

# Effective Management for Blockchain-Based Agri-Food Supply Chains Using Deep Reinforcement Learning

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**Abstract—** The agri-food industry faces persistent challenges in managing supply chains, including inefficiencies, traceability issues, and compliance concerns. Leveraging blockchain technology offers transparency, yet optimizing decision-making remains a challenge. This research explores the integration of deep reinforcement learning (DRL) with blockchain-based agri-food supply chains to enhance efficiency, transparency, and compliance. The study focuses on developing DRL models, integrating them with blockchain, optimizing operations, ensuring quality control, and evaluating performance.

**Index Terms—** Agri-Food Supply Chains, Blockchain Technology, Deep Reinforcement Learning, Decision-Making Optimization, Transparency, Compliance

## I. INTRODUCTION

The agri-food industry faces numerous complexities, including fragmented processes, information asymmetry, and trust issues among stakeholders. These challenges often lead to inefficiencies, lack of transparency, and compromised food safety. Traditional supply chain management struggles to address these issues comprehensively.

Blockchain technology emerges as a promising solution due to its immutable and decentralized nature, enabling transparent and secure data sharing among multiple parties in the supply chain. By leveraging blockchain, stakeholders can track the journey of food products from farm to table, ensuring authenticity and quality. However, the effective management of blockchain-based agri-food supply chains requires intelligent decision-making mechanisms to optimize various aspects such as logistics, inventory management, and quality control. Deep reinforcement learning, a subset of machine learning, offers a potent solution to navigate the complexities of these supply chains by enabling autonomous learning and decision-making based on trial-and-error experiences.

Discuss the role of blockchain in revolutionizing transparency, traceability, and trust within agri-food supply chains. Highlight its benefits in ensuring food authenticity, reducing fraud, and

enhancing consumer confidence. Address the existing inefficiencies and challenges in traditional supply chain management, including information silos, lack of real-time data, and trust issues among stakeholders. Explore how the integration of DRL techniques with blockchain technology can enhance supply chain management. Discuss potential applications such as predictive analytics for demand forecasting, dynamic pricing, route optimization, and quality control.

This research aims to explore the synergies between blockchain technology and deep reinforcement learning techniques to optimize agri-food supply chains. By integrating these cutting-edge technologies, the aim is to enhance transparency, traceability, and decision-making processes, thereby revolutionizing the way the agri-food industry manages its supply chains.

## II. LITERATURE SURVEY

[1] Literature survey on Circular Economy for a Sustainable Agri-Food Supply Chain: A Review for Current Trends and Future Pathways 2023

In the paper Giulia Chiaraluce, Deborah Bentivoglio explains the current agri-food supply chain is affected by different problems such as food loss and waste generation along the supply chain, and the circular economy offers a possibility to enhance and optimize the production and consumption to seek to a sustainable paradigm. The circular economy can be a winning approach to intervene and moderate the impacts generated in the agri-food sector, proposing actions and solutions to readmit wastes and by-products in the productive chain. The aim of this work was to perform a literature review coupled with a bibliometric analysis, using VOSviewer software, on the circular economy model in the agri-food sector, with particular relevance to the reuse and valorisation of wastes and by-products. Results showed that the topic is of particular relevance in the scientific community, and the concept is continuously evolving. Europe plays a leading role in the research, thanks to the involvement of the Member States, policy makers and stakeholders. Nevertheless, some aspects such as the development of a new economic circular model and some limitations of the current policies

deserve further investigation.

[2] Literature survey on NAgri-food supply chain and disruptions due to COVID-19: effects and strategies 2022

In the paper author has proposed a novel coronavirus (COVID-19) pandemic has severely affected the global economies. It has a considerable effect on the agri-food economy and the linking food supply chains. The entire agrifood sector needs more attention because the concept of 'work from home' does not work here, and life cannot move even a single step without food. This paper offers a future agri-food sector perspective amid the COVID-19 pandemic. This paper explores the short-term and long-term effects of the COVID-19 pandemic on agri-food supply chains (AFSCs) based on the available information. The regulatory mechanisms taken by different government agencies, NGOs, and the food industry to manage the demand supply disruptions are also discussed. The detailed effect analysis of the COVID-19 on agri-food supply chains and remedial strategies are conducted for different interfaces of AFSC, viz. production, handling storage, processing packaging, distribution marketing, consumption, etc.

[3] Literature survey on Big data for sustainable agri-food supply chains: a review and future research perspectives 2021

In the paper author Research on agri-food supply chains (AFSCs) has attracted significant attention in recent years due to the challenges associated with sustainably feeding the global population. The purpose of this study is to review the potentials of big data for sustainable AFSCs. One hundred twenty-eight (128) journal articles were selected to identify how big data can contribute to the sustainable development of AFSCs. As part of our focus, a framework was developed based on the conceptualization of AFSCs in the extant literature to analyse big data research in the context of AFSCs and to provide insights into the potentials of the technology for agri-food businesses. The findings of the review indicate that there is a noticeable growth in the number of studies addressing the applications of big data for AFSCs. The potentials of big data for AFSC sustainability were synthesized in a summary framework, highlighting the primary resources and activities that are ready for improvement with big data. These include soil, water, crop and plant management, animal management, waste management and traceability management. The challenges of big data integration in AFSCs, the study's implications, contributions, and the future research directions are highlighted in detail.

