

Food chains, environmental disruptions, and the role of early warning systems

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An early warning system for food supply chain

resilience to

environmental disruption

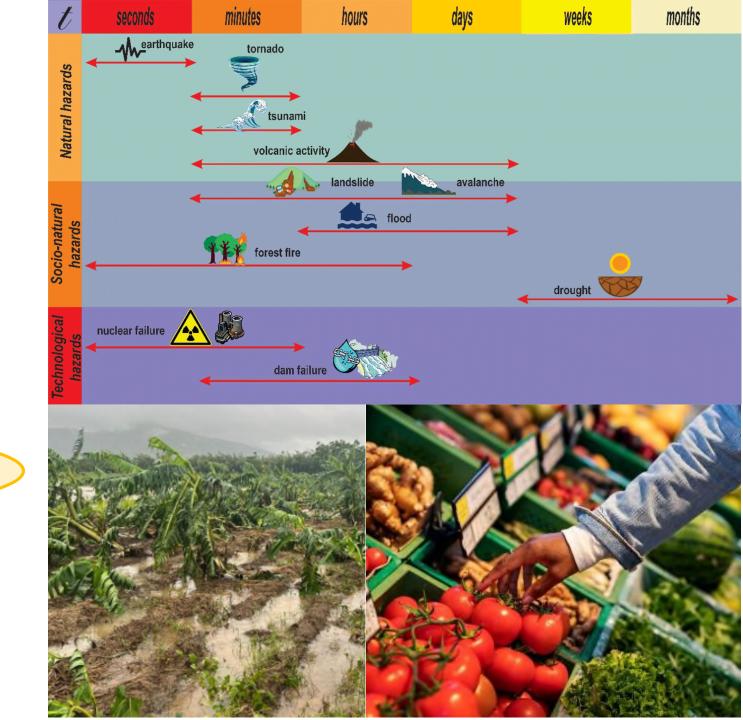


Diagram: Alcántara-Ayala and Oliver-Smith (2019)

Food supply chains...

- Linear
- Clear boundaries
- Clear links

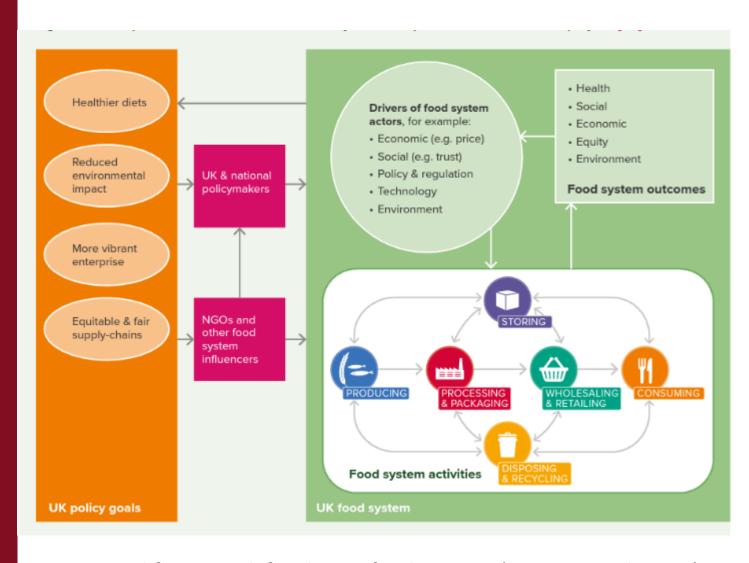
What's it missed out?

- Complex
- Highly interconnected
- Highly globalised
- Highly homogenous (to some extent)
- Highly reliant on low number of exporting nodes



Food supply chains?

- Part of a wider socio-ecological 'food system'
 - Food and nutrition security
 - Health
 - Livelihoods
 - Cultural and social aspects
- How can we conceptualise them?
 - People?
 - Activities?
 - Technologies?
 - Processes?
 - Flows?
 - Decision-making drivers?
 - Power structures?
- Wide range of scales
- Overlapping roles
- Where do they start and end?

