

Food Ecosystems Project: Asset Mapping Summary Report

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**FOOD &
BEVERAGE**
manitoba



**Community
Futures** Manitoba





photo by Karen Patterson

Background

The Food Ecosystems Project (FEP) is a partnership between Food and Beverage Manitoba (FAB MB) and Community Futures Manitoba (CFM). This work was funded by the Province of Manitoba through Economic Development Investment and Trade in order to examine the impacts of COVID-19 on the agri-food sector as pandemic restrictions come to an end, with hope of understanding the needs of the sector and impacts of COVID on agri-food entrepreneurs¹. The FEP investigates how Manitoba's food and agriculture industry — from entrepreneurs such as growers and processors, to retailers and end-users — can contribute to a more resilient economy and strengthen our capacity to weather future crises. By engaging an array of stakeholders through workshops and interviews, we identify barriers, gaps and opportunities for strategic investments (infrastructure and services) to grow this vital sector.

The project takes a community-driven, partnership centered approach to mobilize existing assets, avoid duplication and enhance the resiliency and capacity of Manitoba's food ecosystem. Significant community engagement has informed the findings:

1. Fifty one-to-one interviews were conducted with industry, government, research, community, and not-for-profit stakeholders, with an additional 14 surveys from SMEs² and farms collected. Interview results are summarized in a separate report.
2. Asset mapping sessions were held in Winnipeg (2 sessions), Arborg, Gimli, Stonewall, Niverville, Brandon, Neepawa, Portage la Prairie, Flin Flon, Opaskwayak Cree Nation/The Pas and Thompson. These twelve sessions hosted a total of 129 participants, with 120 unique participants. Individual reports are also available for these sessions.

This document provides a summary of the results of all twelve asset mapping sessions as well as suggestions for steps to move forward.

¹ For purposes of reporting, this project's focus has been primarily on small-scale food processors and producers (including farmers, fishers, beekeepers and ranchers). As referenced throughout the report, "SMEs" are small to medium size enterprises and classified as those companies with no more than 50 employees ([Small and Mid-size Enterprise \(SME\) Defined: Types Around the World](#)). In contrast, "MNEs" are multinational enterprises with more than 50 employees and typically operating in more than one country ([Multinational enterprises in Canada](#)).

² Ibid.

Workshop Delivery

Each asset mapping session consisted of a 1.5 to 3 hour asset mapping workshop. The delivery prioritized [community economic development principles](#) and used the “Whole Assets” approach which allows community members to value social, economic, and physical aspects of their region. The complete list of assets with a rating of prioritization for each session is available as a separate document.

The participants engaged in open discussion about the inventory of all good things in their region connected to food and agriculture, ranked the most valued aspects (identified by number of “dots” and prioritized by participants) and discussed how to preserve these assets. Once the assets were identified and valued, the next stage was to strategize about how to build on the assets in order to sustain and enhance them for the future. This process of asset mapping provides a critical element of community development, which is the engagement of people in the shaping of their community.

Lastly, the workshop included a discussion about assets that the participants felt were missing in their communities and could help enhance or compliment the previously identified assets.

Highlights Identified

Common themes, both key assets and challenges, emerged from the twelve sessions as summarized here.

1. Importance of commercial kitchens and production spaces

- A particular need is for commercial kitchens that have strong administrative capacity, are open to external entrepreneurs or vendors, and support flexibility for production. Some regions have no publicly available commercial kitchen at all, especially in northern Manitoba.
- Some commercial kitchens that could be certified sit idle or underutilized across the province due to lack of administrative and cleaning capacity, storage and/or equipment.
- There is a desire for more production spaces that allow for higher volume production, beyond farmers’ market sales, and ideally with structures for HACCP and other certifications to allow for export out of the province.

2. Gap in access to grants and capital

- This is a challenge for most small-mid sized producers and food processors, who feel the current grants and funding programs are catered primarily to mid-large entrepreneurs with higher revenues (\$250,000+) and more employees (5+).
- The conditions of the grant, a lack of capacity to write the applications, stringent deliverables, and the need to match the funding deter many SMEs.
- Assistance in navigating the grant writing process would be of value.
- There is generally a gap in the accessibility of necessary capital, including both repayable and non repayable funding, for most small-mid sized producers and food entrepreneurs, especially those with existing debt through financing.

