

Procuring Food for the Future

An assessment of EU and UK food procurement regulations, guidance and sustainability

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1. EXECUTIVE SUMMARY

This report, along with the *Procuring Food for the Future* full report¹, demonstrates that **mainstreaming innovative, green, and social criteria requires above all policy vision and political ownership.**

Both UK and EU public procurement regulations allow certain flexibilities for the inclusion of sustainability criteria (eg. environmental and labour standards, special treatment for SMEs) to be balanced with the **regulatory requirements of equality of opportunity, transparency of process and relative value for money.** Moreover, the regulation at UK level allows **procurement teams additional flexibility in setting out a number of award criteria which are related to social and environmental sustainability.** However, these are not mandatory and taking this approach requires political or organisational leadership-and procurement expertise. As this report highlights there are useful guidelines and case studies demonstrating different approaches to incorporating sustainability criteria. UK law does not restrict the use of innovative approaches to sustainability.

Contract Size

There are certain threshold costs which determine which EU principals and procedures apply in the UK. This is important as it determines which procurement procedures (and award criteria) should be used when preparing procurement calls.

- a. >£189K (Threshold): EU Procedures and Principals apply
- b. >189K contracts can be split into smaller lots and EU procedures do not apply if the Lots are <£70,778
- c. EU light touch regime for certain services equal to or above £663,540 (which includes food/catering services to hospitals and schools). There is scope for such service contracts below this higher threshold to be subject to UK rules
- d. Sub-threshold: UK Regulations include specific UK rules but EU internal market principals still apply

EU procurement procedures relate to transparency around tenders/information/publication as they are based on the EU Internal Market principles of free movements, non-discrimination and equality across member states. The key aspect is that for **cases b, c and d awarding authorities have additional freedom to use any process or procedure they choose** to run the procurement rather than **in a. where EU procedures have to be followed (although flexibilities do exist to include socio-environmental criteria).** Should authorities wish to design their own bespoke selection process and criteria, the **key tests** are to be certain that the process is **transparent and ensures equal and fair treatment.**

Sustainability and procurement

This report highlights that currently the primary role of procurement regulation is to ensure *effective procurement, relative value for money, competition, non-discrimination, transparency. Procurement laws regulate the different stages of the procurement cycles, and socio-environmental clauses can be included across the different stages of the procurement process.*

¹ Procuring Food for the Future (Full Report) available at:

- Certain sustainability criteria, for example, environmental standards, are legal requirements – known as **technical specifications**. They may also be specified in contract conditions.
- *Contracts are awarded to the Most Economically Advantageous Tender*. Socio-environmental criteria may also be included in the award of public contracts.
- Going above and beyond these, there are additional green public procurement and climate change indicators, externalities in the use of a good or service such as pollution/waste, for example, and, increasingly to the fore, social/ethical indicators, for example, nutrition, animal/fish welfare, quality. These are **voluntary**. There are **guidelines in EU policy and in UK policy**. These objectives may **form the award criteria for the tender (alongside cost)** with scope for a sustainable understanding of value for money. There are a number of considerations around how these criteria are used which are outlined in the report (in particular pg. 13 for above Threshold contracts). One of the key things is that the criteria **relate to clearly defined specifications**. This is to allow the information provided by the tenderers to be effectively verified in order to assess how well the tenders meet the award criteria. The award criteria must be linked to the subject-matter of the public contract but can **relate to any stage of the life-cycle** of the works, supplies or services.

Incorporating sustainability

UK food and catering services public procurement rules and guidance (applicable to contract sizes described in b, c and d above)

A number of different levels of guidelines exist and are described in more detail in the report:

Government Buying Standards: Central government procurers directly or through their catering contractors are required to apply this GBS. Other contracting authorities are encouraged to follow it. It includes a set of minimum mandatory standards for inclusion in tender specifications and contract performance conditions. It also includes some **best practice standards which are recommended** but not required. The mandatory rules follow EU minimum norms in food law / traceability and origin, environmental protection and conservation etc.

Balanced scorecard for Public Food Procurement: The Balanced Scorecard is a supporting evaluative tool to use to procure food and catering services. Award criteria, under five separate headings, can be built into procurement decisions and balanced against cost. The Scorecard also sets out how authorities can verify that those specifications/criteria are being met, inclusive of reference to assurance/certification schemes.

In addition to the factor of cost, the five award criteria falling under the umbrella of the quality and value of the food/catering service procured are:

1. Production at farm level ((i) supply chain management (ii) animal welfare (iii) environment (iv) variety and seasonality
2. Health and wellbeing ((i) nutrition (ii) food safety / hygiene (iii) authenticity and traceability
3. Resource Efficiency ((i) energy (ii) water (iii) waste

4. Socio-Economic ((i) Fair/ethical trade (ii) Equality and diversity (iii) Inclusion of SMEs (iv) Local and Cultural Engagement (v) Employment and Skills

5. Quality of Service ((i) Food quality (ii) Customer satisfaction

Procurers are given some flexibility to define the weights that they accord to selected allowed award indicators / criteria that reflect their priorities and are strongly encouraged to give weight to quality.

Examples of procurement contract approaches to these five award criteria are given in the report on pg 24. These case studies demonstrate how this balanced scorecard can work in practice.

There are a number of assurance schemes which cover elements of the scorecard (for example fish conservation (Marine Stewardship Council), Food for Life Catering) which provide a robust way for procurers to verify that suppliers are able to meet the requirements of the scorecard.

EU Sustainable Food Policy and Guidelines

These guidelines show how it is possible to use EU law and apply their flexibilities above the thresholds. Several Member States have already started to develop a strategic approach to procurement policies, complemented by promising local initiatives.

EU Green Public Procurement (GPP) criteria for Food procurement, Catering Services and Vending machines:

This publication is a Technical report by the Joint Research Centre (JRC), the European Commission's science and knowledge service. It aims to provide evidence-based scientific support to the European policymaking process. There is a significant focus on energy savings and food waste prevention but also guidance on a range of criterion including: 'promotion of plant-based menus', environmentally responsible supply chains, animal welfare and others. There had been criterion on seasonal produce but this has been removed as its use has been taken out of the original context for which it was first devised and been inappropriately used for carbon intensity. There is an explanatory note further advice for contracting authorities who want to include this criterion.

Annex includes examples of GPP including:

- Public Procurement of Food for Health: Technical Report on the School Setting. This document highlights **a key aspect about language and translation from policy/vision into procurement contracts**. Making food procurement for health in schools a reality is a matter of turning the nutrient and food standards in National School Food policies into procurement language. It is important to build capacity among procurers and suppliers so they can define and deliver on appropriate food and food service contracts. There is useful guidance in this document on how the vision of contracting authority can be 'translated' into a procurement contract (summarised on pg. 29 of the report).

There is also a [Toolkit for mapping key environmental impacts of products when taking a GPP approach](#).

Concepts and approaches for supporting local economy:

Our report highlights a few different approaches used across the EU to introduce locally/regionally sourced produce and sustainability criteria in food procurement contracts. These approaches are useful to learn from as they demonstrate the consultation and co-design processes used and who is involved from across the supply chain and in the institutions. These can provide precedent for other authorities and places to be inspired by.

Dynamic Purchasing System (DPS): has potentially small business-friendly aspects. DPS can be divided into categories for example by size of contracts to be awarded, subject matter, or geographical area of delivery. This can help maximize small businesses' opportunities to bid. Suppliers can apply to join the DPS at any point during its existence, which may benefit start-ups, suppliers which wish to break into new public sector markets, and seasonal suppliers. **Bath and South West Somerset council use this approach (case study on pg. 37 in our report) and there is now a UK National Advisory Board², which is pushing for national government take up of this approach and roll-out across local authorities.**

The Public Services (Social Value) Act 2012: This applies to certain public services, contracts and framework agreements to which the Public Contracts Regulations 2015 apply. It requires that at the pre-procurement stage contracting authority procurers consider how what is to be procured may improve the social, environmental and economic well-being of the area in which the contract will be applied (relevant area), how it might secure any such improvement and to consider the need to consult. The Act enables the citizen and user perspectives on potential services to be taken into account in the development of outcomes and specifications for the services to be procured. Contracts for goods and works are not covered by the Act.

Splitting contracts into LOTS: Dividing a contract into lots may provide more opportunities for small businesses to bid effectively because the size of the lots may correspond better to the capacity of small businesses. Authorities are free to choose whether to divide a contract into lots, and if so, the number and type of lots based on its own requirements and circumstances. For example, lots might be based on the type of deliverable, size of individual contracts, or geographical area of delivery. These lots may thus be awarded directly without being published at the EU level and are pivotal in strengthening short supply chains. There is a case study in the full report for *Podravje Self-Sufficiency Project, Slovenia* (pg. 35).

Future national and EU policy direction

UK Food Policy is currently distributed between different departments and areas in government but consultation is underway to design 'A National Food Strategy'. This has the ambition of bringing a more holistic approach to policies and regulation around the food system. We would like to see a strategy that suggests a uniformed legal approach in UK applicable to UK procuring bodies.

At EU level IPES Food (2019) has published: 'Towards a common food policy for the EU' which highlights that 'the shift towards relocalisation and territorialization of food systems must be seen as an opportunity for fairer and more sustainable food systems'. The governance

² <https://www.dynamicfood.org/>

of public procurement schemes should aim to include a range of actors: this could include collaborations between local authorities, school boards, students, parents, local producers, and nutrition experts. This document also highlights that one primary means to re-localise food system infrastructure is through the development of food hubs and provides policy steer around this.

The European Committee of the Regions produced an opinion article on ‘Local and regional incentives to promote healthy and sustainable diets’. In this they highlight that local authorities should:

- prioritise, through public procurement in the food sector for all public bodies (including hospitals, nursing homes, retirement homes, kindergartens, schools, prisons and their canteens), to serve as role models by selling and providing healthy, local and seasonal foodstuffs that ensure sustainability
- contribute to Sustainable Development Goal 12.7 — sustainable public procurement — of the 2030 Agenda.