[4] Literature survey on Drivers and barriers towards circular economy in agri-food supply chain 2021

In Author Amina Mehmood researched over the past few years, the circular economy (CE) concept has captured considerable attention from researchers and practitioners as a potential solution for social, economic, and environmental challenges. But in literature, limited engagement has been given

to explore the CE initiatives, particularly in the agri-food supply chain (AFSC). This paper aims to address this gap by critically reviewing the existing literature and identify the drivers and barriers for implementing the CE in the AFSC. This study uses a systematic literature review approach to critically analyse the current literature to develop future empirical research areas. The popularity of the CE drivers and barriers in the AFSC following the number of times they appeared in the research studies is examined. It shows that environmental (67) and financial benefits (43) financial (48) implementing CE practices in the AFSC. It is observed that there is an utmost need for international communities to introduce internationally accepted standards and frameworks for CE practices to be used globally to eliminate waste, particularly in the agriculture sector. Moreover, government intervention to stimulate CE initiatives plays a critical role in the transition process.

[5] Literature survey on Study and Analysis of the Implementation of 4.0 Technologies in the Agri-Food Supply Chain: A State of the Art 2021

In the paper author has presented approaches and results of Industry 4.0 is changing the industrial environment. Particularly, the emerging Industry 4.0 technologies can improve the agri-food supply chain throughout all its stages.

This study aims to highlight the benefits of implementing Industry 4.0 in the agri-food supply chain. First, it presents how technologies enhance the agri-food supply chain development. Then, it identifies and highlights the most common challenges that Industry 4.0 implementation faces in agri-food's environment. After that, it proposes key performance indicators to measure the advantages of this implementation. To achieve this, a systematic literature review was conducted. It combined conceptual and bibliometric analyses of 78 papers. As a result, the most suitable technologies were identified, e.g., Internet of Things, Big Data, blockchain and cyber physical systems. The most used indicators are proposed and the challenges of implementation were detected and classified in three groups, i.e., technical, educational and governmental. This paper highlights and exemplifies the benefits of implementing Industry 4.0 facing the lack of knowledge that exists nowadays. Moreover, it fulfils the gaps in literature, i.e., the lack of information about the implementation of technologies 4.0 or the description of the most relevant indicators for Industry 4.0 implementation.

### III. OBJECTIVES

This paper is aimed to leverage the capabilities of deep reinforcement learning and blockchain technology to revolutionize agri-food supply chains, resulting in increased efficiency, transparency, and reliability throughout the entire supply chain process.

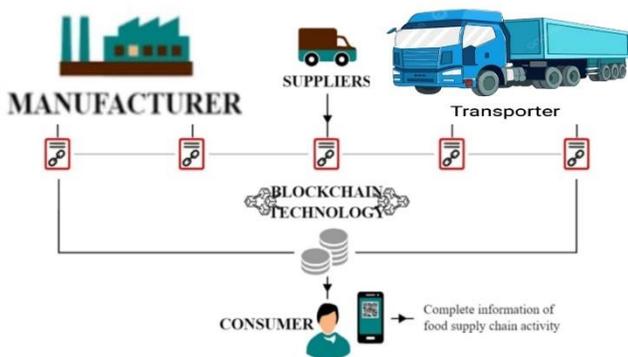
#### IV. PROBLEM STATEMENT

To leverage deep reinforcement learning to create intelligent, autonomous systems that optimize decision-making processes, enhance transparency, and streamline operations within blockchain-based agri-food supply chains. These systems should ultimately contribute to increased efficiency, reduced costs, improved food safety, and enhanced consumer trust in the entire supply chain process.

#### V. METHODOLOGY

In this methodology, **Deep Reinforcement Learning (DRL)** algorithms, such as **Deep Q-Networks (DQN)**, **Proximal Policy Optimization (PPO)**, or **Deep Deterministic Policy Gradient (DDPG)**, are utilized for dynamic decision-making within the agri-food supply chain. These algorithms enable optimized resource allocation, inventory management, and transportation logistics by learning from historical supply chain data and making real-time decisions. The technology foundation incorporates **blockchain** for secure, transparent, and decentralized data storage, ensuring data integrity and validation, with **smart contracts** to automate interactions between DRL models and the blockchain. The integration of DRL and blockchain enables efficient, real-time adaptability to changing conditions while ensuring quality compliance and risk mitigation within the supply chain.

#### VI. SYSTEM ARCHITECTURE



#### VII. CONCLUSION

The integration of deep reinforcement learning (DRL) into blockchain-based agri-food supply chains is poised to revolutionize industry practices by enhancing efficiency, transparency, and decision-making capabilities. This integration is anticipated to yield significant improvements in supply chain operations, optimizing resource allocation, ensuring transparent and immutable traceability, and enabling real-time adaptive decision-making. The conclusive findings are expected to showcase the transformative potential of DRL-blockchain synergy in fortifying compliance, improving key performance metrics, and fostering scalability. Ultimately, this innovative approach lays the groundwork for widespread adoption, paving

the way for a more resilient, efficient, and trustworthy agri-food supply chain ecosystem.

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