



FRiDGE
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Action Plan

FRiDGE seeks to give food industry SMEs a competitive edge by providing industry stakeholders with policy inputs on productivity, market reach and capacity building.

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1. Summary

The Economic Council of East-Flanders (ECEf) is a regional development association founded by the Province of East-Flanders. ECEf has a mission to strengthen and support the socioeconomic development in the province of East-Flanders. ECEf stimulates the relationship between tourism development and regional products, and entrepreneurship in the tourism sector. EROV organises management programs for SMEs and stimulates the regional food cluster.

The food industry is of great importance in East-Flanders. 870 enterprises employ about 17.600 people. Most of them are SMEs, with an average of 20,2 employees/enterprises.

The sector represents 2,8% of total employment, and even 13,35% of industrial employment. The food sector realises a turnover of 11,7 billion, and an added value of 1,1 billion euros. 7,23 billion goes to export. The most important products are liquids (e.g. beer), meat products, biscuits, dairy products and processed vegetables. The sector realises a year-to-year growth.

The food industry is among the most important industrial sectors in East-Flanders. Employment and economic value is high. Nonetheless there is a lot of room for improvement and extra growth.

ECEf organised a lot of activities and incentives in order to map the issues and challenges in East-Flanders. We did research on the challenges in the food industry, together with professor De Ghellink and professor De Steur from Ghent University. The partner regions collaborated in this to get a broader overview of the situations in their regions. Next there was also a study with CityD-WES on the distribution of local food products. Thirdly, Flanders' FOOD and ECEf are investigating sustainability in food SMEs.

We had multiple stakeholder meetings, in which members of the Tasteful East-Flanders network came up with all possible feedback. Since they are mainly representatives of food SMEs, this has been very valuable to the creation of the action plan. On the 16th of December 2021, we had a final stakeholder meeting to collect their feedback and to discuss with them about the possible actions for the FRiDGE project.

(Of course the studies conducted by the other partners and the good practices they shared with us were very useful in the creation of the action plan. We see that some of the other regions face the same challenges, so it is very interesting to learn about their solutions.)

The most recurring issues in the East-Flemish food industry are listed below:

- Distribution of local food products to multiple players (supermarkets, restaurants, retail, caterers, business centres, local governments...) is a frequently recurring issue that other regions also recognise.
- It is important to increase the market reach (not only B2C, but also B2B) and the export possibilities of our food SMEs. Therefore we should also better support the cooperation and the cocreation between food SMEs.



- Communication activities: providing more information about food traditions and trends in East-Flanders, both B2B and B2C. By tackling this problem, we also hope to increase the chauvinism of East-Flemish inhabitants. Recent research has shown that people in East-Flanders do not feel particularly proud about their region, their identity, which is different in other Belgian provinces.
- A lot of East-Flemish specialties are unknown, certainly to young people and students. This might be very problematic for the survival of these products: if young people don't know them or how to use them, they won't buy them and the product will stop existing. This will also mean that the gastronomic heritage in East-Flanders will diminish. Therefore it is of vital importance that we raise awareness about local food products from an early age.
- A problem we acknowledge in nearly every food SME: they have difficulties finding the right personnel. Most of the time their educational background is sufficient, but they lack motivation.
- Food SMEs don't offer a lot of training to their personnel, which could also be a cause for the problem mentioned above. SMEs should be encouraged to invest in lifelong learning, to make the personnel feel that they get the opportunities to develop their skills and therefore motivate them to keep on working within the same SME.
- There is a lot of need for coaching in the field of sustainability (financial, energy coaching...) Some SMEs have been taking steps in order to improve this, but most of them fear that costs of sustainability investments will be incredibly high and the ROI too low. It is important for them to learn that small steps and small investments can also make a huge difference.

