when markets closed, and respond to changes in demand. Whilst this adaptation was undertaken by most CFEs, their approaches and experiences differed significantly.

New Sales Outlets

Many distributors that relied on physical shopping outlets, in particular farmers’ markets, had to change their sales outlets due to pressures to close. A CFE’s perception of the permanency of COVID-19, and the need to take a long-term approach, impacted the way in which it responded. Some chose minimal intervention, with the intention of ‘waiting it out’, whilst others used the pandemic as a catalyst for long-term changes to their sales model.

For instance, the Lancefield District and Malmsbury Village farmers’ market (participant 71, distributor, VIC, July) pushed to stay open during the pandemic, and moved their market to an alternative venue that provided adequate space for social distancing. Despite these efforts, they experienced a huge decrease in attendance between March and April, with community pressure mounting for them to close. During this downturn, it became hard for their farmers to predict how much produce they should bring to the market, and so a number of them skipped the March and April markets, and instead used online sales platforms to organise their own direct sales and delivery to customers.

For most other distributors, long-term survival meant moving online, a process that required a level of compromise on both the distributor and the producers’ behalf. Melbourne Farmers Markets (participant 37, distributor, VIC, May), who operate six market sites, kept two running, which required twice the cost and workload. They closed the remaining four sites, and

launched an online 'click and collect' marketplace. This online transition added workload and complexity, however was a necessary decision *"in order to ensure longevity beyond crisis times"*, as the sales from their open markets reduced by 20 percent.

One producer who traded at two farmers' markets, had the experience of one market remaining open, with the other moving online (participant 27, producer, TAS, April). They preferred trading at the market that stayed open, as despite the increased hygiene standards, things remained relatively business as usual. Conversely, trading through the online market introduced far more complexity and increased workload, as they had to learn how to navigate online sales platforms, and also introduce delivery services. Their biggest challenge with the online marketplace was not knowing how long the pandemic would last, and hence having to decide to what extent they would adapt.

"The questions we are faced with is how do we adapt, and to what extent do we adapt... Do we take the risk and invest in better online functioning and delivery, or do we just sit and wait for everything to go back to normal?"

(Participant 27, Producer, TAS, April)

On the other hand, the Wangaratta Farmers Market (participant 21, distributor, VIC, May) who had previously cancelled their January markets due to the bushfires, and had seen its costly impact on their farmers, were quick to establish a virtual market/food hub for the duration of the pandemic. Their past experience aided them in this decision, as they saw the importance of adapting to the crisis to ensure their farmers could continue accessing a market. This virtual market was welcomed by the farmers, whose sales increased due to the new ability to sell produce weekly rather than monthly, with one farmer noting a 50 percent increase in sales.

Some producers who had the capacity took these matters into their own hands, and started selling their own produce online. The people behind Your Salad Green (participant 79, producer, VIC, August), who were originally waiting for return to normalcy, after realising the extent of the crisis, decided to move online, to find new paths to market. They welcomed this change, as it has reduced uncertainty about quantities to harvest, as they are able to harvest on order, rather than consignment.

Case Study 4 – Wangaratta Farmers' Market

As with many regional farmers' markets, Wangaratta locals have come to rely on farmers markets for their local produce shopping. With COVID-19 creeping in, it became apparent that their on-the-ground model could not withstand the brunt of the pandemic. Wangaratta Farmers' Market manager Mary Daly decided to do everything possible to keep the market running, even if it had to take on a different form.

The market operations are supported by numerous volunteers, many of whom are classified as 'vulnerable' under COVID-19. Moreover, there was the livelihood of over 30 farmers at stake who had recently endured the horrific bushfire season earlier in the year. As cafes were gradually starting to close, farmers were beginning to deliver produce outside of town. The despondent community was left with minimal options and it soon became clear a change was badly needed in order to survive the repercussions of the pandemic.

Mary reached out to the Open Food Network in May, having previously connected with the team for district-wide initiatives. As Mary put it, "Sometimes you have to sit with something and wait for the right time. This was the perfect storm to get the hub off the ground."

With Open Food Network's support, Mary and her team were able to get the farmers market producers' food online. Their team familiarised themselves with this new platform to be fully prepared to move their resources to an online operating model and support their producers. Within two weeks, the Wangaratta Farmers' Market Hub was connecting farmers to eaters.

