Understanding the Impacts of COVID-19 on Our Food System

By Nicolas Lindholm, MOFGA Organic Business and Marketing Specialist

In 2021, MOFGA, Maine Farmland Trust, Coastal Enterprises, Inc. and Cooperative Development Institute, worked together to research and understand the impact of COVID-19 on our food system and map out a plan for transformational change. In particular, we set out to understand which COVID pivots are viable for the future and how we can build a more equitable and resilient local food system for the long term. Funded by the Sewall Foundation, this collaborative research project entailed separate surveys of three major constituencies within Maine's food system (farmers, buyers, and consumers) and a personal interview process with leaders of underrepresented communities.

Consumer Survey

A total of 200 adults were surveyed in March 2021 to assess food purchasing trends and preferences for local food before and after the onset of the pandemic. There were 26 questions, covering socio-demographic information and pandemic impacts on socioeconomic factors and food consumption habits.

Here are some key findings from the consumer survey:

- Overall, monthly household food expenditures decreased by 12% ($84 on average per household), and the number of shopping trips to acquire food dropped from 5 to 10 times per month down to 2 to 4 per month.
- Over half of the respondents intended to continue utilizing shopping options that were created as a result of COVID-19, including purchasing pre-bagged and packaged food items, purchasing food in bulk and visiting self-serve farm stands.
- Sixty percent of respondents planned to continue prioritizing locally sourced food in 2021, ranking local meat, poultry, vegetables and dairy in the order of importance.

Underrepresented Voices Interviews

The goal of this portion of the research was to include the voices and experiences of various underrepresented communities in Maine that may have been overlooked by the survey instruments. A total of 12 key informants were interviewed: interviewees self-identified as African and/or Arab immigrant community leaders; Black, Indigenous, people of color (BIPOC) community leaders; a youth community leader; a leader among those with disabilities, a state senator; and several who also identified as low-income community leaders. Leaders were asked to discuss their own observations of their communities and their own experiences during the pandemic, the impacts of COVID-19 and how it changed food shopping habits, and community needs from the food system in Maine moving forward.

Key findings from the underrepresented voices interviews include:

- Significant economic and psychological impacts were identified in many socially underrepresented communities, and the issues caused by COVID-19 could not be isolated to the food system and will require action and follow-up, not just research, to fully address.
- The pandemic exacerbated shortages in culturally important foods and exposed issues around access and affordability of fresh and local food.
- Federal relief efforts were seen as disproportionately awarded to white-led businesses and organizations.

Farmer Survey

A total of 50 farmers responded to a survey, representing 14 of 16 counties with an even split from District 1 (Southern Maine) and District 2 (the rest of the state). The survey included 23 questions, covering socio-demographic information and the effects of COVID-19 on farm employment, gross sales and market channels. The survey also asked farmers about threats facing their businesses and changes they made as a result of COVID-19, which pandemic relief resources they utilized, and what changes they'd like to see made for a more resilient food system.

Here are a few key findings from the April 2021 farmer survey:

- Total farm gross annual sales increased 12% ($483 thousand across the 50 farm respondents).
- Sales of farm products to other farms more than doubled (from $21 thousand in 2019 to $50 thousand in 2020, Fig.1) — and many farmers who bought from other farmers increased their purchases by 40% (average of $12 thousand increase per farm stand).
- The most common threats were issues relating to farm supplies and inputs, including issues in sourcing, increased expenses and having to purchase new types of supplies like personal protective equipment (PPE) and hand sanitizer.
- The most common changes that respondents made, that they intend to stick with, include increasing sanitation and food safety standard operating procedures (SOPs), accessing new markets, scaling up their production and increasing their donation of foods (to pantries, etc.)
- The most common desired change was for more access to grants that make farms more able to avoid, withstand or react to future threats to our food system (Fig. 2).

CERTIFIED ORGANIC BY MOFGA

(continued on Page 6)

Understanding the Impacts of Covid-19 on our Food System

(continued from Page 3)

Buyer Survey

A total of 22 respondents from Maine food businesses provided responses to a survey on pandemic impacts and local purchasing, representing all 16 counties fairly evenly across the state. The survey was intended for food buyers of all types: retail food stores, distributors, farm stands, institutions and restaurants. The buyer sample was not large enough to provide generalizable results, however it provides insights into the experiences of the participants.