3. Need for formal and informal mentorship, training, and industry-specific networking opportunities and information

- SMEs are interested in a third-party mentor or business support person (especially related to assistance with regulatory processes cited below), to access the right information and resources which previous research also identified.³
 - The one-on-one business support and services offered by Manitoba Agriculture are a valued asset, particularly those related to labelling and regulatory assistance. However, many SMEs (especially those with fewer than 10 employees) also see value in working with business support services that are at arms' length of the government.
 - Cooperatives are an important business model in the agri-food sector, especially for small-mid sized primary producers, Indigenous communities, and rural or remote businesses due to economies of scale. Divestments in business support or mentors for this kind of incorporation has had negative consequences and hindered rural and northern economic development. Some people approaching Provincial advisors are actively discouraged from starting cooperatives, despite decades of success on the Prairies.
- Ongoing navigation services, mentorship, and business support throughout a full business life cycle, including start-up, scale-up to commercialization, and succession planning. All are needed to ensure cultivation of new business, business success, and to keep companies from closing or leaving the province.
- Targeted mentorship, training, networking and capacity-building would lend to increased industry knowledge about topics such as grant and loan opportunities to technical advice, increased collaboration, and a more stable labour workforce.
 - Access to relevant and accurate information that helps build or grow operations through product development, commercialization and infrastructure purchases is important.
- Many services and supports do not effectively assist Indigenous Peoples and newcomers and would be more effective if input from Indigenous and newcomer communities was solicited. Suggestions were made to provide greater integration of traditional Indigenous Knowledge into the core design and mandate of programs.

³ Excerpt from “Advancing the small scale, local food sector in Manitoba: a path forward” (2015): Many small-scale producers felt overwhelmed by regulatory issues. Some were not fully aware of the scope of the different regulations, while others had received inconsistent direction from different departments. The roles of Manitoba Health and MAFRD in the food inspection system were not always clear and entrepreneurs were unclear if both departments applied the same criteria consistently or had an appeal process. The terms “riskbased” and “outcome-based” used in the regulatory context were not clearly understood and entrepreneurs wanted more guidance to meet regulatory requirements. Food safety remains a high priority for entrepreneurs and consumers.

