



THE COMPETITIVE ADVANTAGE OF LOCAL FOOD SYSTEM BY SHIFTING TO BIOECONOMY AS A SUSTAINABLE ECONOMIC PARADIGM

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INTRODUCTION

Bioeconomy includes all economic activities that are linked to the development and use of biological products and processes. In Europe, the concept puts a strong emphasis on biomass consumption, innovations, sustainable growth and creation of added-value. One of the factor (key action) which have influence to the development of bioeconomy, especially when bioeconomy based on distributed economy model, discussed by P. Luoma, J. Vanhanen, P. Tommila (2011) is the local food system. In this alternative strategy for the bioeconomy is an important argument that there is a need for the development of a global bio-based economy and distributed production models at the local level.

The research object is competitive advantage of local food system.

The research aim – to define the competitive advantage of local food system by shifting to bioeconomy as a sustainable economic paradigm.

BIOECONOMY AS A SUSTAINABLE ECONOMIC PARADIGM

Managing natural resources sustainability and reducing dependence on nonrenewable resources can only be overcome by developing the bioeconomy. Bio-economy is a societal strategy to combat climate change and the increasing scarcity of natural resources. Accordingly, we should not only view bio-economy as a new business sector but also consider the wider spatial and material flow aspects of increasing bio-based production (Eeva Hellström, 2011). Bioeconomy helps to achieve the goals of sustainable development.

In order to achieve the goals of sustainable development, it is necessary to move towards a new way of economic growth, compatible with environmental protection and sustainable use of limited natural resources, while ensuring a significantly higher standard of living and reducing poverty (Bosman & Rotmans, 2016; Lithuanian Bioeconomy..., 2017).

FOOD 2030 has four priorities: nutrition or sustainable and healthy diets, climate mart and environmentally sustainable food systems, circularity and resource efficiency of food systems and innovation and empowerment of communities (Food 2030, 2018).

The definition of food systems goes beyond the production and delivery of sufficient food for all (quantity). It must include the provision of safe and nutritious food for healthy and sustainable diets (quality) while fully considering the dimension of access. R&I will play a critical role in making our food systems future-proof so that they are more sustainable, resilient, responsible, diverse, competitive and inclusive (Thomas Arnold).

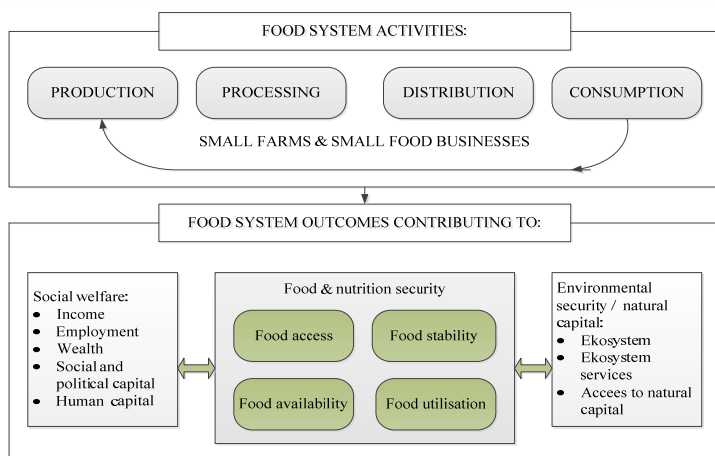


Figure 1. Food system conceptualisation (Eriksen, 2008; SALSA, 2018)

Conclusions

- Without integrating sustainability as an explicit dimension of food security, managing natural resources, today's policies and programmes could become the very cause of increased food insecurity in the future. To modify program design and practice in ways that help to realize the great potential of bioeconomy the stakeholders can overcome four levels of cooperation: information, consultation, joint action, collective decision-making.
- The local food system is a complex phenomenon, often defined as a system of population support and security. This includes strengthening the economic well-being and farm viability of rural and urban communities, improving access to fresh, health-friendly food and market opening for farmers' start-ups and those who cannot sell their products on the wholesale markets because of their smaller quantities, limited resources or unusual products. Small farms could play a key role LFS, but high-added value agriculture and food products by majority of stakeholders have to be recognized as competitive advantages. The activities of farmers and consumers should be focused on the process of co-creation.

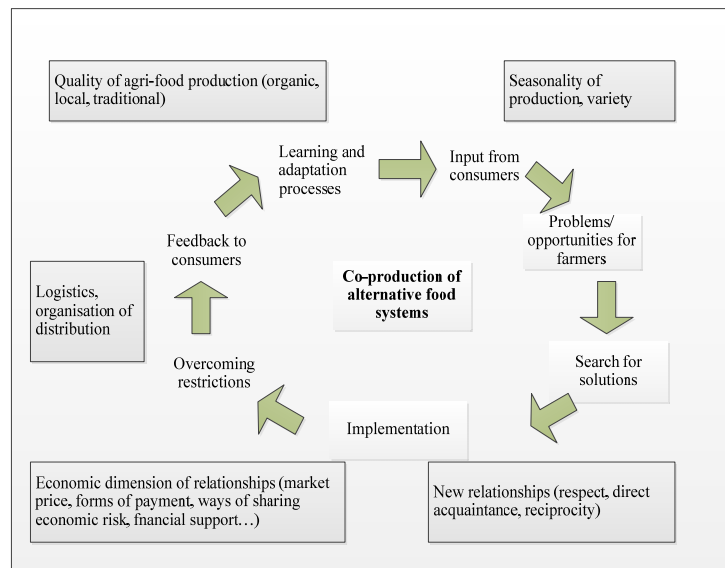


Figure 2. The collective process of building alternative food practices: how farmers and consumers develop appropriate solutions to the specific needs of production-consumption systems

SOCIAL BENEFITS GENERATED BY LOCAL FOOD SYSTEMS

To Environment

- Reduce transport costs.
- Reduce carbon dioxide emissions.
- Reduce energy consumption.
- Reduces waste.

To community

- The range of biologically valuable products is expanded.
- Creating new employment opportunities.
- Promoting solidarity between the population and reducing social exclusion.
- Strengthening cooperation between the different actors concerned LFS functioning.
- The number of participants in the community spaces of farmers is increased.

To individuals

- Creating new interactive relationships with consumers methods.
- Expands consumers knowledge and experience.
- The use of high quality and biologically valuable foods is encouraged.
- Changes in consumer attitude and consumption habits.