2. INTRODUCTION

“A Sustainable Northern Diet.” Is this possible?

How can you balance the principle procurement objective of *value for money* with sustainable food procurement in local municipalities?

A direct approach to target local suppliers (and SMEs) is prohibited. There is tension between EU principles of non-discrimination/equal treatment of economic operators and sustainable procurement. It is not possible to favour suppliers or discriminate against economic operators.

EU Internal Market rules and principles apply: Free cross border movement of goods and services. Principles of equality, non-discrimination, proportionality and mutual recognition/equivalence.

EU Internal Market rules and principles apply *even if the tender is below the threshold* for EU Public Procurement requirements - and UK procurement rules apply.

Primary Objectives of Procurement Law

Effective procurement, relative value for money, competition, non-discrimination, transparency. Most Economically Advantageous Tender.

Sustainability Criteria

Procurement law will *require, accommodate or prohibit* sustainable practices.

- Certain sustainability criteria, for example, environmental standards, are *legal requirements* – known as *technical specifications*. They may also be specified in *contract conditions*.
- Going above and beyond these, there are *additional* green public procurement and climate change indicators, externalities in the use of a good or service such as pollution/waste, for example, and, increasingly to the fore, social/ethical indicators, for example, nutrition, animal/fish welfare, quality. These are *voluntary*. There are *guidelines* in EU policy and in UK policy. These objectives may form the *award criteria* for the tender (*alongside cost*) with **scope for a sustainable understanding of value for money**.

Still, stated sustainable procurement objectives must be capable of being objectively justified within legal limits. The stated *sustainability objectives must be linked to the subject matter of the contract and established in advance in an objective and non-discriminatory manner*.

Both EU and UK law lay down **award criteria principles** through which contracting authorities may take into account **sustainable externalities in their purchasing decisions**.

Life cycle costing can also be conducted in a manner which does not undermine the objectives of non-discrimination, equal treatment, transparency and value for money.

Labels

Contracting authorities can, and increasingly do, require private certification assurance (must accept equivalent if not the label specified) of environmental and /or social / ethical characteristics of the substance of the tender/contract.

3. HOW TO MAKE A PROCUREMENT CALL

Focus on Food and Food (Catering) Services: Selected key points

A. EU³ THRESHOLD PROCUREMENTS: Note: Transposed into UK Law by The Public Contracts Regulations 2015⁴

B. SUB-THRESHOLD UK RULES (PART 4 of the Public Contracts Regulations 2015)

Definitions⁵

“**contracting authorities**” means the State, regional or **local authorities, bodies governed by public law** or associations formed by one or more such authorities or one or more such bodies governed by public law, and includes central government authorities, but does not include Her Majesty in her private capacity;

“**economic operator**” means any person or public entity or group of such persons and entities, including any temporary association of undertakings, which offers the execution of works or a work, the supply of products or the provision of services on the market;

“**life cycle**” means all stages which are consecutive or interlinked, including research and development to be carried out, production, trading and its conditions, transport, use and maintenance, throughout the existence of the product or the works or the provision of the service, from raw material acquisition or generation of resources to disposal, clearance and end of service or utilisation;

“**procurement**” means the acquisition by means of a public contract of works, supplies or services by one or more contracting authorities from economic operators chosen by those contracting authorities, whether or not the works, supplies or services are intended for a public purpose;

“**procurement document**” means any document produced or referred to by the contracting authority to describe or determine elements of the procurement or the procedure, including the contract notice, the prior information notice where it is used as a means of calling for competition, the technical specifications, the descriptive document, proposed conditions of contract, formats for the presentation of documents by candidates and tenderers, information on generally applicable obligations and any additional documents;

Rules require authorities to make procurement documents available free of charge electronically from the date of publication of the Contract Notice.

Publishing contract opportunity advertisements and contract award information on the Contracts Finder portal.⁶ This website must be used **in addition to EU (on or above thresholds), or instead of any local or regional (sub-threshold EU) (£25,000⁷ sub-central CAs and NHS Trusts) portals currently being used.**

Maintained Schools and Academies are exempt from Contracts Finder obligations.

³ EU Public Procurement Directive: Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on Public Procurement [2014] OJ L 94/65, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0024&from=EN>

⁴ (SI 2015 No. 102), http://www.legislation.gov.uk/ukxi/2015/102/pdfs/ukxi_20150102_en.pdf

⁵ Regulation 2(1)

⁶ Regulations 106, 110.

⁷ Note: where existing standing orders in local government are in place that have a higher value for advertising opportunities, the higher value applies rather than £25,000.

A. EU THRESHOLD PROCUREMENTS

A. (I) EU THRESHOLD CONTRACT VALUES FOR SUPPLIES/SERVICES EQUAL TO OR ABOVE £189,330 PROCURED BY OTHER (THAN CENTRAL) CONTRACTING AUTHORITIES.

(PART 2 RULES IMPLEMENTING THE PUBLIC CONTRACTS DIRECTIVE)

***Note – this excludes EU Light touch services to be discussed in (iii) below, which regime applies to food catering ‘hotel and restaurant services’.**

For large food tenders, for example.

Principles of procurement⁸

Contracting authorities shall *treat economic operators equally and without discrimination* and shall act in a *transparent and proportionate* manner. (2) The design of the procurement shall not be made with the intention of excluding it from the scope of this Part or of artificially narrowing competition. (3) For that purpose, *competition shall be considered to be artificially narrowed where the design of the procurement is made with the intention of unduly favouring or disadvantaging certain economic operators.*

Transparency Requirements

Requirement to Publish a Call for Competition both in the Official Journal of the EU (OJEU) and on UK Contracts Finder, in accordance with the Directive.⁹

Choice of Tender Procedures¹⁰

Open procedure (27(1)) In open procedures, any interested economic operator may submit a tender in response to a contract notice. (2) The minimum time limit for the receipt of tenders shall be 35 days from the date on which the contract notice is sent. (3) The tender shall be accompanied by the information for qualitative selection that is requested by the contracting authority. (4) Where contracting authorities have published a prior information notice which was not itself used as a means of calling for competition, the minimum time limit for the receipt of tenders may be shortened to 15 days.

Restricted procedure (28).

Competitive procedure with negotiation (29).

Competitive dialogue (30).

Innovation Partnership (31). **Innovation partnership procedure** has potentially small business-friendly aspects. This procedure enables an authority to set up partnership(s) with one or more separate suppliers aimed at the development of an innovative product, service or works, in phases. The innovation partnership may be useful for small businesses that lack the

⁸ Regulation 18 (1)

⁹ Regulation 26(1)(2), except where regulation 32 permits contracting authorities to apply a negotiated procedure without prior publication.

¹⁰The Public Contracts Regulations 2015 Guidance on changes to procedures (Competitive procedure with negotiation, competitive dialogue & innovation partnerships),

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/560264/Guidance_on_Changes_to_Procedures_-_Oct_16.pdf

resources speculatively to develop innovative solutions in the absence of interim payments or having a specific customer in place.

Use of the *negotiated procedure without prior publication* (32).

Framework agreements (33(1)) Contracting authorities may conclude framework agreements, provided that they apply the procedures provided for in this Part

Dynamic purchasing systems (34(1)) Contracting authorities may use a dynamic purchasing system for commonly used purchases the characteristics of which, as generally available on the market, meet their requirements. [SME relevance: dynamic purchasing systems allow addition of suppliers].

Dynamic Purchasing System (DPS) has potentially small business-friendly aspects. DPS can be divided into categories for example by size of contracts to be awarded, subject matter, or geographical area of delivery. This can help maximize small businesses' opportunities to bid (34(3)(4)). Suppliers can apply to join the DPS at any point during its existence (34(15)), which may benefit start-ups, suppliers which wish to break into new public sector markets, and suppliers which only meet the selection criteria after the DPS was set up. All suppliers who pass the exclusion requirements and who meet the selection criteria must be admitted, and all suppliers on the relevant category must be invited to bid for each contract under a DPS (34(21) (22)). Suppliers admitted to the DPS will not be required to undertake the exclusion and selection stage for each contract awarded under the DPS. This further reduces costs and burdens.

***Technical specifications* 42(1) shall be set out in the procurement documents.**

Certain sustainable objectives are *legal requirements* and must be taken into account as *technical specifications*, in the qualification and selection stage, and in the contract conditions.

UK Government policy is that **contracting authorities must ensure that suppliers comply with** relevant mandatory social, environmental and labour **laws in delivering public contracts (supplier selection criteria and exclusions).**

The UK Government's policy is that contracting authorities must take appropriate measures to ensure compliance throughout the procurement process. Contracting authorities have flexibility to determine those measures on a case by-case basis. CCS strongly recommends that when contracting authorities are exercising their option whether or not to award a contract to a tenderer that does not comply with environmental, social and labour laws, that the contracting authority takes note of overarching procurement policy and statutory requirements and carefully considers the potential damage to the environment and society before accepting such a contract. However, to ensure compliance during delivery of public contracts, contracting authorities must use contract clauses to ensure suppliers comply with these obligations.¹¹

Selected examples include:

EU minimum standards on energy efficiency and on packaging waste, for example;

Environment, climate change, good agricultural condition of land: Water - Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources;¹²

¹¹ CSS, The Public Contracts Regulations 2015 Guidance On Social And Environmental Aspects, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/558032/20160912socialenvironmentalguidancefinal.pdf

¹² [OJ L 375, 31.12.1991, p. 1](#)

Public health, animal health and plant health: Food Safety - Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety;¹³

Animal Welfare: Council Directive 2008/120/EC of 18 December 2008 laying down minimum standards for the protection of pigs.¹⁴

Labels¹⁵

The specifications may ask for Labels as a means of proof that the deliverables meet the specified environmental characteristics.