The model focused firstly on food boxes, with the vision that customers could do their entire shop with the online hub. As restrictions settled in, the hub saw an influx of orders. What began initially as 60 boxes per week, quickly jumped to 75, 80, and eventually 110 weekly food boxes. The market was becoming a weekly shopping option for locals, after years of only operating monthly.

Other than a feature in the local paper and a few Instagram posts, the publicity of the hub was fuelled by word of mouth, and it spread fast. There is still a need to settle into a long-term viable and sustainable model, but the outcomes are outweighing those concerns. The team plans to adapt and adjust, so they can support both the community demands and the farmers' production rates. However, an unexpected benefit with the new set-up was the overview of supply and demand, which the market organisers previously did not have on hand. This has helped with grant applications and project plans for a food hub in the region.

Led by Mary and her team, the Wangaratta Farmers' Market, as an open-air market, will be back and thriving. Even with the power of an online presence, the market itself is vital and the community engagement it fosters is irreplaceable. It's from this "*storm*" that they were able to test the feasibility of an online food hub – and it's proved its worth. There are future plans to build on this success by driving a deeper connection in the district, and eventually tapping into the tourism headed to the region.

New Customers

Producers who relied on the hospitality sector had to find new customers to sell their produce to, and often moved towards online sales and box schemes to increase their direct customer sales. For instance, a producer who lost half their summer income due to the closure of

restaurants and farmers' markets were able to absorb this loss by establishing an online food box system (participant 41, producer, TAS, May). They framed this change as a new opportunity, and are looking to expand their production capabilities, in order to continue with their box scheme, and eventually re-engage with hospitality and farmers markets.

Responses - Changes to distribution: packing and logistics

Responses to distribution changes demonstrated CFEs ability to be both flexible and adaptable. In other words, CFEs could quickly adjust their models. For instance, shifting to online orders or increasing delivery options and pickup points. Adjusting entailed restructuring how resources were allocated. Such as customer choice over the types of goods they could select from was reduced but replaced with a more consistent streamline that could ensure customers would continue to receive fresh products. CFEs strong relationships with their customers enabled them to communicate effectively how these adjustments benefited everyone given the circumstances. Frequently conversing with consumers meant that food distributors and producers could encourage customers to take additional measures when needed.



Image: Baw Baw Food Hub adapted their hub to be pick-up only rather than a retail hub

Cooperating with customers helped to reduce additional workload for staff and volunteers, who were already working under constrained conditions and limited staff. Additionally, close relationships between food producers and distributors permitted collaboration to unfold faster. This meant negotiating the amount of inventory received or adding in extra safety measures, such as re-introducing plastic containers. Despite changes being sudden, close relationships that many CFEs have between one another, customers, and the community provided spaces where tangible solutions could be found.

Responses - Changes to workforce

When considering their workforce, CFEs had to focus on minimising the risk of transmission amongst their workforce, whilst adapting to the increase in workload. The responses to these challenges were often quite conflicting, and since their number one concern was ensuring that staff were kept safe, they often had limited capacity to deal with the increased workload.

Keeping Staff Healthy

As CFEs became better informed and equipped to deal with the pandemic, they began implementing COVID-safe strategies to ensure they could retain their staff and keep them safe at work. CFEs implemented strict hygiene practices, when picking, packaging or sorting produce, or at physical market stalls. For instance, staff were encouraged to wear plastic gloves, not touch their faces, and use hand sanitizer multiple times throughout the day. For many distributors who dealt directly with customers, minimizing contact with customers was also key. As for markets and shops that stayed open, CFEs achieved health and safety regulations by limiting the number of customers permitted in each stall or shop, prevented customers from freely touching produce, and only accepted card payments. Some CFEs felt the need to greatly exceed compulsory regulations (particularly early in the pandemic) in order to 'prove' they could be relied on to be safe so as to avoid the entire sector being classified as not essential, and food supply being left only to large corporations.

In addition, some CFEs put in measures to reduce transmission between staff. Where possible, staff members would work from home. In cases where this was not possible, staff would be broken down into two or three teams, and each team would work in isolation of the others. This meant that in case one team was exposed to the virus, the remaining teams could continue working.

