

## **Small farms and short food supply chains under economic crisis – evidence from COVID-19 pandemic**

### **The aim of the project and reasons why this research topic was undertaken**

According to the Food and Agriculture Organization, there are about 480 millions of small farms worldwide. In many countries, they play important roles which go beyond food production (protection of natural environment, maintaining vitality of rural areas, ensuring food security, promoting social and cultural heritage). They are dominant in terms of numbers but are weak in economic terms, especially if we take into account that some sectors in food economy (e.g. seed production, retail) are dominated by a low number of large global companies and corporations. Small-scale and family farms are under growing market pressure. It results in weakening of the farmers' position in the food value chain. It concerns mainly long marketing chains (with high number of participants), in which smaller and weaker entities have less possibilities to achieve economic performance at satisfactory level. Short food supply (value) chains (or alternative food networks) were developed as a response to this problem. Such systems of food production, distribution and consumption are beneficial for the local economies and more sustainable way of using natural resources. Moreover short food supply chains support sustainable development of agriculture and rural areas in the economic, social and environmental context, and the sustainability level of small farms. Thus, they reduce the uncertainty and risk of farming activity, and they can limit the farm's vulnerability to negative phenomena as well as increase the farm's resilience to negative external factors. The shortening of the supply chains enables the activation of producers' adaptation mechanisms to crisis conditions. In addition, the short food supply chains may be less affected by international trade disruptions (pandemic crisis, broken supply chains, e.g. due to the Suez Canal blocked by huge container ship) because they are less integrated to the international markets on the output side and oriented more toward production for local markets. In this context, the project concentrates on the effects of participation of small-scale farms in short food supply chains in Poland and the Czech Republic during the crisis, with a particular focus on the crisis caused by COVID-19. Determining these results is the main goal of the project.

### **Description of the research**

We formulated six research questions which are connected with five so called work packages we are going to conduct. These research questions are:

- (1) How the COVID-19 pandemic crisis affected the small farm sector and short supply chains in Poland and the Czech Republic?
- (2) Which survival and risk management strategies have been implemented at small farm level under crisis conditions, especially in short food supply chains in both countries?
- (3) How have adaptive strategies related to participation in the short supply chains affected the performance of small farms during the pandemic in terms of vulnerability, resilience and sustainability in Poland and the Czech Republic?
- (4) What are the fundamental drivers of successful participation of small farms in short supply chains in Poland and the Czech Republic?
- (5) Which motivations drive smallholders to participate in short supply chains and have they changed during the COVID crisis in both countries?
- (6) How has been the effectiveness of policies to support small farms, particularly in terms of their position in the food supply chain, under pandemic conditions in Poland and the Czech Republic?

We are going to employ a set of different advanced quantitative and qualitative methods in order to answer the abovementioned questions.

### **The most important expected results**

The innovative character of the research is the evaluation of the role of the short food supply chains for the small farms in context of their vulnerability, sustainability and resilience under crisis circumstances. Such holistic approach is unique. Moreover the applied theoretical framework for our research and research methods are innovative as we are going to combine the transaction cost theory and the theory of planned behaviour. The results of project enrich the knowledge in the field of: (1) relations between the short food supply chains and the small farms' vulnerability, sustainability and resilience in crisis situation; (2) drivers behind the intentions of small-scale farmers to participate in the short food supply chains. That is why our project will contribute to basic research and the development of agricultural economics and behavioural economics. Moreover the project may support policy makers while preparing of recommendations for small farms and economic policy for the crisis situations which could be the added value of the project.