The good practises of the other regions that might be useful in tackling these problems, are the following:

- Trilogy of Platforms (KErn): could offer us a solution, or at least some guidance on resolving the issue of distribution.
- Food Incubator (KErn): could help us to further tackle the problem of sustainability in SMEs.
- Szekler Product Trademark (Harghita County Council): could be of use in increasing the market reach and export possibilities, as well as the cooperation between SMEs. The communication activities carried out by this label could also help us to strengthen our own label Tasteful East-Flanders.
- Food Province Label (South Ostrobothnia): same as Szekler Product Trademark
- Growth & Internationalisation (South Ostrobothnia): same as Szekler Product Trademark, with focus on increasing the export and branding activities of the SMEs.
- Food Team (South Ostrobothnia): uniting food SMEs in order to enhance their export possibilities
- The Völgység Kincse Social Cooperative (Hungary): cooperative of fruit producers, creating more jobs, promoting healthy food in schools and further promoting the short supply chain.



- Enterprise Europe Network (West Macedonia): the largest support network for SMEs in the world helps companies innovate and grow on an international scale.

In order to solve these problems, we want to focus on the creation of a mentoring network. On the one hand, a network towards consumers. On the other, a network by and for producers.

1. Creation of a mentoring network towards consumers

Consumers are now looking even more for local, authentic products with a story. This is partly due to the trust in our products.

The aim is to unlock and valorise these stories from the province in an innovative and accessible way. A communication campaign describes the local products from an authentic story. The farmers and producers behind the product are given a face. Local products must be of quality and freshness. Expertise, tradition and craft give the product a unique honest story. We get to know the local products better, as well as the taste and texture. We pay attention to the history of local products, the traditions and customs, different stories interspersed with anecdotes and recipes. This not only concerns the food itself, but also the artisanal production method, the associated traditions and stories, and often also the family anchoring. Food and drink are basic necessities that will continue to exist always and everywhere and have an exceptionally rich history in East Flanders. It is precisely this tradition that we must cherish, and also promote it in an innovative way. We should be a little more proud of our local products.

2. Creation of a mentoring network towards producers

Pride in the local area is playing an increasing role: we want to help the local producer move forward and thus promote employment.

In some food SMEs there is a lack of sustainability investments. However, local products travel fewer kilometres to the point of sale, this does not automatically mean that the products have also been produced in a sustainable manner. A possible solution would be some coaching trajectory to learn entrepreneurs what they can change in their business plan to invest in this more sustainable future. A coaching trajectory guides SMEs in the food sector in future-proof entrepreneurship. A specialised strategist can help them for the pitfalls in their organisation.

Also, there is sometimes a lack of collaboration between food SMEs. We want to work on that as well, because they can influence one another on multiple levels. Networking events or meetings with the aim of improving the sale of local products are a possible solution for further elaboration.



2. PART I - General information

Project: FRIDGE

Partner organisation: Economic Council of East-Flanders

Country: Belgium

NUTS2 region: Province of East-Flanders

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3. PART II - Policy context

3.1. Policy instrument

The action Plan aims to impact:

- € Investment for Growth and Jobs programme
- € European Territorial Cooperation programme
- € **Other regional development policy instrument**

Name of the policy instrument addressed: Economic Development Policy Plan for East-Flanders 2013-2019

The old policy instrument is closed now. We had to involve the new one to reach the policy impact. The new policy instrument is the Economic Development Policy Plan for East-Flanders 2020-2025.

Short description of the policy instrument

Here is a short description of the new policy plan 'Economic Development Policy Plan for East-Flanders 2020-2025' because this one will be affected by the actions.



The objective of the policy plan is to create an innovative and sustainable East-Flanders.

Stimulating growth in the food industry is one of the five major priorities of the plan. As the food industry in East-Flanders is a major sector for growth, locally embedded and important for employment.

We strive for sustainable growth and development in our province. We link to the UN Sustainable Development Goals.

Consumers today attach great importance to the short chain and authenticity. Also food safety is obviously important. Local food contains many benefits in these areas. Moreover, many regional products are part of our culinary heritage and they have few food kilometres (ecology).