Responding to increased workload

The ability for CFEs to respond to the increasing workload was varied, with some onboarding new team members to help with the additional work, by expanding their volunteer base or diversifying their existing workforce. Wangaratta Farmers' Market, for example, lost their manager (and only staff member) as COVID-19 impacts were starting to be felt, however the committee who oversees the organisation took this as an opportunity to create a new 18-hour a week coordinator role. Additionally, food relief centres (who often rely on a volunteer base) who were able redeployed staff members into new roles and responsibilities, adjusting tasks so that large parts of the workforce could work offsite.

For many CFEs, however, limited resources meant that they were unable to expand, and instead took it upon themselves to make up the extra workload. The speed at which changes took place often prevented onboarding more staff as so many other areas needed attention. Therefore, adding additional staffing became often the last priority.

"[Our] workers have put in extra unpaid hours to cover the much more labour-intensive model of pre-ordered pick-ups and deliveries."

(Baw Baw Food Hub, Participant 80, Distributor, VIC, September)

Due to a lower intensity of production and service delivery small-scale enterprises were able to adapt with relative ease throughout COVID-19, some experiencing no impact at all. For those who did see an impact they were able to adjust schedules without much issue to meet demands and function in an online environment:

"Increased hours for our farm hand, and one of us now spends about a day on the computer per week just to deal with our busiest ordering day monitoring questions/concerns and issues people have with ordering online."

(Participant 62, Producer, NSW, August)

Opportunities: What would have helped

A food sector community

COVID-19 has highlighted the need for strengthened community across the food sector. Communication that happened between CFEs for both professional and personal connection was strongly valued throughout COVID-19. More opportunities to share information regarding the challenges, responses, and impacts of CFEs could have fostered increased support and collaboration within the community.

"...it would be useful to have a farmers network where people who are dealing with issues talk plainly about some of the things we talked about here - challenges, diversifying, reactions, actions, scope..."

(Your Salad Garden, Participant 79, Producer, VIC, August)

Part of strengthening the food sector community is fostering networks. These could be in physical form, e.g. social events (if permitted) or a funded team, or digital form such as open source databases of food sector actors and their initiatives (although generally directories date quickly unless well-resourced for maintenance and engagement). These networks could also serve as a means of engaging with wider customer bases as a united front. Open Food Network currently convenes numerous shared learning forums online and in-person to work on this challenge, although sustaining this work is hard due to limited resources. There were also strong requests for more coordinated advocacy efforts specific to CFEs during COVID-19, and new alliances with social enterprise networks were established in numerous states.

Government recognition and funding

As COVID-19 disrupted supply networks and increased demand for CFEs, the role of government support, through recognition and funding, emerged as a key element in their ability to respond effectively. Policies that support buying local and actively shift supply networks to be short, local, and transparent would have strengthened capacity. Additionally, grants which strengthen ability to showcase successes and engage with consumers as well as scale up operations. Long term, government policies that increase access to productive land and initiatives that focus on building a new generation of farmers will be key to ensuring capabilities of CFEs to future shocks.

"Government recognition of small farms ability to produce, start up help and/or initiatives and a push in how to get more people into farming."

(Participant 41, Producer, TAS, May.)

There were positive examples of government support throughout COVID-19, especially from local councils. For example, Whittlesea Food Collective (participant 53, food relief, VIC, May²⁰) who were focusing on providing goods to those experiencing financial hardship during COVID-19, secured a \$50,000 grant from the City of Whittlesea. On a federal level, the introduction of JobKeeper was also a game-changer for many CFEs, as it allowed staff to be 'kept on' and enabled capacity to respond and deliver. In Victoria some CFEs were able to participate in the Working for Victoria initiative to hire additional staff, subsidised by the government.

However, there were strong calls for the need for clear communication from the government throughout COVID-19 by many CFEs. Especially for those operating across state boundaries. Consistency was a major issue as CFEs experienced guidelines changing on a daily basis, at times contradicting the previous day's announcements. Additionally, the nature of many CFEs selling at multiple farmers' markets or via diversified sales channels meant that restrictions decided upon at a government level did not reflect, nor serve experiences on the ground.