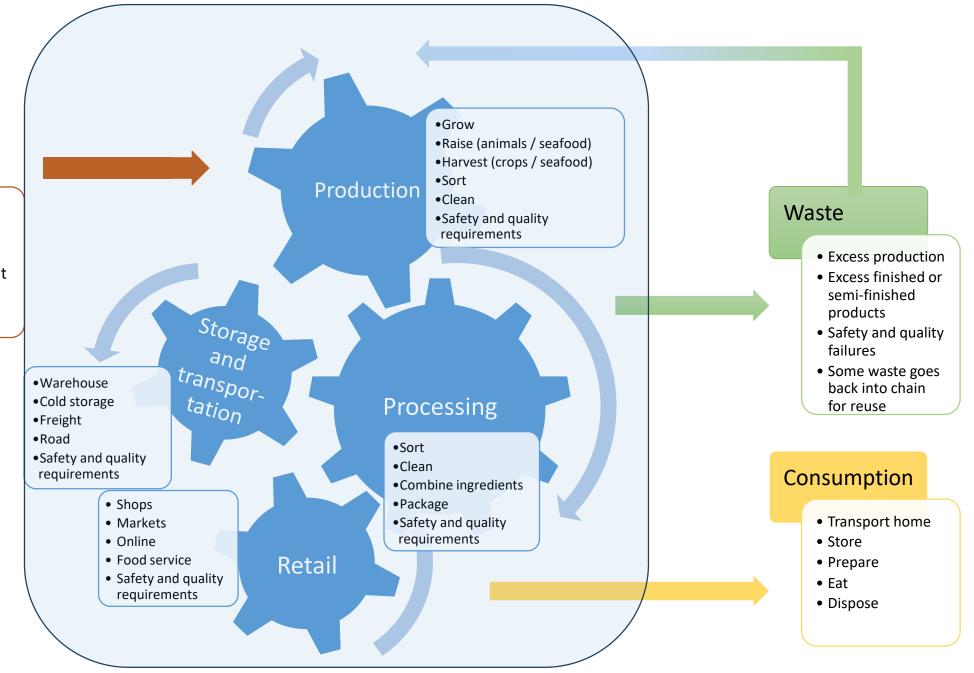


Conceptual framework for the UK food system. (Hasnain et al, 2020)



Planting

- Cultivate
- Sow
- Manage environment



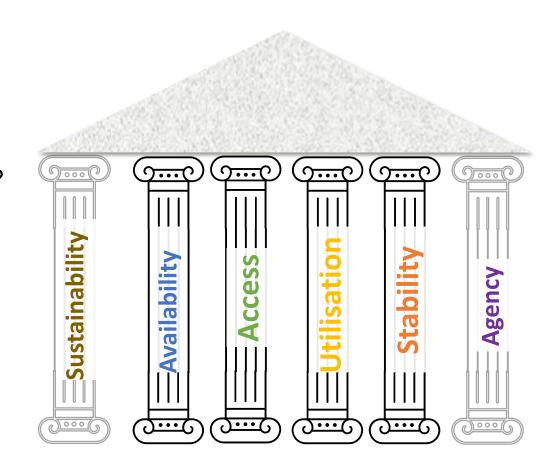
UK food supply chains

- Global
 - 47% produced outside the UK
 - Fresh veg, beans, fruit
 - Negative trade balance
 - Few entry points
- Lean
 - High efficiency 'just in time'
 - Low profit margins
 - Low stock in reserve
 - Low warehousing
 - Low adaptability
- Volatile
 - Production
 - Labour
 - Markets / trading
 - Dominance of few staples / varieties
- Asymmetrical
 - Few big players dominate
 - 'Price setters' and 'price takers'
- Cheap
 - Prices may not reflect full cost





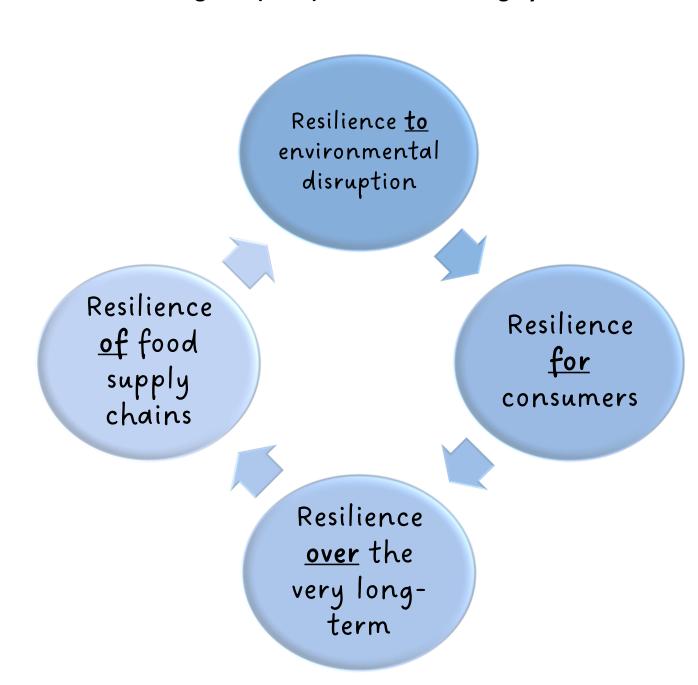
- Food security: pillars
- 'Resilience' and 'vulnerability'
 - Coping? Recovering?
 - Going back to normal?
 - Adapting to a new normal?
 - Factor or exposure, sensitivity and adaptive capacity?
 - Hasnain et al's (2020) Three Rs
 - Robustness
 - Recovery
 - Reorientation
 - But are there 4? Response?
- Six elements of systemic resilience? **Diversity**, asynchonicity, redundancy, modularity, circuit breakers, back-up systems
 - Tension between resilience and efficiency in commodified supply chains



