Notes on a circular food economy in Maine

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I have ten recommendations for discussions. I include in bold italics some specific recommendations that, if the group concurred, could be fleshed out. I know it’s too many!! I am writing a preamble before the Recommendations section in order to share some foundational thoughts with the group.

Assessment

The coronavirus pandemic has shown us vulnerabilities in our food system, especially, potential disruptions due to a very long, global supply chain that relies on “essential” workers working in close proximity and susceptible to viral infection. This includes agricultural workers, warehouse workers, concentrated meat slaughterhouses and processing facilities, etc.

The subcommittee on Manufacturing and Natural Resources, which comprises, but is not limited to, farming, fisheries, and forestry, believes that a key response to the corona crisis is to explore pathways to a more “circular” economy for Maine’s natural resources and manufacturing. We want to promote the growing of Maine products, and enhance their value with intelligent and cost effective processing, distribution, marketing, and branding in order to strengthen our rural communities, provide well paid jobs, encourage support services, and to do so in a manner that recognizes our obligation to mitigate climate change and build a more healthy, sustainable environment. We want to be aggressive recyclers in order to “waste not, want not”. We want to reign in the consumer driven economy and recognize we can not sustain the planet and consumer and pollute willy nilly. Externalities abound. It’s time to account properly for waste. There should be no waste, just elements on their way back around.

For too many years too little “value add” has been added to Maine’s natural resources. Lobster heading to Logan alive and in the shell, maple bolts made into toothpicks, blueberries frozen, etc. Processing facilities have moved south and west, following populations and markets. Our commodity agriculture products and the folks who produce them are too often left in a price-taking situation. Potatoes are grown in a rotation with oats and there is no option for the oats but to cross the border and go into animal feed. The rest of the world grows high bush blueberries that crushes the price per pound for our wild crop and we race to the bottom.

The coronavirus pandemic has seriously disrupted Maine’s natural resource producers. Lobster prices have plummeted. The sudden and
complete closure of restaurants, schools, institutions, etc. catastrophically terminated a huge sales channel. Gone overnight.

Many consequences are yet to be manifested, but the true impact will be in the many millions of lost revenue for our commodity producers – potatoes, lobsters, dairy. Our diversified, small to medium scale producers are suffering from confusion in their markets, labor issues, obligation to implement PPE, etc. There has been a meaningful increase in Mainers looking to Mainers for food with a measurable increase in CSA participation. Local meats flew off the shelves. Our seed companies sold record amounts as Mainers did what they have often done and planted a garden. We are lucky in Maine to still have meaningful connections to our food and to not be too distant from foraging or growing or knowing where are neighbors are that sell surplus.

Just where this will all settle is a matter of concern and interest.

Circular Economy

What can we do to increase Mainers’ consumption of Maine products? Can we grow more, process more product in state, add more value, reap more value when we export out of state, etc.

Maine imports 90% of the food it consumes and exports out of the State the vast majority of what it produces.

Now is the time to invest in Maine’s local food, forestry, and fishery economy and to increase our manufacturing base.

In the natural resource ecosystem we must address what have now become chronic infrastructure gaps.

There are plenty of short-term responses to the pandemic – PPP, PPE, CARES funding, etc., many of which we have highlighted.

Recommendations

Here I will outline some things our subcommittee could promote as initiatives that could help develop a more local and circular food economy.

A circular economy keeps more dollars circulating in the economy that produced the good. This increases the “multiplier effect” of the economic benefit. Natural resource production leads to processing, distribution, consumption. Good travel less distance and that lowers greenhouse gas emissions. Ancillary services needed to process things means more professional service opportunities staying in a region. Financing, accounting, marketing, etc. services become more developed and this is good for other sectors of the economy.
The restaurant scene in Portland is what it was last year before the pandemic because of the actions taken by myriad farmers over a few decades to understand what it means to grow truly superior product.

Here are my top recommendations:

1. Make promotion of local food and a circular natural resource economy a stated, prime, goal of the State of Maine. Study, assess, understand, formulate, promote, support. **LD 1531 proposes to instruct DACF to prioritize policy, interventions, investments, technical assistance. We could sign onto this legislation.**

2. Explore, and fully understand, the range of financing options – grants, seed capital, tax incentives, private equity, bully pulpit, loan guarantees, etc. Be conscious of the State’s ability to fund programs and also meet its commitments to balanced budgets.

3. Develop strategies to encourage/force/induce retailers, educational institutions, hospitals, restaurants, etc. to use more local products.

4. Promote sophisticated technical assistance programs. The State and all the ancillary players must work harder and smarter and be allocated more financial resources to advise our producers on best practices and pathways to success.

5. Support in state processing infrastructure – fluid milk, blueberries, slaughterhouses, co-packing/processing, etc. One example is LD 400, sponsored by Rep Hickman which proposes $5mm in bond funds for processing.

6. Build on programs that currently exist, including Maine Senior FarmShare and Mainers Feeding Mainers, and reimbursement payments to schools that purchase local food. **Good Shepherd Food Bank is working on a project w Wyman’s and Hannafords to set up a processing line to freeze produce for incorporation year round into the foodbank distribution system. They have raised $1.25mm of the $2.5mm needed.**

7. Significantly expand a State sponsored Maine Brand program. Make it big, make it attractive, make it successful.

8. Promote the export of Maine products in an ambitious manner that takes no prisoners and makes no excuses. Maine products are the best, we know what we are doing, we live in a wonderful
natural environment and our State is responsible in its shepherding.

9. Commit to increasing funding for land transitioning. Maine is the oldest State in the country and our farmers are also old. It is true we have a lot of young farmers coming to the State and this is a real opportunity. I will propose a recommendation to address this in conjunction with the Maine Credit Union League. *MCUL and Maine Harvest Federal Credit Union are working to put forward some ideas for consideration that would offer reduced costs for land transitions. Relying on loan guarantees and reduced closing costs this would seek to facilitate land sales from older operators to younger generations, keeping more land in productive operations.*

10. Ramp up online marketing and e-commerce platforms for our producers. Get good at it.