(1) **Where contracting authorities intend to purchase works, supplies or services with specific environmental, social or other characteristics they may, in the technical specifications, the award criteria or the contract performance conditions, require a specific label as means of proof that the works, services or supplies correspond to the required characteristics**, provided that all of the following conditions are fulfilled:— (a) the label requirements only concern criteria which are **linked to the subject-matter** of the contract and are appropriate to define characteristics of the works, supplies or services that are the subject-matter of the contract; (b) **the label requirements are based on objectively verifiable and non-discriminatory criteria**; (c) **the labels are established in an open and transparent procedure** in which all relevant stakeholders, including government bodies, consumers, social partners, manufacturers, distributors and non-governmental organisations, may participate; (d) the labels are accessible to all interested parties; (e) the label requirements are set by a third party over which the economic operator applying for the label cannot exercise a decisive influence. (2) Where contracting authorities do not require the works, supplies or services to meet all of the label requirements, they shall indicate which label requirements are required. (3) **Contracting authorities requiring a specific label shall accept all labels that confirm that the works, supplies or services meet equivalent label requirements**. The burden of proving equivalence is on the tenderers.

The regulations draw a clear distinction between *selection criteria*, that is checking the suitability of a contractor, and award criteria, which relate to the quality of the service or work that is being proposed.¹⁶

Note: *Pre-Procurement Stage* for **Services** equal to or above current EU threshold of £189, 330. The **Public Services (Social Value) Act 2012**¹⁷ **applies to certain public services**¹⁸ **contracts and framework agreements to which the Public Contracts Regulations 2015 apply and requires** that at the *pre-procurement* stage contracting authority procurers consider how what is to be procured may **improve the social, environmental and economic well-being of the area in which the contract will be applied (relevant area)**, how it might secure any such improvement and to consider the need to consult. The Act enables the citizen and

¹³ [OJ L 31, 1.2.2002, p. 1](#)

¹⁴ [OJ L 47, 18.2.2009, p. 5](#)

¹⁵ Regulation 43.

¹⁶ Article 58 (1)(a)(b)(c) of Directive 2014/24/EU.

¹⁷ <http://www.legislation.gov.uk/ukpga/2012/3/enacted>

2012 c. 3, as amended by the Public Procurement (Amendment, Repeals and Revocations) Regulations 2016, UK SI 2016 No. 275.

¹⁸ Section 1(16) PS (SV) Act 2012 substituted by Schedule 1, para. 8(3), PP (A, R and R) Regs 2016 (*ibid*), in application to a public service contract for social and other specific services listed in Schedule 3 to the Public Contracts Regulations 2015 awarded by a sub-central contracting authority with an estimated value equal to or greater than the threshold listed in Regulation 5(1)(c), currently £189, 330.

user perspectives on potential services to be taken into account in the development of outcomes and specifications for the services to be procured. With an increasing emphasis on **procuring for outcomes and achieving better results for less expenditure** specifications **informed by the consideration of the issues** set out in the Act can lead to more **innovative and cost-effective solutions**. *This might include co-commissioning of services across a number of public bodies or breaking requirements into smaller lots. The Act will apply to framework agreements. The Act does not apply to services contracts awarded by calling off from a framework. Contracts for goods and works are not covered by the Act. Contracts where there is a mixture of services, goods or works are not covered where the value of the goods exceeds the value of the services or where the works are more than incidental to the main purpose of the contract. Contracts below the relevant monetary thresholds in the Public Contracts Regulations 2015 are not covered by the Act.*

The Act requires authorities to make the following considerations at the **pre-procurement** stage: (i) how what is proposed to be procured might improve the economic, social and environmental well-being of the “relevant area” (ii) how in conducting a procurement process it might act with a view to securing that improvement (iii) whether to undertake a consultation on these matters. The Act defines “**relevant area**” as being the area in which the authority (or authorities) primarily exercise their functions **within the United Kingdom**. *Although the Act requires considerations to be made in respect of the “relevant area” contracting authorities should be careful to ensure that suppliers from across the EU and beyond are able to compete on an equal footing for any contracts advertised. In line with the EU Procurement Directives, EU Treaty principles and the UK’s international obligations contracting authorities should not do anything to discriminate against suppliers from other member states or countries who are party to the World Trade Organisation’s Government Procurement Agreement.*¹⁹

The *pre-procurement stage* is the stage of the commissioning process where **services are conceived and are designed and specifications developed and engagement with partners, stakeholders and current and potential providers takes place.**

Balancing additional sustainability criteria with value for money **Contract award criteria**²⁰

The **award criteria flexibilities** bite at the *award stage* in the procurement process, and in respect of *the life cycle of the contract*.

The Award Stage

When applying award criteria, the Regulations do not contain an exhaustive list of criteria, simply principles that criteria must adhere to, including best price-quality ratio and being related to the subject matter of the contract, and conforming to the principles of procurement; proportionality, non-discrimination and transparency. *Best price-quality criteria may include environmental and / or social aspects as long as they relate to the works, supplies or services to be provided under the contract.*

¹⁹ Procurement Policy Note – The Public Services (Social Value) Act 2012 – advice for commissioners and procurers Information Note 10/12 20 December 2012,
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/79273/Public_Services_Social_Value_Act_2012_PPN.pdf

²⁰ Regulation 67. Most Economically Advantageous Tender: More flexibility. CSS, The Public Contracts Regulations 2015 guidance on Awarding Contracts,
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/560263/Guidance_on_Awarding_Contracts_-_Oct_16.pdf

18. Award criteria may include environmental and / or social aspects that relate to any respect and any stage of a life-cycle of the requirements as long as they relate to the subject matter of the contract, namely the works, supplies or services provided under the contract. For example, requesting confirmation that services were and are performed using energy efficient machines, resource efficiency and waste minimisation.

1) Contracting authorities **shall base the award of public contracts on the most economically advantageous tender assessed from the point of view of the contracting authority.** (2) That tender shall be identified on *the basis of the price or cost, using a cost-effectiveness approach, such as life-cycle costing* in accordance with regulation 68, and **may include the best price-quality ratio, which shall be assessed on the basis of criteria, such as qualitative, environmental and/or social aspects, linked to the subject-matter of the public contract** in question. (3) Such criteria may comprise, for example: **[Note: not exhaustive]**

(a) **quality**, including technical merit, aesthetic and functional characteristics, accessibility, design for all users, **social, environmental and innovative characteristics and trading and its conditions**; (b) organisation, qualification and experience of staff assigned to performing the contract, where the quality of the staff assigned can have a significant impact on the level of performance of the contract; or (c) after-sales service and technical assistance, delivery conditions such as delivery date, delivery process and delivery period or period of completion.

(4) **The cost element may also take the form of a fixed price or cost on the basis of which economic operators will compete on quality criteria only.**

(5) **Award criteria** shall be considered to be *linked to the subject-matter of the public contract* where they relate to the works, supplies or services to be provided under that contract in any respect and at any stage of their life cycle, including factors involved in— (a) the specific process of production, provision or trading of those works, supplies or services, or (b) a specific process for another stage of their life cycle, even where those factors do not form part of their material substance. (6) **Award criteria shall not have the effect of conferring an unrestricted freedom of choice on the contracting authority.** (7) **Award criteria shall—** (a) **ensure the possibility of effective competition;** and (b) **be accompanied by specifications that allow the information provided by the tenderers to be effectively verified in order to assess how well the tenders meet the award criteria.** (8) In case of doubt, contracting authorities shall verify effectively the accuracy of the information and proof provided by the tenderers. **Weighting (9) The contracting authority shall specify, in the procurement documents, the relative weighting which it gives to each of the criteria chosen to determine the most economically advantageous tender, except where this is identified on the basis of price alone.** (10) Those weightings may be expressed by providing for a range with an appropriate maximum spread. (11) Where weighting is not possible for objective reasons, the contracting authority shall indicate the criteria in decreasing order of importance.

Note that the stated sustainability award criteria representing the most economically advantageous tender as well as their respective weightings, i.e., expressed as respective percentages of the tender alongside the percentage accorded to cost, must be indicated up front in the tender procedural documents.

Life-cycle costing²¹

(1) **Life-cycle costing** shall, to the extent relevant, cover part or all of the following costs **over the life cycle of a product, service or works:**— (a) costs, borne by the contracting authority or other users, such as— (i) costs relating to acquisition, (ii) costs of use, such as consumption

²¹ Regulation 68.

of energy and other resources, (iii) maintenance costs, (iv) **end of life costs, such as collection and recycling costs; (b) costs imputed to environmental externalities linked to the product, service or works during its life cycle,**²² provided their monetary value can be determined and verified. (2) The costs mentioned in paragraph (1)(b) may include the cost of emissions of greenhouse gases and of other pollutant emissions and other climate change mitigation costs. (3) The method used for the assessment of costs imputed to environmental externalities shall fulfil all of the following conditions:— (a) it is based on objectively verifiable and non-discriminatory criteria and, in particular, where it has not been established for repeated or continuous application, it shall not unduly favour or disadvantage certain economic operators; (b) it is accessible to all interested parties; (c) the data required can be provided with reasonable effort by normally diligent economic operators, including economic operators from third countries party to the GPA or other international agreements by which the EU is bound. (4) Where contracting authorities assess costs using a life-cycle costing approach, they shall indicate in the procurement documents— (a) the *data to be provided by the tenderers*, and (b) the *method* which the contracting authority will use to determine the life-cycle costs on the basis of those data. (5) Whenever a common method for the calculation of life-cycle costs has been made mandatory by a legislative act of the EU, that common method shall be applied for the assessment of life-cycle costs.

Post-Award: Contract Performance Conditions²³

Contracting authorities may lay down **economic, innovation-related, environmental, social or employment-related contract performance conditions** where appropriate, provided they are *linked to the subject-matter of the contract* and were *previously indicated in the call for competition or the procurement documents*.²⁴

Subcontracting²⁵ Giving information to contracting authorities.²⁶ In the procurement documents, the contracting authority may ask the tenderer to indicate in its tender any share of the contract that it may intend to subcontract to third parties and any proposed subcontractors

²² For example, CO2 emissions and carbon footprint of a stage of a product.