"Dealing with local government interpretations of NSW Health and Federal guidelines has been a joke with regards to farmers market sales. We have had to deal with different requirements in every Council area we trade, nothing is consistent."

(Participant 62, Producer, NSW, June)

²⁰ Led by Whittlesea Community Connections on behalf of the Whittlesea Emergency Relief Network. For more information: <http://foodcollective.org.au/>

Skills support

As the food sector shifted to a predominately online space due to social distancing restrictions, CFEs required support to develop new skills as well as introduce new types of workers into their organisations. 'Story-telling' via an online platform became key to engaging consumers and ensuring the message of local strength was promoted –as explored in the impacts section: Awareness of the food system.

"A linkage to customers [would have helped]. Training in story telling - my blog skills are shite."

(Participant 14, Producer and Distributor, QLD, May)

This was true throughout the food sector, however, this support was especially needed for small-scale farmers experiencing increasing demand who were needing to produce more than before but now also develop an online presence for connection and sales. As CFEs gained greater attention and diversified sales channels, a wider network of aligned and skilled workers would have been welcome.

"...maybe a list of talented support people sympathetic to farming....ie web designers/ agents for social media skills/PR skills."

(Goughs Range Olives, Participant 65, Producer, VIC, June)

Some CFEs were able to respond to the newly required online skills and effected positive change in their organisations. Successful CFEs were able to adjust the hours per week that focused on the online side of their organisation. For example, shifting labour focus to purely online on the busiest ordering days. Others shifted to pre-ordering via online channels for produce that was both collected onsite and delivered. Those who could achieve these two shifts experienced an increase in sales and customer base.

"There has been an increase in demand for produce, and our goods are flying off the 'virtual' (online) shelves."

(Participant 15, Producer, NSW, March)

Additionally, CFEs who were able to utilise an online environment used this as a tool to communicate constantly changing hours, restrictions, and safety measures and saw this as a positive way to maintain and also build customer relationships.

A shift to online platforms was not a new concept for many CFEs who had already investigated and engaged with it as a possibility. For some, shifts in the market brought by COVID-19 presented an opportunity for a trial period, for others it was a catalyst to finally commit to building an online presence and engaging with diversified sales channels.

"Prior to COVID my partner had been looking at adapting the OFN software to fit our box scheme, so when COVID19 hit, we decided to bite the bullet and use the software as it was. We took our community stall from the farmer's market (where different producers and farmers sell their produce without needing their own stall) online with OFN, and utilised this platform to sell the produce boxes, so customers could make their orders online and then pick them up - and for those who were isolated we delivered the produce."

(Southern Harvest, Participant 69, Distributor, NSW & ACT, June)



Image: Packing boxes at Gung Hoe Growers - image courtesy of Gung Hoe Growers

Recommendations

While we would hope that COVID-19 won't be repeated, there appears to be an increasing number and regularity of crises as impacts of climate change and correlated ecological collapse are felt. Lessons can be learned from 2020, and applied to increase the resilience of food systems for future crises.

CFEs should be supported due to their close connection with communities, and their ability to adapt and meet community needs. Broadly, support is needed to enable CFEs to share practice, resources, and to collaborate as a way to achieve economies of scale. In times of crisis, existing CFEs should be supported to scale up, adapt and innovate. CFEs themselves should join information and support networks, collaborate, experiment, and build values-aligned relationships through the supply network. Government and philanthropy should support existing CFEs to scale, increase their understanding of the CFE sector, increase investment in this sector, and support collaboration and capacity building. Providing skills training and support resources is important. Support should be targeted at key leverage points where impact will support a large number of CFEs.

We have not made recommendations specific to food relief due to limitations on the data collected from food relief CFEs.

For community food enterprises

Join information and support networks

Advocacy to government from co-ordinating organisations such as Open Food Network, Victorian Farmers' Market Association, Melbourne Farmers' Markets, Moving Feast and the Australian Food Sovereignty Alliance was a critical conduit for the government understanding of the sector, and the sector being considered with grants, scale-appropriate regulations, etc.

Those CFEs who participated in information sharing opportunities created by those networks (e.g. webinars, online groups, weekly calls) reported feeling supported and informed compared to going it alone.

