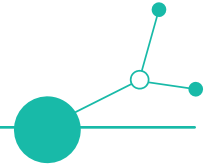


Transnational policy guidelines for AFNs support



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Food4CE

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Table of contents

1. THE FOOD4CE PROJECT IN A NUTSHELL	3
2. PURPOSE OF THE DOCUMENT.....	4
3. INTRODUCTION	4
4. SHARED CHALLENGES ACROSS REGIONS	5
5. TRANSNATIONAL POLICY GUIDELINES	7
6. CONCLUSIONS	9
7. REFERENCES	10

www.interreg-central.eu/food4ce/



1. The Food4CE Project in a nutshell

Food4CE is a European project funded by the INTERREG Central Europe Programme, aimed at supporting Alternative Food Networks (AFNs) in their efforts to create sustainable and resilient food supply systems. AFNs are essential for promoting short food supply chains and reducing the carbon footprint of food distribution. However, they face challenges such as lack of knowledge on logistics collaboration, digitalisation and distribution/delivery systems, which are exacerbated by the COVID-19 pandemic.

Food4CE seeks to address these challenges by establishing 5 local and 1 Transnational Innovation Hub (IH), bringing together actors from different sectors including researchers, business experts, food producers, logistic and transport operators, and policy makers. These hubs will focus on advancing AFNs logistics efficiency through the development of innovative tools and solutions.

Two innovative tools are being jointly developed within the project: the Knowledge Transfer Platform and the Matchmaking Platform. The former is intended for sharing logistics best practices and solutions, while the latter is intended for creating new B2B and B2C logistics solutions and services. The aim is to facilitate knowledge transfer and exchange between different regions and actors, and to create a unique mutual support network for AFNs in Central Europe.

Food4CE will also provide jointly developed regional action plans for each participating region and transnational (CE) policy guidelines for AFN support. The project aims to establish a sustainable and lasting AFN support mechanism, which will continue working even after the project end. This will be achieved through the integration of the Transnational Innovation Hub into the existing European Network of Logistics competence centres.

Food4CE is a vital initiative that seeks to support AFNs in their efforts to create sustainable and resilient food supply systems. By establishing local and transnational Innovation Hubs and developing innovative tools and solutions, the project aims to facilitate knowledge exchange and cooperation between different actors and regions, leading to a sustainable and lasting AFN support mechanism.



2. Purpose of the document

The purpose of this document is to provide transnational policy guidelines to support the development, consolidation, and long-term sustainability of Alternative Food Networks (AFNs) across Central Europe. It builds upon the evidence, stakeholder engagement processes, and policy recommendations developed at regional level within the Food4CE project (D.3.1.3). While the five Regional Action Plans outline context-specific strategies addressing locally identified policy gaps and challenges, this deliverable elevates those insights to a transnational dimension by identifying common needs, structural barriers, and converging priorities emerging across the five participating regions.

Overall, the objective of this deliverable is to contribute to a more integrated and enabling transnational policy environment for AFNs, supporting their role in fostering sustainable, resilient, and inclusive food systems.

3. Introduction

Europe's agri-food system is under growing environmental pressure. Agriculture contributes significantly to EU greenhouse gas emissions and continues to drive soil degradation, biodiversity loss, and water pollution. Alongside production, the expansion of long food supply chains—characterized by extensive transport, storage, and multiple intermediaries—adds further environmental costs through energy-intensive logistics and globalized distribution networks.

In response, Alternative Food Networks (AFNs) have emerged as models to seek more environmental and socially sustainable food systems. Often grounded in agroecological or organic practices, they combine more sustainable production methods with shorter and territorially embedded distribution models. These kind of initiatives have all in common the aspect of operating with a Short Food Supply Chain (SFSC, defined by the European Union (Reg.1305/13) as “a supply chain involving a limited number of economic operators committed to cooperation, local economic development, and close geographical and social relations between producers, processors and consumers”). This proximity can enhance transparency, strengthen local economies, and foster closer relationships between citizens and food production. However, despite these advantages, the logistics of SFSCs often remain fragmented, characterised by limited coordination, small and dispersed volumes, and a relatively low uptake of digital tools for planning and aggregation. Compared to conventional large-scale distribution systems, AFN logistics are frequently less optimised, which may result in higher per-unit transport impacts and increased operational costs.