²³ Regulation 70(1)

²⁴ Recital 97 of the Directive explains that ‘Contract performance conditions pertaining to environmental considerations might include, for example, the delivery, package and disposal of products, and in respect of works and services contracts, waste minimisation or resource efficiency’.

²⁵

²⁶ Regulation 71 (1).

A. (II) SMALL LOTS: SUPPLIES/SERVICES LESS THAN £70,778

(subject to total aggregate 20% limit of all lots)

Contract value²⁷ The calculation of the estimated value of a procurement shall be based on the total amount payable, net of VAT, as estimated by the contracting authority, including any form of option and any renewals of the contracts as explicitly set out in the procurement documents.

A procurement shall not be subdivided with the effect of preventing it from falling within the scope of Part 2, unless justified by objective reasons.²⁸

Where a proposed work or a proposed provision of services may result in contracts being awarded in the form of separate lots, account shall be taken of the *total estimated value of all such lots*.²⁹

LOTS

Contracting authorities may, *subject to paragraph (15)*, award contracts for individual lots without applying EU procurement procedures but only if the estimated value, net of VAT, of the lot concerned is **less than £70,778 for supplies or services**³⁰

The aggregate value of the lots awarded in reliance on paragraph (14) shall not exceed 20% of the aggregate value of all the lots into which the proposed work, the proposed acquisition of similar supplies, or the proposed provision of services, has been divided.³¹

Contracting authorities may decide to award a contract in the form of separate lots and may determine the size and subject-matter of such lots.³²

Dividing a contract into lots may provide more opportunities for small businesses to bid effectively because the size of the lots may correspond better to the capacity of small businesses. **Authorities are free to choose whether to divide a contract into lots, and if so, the number and type of lots based on its own requirements and circumstances. For example, lots might be based on the type of deliverable, size of individual contracts, or geographical area of delivery.**³³

Contracting authorities shall, ..., provide an indication of *the main reasons for their decision not to subdivide into lots*, which shall be included in the procurement documents.

***[So EU Rules are facilitative of the division of tenders/contracts into individual smaller lots of less than £70,778 – subject to the maximum 20% limit- without the requirement to apply EU procurement procedures including transparency]**

²⁷ Regulation 6(1).

²⁸ Regulation 6(6).

²⁹ Regulation 6(11).

³⁰ Regulation 6(14).

³¹ Regulation 6(15).

³² Regulation 46.

³³ CSS, The Public Contracts Regulations 2015 Guidance on Provisions that Support Market Access for Small Businesses,

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/560273/Guidance_on_Provisions_that_Support_Access_for_Small_Businesses_-_Oct_16.pdf

Transparency

Procedures

EU procurement procedures (tenders/information/publication) do **not** apply.

Principles

EU Internal Market principles of non-discrimination and equality **do** apply.

Award Criteria Principles do apply.

Early market engagement may give helpful pointers as to what will suit the market and encourage best value for money. As with all procurement decisions, it must be based on the genuine needs of the authority, and not be intended to discriminate. The authority will need to establish the award criteria and marking schemes for each individual lot, plus award the criteria and marking schemes for the permissible combined lots. These award criteria and marking schemes must comply with the requirements of Regulation 67 and must be made available within the procurement documents. Authorities will then need to assess the bid for the individual lots, and the bids for the combined lots, and determine whether the sum of the “best” bid from each of the individual lots provides better value for money than the best bid for the combined lots. **Authorities must clearly and transparently set out their intentions and methodology in the procurement documents.**

SME Access: It is not appropriate to impose obligatory shares.

SME's have to be able to bid for contracts as prime contractors and as sub-contractors. EU Rules transposed into UK law, introduced 4 new regimes for SMEs:

- (i) The division of contracts into lots (subject to award criteria / MEAT, above)
- (ii) European Single Procurement Document (ESPD) A standardised form of self-declaration. **Exclusion and selection** by self-certification. Suppliers should normally only have to self-certify that the exclusion grounds do not apply and that they meet the selection criteria; only the winning bidder must provide documentary evidence to confirm.³⁴
- (iii) Limitation of participation requirements (Selection: express restriction to set company turnover requirements at no more than 2 x contract value)
- (iv) Payments paid directly to subcontractors

Payment of undisputed invoices within 30 days by contracting authorities, contractors and subcontractors. **Public contracts must also contain a condition requiring contractors to include similar provisions in their contracts**, and so on down the supply chain.³⁵

[Does **not** apply to **contracts awarded by a contracting authority which is a maintained school or an Academy.**]

³⁴ Regulation 59.

³⁵ Statutory guidance for contracting authorities and Suppliers on paying undisputed invoices in 30 days down the supply chain, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/555393/Revisedstatutoryguidance26Sept.docx.pdf See also, CSS, The Public Contracts Regulations 2015 Guidance On The New Subcontracting Provisions, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/560276/Guidance_on_Subcontracting_-_Oct_16.pdf

A. (III) EU LIGHT TOUCH REGIME FOR CERTAIN SERVICES EQUAL TO OR ABOVE £663,540

Part 2, Chapter 3 Particular Procurement Regimes Section 7 UK PCRegs. 2015
Award of contracts for social and other specific services [Light Touch Regime]

EU **higher threshold** for listed CPV (common procurement vocabulary) food/catering services to hospitals and schools, for example. [Schedule 3: Hotel and Restaurant Services] EU aggregation rules for calculating contract value apply.

[**Note: So scope for such service contracts below this higher threshold to be subject to UK rules – see below**]³⁶

Light Touch Regime for Certain Services: Rationale explained in recitals to EU Directive: Rectal (115) Hotel and restaurant services are typically offered only by operators located in the specific place of delivery of those services and therefore also have a limited cross-border dimension. They should therefore only be covered by the light regime, as from a threshold of [£663, 540].

Public contracts for social and other specific services listed in **Schedule 3**³⁷ shall be awarded in accordance with the following:

On/Above Threshold LTR

The main mandatory requirements are: i) OJEU Advertising: The publication of a contract notice (CN) or prior information notice (PIN). (ii) The publication of a contract award notice (CAN) following each individual procurement, or if preferred, group such notices on a quarterly basis. iii) Compliance with Treaty principles of transparency and equal treatment. iv) Conduct the procurement in conformance with the information provided in the OJEU advert (CN or PIN) regarding: any conditions for participation; time limits for contacting/responding to the authority; and the award procedure to be applied. v) Time limits imposed by authorities on suppliers, such as for responding to adverts and tenders, must be reasonable and proportionate. **There are no stipulated minimum time periods in the LTR rules, so contracting authorities should use their discretion and judgement on a case by case basis.**

Significant Flexibilities Alongside the EU Publication above threshold requirements (*transparency and equal treatment*) Authorities have the *flexibility* to use any process or procedure they choose to run the procurement. There is no requirement to use the standard EU procurement procedures.

It would normally be necessary to at the **very least acquire tenders** before awarding the contract, in order to ensure that a **transparent and competitive procurement** has been undertaken, despite the absence of a specific LTR regulation requiring that.

It would also be necessary to be transparent about any award criteria weightings for the criteria and sub-criteria, to comply with the general transparency obligations.

But following the initial OJEU advertisement, there is significant flexibility **to decide how to get to the contract award stage.**

³⁶ Certain services below this threshold do not need to be advertised in the OJEU, unless there are concrete indications of cross-border interest.

³⁷ <http://www.legislation.gov.uk/ukxi/2015/102/schedule/3/made>

Should authorities wish to design their own bespoke selection process and criteria, again the key tests are to be certain that *the process is transparent and ensures equal and fair treatment*.

The LTR regulations do NOT prescribe any rules on **award criteria**, so contracting authorities have the **flexibilities on use of award criteria** that they have always had ie to decide for themselves: this could mean using the Best Price/Quality Ratio, in a similar (or modified) way to the provisions in the main rules; or using lowest-price award criteria where appropriate. **The LTR rules are flexible on the types of award criteria that may be used, but make clear certain principles of awarding contracts,³⁸ including (this is not an exhaustive list): the need to ensure quality, continuity, accessibility, affordability availability and comprehensiveness of the services; the specific needs of different categories of users [where services are provided to/for the person], including disadvantaged and vulnerable groups; the involvement and empowerment of users ; and innovation.**

The key factor is whole life cost, not lowest purchase price. Using the Best Price/Quality Ratio criteria is likely to be particularly important when service quality is paramount e.g. services delivered to end users. That can involve setting a *high minimum quality standard*, and then accepting the lowest cost bid to meet that standard. Note: *Subject to EU Internal Market Principles.*

Procurement rules require equal treatment of suppliers and transparent award criteria. Yet, the nature of service provision in these service sectors where the end user is a citizen, necessitates that those end users can influence or even choose the eventual provider of the services. The Regulations state “...contracting authorities may take into account any relevant considerations, including...the specific needs of different categories of users; [and] the involvement and empowerment of users”.³⁹ In practice, some authorities engage user representatives in tender evaluation panels. Furthermore, where necessary for the delivery of certain services, it may be possible to incorporate an element of user choice at the call-off stage. Assuming all the **providers were treated equally**, e.g. *by ensuring that all end-users were offered the same rights to influence the choice of final provider*, and that *this mechanism for end-user choice was made clear to providers transparently from the outset*, it is difficult to see on what basis a provider would have grounds for a grievance.⁴⁰

³⁸ Regulation 76(8).

³⁹ *Ibid.*

⁴⁰ See CSS, The Public Contracts Regulations 2015 Guidance on the New Light Touch Regime for Health, Social, Education and Certain Other Service Contracts, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/560272/Guidance_on_Light_Touch_Regime_-_Oct_16.pdf

B. SUB-THRESHOLD UK RULES

(Part 4 Chapter 8 of Public Contracts Regulations 2015, Below-Threshold Procurements)

UK Regulations include specific UK rules for suppliers' access to public contracts below the EU thresholds ("sub-threshold contracts").