Here are some key findings from the June 2021 buyer survey:

- There was variation in buyers' ability to successfully acquire as much local food as they were wanting, with about 60% being successful while about 40% were not able to buy as much as they wanted.
- The most common changes made by respondents were in utilizing e-commerce, namely adding or expanding online and social media marketing.
- The top immediate concerns were those regarding employees, including staff safety, lack of an adequate labor pool for hiring and increased expenses for sanitation and SOPs.
- The most common desired changes had to do with the supply chain and include a desire for shorter supply chains, more suppliers of local products and improvements in technology to allow more efficient ordering and purchasing from multiple, small local suppliers.

Conclusions

The survey responses give us some indicators of how Maine's food system is being affected by COVID-19. Yet, since the rate of transmission is still high and the pandemic is far from over, we perceive that it's too soon to draw any conclusions about how the food system may have changed in the long term. Moving forward, we think this research must take a more longitudinal approach to test some of the assumptions about 2021.

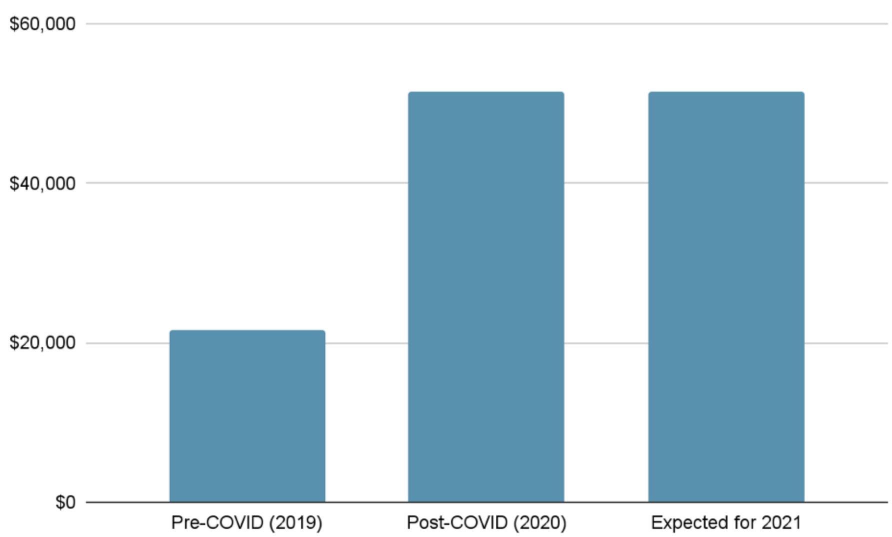
Here are some of our project's main conclusions:

- One of the most significant changes that happened during the pandemic was farmers selling more products to other farmers for resale — it was apparent that a cross-section of farms, likely with some kind of geographic or infrastructure capacity advantage, were able to increase their purchasing and marketing of product for other farmers.
- The utilization of e-commerce and online marketing increased with both farmers and buyers, with a high level of expectation to continue this long term, which matches consumer's interest in increased utilization of online ordering and continued use of home food delivery.
- Both farmers and buyers increased their food safety and sanitation practices, including the use of packaged and pre-bagged items, which matches consumers' interest in continuing to purchase pre-bagged and bulk items.
- Farmers told us they need more access to grant funding. Farmers and buyers accessed emergency funding primarily from the federal government (like PPP and EIDL) and found these grants to be an important source of resiliency for their businesses. It is important to note, however, that underrepresented stakeholders reported being unable to access this funding.
- For equitable access, local food needs to be culturally appropriate, affordable and available.
- Leaders from communities of underrepresented voices expressed that food system needs were inextricably linked to accessing child care, support for frontline workers and language justice.

Our full report, which should be available to the public by the end of the year, will include a full assessment of our conclusions, recommendations for action, a listing of existing resources, links to our data as well as similar surveys, and further discussion on our methodology and the survey and interview questions themselves.