To address these challenges, five Regional Action Plans supporting AFNs in Austria, Hungary, Italy, Poland, and Slovenia were developed under Deliverable D3.1.3. Each plan provides a context-specific roadmap, outlining targeted policy recommendations and concrete actions tailored to the needs and opportunities identified within each region. At the same time, as demonstrated in Deliverable D3.1.1, the development and scalability of AFNs are strongly influenced by policy instruments operating at European and international levels. Building on this premise, the following section presents a comparative assessment of the common needs and structural challenges emerging across the five Regional Action Plans. On this basis, the document subsequently formulates a set of policy guidelines aimed at strengthening the enabling framework for AFNs at transnational and EU level.



4. Shared challenges across regions

Lack of formal recognition and governance fragmentation

Across regions, concepts such as “local,” “regional,” and “sustainable” are defined inconsistently across legal and policy frameworks. This lack of harmonised criteria generates uncertainty regarding eligibility for support schemes, participation in quality labels, and inclusion in local food initiatives. It also weakens consumer trust and limits the ability of AFNs to clearly communicate their added value.

Beyond terminological ambiguity, AFNs often lack formal recognition as a distinct policy category. Although their principles—short supply chains, local, sustainability—are frequently referenced in strategic documents, they are rarely embedded within coherent governance structures. As a result, AFNs remain only partially integrated into mainstream agricultural, innovation, and regional development policies.

Moreover, AFNs are still predominantly associated with food producers, while other key actors—such as retailers, logistics operators, and intermediaries—remain insufficiently recognised in policy frameworks as being also part of the AFNs. This is despite their essential role in enabling storage, distribution, and market access within Short Food Supply Chains. The limited acknowledgement of these actors further contributes to governance gaps and constrains the development of integrated and efficient AFN systems.

Governance fragmentation further constrains their development. Responsibilities related to food systems are typically dispersed across multiple policy domains without stable cross-sectoral coordination mechanisms. This siloed approach reduces policy coherence and limits the systemic impact of AFN-related initiatives.

Regulatory Disproportionality and Administrative Burdens

A further transnational need concerns the disproportional impact of regulatory and administrative frameworks on small-scale and cooperative food actors. While food safety, traceability, and consumer protection standards are essential for public health and market transparency, their current implementation often fails to reflect the operational realities of decentralized and territorially embedded food systems.

Across regions, hygiene regulations, documentation requirements, and compliance procedures are frequently designed according to large industrial production models. Even where legal frameworks formally allow proportionality, enforcement practices tend to apply uniform standards to actors of vastly different scales. Mandatory HACCP systems, complex record-keeping obligations, overlapping inspections, and strict traceability protocols create high transaction costs for small producers. In many cases, compliance demands exceed the administrative and financial capacities of micro-scale operators, discouraging formalisation and limiting growth.

Certification, labelling, and taxation frameworks add further complexity. Organic certification schemes, geographical indications, and national quality labels often involve high administrative costs and procedural burdens that deter small operators.

Education, Awareness, and Demand-Side Limitations

Across regions, sustainable and local food systems are not systematically embedded within formal education curricula or long-term public awareness strategies. Existing campaigns are often fragmented, short-term, or project-based, lacking continuity and structural integration. As a result, public understanding of food system interdependencies—such as the links between production methods, environmental impact, territorial



economies, and public health—remains limited. This weakens consumer engagement with AFNs and reduces the societal and political support necessary for their consolidation.

Demand-side limitations are also evident within institutional contexts. Public buyers and catering managers often lack training in designing procurement procedures compatible with short supply chains, seasonal planning, and local sourcing practices. Without adequate knowledge and technical capacity, even favourable policy frameworks may remain underutilised.

Education gaps extend along the supply chain. Producers and cooperative actors require training in logistics management, digital tools, regulatory compliance, and collaborative business models to strengthen organisational resilience. Targeted, practice-oriented training and advisory services are therefore essential complements to infrastructure and funding measures.

Infrastructure Deficits

A central transnational need concerns persistent infrastructure deficits affecting the operational capacity of Alternative Food Networks (AFNs). Across regions, the absence of adequate physical infrastructure significantly limits the efficiency of SFSCs.

Small and medium-scale producers frequently lack access to essential logistics infrastructure, including cold storage facilities, refrigerated vehicles, aggregation and consolidation centres, as well as dedicated low-emission last-mile transport solutions such as electric vans and cargo bikes.