Threshold and Transparency

Requirement for publishing advertised public contract opportunities and contract awards *below* the EU thresholds, but over certain other threshold values (£25,000, including NHS food/catering, but excluding maintained School's food), on Contracts Finder.

Scope⁴¹

Applies to procurements by contracting authorities with respect to public contracts *where* the estimated value of the procurement is less than the relevant EU thresholds.

Principles

EU Internal Market Rules and Principles Apply

Free movement of goods and services

Principles of non-discrimination, equality, proportionality and mutual recognition / equivalence.

Publication of contract opportunities on Contracts Finder⁴²

Where a contracting authority advertises a contract award opportunity the contracting authority shall publish information about the opportunity on Contracts Finder (within 24 hours of advertising contract award opportunity in any other way).⁴³

A contracting authority shall **not include a pre-qualification stage⁴⁴ in a procurement** where the contracting authority is a sub-central contracting authority and the lower threshold is the threshold below 189, 330 supplies/services.

This Chapter does **not** apply

Where the contracting authority is— (i) a sub-central contracting authority or an NHS Trust, and (ii) the procurement has a value net of VAT estimated to be less than £25,000 (i.e. NHS food services below £25,000 no obligation to publish on Contracts Finder)

A procurement shall not be subdivided with the effect of preventing it from falling within the scope of this Chapter, unless justified by objective reasons.

No obligation to publish on Contracts Finder where the contracting authority is a maintained school or an Academy – over or under £ 25,000.

⁴¹ Regulation 109.

⁴² Regulation 110

⁴³ A contracting authority does not advertise an opportunity where it makes the opportunity available only to a number of particular economic operators who have been selected for that purpose (whether ad hoc or by virtue of their membership of some closed category such as a framework agreement), regardless of how it draws the opportunity to the attention of those economic operators.)

⁴⁴ "pre-qualification stage" means a stage in the procurement process during which the contracting authority assesses the suitability of candidates to perform a public contract for the purpose of reducing the number of candidates to a smaller number who are to proceed to a later stage of the process.

Where it is lawful not to advertise an opportunity the requirement to advertise on Contracts Finder does not apply to that contract. For below-EU threshold contracts, the requirement to publish does not apply where a contracting authority is making an opportunity known to a closed group of suppliers who have already been selected onto a Framework Agreement or Dynamic Purchasing System. The requirement does apply when the contracting authority is in the process of establishing a *new* Framework Agreement or Dynamic Purchasing System.

Once a contract has been awarded contracting authorities are required to publish at minimum information on Contracts Finder. The information must be published within a reasonable time. It is recommended that the information be published no later than 90 calendar days after the contract award date. A contracting authority may withhold contract award information from publication where its release: would impede law enforcement or would otherwise be contrary to the public interest; would prejudice the legitimate commercial interests of a supplier; or might prejudice fair competition between suppliers.

Tenders not covered by the Public Contracts Regulations 2015

When a tender process is *not subject to the Public Contracts Regulations*, for example because **the estimated value of a contract falls below the relevant threshold (£25,000)**, or an *exempt procurer (maintained schools and academies)*, you must **continue to apply the principles of non-discrimination, equal treatment, transparency, mutual recognition and proportionality**. Where **authority considers** that a contract is likely to attract cross-border interest it must publish a *sufficiently accessible* advertisement to ensure that suppliers in other Member States can have access to appropriate information before awarding the contract [UK CSS Guidance].

Local Government Transparency Code 2015,⁴⁵

Procurement information

31. Local authorities must publish details of every invitation to tender for contracts to provide goods and/or services with a value that exceeds £5,000.⁴⁶ For each invitation, the following details must be published: • reference number • title • description of the goods and/or services sought • start, end and review dates, and • local authority department responsible.

59. It is recommended that local authorities place on Contracts Finder, as well as any other local portal, every invitation to tender or invitation to quote for contracts to provide goods and/or services with a value that exceeds £10,000. For each invitation, the details that should be published are the same as those set out in paragraph 31.

⁴⁵

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/408386/15022_7_PUBLICATION_Final_LGTC_2015.pdf See also, [The Local Government \(Transparency Requirements\) \(England\) Regulations 2015](#) This legislation requires the information, including information about public contracts, in Part 2 of the [Local Government Transparency Code 2015](#) to be published in the manner and form and on the occasions specified.

⁴⁶ The threshold should be, where possible, the net amount excluding recoverable Value Added Tax. Tenders for framework agreements should be included, even though there may be no initial value.

C. SUSTAINABLE FOOD

C. (I) UK FOOD / CATERING SERVICES PUBLIC PROCUREMENT RULES AND GUIDANCE

Government Buying Standards based on mandatory EU norms/statutory management requirements

Supplemented with UK best practice and sustainability criteria in *UK Balanced Scorecard*.

Government Buying Standards⁴⁷

Central government procurers directly or through their catering contractors are required to apply this **GBS**. **Other contracting authorities are encouraged to follow it. It includes a set of minimum mandatory standards for inclusion in tender specifications and contract performance conditions. It also includes some best practice standards which are recommended but not required.** Government Buying Standards have, as a **mandatory** basis, EU minimum norms in food law / traceability and origin, environmental protection and conservation, organic production and labelling, climate change reduction and animal welfare, fish conservation. Low salt and fresh fruit and vegetables provision. **Annex B lists** Statutory Management Requirements (SMRs) which reflect specific elements of EU legislation, and standards of Good Agricultural and Environmental Condition (GAEC).⁴⁸ Some advertence to **best practice**, for example, resource energy efficiency/waste minimisation, nutrition and social/economic ethical/SME inclusion practices.

Balanced Scorecard for Public Food Procurement⁴⁹

The Balanced Scorecard is a supporting evaluative tool to use to procure food and catering services. Award criteria, under five separate headings, can be built into procurement decisions and balanced against cost. It *incorporates* the Government Buying Standards for Food (GBS) as *technical specifications that must be met* and **award criteria which enable a procuring authority to evaluate a bid or a service against higher standards, but these are balanced against cost.** The Scorecard also sets out how authorities can *verify* that those specifications/criteria are being met, inclusive of *reference to assurance/certification schemes*.

The scorecard includes **mandatory requirements**, i.e. the GBS criteria – the **technical specifications** that must be met to qualify for consideration for the contract and **contract performance conditions** which must be met to properly perform the contract **once awarded**. Technical Requirements: Annex B: What is meant by UK standards of production? If you are purchasing food from the UK or abroad you must ensure it is sourced from producers who adhere to the relevant UK or equivalent standards of production. The standards of production are contained in the legislative standards for Cross Compliance as set out in Common Agriculture Policy legislation. (Regulation (EU) No 1306/2013 of the European Parliament

⁴⁷ DEFRA, *Government Buying Standards for Food and Catering Services*, March 2015

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/418072/gbs-food-catering-march2015.pdf

⁴⁸ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R1306&from=en>.

⁴⁹ DEFRA, *Balanced Scorecard for Public Food Procurement*, July 2014 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/419245/balanced-scorecard-annotated-march2015.pdf, Clarification notes added March 2015, criteria requirements unchanged.

and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy, [2013] OJ L 347/549, ANNEX II RULES ON CROSS-COMPLIANCE PURSUANT TO ARTICLE 93, at p. 602, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R1306&from=en>). Cross compliance is the set of rules that serves as a baseline for all farmers in England applying for direct payments (such as the Basic Payment Scheme) and certain Rural Development payments. These rules cover the environment, animal, plant and public health, animal welfare and landscape features. They are split into two types; Statutory Management Requirements (SMRs) which reflect specific elements of EU legislation, and standards of Good Agricultural and Environmental Condition (GAEC).

In addition, there is the **factor of cost** and **five award criteria categories**, which are framed in such a way as to enable procurers to state clearly their aims and to evaluate bids in response to questions framed to ask how the economic operator would meet particular aims. It enables suppliers who operate to higher standards to be rewarded and allows flexibility and innovation by bidders.

Procurers are given some *flexibility* to define the *weights* that they accord to *selected allowed award indicators / criteria* that reflect their priorities and are *strongly encouraged to give weight to quality*.

The principles embedded are **transparency for the suppliers** and **discretion for procurers** (*within the legally acceptable parameters*) as to the **weightings** they accord to **specific factors** falling **within each of the five award categories**.

There are a **number of assurance schemes** which cover elements of the scorecard, for example, fish conservation (Marine Stewardship Council), which provide a robust way for procurers to verify that suppliers are able to meet on an ongoing basis the requirements of the scorecard. Some schemes can also assist with food safety and traceability of products through the supply chain (BRC Global Standard for Food and SALSA) and farm assurance (Red Tractor). Animal Welfare (RSPCA Assured). Leaf Marque and Organic Standards cover the environmental aspects of production. *Food for Life Catering Mark* is a well-established scheme for caterers with independently verified evidence of their achievements and good/excellent performance of caterer against balanced scorecard.⁵⁰

Procurers must be able to show how their detailed criteria in relation to 1-5 award criteria headings relate to the subject matter of the contract. The award criteria enable procurers to incorporate social and environmental considerations into their decision making in such a way that the most economically advantageous tender (MEAT) can be selected. The award criteria and their respective stated weightings and that stated for cost are then to be used to evaluate bids.

It is up to procurers (within the legal parameters) to procure a catering service that meets its stated aims on health and sustainability.

In addition to the factor of cost, the five award criteria falling under the umbrella of the quality and value of the food/catering service procured are:

⁵⁰ **Food and Catering Services: Guidance on Assurance Schemes** (https://www.nfuonline.com/a-plan-for-public-procurement-a41_v3/)

1. **Production at farm level** ((i) supply chain management (ii) animal welfare (iii) environment (iv) variety and seasonality)
2. **Health and wellbeing** ((i) nutrition (ii) food safety / hygiene (iii) authenticity and traceability)
3. **Resource Efficiency** ((i) energy (ii) water (iii) waste)
4. **Socio-Economic** ((i) Fair/ethical trade (ii) Equality and diversity (iii) Inclusion of SMEs (iv) Local and Cultural Engagement (v) Employment and Skills)
5. **Quality of Service** ((i) Food quality (ii) Customer satisfaction)

Selected Examples:

1 Production (iv) variety and seasonality

Sub-central procurer stated **Aims:** To ensure that the public sector [local authority] supports greater engagement of the public/(local) community with food and its production. Varying menus to reflect seasonal production also reduces on-farm food waste and keeps costs down by benefiting from the efficiency of production during natural growing cycles.