Collaborate

Many CFEs already operate very collaboratively, but it was evident that those who increased collaboration during COVID-19 saw value in those collaborations. These collaborations offered camaraderie and support, helped CFEs adapt to new logistics arrangements (e.g. multiple CFEs collaborating on shared deliveries), and increased CFEs' impact in the food relief sector.

Play to your strengths - connection

Community food enterprises thrive in part because of their values and the trust that eaters have in their practices. Those CFEs that continued close communication with customers and conveyed the challenges they were facing often found they received more support as a result - even if what they were conveying was that they couldn't meet customer needs.

Build your customer database

Being able to directly communicate with customers was key for many CFEs able to thrive through COVID-19. Social media is a powerful connector. Having customers email addresses for even more direct communication was even better for some enterprises when it came to surviving sudden changes in conditions (e.g. market closures without notice). Build control of as much of your customer base as possible (e.g. those customers who purchase through retail or markets as well as directly) so you can communicate directly with them.

Understand control and values held across your supply network

Many CFEs found themselves surprised by decisions made in their supply network, and moments where it became evident that there weren't shared values (e.g. market shutdowns instigated by the Neighbourhood House who valued the market as a tourism attraction rather than understanding its role in producer livelihoods). Building values-based supply networks as a long-term project is an important step for resilient supply networks. This can be achieved through advocacy, shared documentation that articulates values to guide decision-making, and new initiatives (e.g. the steps many producers are taking to start values-aligned abattoirs).

Use the opportunity to experiment, whilst distributing risk across new and existing opportunities

Many CFEs used the moment of change to experiment with something they had considered prior to COVID-19, e.g. selling online, home deliveries, new collaborations. Those CFEs who thrived managed to consider how they were distributing risk across new initiatives whilst still supporting their existing relationships (e.g. balancing new customers without making existing customers feel disenfranchised). It became clear that for resilient long-term supply networks, CFEs needed to make sure that any new short-term solutions they take on don't undermine the long-term solutions they are part of.

For government

Support existing solutions to scale

In order to facilitate long-term resilience, government should support existing solutions and support networks to scale up and deliver desired services, rather than undermining the sector with 'new' government solutions. This should apply across all scales of enterprise, including Small and Medium Enterprises, and across sectors. Social procurement policies should remain

in effect and be proactively pursued during crises such as pandemics, as these ensure funding is spent on solutions with greater social benefit than private sector solutions.

Increase understanding of, and support for the community food enterprise sector

Government must recognise the role that the community food enterprise sector – all those farmers, food aggregators, retailers, and more who create food systems with social and ecological health rather than profit as their driving force – plays in food provision and delivery of public goods. Agricultural policy should support farmers to provide food for their communities rather than focusing on export commodities. Economic development and regional resilience policy should understand and support the ripple effect that strong food economies based around CFEs have on their regions. There is a need for a food policy at all tiers of government that ties together the food system rather than siloing it into health, agriculture, economic development, etc. Governments should support CFEs through funding and policy.

For governments working with CFEs through a crisis, clarity of policy and regulation is critical. Recognition that CFEs provide food should shape policy statements to include CFEs in their language, e.g. rather than using the shorthand of ‘supermarkets’ for fresh food retail policy, and regulation should give clarity for the breadth of the sector. Where governments have direct contact with CFEs there should be a single liaison point to avoid CFEs spending precious time on repeating the same information or being shuffled between departments. Government should ensure the communication burden for CFEs is scale-appropriate – recognising that regular meetings, submissions or compliance paperwork has a disproportionate burden on small to medium enterprises – whilst understanding that scale doesn’t prohibit CFEs from operating to an incredibly high standard of compliance and care.

Support collaboration for public good

CFEs do not generally have extra capacity for the time consuming work of building systemic collaborative projects - over and above keeping heads above water day to day - particularly in times of crisis. They don’t have extra resources to design/conduct impact research projects (with government and philanthropy as key audience). There is a crucial role for government to invest in enabling resources for systemic solutions, such as:

- Local food activation positions (similar to regional landcare facilitators) that work to draw out opportunities to work together; seek resources and curate projects for funding for public good outcomes;
- Funding the work/capacity building for enterprises to be able to *participate* in social procurement contracts (including funding the development of joint ventures); and
- Funding impact research (that is not onerous for CFEs to participate in) that makes visible the public good outcomes of the sector and the systemic problems to which it responds.