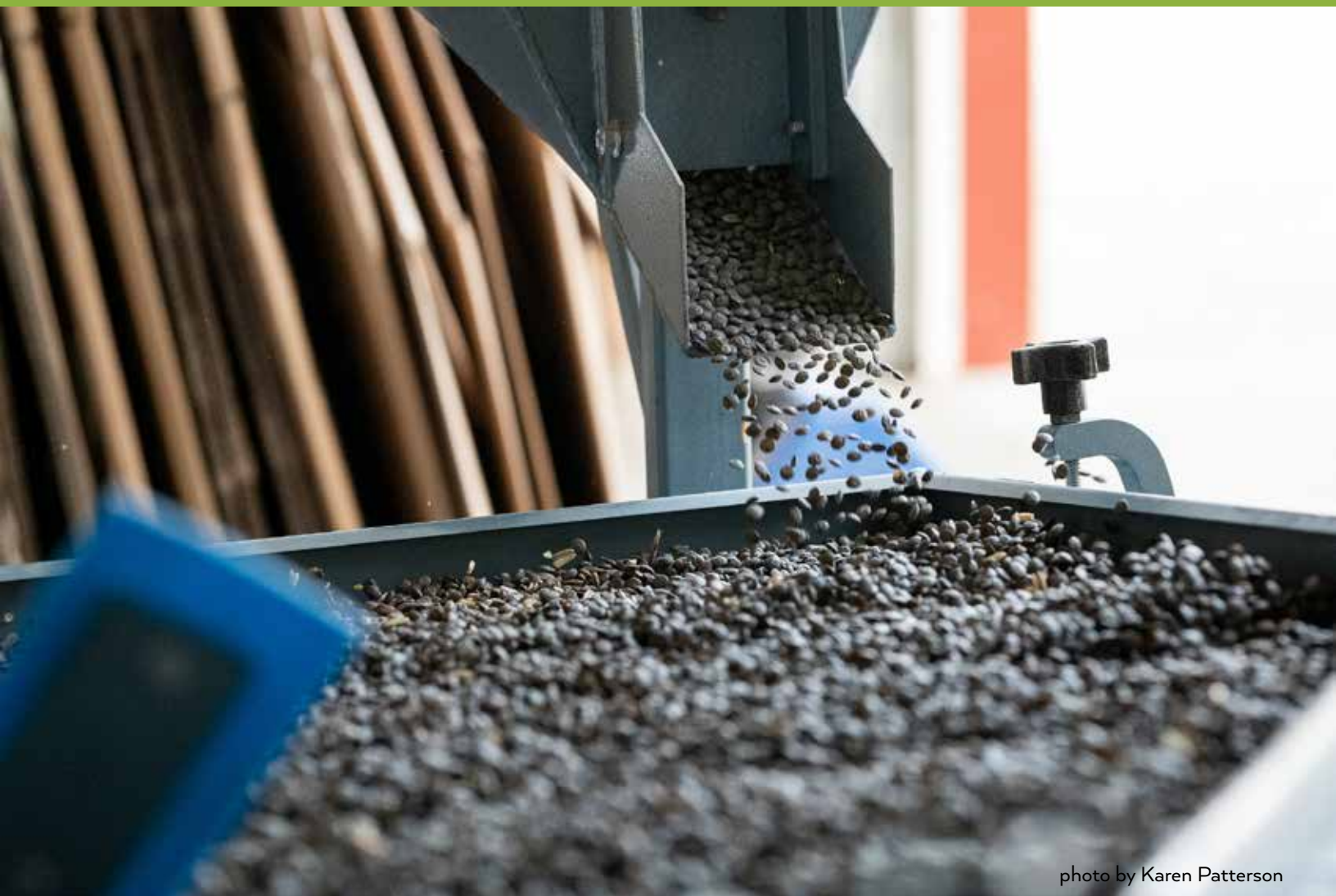


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4. Opportunities in rising interest in local, sustainably produced, nutritious foods

- Increased sales were noted during the Buy Manitoba and Buy Local Campaigns, as well as at many outdoor farmers' markets during COVID-19. Increased government and policy support for social and sustainable procurement may also positively affect the demand for local, sustainably produced foods in the small-scale agri-food sector.
- In contrast, resources are often limited for new and small-scale producers.
 - Challenges include high cost of land across the province, lack of equipment and training, as well as a gap in where to access this information.
 - Small producers struggle to be profitable in the absence of land inheritance or other ease of land access. *"According to the 2016 Census of Agriculture, just 1.6% of Canadians farm, and the average age of farmers is 56. New farmers 35 and younger make up less than 10% of the sector – we are in a growing succession and land transition crisis. As the cost of land and production increase decade to decade, the barriers to getting into farming have increased significantly."*⁴

⁴ <https://youngagrarians.org/growing-the-next-generation-of-farmers-policy-recommendations/>

5. Gap in infrastructure and capacity

- Packaging issues and supply chain disruptions are becoming an increasing concern due to COVID-19, inflation, and other global issues.
 - Due to shipping and production delays, SMEs are required to purchase high product volumes which requires an enormous capital investment. This causes many risks and problems: lack of cash flow, wasted or damaged ingredients and packaging, and costly storage.
- All communities across Manitoba would benefit from shared storage, transportation, processing, and distribution capacity as well as commercialization supports such as marketing and sales.
 - Distribution was a particular issue for livestock producers, who have to travel over two hours to an abattoir and book many months in advance.
 - Value-added processors and locally owned grocery stores experience supply challenges when searching for locally made primary agriculture products, in part due to this gap.
- Access to reliable equipment is important for the success of small producers and agri-food entrepreneurs. Success in obtaining government grants to offset the cost of equipment is very difficult, due to minimum grant amounts being too high as well as cost-sharing requirements.
- There is a lack of infrastructure in the province for co-packing, as well as locally located and accessible refrigerated storage and coolers.
- Rising fuel costs mean transportation and distribution expenses are increasing issues for SMEs, particularly those living in rural and northern Manitoba who require access to markets beyond their own region.