Crucially, the lack of shared infrastructure undermines the development of collaborative models that could compensate for limited individual production volumes. Consolidation hubs and shared transport systems are preconditions for collective distribution and joint market access and fulfilling larger or regular orders—particularly in relation to public institutions. In their absence, producers are unable to pool supply, coordinate deliveries, or optimise routes, preventing the emergence of functional economies of scale at network level. As a result, structural fragmentation persists, and AFNs remain constrained to small, isolated operations rather than evolving into coordinated territorial systems capable of competing with conventional supply chains.

Digitalization

Digitalisation represents a key transnational need for Alternative Food Networks (AFNs). Many networks operate without structured digital tools for order management, logistics planning, inventory tracking, or online sales. This reliance on manual coordination leads to inefficiencies.

Existing IT systems are often fragmented or designed for industrial-scale actors, making them unsuitable or inaccessible for small-scale and cooperative initiatives. In addition, limited digital skills and insufficient advisory support hinder effective adoption, while innovation funding frequently remains out of reach for micro-producers.

However, it was also observed that the relatively small and fragmented volumes managed by many AFNs often result in operational inefficiencies that do not translate into cost impacts significant enough to justify substantial investments in the development of digital tools and related training. This highlights the need for collective, platform-based solutions and targeted support mechanisms that can overcome scale limitations and enable wider digital uptake across AFNs.

Financial accessibility and funding design



Lastly, one of the most important and recurrent structural gap is the inadequacy of funding frameworks available to AFNs. While substantial financial resources are mobilised at European and national levels, AFNs face persistent difficulties in accessing and effectively benefiting from these instruments.

One example can be the Common Agricultural Policy (CAP). Despite making available more than 20% of EU budget to Agriculture, very little funding make its way to those who need it the most or to those who are the most sustainable. Scown et al (2020) highlight significant regional inequalities in EU agriculture, showing that CAP payments have generally reinforced income advantages in wealthier regions while remaining insufficient to lift farm incomes in poorer regions to the EU median. Furthermore, the CAP “eco-schemes” and “conditionality” requirements are planned to be discontinued and replaced with voluntary measures, potentially weakening environmental protection.

This configuration of the CAP does not favour producers involved in AFNs, who are typically small enterprises and are therefore more affected by the limited redistributive impact of CAP support. At the same time, these producers often already comply with the environmental conditionalities that are planned to be dismissed in the next CAP, starting in 2028.

5. Transnational policy guidelines

Building on the six common challenges identified across the five Food4CE regions, a set of policy actions is proposed to address these structural needs. It is important to acknowledge, however, that the broader policy landscape remains fragmented across governance levels and thematic domains. Many of the proposed recommendations could be embedded within multiple existing policy instruments and, in several cases, are already reflected in strategic frameworks like those analysed in D.3.1.1. Nevertheless, their implementation has often been partial, inconsistent, or insufficiently operationalised. Strengthening effective implementation therefore emerges as a key priority alongside the introduction of new measures.

Define Alternative Food Networks

Defining AFNs starts from deciding on shared definitions for terms frequently used to refer to Alternative Food Networks. Among these can be mentioned terms such as local, small quantity and traditional. Many of these terms often identifies exclusions, derogation and adaptation of the norms that are necessary for the sustainability of AFNs operations (Alessandrini 2024). In addition, a clearer and more operational definition of AFNs is required—not merely as a broad umbrella term¹, but as a structured classification of concrete organisational models. Identifying which specific models can legitimately be considered AFNs is essential to acknowledge the significant differences among the most widespread forms (e.g., CSAs, food co-ops, solidarity purchasing groups, peasant markets). Such differentiation would allow policymakers to better understand their distinct operational logics and logistical needs, and to design more targeted and proportionate support measures accordingly.

Evaluate the impact of recognizing Participatory Guarantee Systems within the EU Organic regulation

PGS are often mentioned as valuable solution to solve the great administrative costs and complex procedures brought about by third party certification schemes. PGS are sponsored by the International Federation of Organic Agriculture Movements (IFOAM) and officially recognised by several countries worldwide. Introducing them in the EU might lower certification cost, increase cohesion and competencies amongst rural development actors and increase the reputation of PGS-certified local products (Sacchi et al. 2024).

Promote simplified guidelines for AFNs operations

¹ An umbrella definition as the one adopted by Food4CE has, however, its advantages, namely being able to be open to new models.