The food sector includes some large companies and multinationals; but also a lot of small SMEs. These small SMEs often have a great product; but they lack ambition and/or skills to grow further. ECEF wants to focus on these small SMEs. We want them to learn from other entrepreneurs and our knowledge institutions.

Moreover, the sector faces many challenges, for example:

1. The power of robotics in manufacturing vs. authentic crafts
2. A changing and often more sustainable consumption pattern (e.g. less meat, alcohol; the importance of health)
3. Sustainability in production and logistics: eco-efficiency, raw material supply, energy management, packaging, impact on the climate, combating food waste
4. New production and breeding techniques: food engineering? Less carbon footprint through innovation in the production process.
5. International trends and competition, growth in new markets

The Economic Council of East-Flanders hosts a network 'Lekker Oost-Vlaams' (Tasteful East-Flanders) of more than 250 SMEs from the food sector. This number is steadily growing. We are committed to the further professionalisation of this network, in view of the mentioned themes. Especially sustainability is a priority, as SMEs often lack interest in undertaking sustainable or green initiatives.



4. PART III - Details of the actions envisaged

4.1. ACTION 1: creating a mentoring network for consumers

4.1.1. The background

Consumers are now looking even more for local, authentic products with a story. This is partly due to the trust in our products.

The province of East Flanders has a rich breeding ground, both literally and figuratively, which is accompanied by a rich local rural culinary heritage. East Flanders is rich in culinary heritage, but this heritage is not always easily visible or known. This awareness is in stark contrast to the knowledge about the story and the person behind the product.

The approach of both South-Ostrobothnia and Harghita County Council could be useful to further develop and strengthen our pride towards East-Flanders and East-Flemish gastronomic specialties. This would be a nice boost for the food SME since more people would know about these regional products.

Harghita County Council promotes the benefits of consuming local and thus healthier food among its citizens. This food bears the Szekler Product Trademark. It might be interesting for us to research if it would be possible to attach this kind of feeling to the Tasteful East-Flemish label: people would not only link these products to the fact that they are produced within the region, but also to the fact that they are healthy for both men and ecology e.g.

The development of the regional Food Province Label of South-Ostrobothnia shows us that it might also be interesting to update the brand identity of Tasteful East-Flanders, to be more attractive for consumers within our region, but also for those outside the region (in Belgium or abroad). We could collaborate with the peer group for this by carrying out consumer studies to get more insight in their perspectives.

The Völgység Kincse Social Cooperative, a good practice from Tolna County (Hungary) contributes to a healthier diet in schools, this way supporting local fruit farmers, the employment in the food industry and the short supply chain. This gave us the idea that we could not only stimulate people to consume healthier food, but also to consume local food, and thus learn about products, ingredients and tastes they might not know.

4.1.2. Action

Creation of a mentoring network towards consumers.

Activities carried out under these action:

- a. Setting up a communication campaign to further develop and strengthen our pride towards East-Flanders and East-Flemish gastronomic specialties.



We are planning on writing a publication on East-Flemish specialties. It is clear that a lot of inhabitants don't even know about typical regional dishes or ingredients, so we are going to tackle this by uniting them in some sort of East-Flemish food bible. This would also be a huge boost for our communication activities, and for the marketing we provide to Tasteful East-Flemish producers.

ECEF wants to document the stories - from the farmer, over the tradition, to the product. This results in a contemporary communication campaign and accompanying publication, something that East Flanders is currently lacking. The communication campaign will treat consumers to surprising recipes with a touch of pure East Flanders. It focuses on experience, with addresses where you can buy, taste and experience the local products, and a lot of tips for fun trips, activities, places of interest and to discover cycling and walking routes.

A publication is printed and distributed. In addition, we want to make extensive use of the digital: a social media strategy in which the content from the publication is cut up and the stories are widely distributed. The stories are also distributed through various public-oriented activities.