Guiding principles for resilience

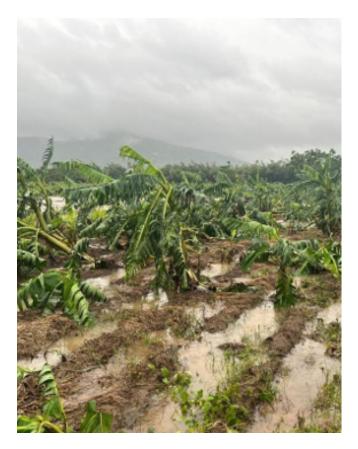
- Resilience should be a characteristic of food supply chains
- Resilience requires proactive
 & reactive action
- Food supply chains require adaptive capability to re-order to a new status quo
- Food supply chain actors make decisions influenced by their perception of risk, which can improve or hinder resilience

Helfgott's (2018) Resilience Framing Cycle



'Environmental disruption'?

- Break or interruption in the normal course of an activity
- Environmental disruption as occurring in and to the natural environment
 - Physical
 - Non-human biological and chemical
 - Human-induced











Many potential environmental impacts to food supply

Extreme Soil salinisation temperature Flood Wildfires Ocean Aflatoxins acidification Pollution and contamination

Infrastructure collapse

Marine heatwaves

Extreme

precipitation

Pests

Endocrine

disruptors

Seismic activity

Cyclone, Drought tornado, hurricane

Crop, animal, human diseases

El Niño

Climate change

Biodiversity oss

Algal blooms

Rising sea

levels

Exacerbated by...

- Blockades
- Economic impacts
- Trade patterns
- Conflict
- Labour shortages



Shock propagation: shortages, stoppages, price rises, safety and quality risks ...



Characteristics of environmental disruptions

Feedback mechanisms

- Compounding/ Cascading
- Tipping points

Novelty

New location / type / severity

Onset speed Climate change

v hurricane?

Location

Significance for node in supply chain

Environmental disruption

Endogeneity

Caused by human systems it then impacts?