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6. Challenges with the regulatory process

- SMEs have significant challenges with regulatory processes, obtaining permits, and navigating relationships with certain health inspectors.
 - There is a lack of understanding about health inspectors' roles, confusion about where to find resources to support informed business decisions, and inconsistent flexibility provided, based on varied interpretations of health and permitting guidelines.
 - Experiences with health inspectors ranged widely, from very supportive to others situations where regulations were applied inconsistently between businesses.⁵
 - With inspectors having considerable power and discretion in the way regulations are applied, there may be bias and discrimination. This increases barriers for SMEs owned and operated by racialized individuals, especially Black and Indigenous Peoples.
- SMEs feel the health and safety policies in Manitoba favour larger companies with more capacity to navigate certain regulations.⁶
 - Northern SMEs and organizations felt that regulations are not configured with the Northern context in mind or involve multiple disconnected levels of government (ex. In navigating crown land restrictions) that makes government regulations one of the biggest challenges to operating a successful food business in northern Manitoba.
- Many certifications are very expensive for SMEs to obtain and maintain (BRC, FSSC, GMP, OAI, IFS, BAP, HALAL, Gluten-Free).
 - There are concerns that regulatory hurdles will continue to be a challenge especially with the rising focus on sustainability indicators and the associated reporting requirements.
- Policies at all levels of government make it harder or easier for SMEs to succeed.
- While subsidized training offered by organizations like Food and Beverage Manitoba are valued, additional, personalized support is needed. Writing a HACCP plan or getting GAP certification is an expensive process and can be a major barrier for scaling as it requires significant upfront investment with no guaranteed returns.

7. Desire to maintain and expand opportunities for regional and rural-urban connections

- Building up the agri-food sector means maintaining and expanding opportunities for regional and rural-urban connections through organizations like Community Futures, Direct Farm Manitoba, Fireweed Food Co-op, Harvest Moon Society, and Good Food Club, among others, who are important for the small-scale agri-food industry.
- Increased collaboration between producers, SMEs, and industry associations can play a key role in growing the rural food and agriculture industry.

⁵ Page 26, <https://www.gov.mb.ca/agriculture/food-and-ag-processing/pubs/small-scale-food-report.pdf>.

⁶ Ibid, 10.



photo by Karen Patterson

8. Critical importance of farmers' markets

- Farmers' markets are very important economic assets throughout the province for both rural and urban communities.
 - They function as the primary sales and marketing outlet for many rural vendors and provide significant financial benefit to the regional economy.⁷
 - Farmers' markets offer much-needed networking opportunities for producers and food processors to learn about resources, programming and best practices in the industry.
 - Farmers' markets serve as gathering places that build and maintain healthy communities through social connectivity.
- A study by the Province of British Columbia found the estimated ripple effect of dollars spent at farmers' market can be calculated using a multiplier of 1.5, meaning that for every market dollar spent another \$0.50 is spent in the local economy.⁸

9. Need for Direct Farm Manitoba (DFM)

- DFM is a critical support for small producers allowing for collaboration, networking and information sharing as well as access to training opportunities.
- Their farm map was noted as an incredibly important resource for helping small producers market to new customers interested in purchasing local foods.

⁷ <https://bcfarmersmarket.org/app/uploads/2019/02/BCAFM20Economic20and20Social20Benefits-20Final20Report2020132.pdf>

⁸ Ibid.