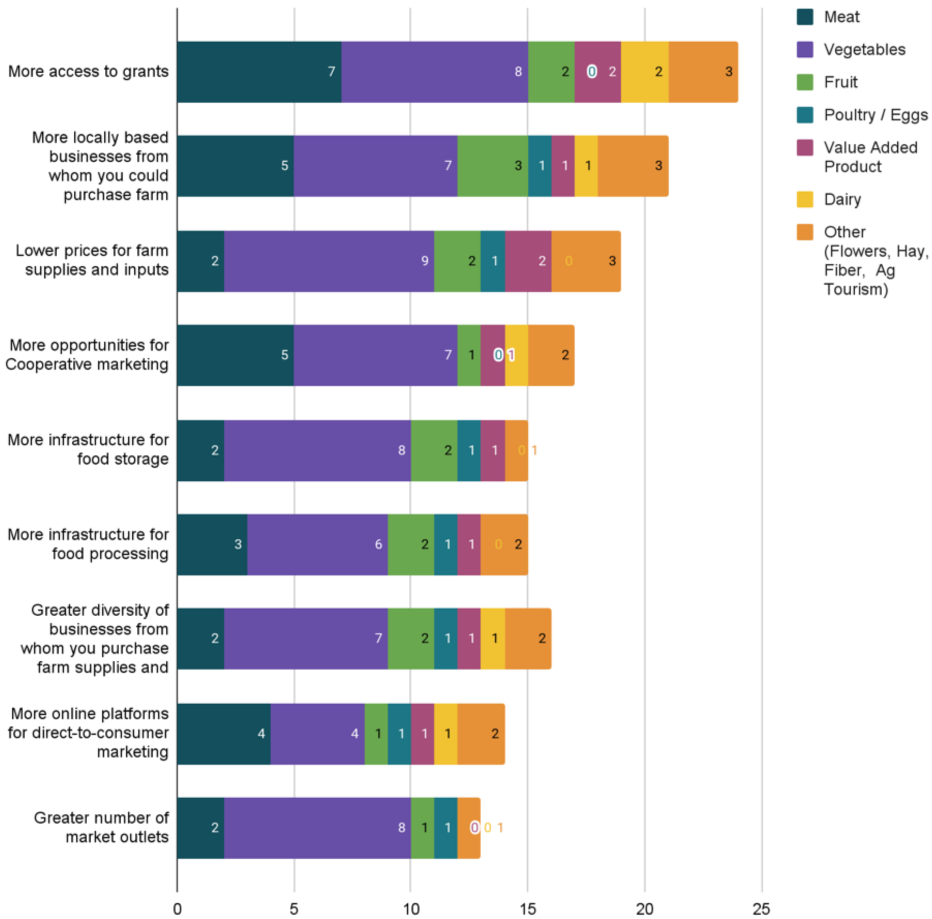
(continued on Page 7)

Figure 1. Total Farm Sales to Other Farms



Understanding the Impacts (continued from Page 6)

Figure 2. Top 10 Desired Changes in the Food System by Primary Enterprise (Farmers' survey)



Hemp Update

MCS Updates Hemp-Derived Products Policy

In October of this year, MCS updated our Hemp-Derived Products Policy based on current FDA precedent and legal review. In short, MCS has expanded the types of products that are hemp derived (hemp oils, CBD, etc.) and now eligible for organic certification. These are namely retail labeled products that MCS had not previously certified, based on the FDA messaging around products containing CBD. The following is excerpted from the full policy, which can be viewed here: https://mofgacertification.org/wp-content/uploads/Processor_MCSHemp-DerivedProductsPolicy_UPDATEDOctober2021.pdf

MCS's certification of hemp-derived products is informed by existing policies and interpretations from other accredited USDA organic certifiers, as well as the current precedent within the marketplace. Despite the FDA's past press releases and public facing statements regarding the legality of CBD in food and

Hemp Update *(cont'd)*

as dietary supplements, FDA has chosen not to pursue regulatory action for products appropriately labeled (no misleading claims) as dietary supplements containing CBD in retail products.

MCS takes the following approach to certifying hemp-derived products until further notice.

MCS **will** certify as organic the following (under the NOP crop scope):

- hemp plants (including harvest and post-harvest handling consisting of drying/curing)
- hemp seeds
- hemp seedlings

MCS **will** certify as organic the following (under the NOP handler scope):

- bulk and retail packaged hemp oil
- bulk and retail packaged tinctures
- other bulk and retail packaged extractions
- certifiable products containing hemp oils, extracts, CBD, etc.
- topicals

MCS **will *not*** certify as organic the following:

- hemp pre-rolls (due to "paper" not currently allowed on the National List)
- any product deemed to be in violation of the Food, Drug & Cosmetics Act: https://www.fda.gov/regulatory-information/federal-food-drug-and-cosmetic-act-fdc-act/fdc-act-chapter-iv-food

MCS **will *not*** certify any bulk ingredient hemp extraction that has been processed in a non-certified lab or facility —the organic regulations do not allow this for any product marketed as certified organic. The lab or processing facility must be certified organic.