Scope: The supply of catering and food services to the local authority of (*Leeds/Lancaster?*)

Mandatory Criteria (technical specifications or contract performance conditions): In respect of fresh produce, menus shall be designed to reflect the growing or production period for the UK (*relevant area*), and in-season produce shall be highlighted on menus. Note: Flexibility in menu planning can enable suppliers to take advantage of seasonal gluts, which may result in cost savings and help to reduce waste associated with over production.

2. Health and wellbeing (i) nutrition

Aims: To ensure that the specific nutritional requirements of different public sector bodies are met, and to ensure that food and drink service in the public sector encourages and enables healthy eating habits. The specific nutritional needs [and choices] of individual users should supersede blanket provision.

Scope: The supply of food and drink, and the provision of catering services to the UK public sector (local authority).

Mandatory Criteria: Schools' standards; NHS elderly and residential care standards; Oily Fish; Salt; Palm Oil; Increasing fruit and vegetable consumption, nutritional labelling requirements.

Award Question⁵¹: Please describe how your organisation will measure and manage the nutritional aspects of its service provision, including which measures will be taken to enable and encourage healthier diets

Award Criteria Evaluation: e.g. map out excellent, good, satisfactory *etc.*

3. Resource Efficiency (iii) Waste

Aims: To ensure that the negative environmental and economic impacts of waste from food and catering services procured by the UK public sector are minimised, and to encourage best practice.

Scope: The provision of catering services to UK public sector, from **off-site and/or on-site catering operations**. Off-site catering operations include operations run by suppliers or sub-contractors.

Mandatory Criteria (technical specifications or contract performance conditions): e.g. Catering service suppliers supplying on-site catering services shall: Take steps to minimise food waste in their on-site operations by creating a food waste minimisation plan, describing

⁵¹ See Annex C: Rationale and definitions for nutritional criteria.

what actions they will undertake;⁵² Review and revise the actions they are taking with suitable regularity so as to continue to reduce food waste wherever possible; Reducing Landfill Where waste management is included in the contract, facilities shall be available to staff and customers for recycling cans, bottles, cardboard and plastics.

Award Question: Please describe the measures that your organisation will take to minimise waste in food preparation and food service, including any measures to minimise packaging waste, for example: Surplus food that is fit for consumption is distributed for consumption rather than sent for disposal as waste e.g. gifted to charities / food banks. Relevant factors: An appropriately-licensed separate food waste collection service is provided. The food waste collected goes for treatment to either an in-vessel composting facility, or anaerobic digestion facility, or other suitable facility, as opposed to landfill.

Contract Management: Periodical review of performance and continual improvement measures with contracting authority.

4. Social and Economic Value (iii) Inclusion of SMEs

Aim: Making sure that small and medium-sized enterprises (SMEs) have access to local contract opportunities, making it easier for them to do business with contracting authorities. (Making sure that 25% of government's spend, either directly or in supply chains, goes to SMEs by 2015 = UK policy.) [*Locally, maybe 15% local spend – i.e. translate into local spend goal, not requirement*].

Award Question (How to achieve aims): Describe your organisation's processes for ensuring there is open and fair competition for its supply chain; how your organisation facilitates bids from SME suppliers; and your organisation's approach to ensuring fair treatment of its suppliers. Relevant Factors i) Contracts are broken into "lots" to facilitate bids from small producers; ii) Contract documents are simplified, with a degree of standardisation. Requirements are clearly stated, up front; iii) Contract lengths are geared to achieve the best combination of price and product; iv) Longer-term contracts are offered to provide stability; v) Tenders are widely advertised; vi) Potential bidders are advised on how to tender for contracts; vii) Projects to help small producers do business are undertaken; viii) Social enterprises are encouraged to compete for contracts; ix) Small producers and suppliers are made aware of subcontractors/suppliers, so that they know who to do business with; x) Competition on quality rather than brand. Fair treatment of suppliers xi) Suppliers of food and catering services provide fair and prompt payment terms for their supply chain e.g. 30 days maximum (*note maintained schools / academy exempt from 30 day payment*). xii) Length of contracts and notice period are agreed fairly with suppliers.

Award Criteria: Excellent: covers 9 to 12 of the points above Very Good: covers 5 to 8 of the points. Good: covers 2 to 5 of the points. Satisfactory: covers less than 2 of the points.

Contract management. Periodical review with contracting authority

(iv) Local and Cultural Engagement

Aims: To encourage engagement with food related issues in order to encourage people to understand and value the food that they eat, including aspects of its production and preparation, and its local and cultural context

Award question (How to achieve aims): Please describe how your organisation will encourage people to understand and value the food that is supplied or served, including aspects of its production and its local and cultural context. Please also describe any ways in which your organisation will, through delivery of this contract, provide skills and training. Relevant factors

⁵² See Annex D: Rationale and checklist for food waste minimisation.

i) Provenance of food is communicated and celebrated. ii) Food served supports local food traditions, as well as the cultural diversity of the area. iii) Foods with local or regional significance e.g. those with protected designation of origin (PDO), protected geographical indication (PGI), or traditional specialties guaranteed (TSG) status, are incorporated within menus to give them cultural value. iv) Consumers of food procured by the UK public sector are connected with farmers through, for example, communication materials, engagement programmes, educational programmes, open days etc.

Contract management: Periodical review with contracting authority

5 Quality (i) Food quality, taste and visual appeal

Aims: To include in the tendering process an assessment of the appeal and organoleptic qualities (taste, smell, visual appearance etc.) of food served.

Award Evaluation The appeal and quality of food shall be assessed by the procuring authority as part of the competitive tendering process. Applicants shall support the assessment by providing representative samples as required by the contracting authority. Note: typically this is achieved using blind tasting panels, comprising representatives of the procuring authority **and end consumers of the product or service.**

(ii) Consumer/User Satisfaction

Aims: To ensure that food and catering services supplied to the UK public sector provide **high levels of customer satisfaction, thereby improving the relationship between the supplier and the contracting authority, and reducing waste associated with rejection of food that fails to meet the needs [choices] of the end consumer.**

Award Question: (How to achieve aims) Please describe how your organisation will ensure that the food it serves is tasty, well-presented and professionally served. Relevant Factors i) Suppliers undertake regular customer satisfaction surveys. ii) Quality of food, presentation and service is monitored by contractor. iii) Evidence that management systems support the linking of customer feedback and other observations to improvements in customer satisfaction. iv) Menu cycles offer a balance of variety and value by adapting the period of menu cycles to the needs of the end consumers. v) Menus are designed to meet the needs of those with special dietary requirements.

Guidance

Support for procurers is available through the Food Procurement Information Service, food.procurement@defra.gsi.gov.uk or via the Defra Helpline on 03459 33 55 77.

See Food and Catering Services Toolkit: <https://www.gov.uk/government/collections/food-buying-standards-for-the-public-sector-the-plan-toolkit> + CCS framework agreement template for catering services.

See also, the GBS and balanced scorecard methodology in the NHS food for the *elderly setting*, <https://www.gov.uk/government/publications/healthier-and-more-sustainable-catering-a-toolkit-for-serving-food-to-adults>

In residential care,

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/648544/healthier_and_more_sustainable_catering_older_people_toolkit.pdf

C. (II) EU SUSTAINABLE FOOD POLICY AND GUIDELINES

Mainstreaming innovative, green, and social criteria, a more extensive use of pre-market consultation or qualitative assessments (MEAT) requires above all policy vision and political ownership. “A smart use of public procurement can help tackling global challenges such as climate change and resource scarcity or the ageing society. It supports social policies and accelerates the transition to more sustainable supply-chains and business models. It can improve competitiveness and enable SMEs’ access to procurement opportunities. Several Member States have already started to develop a strategic approach to procurement policies, complemented by promising local initiatives.”⁵³

- **Green Guidelines**
- **EU GPP criteria for Food procurement, Catering Services and Vending machines**⁵⁴

This publication is a Technical report by the Joint Research Centre (JRC), the European Commission’s science and knowledge service. It aims to provide evidence-based scientific support to the European policymaking process. GPP criteria must be verifiable.

Scope: The direct procurement of food by public authorities and the procurement of catering services, either using in-house resources or facilities or out-sourced in full or in-part through contract catering firms. Food can be procured directly from producers, manufacturers, wholesalers or importers or can form part of the service provided by the contract catering firms. In terms of corporate engagement in **sustainability** issues there is a significant **focus in the catering industry on energy savings, packaging reduction and food waste prevention**.

The criterion on **"seasonal produce"** has been removed from the Food procurement criteria. **[But still relevant – see explanatory note in text below] Eating more seasonal food is only one element of a sustainable diet. It should not overshadow some of the potentially more difficult-to-change dietary behaviours that could have greater environmental and health benefits (e.g. reducing overconsumption or meat consumption).**

“Packaging” criterion has been removed in the present technical report. Several reasons were considered for this proposal such as the difficulties to assess the distance for returning the reusable packaging (e.g. to wash and refill the bottles), the lack of infrastructure for sorting, collecting and composting biodegradable and compostable packaging or the trade-offs in the use of single unit packaging.

Changes in the Catering services criteria: **Newly proposed focus on the promotion of vegetables and the prevention and management of the food waste and other waste**. The criterion proposed as menu planning has been removed and a criterion aiming to increase the consumption of vegetables has been introduced and the inclusion of a criterion concentrated on the prevention of food waste and its redistribution once generated. The food waste has negative effects on the economy and the environment and it is not justifiable from an ethical point of view.