photo by Justin Bear

10. Unique challenges are faced by rural and northern businesses

- All of the above noted areas present challenges for the sector, but are **exacerbated for rural and northern SMEs**.
 - A particular issue is accessing or navigating industry support that is often housed in southern and/or urban centres, labour (full, part time and seasonal), and centralized distribution networks.
 - The continued migration of youth to larger southern and/or urban centres for jobs or education also has implications for ongoing and future capacity in rural and northern communities.
 - The biggest challenge identified in initiating or scaling an agri-food business was government regulations, that either were not configured with the northern context in mind or involved multiple disconnected levels of government (ex. In navigating crown land restrictions).
 - More **rural and northern located, industry-specific services and supports** for the agri-food sector are needed.
- **Traditional Knowledge** from Elders and other folks with lived experience on the land and with food (gathering, hunting, preserving, sharing) is valuable to communities.
 - Lived experience and Traditional Knowledge (often passed down by informal networks and orally) is not always acknowledged, accepted as related to economic development, or valued in comparison to “formal education”.
 - There is an opportunity now to preserve this knowledge and connect Elders with younger generations before this knowledge is lost.
- **Food security in northern Manitoba** is a major and ongoing issue, which could be restored by allowing greater distribution of foraged, trapped, or hunted wild foods.
 - Without a wild meat inspection site, or more lenient health guidelines for the donation of wild foods, it is not possible to distribute this food among community members. Wild meat and hyper local dishes are noted as a strong source of pride in northern Manitoba.
 - Northerners noted a disconnect between food security and food production as a business. Without land or subsidized infrastructure to reach economies of scale, or potentially an integrated social support structure or social enterprise approach, applying traditional agri-food business models in northern Manitoba is not going to be effective. Food policy, business frameworks, and economic development approaches need to reflect the different realities between the north and south, or between rural, remote and larger cities. Policies must be nuanced and not a one size fits all.

Key Recommendations and Next Steps

Recommendations are presented based on a summary of discussions and feedback from both the Asset Mapping sessions and the one-on-one interviews.

1. Invest in shared production, storage and distribution infrastructure

- Investment is needed in **shared production, storage and distribution infrastructure** for local producers and food processors. With funding support, FAB MB, DFM and Fireweed Food Co-op (FFC) are potential options to activate or collaborate around this investment.
- Manitoba Agriculture should **support collaborative distribution and marketing strategies**, fostering and funding these opportunities wherever possible.⁹
- We envision a centralized Food-Kitchen Hub connected to a series of smaller interconnected spokes throughout the Province, bringing together entrepreneurs, artisans, growers, fishers and ranchers. The hub will house services that assist SMEs to navigate the unique product development, commercialization, marketing, regulatory and financing environments characteristic of the agri-food sector.

2. Enable a third-party funding delivery agent

- FAB MB, who represents agri-food SMEs, could deliver **relevant, accessible, well-advertised funding opportunities** which include streams for commercial kitchen administrative capacity and upgrades, small infrastructure projects, as well as micro-funds to support rural farmers' markets.
- Continue investing in rural and northern organizations, resources, and supports. **Provide funding and capacity support to industry-led organizations, such as FAB MB, in order to strengthen partnerships with rural organizations and increase their presence in rural Manitoba.**
- As the only industry association dedicated solely to the small-scale agri-food industry, **increased funding for DFM** would provide essential support for the success of small farms and producers throughout rural locations.¹⁰ DFM can ensure that its map of small farms and community supported agriculture is continually updated, and the production and purchasing of local foods is maintained and expanded. Further, DFM can support the province by increasing local food sales, which would support the local economy. DFM can assist the sector in resiliency and sustainability amidst disruptions from situations such as COVID-19, climate events, and other local and global crises.¹¹
- As cooperatives are an important business model in the agri-food sector, increased **resources to the Manitoba Cooperative Association (MCA)** would be valuable. With government support, MCA previously offered co-op business development and growth services, peer-to-peer connections, and regular grant intakes. These activities increase the longevity and resilience of agri-food SMEs in Manitoba.
- Maintain and expand funding support for **food security projects that prioritize local food access and waste reduction**, such as the Province of Manitoba's newly announced Food Security Fund.¹²

⁹ Ibid, Page 44.

¹⁰ <https://policyalternatives.ca/sites/default/files/uploads/publications/Manitoba%20Office/2020/03/APB%202020%20lo-res%20Agriculture.pdf>

¹¹ Page 46, <https://www.gov.mb.ca/agriculture/food-and-ag-processing/pubs/small-scale-food-report.pdf>

¹² <https://www.gov.mb.ca/fs/food-security-fund/index.html>



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3. Create a business mentorship program

- This would be available for SMEs in the agri-food industry through an organization such as FAB MB. Similar to the Province of Manitoba's recommendation in *Advancing the small-scale, local food sector in Manitoba: a path forward*, this could include "a collaborative industry-government navigator approach to assist small entrepreneurs... a 1-800 mindset."¹³ This supports SMEs when navigating existing resources and directs them to relevant services and resources.