Simplified and proportionate regulatory frameworks are needed to reduce administrative burdens and remove obstacles to cooperation among small-scale actors. Clearer and simplified rules enabling shared transportation, collective storage, and small-scale processing can strengthen AFNs' operational capacity without compromising food safety. The Emilia-Romagna Region provides a good example, having introduced simplified guidelines for small primary producers engaged in on-farm processing while maintaining high safety standards. Extending similar risk-based approaches to collaborative logistics and shared facilities could further enhance cooperation, efficiency, and resilience within AFNs.

Integrate AFNs into education curricula

Disseminating knowledge about the characteristics, operational models, and challenges of AFNs is essential to ensure their long-term viability. Greater integration of AFN-related content is needed across multiple levels of the education and training ecosystem. At the vocational level, institutes preparing students for careers in sectors such as logistics and supply chain management should incorporate modules addressing short food supply chains, cooperative distribution models, and sustainable logistics practices. At university level, a multidisciplinary approach is required. Research in many fields, such as agrarian studies, engineering, economics and management can play a key role in improving the efficiency and effectiveness of AFNs.

Support the development of shared logistics infrastructure and collaborative models

Efficient logistics remains a key structural challenge for Alternative Food Networks due to their fragmented nature and limited scale. Many AFNs lack access to essential infrastructure such as cold chain facilities, storage capacities, and aggregation centres, which constrains product quality, distribution efficiency, and scalability within Short Food Supply Chains. At the same time, limited coordination and the absence of shared logistics solutions reduce opportunities for route optimisation, volume aggregation, and cost reduction.

Policy support should therefore prioritise the development of shared logistics infrastructure—such as (micro) consolidation hubs, temperature-controlled storage, and last-mile distribution systems—alongside the promotion of collaborative models, including joint distribution, platform-based coordination, and multi-actor partnerships. These measures should complement existing regulatory and funding frameworks to ensure accessibility and alignment with AFN needs.

Improve the design of funding instruments

Reforming how public funding get distributed will be crucial to AFNs ability to survive and access necessary infrastructures. In this context, the Common Agricultural Policy (CAP) should reinforce its redistributive function by directing a greater share of payments towards small and medium-sized farms, producers operating in structurally weaker regions, and those demonstrably committed to environmentally sustainable practices. Stronger redistribution mechanisms—such as enhanced capping, degressivity, and targeted eco-schemes—could help rebalance financial support in favour of actors contributing to biodiversity protection, climate mitigation, and the development of short food supply chains.



6. Conclusions

While AFNs align closely with European objectives related to climate neutrality, biodiversity protection, rural development, and social inclusion, existing instruments do not yet systematically reflect their operational characteristics and needs. The transnational policy guidelines proposed in this document aim to address this misalignment.

By comparatively analysing the shared challenges affecting Alternative Food Networks (AFNs) across Austria, Hungary, Italy, Poland, and Slovenia, the document has identified a set of structural barriers that transcend regional specificities. These include the lack of formal recognition and governance coherence, regulatory disproportionality, infrastructure and digitalisation deficits, education and demand-side limitations, and inadequacies in funding design.

This deliverable proposes ways for addressing these gaps. First, it calls for a clearer and more operational definition of AFNs, moving beyond generic terminology and establishing a structured classification of models. This would enable more targeted and proportionate policy support. Second, the document suggests evaluating the recognition of Participatory Guarantee Systems (PGS) within the EU regulatory framework, to reduce certification costs and administrative burdens for small-scale producers. Third, it recommends the adoption of simplified and proportionate regulatory guidelines for AFN operations, particularly to facilitate shared transportation, collective storage, and small-scale processing, while maintaining high food safety standards. Fourth, it emphasises the need to support the development of shared logistics infrastructure and collaborative models, including consolidation hubs, cold chain facilities, and coordinated distribution systems, in order to improve efficiency, enable scale, and strengthen Short Food Supply Chains. Fifth, it highlights the need to integrate AFNs into formal education and training systems at vocational and university levels, fostering multidisciplinary research and strengthening long-term demand-side awareness. Finally, it calls for a reform of public funding frameworks—particularly the Common Agricultural Policy (CAP)—to enhance redistributive mechanisms and better direct financial support towards small and environmentally sustainable producers engaged in short food supply chains.



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