⁵³ European Commission, Communication from the Commission, Making Public Procurement work in and for Europe, COM(2017) 572 final, 3 October 2017, <https://ec.europa.eu/transparency/regdoc/rep/1/2017/EN/COM-2017-572-F1-EN-MAIN-PART-1.PDF>

⁵⁴ Boyano, A., Espinosa, N., Rodriguez Quintero, R., Neto, B., Gama Caldas, M., Wolf, O., (2019) EUR 29884, ISBN 978-92-76-12119-0, doi: 10.2760/748165, JRC 118360. https://publications.jrc.ec.europa.eu/repository/bitstream/JRC118360/jrc118360_eu_gpp_food_catering_criteria_final.pdf

The second criterion focuses on the prevention and management of the generated waste, other than food waste.

Not only meat but dairy products have been pointed out as one of the 14 food categories with the highest environmental impacts. It is important to consider animal welfare as a measure to reduce the impacts on the livestock

"Fair and ethical trade" encompasses all voluntary sustainability standards.

"Promotion of vegetarian menus" criterion has been renamed to "Plant-based menus"

"Environmentally responsible palm oil" criterion has been modified to "More environmentally responsible vegetable fats".

An extra best practice in the criterion "Food and beverage waste prevention" has been included: "Select the appropriate packaging (format, protection, preservation, serving portions, etc.) able to minimize the generation of food waste"

Organic production

"Marine and aquaculture food product" criterion has also been reworded to request compliance with safe biological limits with requirements that address environmental impacts, including over-fishing or depletion, biodiversity and responsible and sustainable use of the resources. Marine and aquaculture production: No fish or fish products are to be used from species and stocks identified in a 'fish to avoid' list that reflects the state of fish stocks in different regions. 1) Verification: The tenderer must provide a declaration that only fish and fish products that are compliant with the requirement mentioned above will be supplied. In addition, the tenderer must provide a description of how it intends to ensure compliance during the execution of the contract. (e.g. by identifying suppliers for the different products). third party certified schemes for wild caught fish and for fish from aquaculture are considered as well as a means to verify compliance with the criterion. Certified products are widely available on the market in all Member States, as commented by stakeholders. However, some stakeholders expressed their concern for SMEs to acquire products since the chain of custody certification can be costly. The Marine Stewardship Council (MSC) label for wild caught fish and the Aquaculture Stewardship Council (ASC) (ASC, 2015) label for fish from aquaculture are not the only labels that public bodies could accept. GlobalGap (GLOBAL GAP 2017a) certified production standards for farmed species (aquaculture but also other animal species) are amongst other certification schemes proposed as a possible means of proof. National schemes can also be used.

The criterion on seasonal produce has been removed from the Food procurement criteria but this explanatory note is proposed: *Seasonal produces have different environmental, health, economic and societal impacts depending on the regions the products are coming from and consumed in. Seasonal produce grown outdoors and transported over short distances might have lower environmental impacts than products grown in greenhouses or transported over long distances. Seasonal vegetables may be characterized by better taste, quality and prices, which can promote the shift of the menu provided towards more vegetarian or plant-based options. Contracting authorities might decide the inclusion of seasonal produce criterion in their tenders on individual basis by indicating at what time of the year which food and drink products must be delivered/offered Eating more seasonal food might be one proposal for moving towards more sustainable consumption patterns, based on the assumption that it could reduce the environmental impact of the diet. Greenhouse gas (GHG) emissions of globally seasonal food are not necessarily higher than food produced locally as it depends more on the production system used than transportation. Eating more seasonal and local food, particularly fruit and vegetables, is one of the dietary changes proposed to achieve an environmentally friendlier diet. The perception, awareness and understanding of seasonal food are important if the contracting authorities want to include this criterion. Local and seasonal fruit and vegetables are often described as tastier, fresher and better*

quality than the equivalent imported produce and those produced out of season. One of the benefits of eating seasonal food is that it reduces the GHG emissions because it does not require the high-energy input from artificial heating or lighting needed to produce crops out of the natural growing season. Its popularity as a concept and use as an indicator of environmental impacts has fuelled many of the arguments for eating local and seasonal food. **However, this use has been taken out of the original context for which it was first devised and been inappropriately used for carbon intensity.** This concept is not supported by the evidence. In UK and the USA transportation only accounts for about 10-11% of the food system with the vast majority of emissions coming from production and processing of food. *In summary, eating more seasonal food is only one element of a sustainable diet. It should not overshadow some of the potentially more difficult-to-change dietary behaviours that could have greater environmental and health benefits (e.g. reducing overconsumption or meat consumption).* **Contracting authorities will need to take into account the catering service or type of food product they need as well as the cultural and social traditions and expectations in the current food environment.**

Farm animal welfare involves both the physical and psychological well-being of an animal. How they are raised and treated can have important repercussions, not just for animal welfare, but for the environmental sustainability, food security and economic well-being of farmers. Improving animal welfare can have positive impacts for sustainability and livelihoods in a variety of systems.

Annex includes examples of GPP.⁵⁵

- **Public Procurement of Food for Health: Technical Report on the School Setting**⁵⁶

The regulation of public procurement in the EU has multiple dimensions:

The *economic* approach to the regulation of public procurement aims at creating an integral EU public market. In this respect, the principles of transparency, non-discrimination and objectivity in the award of public contracts seek to foster competition across the EU.

In parallel with the economic arguments, the *legal* approach supports the fundamental principles of the Treaties such as the free movement of goods and services, the right of establishment, and the prohibition of discrimination on grounds of nationality.

As a *policy* tool, the EU public procurement regime seeks to **reinforce common EU goals such as the protection of the environment, combating climate change, higher resource and energy efficiency and innovation, also use of purchasing power to choose socially responsible goods / services.**

Examples of public procurement of food for health exist in Member States on which other Member States could draw and the EU is well placed to facilitate the *exchange of best practice* between Member States. The scope of the document is limited to *school food procurement* and those aspects that relate to the *health* of the pupils and the *nutritional quality* of the food and meals served or made available and accessible to them. The school food standards and the procurement processes discussed here can be adapted for use by any other public or private food purchasers (e.g. hospitals, retirement homes, prisons, canteens of ministries and public companies, defence forces, catering for events)

⁵⁵

https://publications.jrc.ec.europa.eu/repository/bitstream/JRC118360/jrc118360_eu_gpp_food_catering_criteria_final.pdf

⁵⁶ <https://ec.europa.eu/jrc/sites/jrcsh/files/public-procurement-food-health-technical-report.pdf>

The open procedure represents the most frequently adopted and most cost-effective procedure. For example, nearly 90% of contract award notices for food and beverages in the EU use the open procedure.⁵⁷ In the open procedure, any interested economic operator may submit a tender. The minimum time limit for submission of tenders is 35 days from the publication date of the contract notice. Under specific conditions, if a prior information notice was published, this time limit can be reduced to 15 days.⁵⁸

Given the existence of national school food policies⁵⁹ across the EU, making food procurement for health in schools a reality is a matter of turning the nutrient and food standards in those policies into procurement language and building capacity among procurers and suppliers to define and deliver on appropriate food and food service contracts. For most Member States, the educational sector is run by a combination of centralised processes and *some degree of autonomy of local decision units (schools) and there is corresponding scope for improving their communication and implementation of existing national guidelines.*

Ideally, a well-planned food procurement process that is mindful of the impact of diets on health will inter alia: Encourage healthy diets, the balanced and adequate consumption of nutritious foods; Contribute to meeting population nutrient intake goals; Address food safety through appropriate hygiene standards; Improve food production, processing and distribution; Act on the school setting as a priority but promote spill-over effects on other sectors (leading by example and expanding the market); Ensure fair competition between all European businesses, including the small and local producers; Improve the sustainability of diets and efficiency of the food and catering services, and reduce food waste; Increase awareness among decision-makers, tender drafters, public health officials but also suppliers, retailers, chefs and the general population on the importance of this topic.

When drawing up tender documents it is helpful if the procurer details a reliable volume of activity (e.g. number of meals annually, number of daily users) in the *specifications* to allow bidders to fully understand *the size and structure of the business*. As for useful items to mention regarding healthier food services, this includes general qualitative requirements (*types of supplies: fresh products, etc.*), *diversity of daily supply, frequency of each type of food, and nutritional requirements (for instance, the exclusion or inclusion of certain products).*

Once the *submission deadline for tenders* has passed, *selection criteria* are applied to assess the eligibility of tenderers. Only proposals from bidders who pass these are then considered as to whether they meet the *technical specifications* (pass/ fail criteria). In the case where only foods are procured, *this could for example be a request for providing ten different types of fresh vegetables per week*. Where the entire meal provision is *contracted out to a caterer*, a technical specification could be that daily offers comply with national school food standards such as age-appropriate portion sizes, nutrient content or calories per meal.

Proposals that have passed these *two stages* are then **scored in terms of objective award criteria defined relative to the economic offer (the price) and the technical offer (the quality of goods or services proposed).**

⁵⁷ Public procurement in Europe – Cost and Effectiveness. Study prepared for the European Commission by PwC, London Economics and Ecorys, 2011.

⁵⁸ Article 27 of Directive 2014/24/EU.

⁵⁹ [Note to follow DEFRA's 2020 policy. Note also that standard contract for school procurement has been removed from central website and is under review]

*As an example, the Belgian procurement guidance for the delivery of healthy, sustainable school lunches suggests the following award criteria (weights in parentheses): Price (30 points). Development of a food plan that integrates quality, variety, seasonality, palatability and meal balance, frequency and portion size, as defined in the technical specifications (30 points). Quality guarantees in terms of nutrient-preserving cooking methods, use of short distribution channels, freshness and traceability of food origin as defined in the technical specifications (20 points). Information actions on sustainable food and taste (10 points). Measures taken regarding environmental impact, health and staff assistance (5 points). Performance in terms of professional integration of disadvantaged groups (5 points). The means by which each of these criteria is *evaluated must be objective and well detailed*. Facilitating access by SME's = one tool to be deployed [(objective criteria) related to subject matter of contract]. Focus on environment and sustainability aspects will likely also yield health benefits directly or indirectly

When the assessment is concluded, *the contracting authority makes public the successful bidder*.