4. Develop new micro-financing opportunities and Government-backed loans

- Through organizations like Communities Economic Development Fund, Farm Credit Canada, Community Futures offices throughout Manitoba, and Futurpreneur.
- SMEs require more flexible loan options, as well as **targeted supports that help them plan for the purchase of 6-12 months of inventory in advance**. Business mentorship that helps them de-risk these purchases, make the smart decisions, and adjust to the changing realities of the industry, is critical during this time of disruption.¹⁴

5. Co-create an updated set of health regulations

- There would be value to a consultation process with agri-food SMEs to **co-create an updated set of health regulations** that would be more applicable to small-scale agri-food operations and capacities.
- Learn from, and **co-create mutually acceptable health guidelines alongside Indigenous food makers, knowledge keepers, and experts** in order to support an increase in the number of Indigenous and traditional cuisines based upon biodiverse species and traditional preparation techniques.
- Adopt a home food processing regulation like in Saskatchewan that supports an increase in permitted cottage food production and direct sales to the public for "low risk" foods.¹⁵

¹³ Ibid, 12.

¹⁴ Ibid, 42.

¹⁵ <https://www.saskatchewan.ca/residents/environment-public-health-and-safety/food-safety#home-food-processing>.

- **Targeted capacity building and support for scalable implementation and design of infrastructure that meets the needs of small producers and food processors** must be better supported to ensure any updated regulatory programs **do not create more barriers for SMEs**. The high cost of consultants, implementation, and quality assurance monitoring, due to the smaller scale at which SMEs are operating, makes it very difficult to navigate the requirements of HACCP or CFIA regulations, for example.¹⁶
- Ideally, a third-party would be hired to facilitate the process. The small-scale agri-food industry would benefit from a coinciding mentorship program to provide training opportunities around permit application and health inspection processes.¹⁷

6. Develop a Manitoba Local Food Strategy and related action plan

- Similar to initiatives in Ontario, the development and implementation of this strategy would provide essential policy support for the success of Manitoba's small farms and food processors.¹⁸ It would lead the development of industry-wide goals and **ensure the successful implementation of past and current recommendations**.
- For example, an industry-wide goal that would encourage market growth for small, rural farms and food processors is *“that small scale, local food sales could be targeted to comprise, say 7 to 10 per cent of total domestic provincial food sales by [a determined date]”*.¹⁹ Or, there could be goals surrounding an increase in local, sustainable and quality institutional and government food procurement. Quebec has recently adopted an inspiring food purchase target that could be replicated.²⁰
- Another goal of the strategy could be to *“Develop an ongoing consultative opportunity between government and the small-scale food processing sector, to problem solve early in the policy and regulation-making process.”*²¹

7. Undertake diversity, equity and inclusion audit(s)

- It is recommended that the province of Manitoba would benefit from undertaking a **diversity, equity and inclusion audit** in the health and safety department, making targeted investments into increasing the diversity of health inspectors, as well as learning and **co-creating updated, mutually acceptable health guidelines** alongside Indigenous and newcomer food makers, knowledge keepers, and experts.

8. Increase networking opportunities located throughout rural and northern Manitoba

- Support organizations such as FAB MB and DFM to provide more **rural and northern networking opportunities**. These are expensive and difficult to organize within existing funding models.

¹⁶ Ibid, Page 23.

¹⁷ See pages 30-32, <https://www.gov.mb.ca/agriculture/food-and-ag-processing/pubs/small-scale-food-report.pdf>

¹⁸ <https://policyalternatives.ca/sites/default/files/uploads/publications/Manitoba%20Office/2020/03/APB%202020%20lo-res%20Agriculture.pdf>

¹⁹ Page 48, <https://www.gov.mb.ca/agriculture/food-and-ag-processing/pubs/small-scale-food-report.pdf>.