Scale

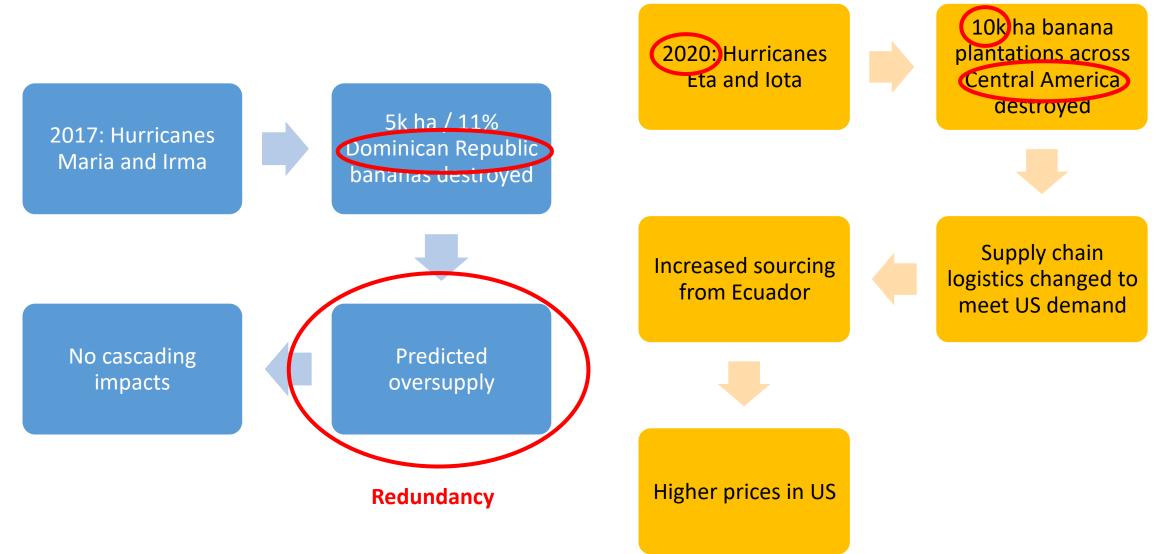
Local, regional, global

Orientation

COVID: demand and supply shock

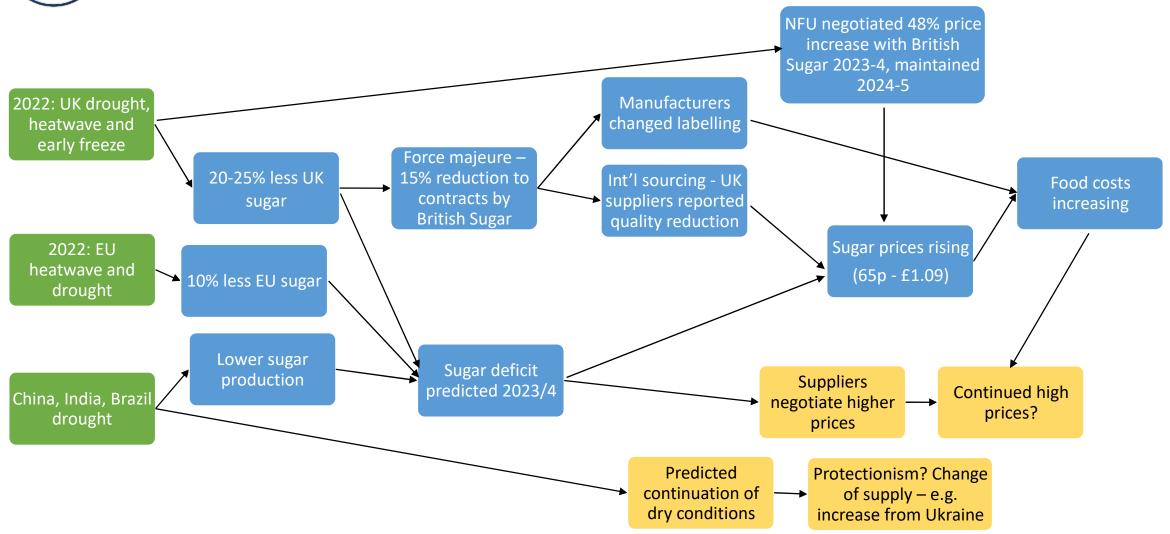


Environmental disruption may <u>cascade</u> – or not: Caribbean bananas





Compounding environmental disruption: sugar 2022-3





So, what is an early warning system?

- Most existing early warning systems
 - Monitor signs
 - Communicate risk
 - Focus on minimising impacts of disruption
 - Success depends on vulnerability
- Food-focused EWS
 - Food safety, acute food security (Global South)
- Less focus on how the disruption cascades

How about for food supply chain <u>resilience</u>?

- Can assist policymakers and decision makers
 - Identify
 - Understand
 - Respond

to emerging issues in the medium- to long- term

- Two roles?
 - monitoring current and emerging risks to inform what to take action on
 - working with plausible future scenarios to identify emerging risks, understand their consequences and decide what to monitor and take action on
- Success depends on vulnerability of supply chains and their adaptive capacity (balance efficiency and resilience)
- 'Holistic system' developments outside the food production chain that may lead to emergence of risks
- Challenge of long-term horizon false sense of security where risks are not imminent / clearly known



Early framework for Early Warning System

Identify
environmental
disruptions that
could impact food
supply chains

- Tools to identify weak signals
- Data and information gathering
- Analysis and filtering

Regular repetition

Understand how disruptions could impact food supply chains

- Research and expertise
- Selection of monitoring indicators
- Identification of knowledge gaps

Clear objective for supply chain resilience

Improvement in supply chain resilience Act and respond
with monitoring of
indictors, planning,
mitigation,
communication

- Set alert levels for alert
- Strategies and policies for resilience
- Early warning culture and capabilities



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