The campaign - aimed at consumers and tourists on various carriers - visualises the East Flemish rural culinary heritage on the basis of: authentic stories, recipes and tourist tips. The printed publication will be widely distributed. We try to distribute several thousand copies.

In addition, our goal is to reach another 150.000 people with our promotional campaigns via social media.

Link with the policy instrument: we want to tap into a new market, where consumers learn to know our local products and what they didn't pay attention to before our campaign.

Because local production has fewer secrets for the consumer, they will also be more inclined to buy these products, which in turn is positive for the local economy.

Also we create a positive image building of the local food industry to attract new customers and the promotion of local food products to the local market.

- b. Working with school children: both students in the hotel schools and children in primary schools making more aware of local products and getting to know better these products

We want to set up a collaboration with the hotel school of Ghent. This way we will be able to influence more young people into using East-Flemish regional ingredients, and thus in the long term this will hopefully result in a more frequent use of these products in gastronomy. Our goal is to make (young) people more aware of the products we have in our own region: they learn about the tradition of products, also about the production and its use in the kitchen. So they might also spread this knowledge in their personal and professional life. To give the students more insight into the regional products, we want to start a few lessons that deal with different facets. In addition, this can be coupled with a company visit to a local producer or cooking lessons with only local products.

We focus on the students from a particular year. Together with the hotel school, we determine for which students we will further develop this action. We want to see this short



training structurally anchored as part of the curriculum, so that it is also taught to younger students later on.

The implementation of the actions will contribute to the development of the Economic Development Policy Plan for East-Flanders 2020-2025 in the following ways:

- there will become a cross-sectoral cooperation between food industry and education
- we strive to achieve a changing and often more sustainable consumption pattern (including less meat, alcohol; the importance of health)
- in all activities raising public awareness is a goal to be achieved, a positive image building of the local food industry to attract new customers
- the education and target group in education will be broadened
- the promotion of local food products to the local market

4.1.3. Players involved

- The Economic Council of East -Flanders
- The Province of East- Flanders
- The local tourist agencies and Tourism East- Flanders
- Horeca East- Flanders (hospitality sector, catering and hotel sector)
- Relevant business support organisations
- The academic partners (University and high schools: education and research)

4.1.4. Timeframe

- Setting up a communication campaign: August 1, 2022 - December 31, 2022
- Collaboration hotel school: September 1, 2022 - April 30, 2023

4.1.5. Costs

Estimated cost: 20.000 euro

4.1.5. Funding sources

Budget line for the promotion of local products of the Economic Policy Plan for East Flanders 2020-2025



4.2. ACTION 2: creating a mentoring network for producers

4.2.1. The background

Based on GP's of Growth & internationalisation (Finland). The results of the 2nd Specialty Group also show that this is a problem to be countered in all of the regions.

The expected outcome is that SMEs will better understand the need of investing in the future, but the fear of having to spend enormous amounts of money will have disappeared. This means they will be able to actually realise something.

There is a lack of collaboration between food SMEs. We want to work on that as well, because they can influence one another on multiple levels.

Almost all of the FRIDGE good practices show the advantages of collaboration between food SMEs. For East-Flanders the following might be the most inspirational: the Szépvízi Brand of Harghita County Council which unites dairy farms under the same label; the Fenyőalja Egyesület association (also in Roumania) that unites the production, promotion and sales of several agricultural families; the Amyndeon Oenos Wine Cluster and Agrifood Partnership, both good examples from West-Macedonia that prove that collaboration is essential.

The Trilogy of Platform presented by KErn (Bavaria) is a very interesting good practice in this. It proves that the road between consumer, producer, distributor etc. isn't as long as we might think.

Next to this also the Food Team good practice of South-Ostrobothnia shows great value, since this network brings together companies within the food sector and enhances their export possibilities. It shows that there are also opportunities for smaller SMEs. The majority of food SMEs in East-Flanders are not aware of this, or have not yet paid attention to it, so it could be interesting to dig deeper into this. Why are they not or less interested in developing their export area? What needs to be done to make them take steps in this? And are they well enough supported and guided in doing so by the government?