²⁰ <https://www.quebec.ca/gouvernement/politiques-orientations/strategie-nationale-achat-aliments-quebécois>

²¹ Ibid, 12.



photo by Karen Patterson

9. Increase and provide ongoing support for farmers' markets

- As entities that provide significant economic support to both emerging and established entrepreneurs, this is critical for the success of the small scale food sector. The British Columbia Association of Farmers' Markets (cited previously) is a strong example of the economic and social benefits to communities when ongoing investments are made into farmers' market operations.
- DFM, who represents many farmers' markets in the Province, is one avenue for this.

10. Fund on-farm training programs, wage subsidy programs for farms offering paid apprenticeships, and formal mentorship programs²²

- This could potentially be created through DFM or Young Agrarians (with additional capacity support). *"The fund will provide bursaries for young and new farmers who participate in farm apprenticeship programs and will reduce the cost of self-directed farmer education offered outside of the formal education system."*²³

11. Promote practical certification programs for small scale producers and processors

- The model of the University of California's simple Good Agricultural Practices guideline for small farms is one option.²⁴ This would need to be done alongside and in ongoing consultation with agri-food SMEs to ensure it is supportive, not an added barrier.

²² <https://youngagrarians.org/growing-the-next-generation-of-farmers-policy-recommendations/>

²³ Page 40, CCPA Alternative Federal Budget 2020 - New Decade, New Deal: Agriculture and Food.

²⁴ Page 38, <https://www.gov.mb.ca/agriculture/food-and-ag-processing/pubs/small-scale-food-report.pdf>.

12. Highlight local and small-scale foods

- “Government and the food industry should continue to **act together to highlight local foods.**”²⁵ As such, **collaborative marketing models** through organizations such as FAB MB, DFM, or FFC must receive ongoing investment in order to continue developing the small-scale food sector, which relies on shared marketing models.²⁶
- Funding for an ongoing **Buy Manitoba Campaign** would help maintain and grow the support for local, nutritious food in Manitoba. FAB MB has delivered this previously and could do so again.
- Coordinated efforts are required to support **more collaboration between regional tourism associations and agri-food businesses.** This could include cross-industry networking events by a local Community Futures office, funding and support for new agri-tourism initiatives²⁷, or events hosted directly by regional and provincial tourism associations.

13. Create and expand funding opportunities for urban agriculture

- As per the 2018 *Towards a Winnipeg Food Strategy*, **create funding opportunities for urban agriculture** and community-integrated, year-round food production (i.e. co-op greenhouses) by: “Promoting urban infill to reduce pressures on agricultural land; Encouraging planting edible landscapes (annual plants and fruit trees) instead of ornamental landscapes on city property; Increasing the number of community gardens and municipal services support for community gardens; Changing by-laws to enable residential chicken-raising, beekeeping, and food production; Increasing city support through a city official responsible for facilitating a network for existing community garden and their expansion and upkeep; developing neighbourhood local food enhancement programs that facilitate new garden spaces, fruit tree orchards, etc.”²⁸

14. Establish The Manitoba Quota and Land Trust

- This would support young and aspiring farmers, or other landless farmers with barriers, by helping “to **finance intergenerational transfer of assets.** Retiring farmers transferring quota or land to the Trust will have its value exempted from taxation and be entitled to an annuity based on the productive value of the transferred quota or land. Eligible new farmers will apply to use Trust quota or land in return for a portion of revenues earned from its use and a commitment to continue producing for a minimum period.”²⁹

15. Create a New Farmer Land Rental Tax Incentive

- This would remove barriers for young and aspiring farmers, or other landless farmers with barriers, by “**allowing landowners to sell or rent land to new farmers for a reduced rate.** The landowner must show that they are renting for a reduced price from the going rate and the farmer must prove that they are a new farmer with limited access to other land access options.”³⁰

²⁵ Ibid, 13.

²⁶ Ibid.

²⁷ <https://news.gov.mb.ca/news/print.index.html?item=5718&posted=2009-04-23>.

²⁸ <https://clkapps.winnipeg.ca/dmis/ViewPdf.asp?SectionId=496212>

²⁹ Page 4, <https://policyalternatives.ca/sites/default/files/uploads/publications/Manitoba%20Office/2020/03/APB%202020%20lo-res%20Agriculture.pdf>.

³⁰ Ibid.