



Red Group

4th Forum on Best Practices in the Agri-Food Supply Chain.

Three cases from The Netherlands

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Introduction

Introduction

Theory

Planet Proof with fixed rewards

Kipster/Victoria Trading with next level procurement

Ikwileerlijkezuivel (I want fair dairy) with
biodiversity reward

Conclusion

Theory

Incomplete contract theory->trust

Transaction specific risks-> long term agreements



Planet Proof +

A fixed minimal sustainability premium to be paid to farmers

Dutch supermarkets promised to adhere but each in their own way

Planet proof certification system was used as a basis

Trust: Key to success is that the research was independent

Transaction specific risks: System existing On The Way To Planet Proof



Kipster



Kipster/Victoria Trading

Highly innovative chicken farm claiming to be climate neutral

Highest animal welfare standard, circular feeding concept

Long term (5 years) agreement with LIDL to buy Kipster eggs at a guaranteed price level.

Trust: Founders are multiple engaged

Transaction specific risks: Victoria Trading sustainable purchase provider bundles demand for eggs in otherwise fragmented HoReCa market and helps to sell even the chicken poop produced by Kipster



wilerlijkezuivei.

IWANTFAIRDAIRY.NL



A fair price to dairy farmers in Nature 2000 areas in the Netherlands

A contract for change that guarantees a higher price for milk from Nature 2000 areas, a guaranteed market, and also access to an innovation and investment program

Trust: Founders are very experienced in digital process optimization and dairy processing

Transaction specific risks: a simplification of dairy processing by reducing the range of products

Aligning the levels of sustainability with existing schemes



Conclusion

Supply chains are traditionally focused on *cost reduction*. They are (for that reason) *standardized*. This is called commodification: bulk products produced by farmers who are interchangeable.

Supply chains are developed currently which are *differentiated*



Round 1

14:35 – 15:15 CET

Room: Oak

**How have you worked
with others to achieve
your objectives?
Share your
experiences.**





Round 2

15:15 – 15:45 CET

Room: Oak

How can we ensure that value chains can be resilient, in the context of continued socio-economic and environmental change?





Round 3

15:45 – 16:15 CET

Room: Oak

Do strategic relationships across the value chain need to be further supported by public policy (including the CAP)?





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Thank you for your