4.2.2. Action

Creation of a mentoring network towards producers

Activities carried out under these action:

- a. Building a network between food industry SMEs (training, market, coaching trajectory, fair, ...)

For example, in some food SMEs there is a lack of sustainability investments. A possible solution would be some coaching trajectory to teach entrepreneurs what they can change in their business plan to invest in this more sustainable future.

A coaching trajectory guides SMEs in the food sector in future-proof entrepreneurship. They will meet entrepreneurs with strong strategic plans. Together with a specialised



strategist they will look for the pitfalls in their organisation. Through exploratory thinking exercises, they arrive at concrete insights. The SMEs have to start with their own business model: which innovations make their company stronger and more resilient? Where does their company position itself today? What makes them unique, or not at all? What would they like to invest more in, what would they rather reduce?

During an applied workshop the SMEs will view their company from a different perspective. They have to look at what their company needs, and what that means for their business model.

In this way we gain better insights into their business model: what's strong about it? What do they score less on? What does their target audience expect?

With the insights, we delve further into the different strategic options. They will work on a framework against which they can test every strategic, tactical and operational choice in the coming years. We make it very sharp and look for those actions with a potentially exponential effect. In short: we are looking for focus – how to fully focus on this and how to get their organisation involved in this new way of thinking and acting.

b. Organising a B2B market so that local products can be distributed via more and other sales channels

With a B2B taste market it's possible to enhance the professionalisation of the SMEs and stimulate their product and process innovation. We want to organise a meeting point for local food companies. The B2B market is a trade fair that focuses on local food.

A B2B Taste Market is the ideal opportunity for local producers to find new markets for their products. They can promote their products to an exclusively professional audience. As a chef, food professional, wholesaler, purchaser, owner of a catering, delicacy or retail business, it is also an opportunity to find new distinctive raw materials and delicacies.

Visitors can consciously choose a limited number of links in the food chain and delicious products from their own region. They will have the opportunity to have a personal conversation with characterful, authentic and artisan producers that you rarely encounter at large food fairs.

The exhibitors/producers make time for the visitors and listen to their story. Together they can investigate whether the products fit into their concept.

We hope that this may be the start for lasting business relationships.

c. Living lab

The new provincial government building will open before the summer of 2023. This should become the 'beating heart' of East Flanders. A company restaurant and cafeteria will be provided, as well as work, consultation and meeting places. The intention is to create a pleasant homely environment, where people can meet for informal consultation.



We want to install a 'living lab', where different partners can meet. This concerns public (such as ECEF) and private actors (suppliers), customers and knowledge institutions. Our goal is to roll out practical cases there and to enter into interesting partnerships.

Our goal is to organise at least two physical meetings before that start, with as many stakeholders as possible.

The implementation of the actions will contribute to the development of the Economic Development Policy Plan for East-Flanders 2020-2025 in the following ways:

- stimulation growth in the food sector as to create an innovative and sustainable East-Flanders
- distribution of food products in a short chain to local buyers
- producers can learn from each other and from external expertise:
 - innovation in the production process (food engineering?)
 - international trends and competition, growth in new markets

4.2.3. Players involved

- The Economic Council of East -Flanders
- The Province of East- Flanders
- Relevant business support organisations (eg. Velt, PCG, Eva, Ilvo, ...)
- The academic partners (University and high schools)
- Horeca East- Flanders (hospitality sector, catering and hotel sector)

4.2.4. Timeframe

- Building a network between food SMEs: January 1, 2023 - June 30, 2023
- B2B market: June 20, 2022
- Living lab: September 1, 2022 - December 31, 2022

4.2.5. Costs

Estimated costs: 10.000 euro

4.2.6. Funding sources

Budget line for an expertise network that provides the food sector with new management techniques of the Economic Policy Plan for East Flanders 2020-2025