Support skill development and business adaptation

In some cases CFEs need support and funding to develop skills that enable their enterprise to adapt to a crisis, in other cases there is the opportunity to support other small and medium enterprises to deliver services (e.g. digital marketing) for them. Providing this support, particularly for those CFEs coping with compounding impacts of multiple disasters, will have a positive impact on food provision, CFE viability, and mental health outcomes across the sector. Outside of crisis times there is a need for government to support mentoring and incubation programs delivered internally across the sector to share practice between CFEs and equip CFEs with the skills and knowledge to scale.

Divert infrastructure and personnel to meet gaps in the system

All levels of government should consider what constitutes an 'emergency' and whether there are public assets that should be diverted to communal use in emergency conditions. For example, some local governments were able to divert the use of public buildings for temporary food hubs or food relief centres, and all levels of government can redeploy staff to support existing solutions to scale up.

Rather than replicating existing efforts, these resources should target gaps in the system where they have the potential to unlock transformative activities. For example, coolrooms and logistics support (including drivers) were key gaps for many CFEs as they quickly scaled, and where these were provided they facilitated a significant increase in capacity.

For philanthropy

Help CFEs innovate and scale

Philanthropy can support CFEs' infrastructure as they scale up due to customer demands. This can include funding for mentoring and guidance, support provided through service provision (e.g. access to subsidised marketing or core capacity support), or for infrastructure.

Philanthropy can also create opportunities for mainstream investment that can stimulate CFEs, for example by providing the co-contributions required to unlock government or business funding in some cases.

Provide funding for enterprise development and collaboration

Many CFEs would benefit from funding to enable their team to undertake additional training, e.g. in digital marketing, business planning, or recording impact to define their public benefits. Skills support, CFE-to-CFE mentoring, and incubators that are specific to CFEs would all benefit from philanthropic support. In some cases, CFEs would also have benefited from provision of collective resources (e.g. free support consultants who understand and work within the sector) to undertake these tasks on behalf of CFEs.

Similar to the need for government to support collaboration for public good (as detailed in the recommendations to government above), philanthropy can provide the space for transformative change by funding collaborative processes, capacity building for CFEs, impact research that helps CFEs share the effect they have on the world, and facilitators who can help unlock regional step change through coordination.

Invest in support networks

CFEs found significant benefit in support from their peers, and from the associations and peak bodies interpreting advice and advocating to government on their behalf. Often these services are challenging for those overarching organisations to fund, but can have significant impact across a large number of individual CFEs. Funding advisors, events, and the creation of resources for CFEs can support their self-directed growth and capacity building.

Intervene at strategic points for collective impact

Through this crisis it became evident that there were particular enabling factors for CFEs, such as logistics and online sales channels. Funding interventions that can be made use of by a significant proportion of the CFE sector, and which are hard to fund for individual enterprises or through traditional business or grants, can be transformational for CFEs.



Image above and on following page courtesy of Southern Harvest.

Further research

Findings for this report revealed an unprecedented increase in sales and new customer demands for CFEs. However, information regarding longer term and cumulative impacts of the pandemic on CFEs is not evident in this report. In particular the second wave of lockdowns in certain states. Most responses were given between April through August of 2020.

The survey continues to remain open and on-going, which means that the experiences faced by CFEs may differ from earlier responses. A longitudinal research project looking into the sector's cumulative impacts and long-term customer retention levels after the first and second wave of the pandemic may draw attention to further information of long-term effects of the pandemic on CFEs. Longitudinal research would also develop understanding of whether it was better to pivot or hibernate for some CFEs.

At this stage, further investigation is required into the conditions needed to build and sustain CFEs to ensure their resilience. Additionally there was a low response rate for interviews. Future research focused on in-depth qualitative interviews, with follow ups to capture longer term effects, would highlight key elements of resilience that were uncaptured in the dataset. Lastly, findings from food relief centres were limited in this report due to low survey responses from this sector. Further research may consider the collaborative relationship between food relief centres and CFEs during crises.



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