*In the UK, Bradford Council's school meals organisation, the Education Contract Services, have reported on *improvements to the quality of their school meals at no extra costs*. These entailed obtaining most of their supplies from local sources, simplifying their menus, reducing the use of processed food, improving product specifications and adapting to seasonal availability and using fresh meat from local butchers as well as streamlining packaging and delivery arrangements.

Action and change in this area will probably come from *a combination of factors* and it is their combined effect that is relevant. *Defining a procurement process that better translates and supports national school food standards will likely involve different changes*. As in Bradford, several of these could eventually reduce costs, such as portion size considerations, attention to food waste, frequency of consumption of non-animal protein sources, increased consumption of vegetables and pulses, requests for seasonal fruit to be supplied or for dairy products with minimal processing.

A number of solutions – either tested or proposed – emerged from Member States' feedback. For example, **a local meal policy, developed in a transparent, inclusive way and endorsed politically** has helped define common goals suitable for all steps in the procurement process. **Knowledge about rules and execution of the actual procurement procedure** *was mentioned as equally important as knowledge about food and nutrition. Procurement professionals must be *engaged and made fully aware of the context, needs and experiences of the school(s) or the sector*. Public procurement authorities should be prepared to provide guidance, supervision and hands-on help to schools and kindergartens regarding food quality (advice, applications, menus, etc.).

Other practical suggestions also surfaced. For example, dividing the tender into individual lots, e.g. bread, vegetables, meat, is a practical tool to give SMEs a better opportunity to compete with multinational enterprises.

- ***Green Public Procurement for food, catering services and vending machines⁶⁰**
This short document is worth reading.

**Also it can be used to map items from the Group's Resilience Checklist (impacts of food procurement) against sustainable procurement measures to minimise these impacts.*

Core and Comprehensive criteria. Comprehensive criteria take into account more aspects or higher levels of environmental performance, for use by authorities that want to go further in supporting environmental and innovation goals.

KEY ENVIRONMENTAL IMPACTS of **food procurement** are associated with the food's production and include environmental impacts such as the combustion of fossil fuels and energy use for different activities, land use or land-use change and water use and water pollution. However, there are other environmental impacts that are associated with specific food product categories. These include: the production and use of pesticides and chemical fertilisers associated with food product groups such as meat, milk and cheese, eggs, fruit and vegetables, bread and cereals, oils and fats and hot and cold drinks; the soil degradation associated with product groups such as fruit and vegetables, bread and cereals and oils and fats; emissions of methane and nitrate are environmental impacts associated with various product groups; and the depletion of fish stocks or the production of feed for fish and the use of antifouling treatment in fish cages associated with fish and seafood. In terms of catering services, energy and water use are important contributors to the overall environmental impact, as are waste generation and waste management. Reducing the food waste is crucial to reducing the overall environmental impact of the catering service.

Key environmental impacts during product life cycle: [Note Resilience Checklist of FoodFutures (North Lancashire's Sustainable Food Partnership)]

- Energy used in farming, agricultural activities, food processing and facilities
- Land use and land-use change (e.g. destruction of natural habitats, particularly forests and related CO2 emissions associated with the production of feed, crops, fruits,
- Depletion of fish stocks and reduction of biodiversity
- Production and use of fertilisers and pesticides
- Water use and water pollution
- Emissions of pollutants such as methane or nitrites from farming and agricultural activities
- Disposal of waste

Selected approaches to minimise key environmental impacts during life cycle

- Organic food products
- More environmentally responsible marine and aquaculture food products
- Increased offer of plant-based menus
- More environmentally responsible vegetable fats
- Food and beverage waste prevention
- Other waste: prevention, sorting and disposal
- Energy and water consumption in kitchen

⁶⁰ Commission staff working document, EU green public procurement criteria for food, catering services and vending machines, SWD(2019) 366 final, 27 September 2019, [https://ec.europa.eu/environment/gpp/pdf/190927_EU_GPP_criteria_for_food_and_catering_services_SWD_\(2019\)_366_final.pdf](https://ec.europa.eu/environment/gpp/pdf/190927_EU_GPP_criteria_for_food_and_catering_services_SWD_(2019)_366_final.pdf)

Catering services: The tenderers must have relevant expertise and experience in each of the following areas for which they would be responsible under the contract:

Method statements for:

- the planning of menus, observing the increasing consumption of plant-based food when appropriate
- the prevention of food waste
- the safe redistribution of surplus food if/where applicable
- the prevention of other waste, how to be sorted out and disposed
- the measurement of the environmental indicators proposed, including at least the amount of plant-based food, food waste generated in several points of the chain value, other waste generation by waste stream, energy consumption, water consumption and fuel consumption if applicable
- water and energy savings in equipment and operation and maintenance of the equipment (for the staff responsible for this)
- the appropriate dosage and handling of cleaning products and cleaning procedures
- waste management, including hazardous waste, monitoring and traceability documentation
- environmentally-conscious driving on a regular basis to increase fuel efficiency for the staff involved in food delivery
- staff training on environmental aspects that are to be annually renewed/reviewed policies, and supporting management systems to minimise food waste and other waste, maximise the redistribution of surplus food as/where appropriate and where safe to do so, maximise the reuse or recycling of packaging and/or other waste and ensure their safe disposal.

- ***Guidelines: Catering and Food, Green Public Procurement (GPP) Product Sheet, Toolkit:**⁶¹ Key Environmental Impacts and GPP Approach:

**Can be used to map items from the Group's Resilience Checklist (impacts of food procurement) against sustainable procurement measures to minimise these impacts.*

Impacts

Eutrophication, acidification and toxic impacts on human health and the environment (plants and animals) due to pesticides and fertilisers residues present in water, air, soil and food.

GPP Approach

Procurement of organic food. Procurement of food produced under “integrated production systems.” Procurement of sustainably-produced or caught aquaculture and marine products.

Impacts

Negative impact on the occupational health of farmers due to the mishandling and use of certain pesticides and fertilisers.

Soil erosion, forest destruction and loss of biodiversity caused by inappropriate agricultural practices, over-intensive animal production and intense fishing and aquaculture practices.

Animal cruelty due to a lack of respect for animal welfare.

High energy and water consumption in food production and processing.

⁶¹ Catering and Food, Green Public Procurement (GPP) Product Sheet. Toolkit developed by Local Governments for Sustainability, 2008, https://ec.europa.eu/environment/gpp/pdf/toolkit/food_GPP_product_sheet.pdf

Packaging waste. High consumption of cleaning agents and other chemicals which might have a negative impact on the occupational health of kitchen personnel and on the environment through waste-water.

High water and energy consumption of kitchen appliances CO₂ and other pollutant emissions as a result of modes of transport used to carry out the catering services.

GPP Approach

Procurement of livestock products with high welfare standards.

Procurement of seasonal products.

Procurement in bulk or in packaging that has a high recycled content.

Use of reusable cutlery, crockery, glassware and tablecloths.

Use of environmentally friendly paper products.

Selective waste collection and staff training.

Minimisation of the use of hazardous chemicals and the use of environmentally friendly cleaning and dishwashing products.

Procurement of water and energy efficient kitchen appliances.

Improvement of transport routes and energy efficiency and reduction of emissions by vehicles used to carry out the catering services.

Award criteria guidance: Contracting authorities will have to indicate in the contract notice and tender documents how many additional points will be awarded for each award criterion. Environmental award criteria should, altogether, account for at least 10 to 15 % of the total points available. Where the award criterion is formulated in terms of “better performance as compared to the minimum requirements included in the technical specifications”, points will be awarded in proportion to the improved performance.

D. SUSTAINABLE FOOD PROCUREMENT POLICY DOCUMENTS AND CASE STUDIES

- **Soldi, R., Sustainable Procurement of Food, European Committee of the Regions, European Union 2018,**⁶²

Public procurement of food provides the opportunity to drive local and regional food economies towards more sustainable paths. From the point of view of food procurement, GPP drives, for example, the inclusion of an organic food supply in the catering for public canteens. When social and economic considerations are added, the reference is to SPP. SPP is expected to not only have environmental benefits, but to bring broader benefits to society and the economy. SPP facilitates the development of short food supply chains or local/regional food production systems.

Within these legal frameworks, local and regional authorities (LRAs) use different approaches to provide opportunities for the introduction of locally or regionally sourced produce in their food procurement. This short study adds to other initiatives aimed at disseminating knowledge on practices that are effective in increasing the use of sustainable food by public institutions.

⁶² <https://cor.europa.eu/en/engage/studies/Documents/sustainable-public-procurement-food.pdf>

- Podravje Self-Sufficiency Project, Slovenia

The Podravje project focuses on the exemption according to which contracting authorities may exclude a lot from the EU procurement procedure if its value is below (current) £70,778 and the aggregated value of all excluded lots is less than 20% of all the lots the service or supply has been divided into. These lots may thus be awarded directly without being published at the EU level and are pivotal in strengthening short supply chains. The Podravje Self-Sufficiency Project (2015-2020) is implemented in the region of Podravje. **The project's objectives are: (i) to increase the level of food self-sufficiency in the territory; (ii) to provide safe and healthy food; (iii) to increase the use of locally produced food in public institutions; and (iv) to create new jobs at the farm level. Regarding the goal of increasing the consumption of locally grown food in public school canteens, in the short term (i.e. by 2020), the target is to earmark to local food 20% of the budget yearly spent by Podravje's public authorities on food in primary schools (kindergartens and elementary schools). In the long term (i.e. by 2030), the target is to strengthen the supply capacity of local producers and of their organisations and enable them to take part in the procurement processes of public institutions, hence to get more than 20% of the total budget. The first phase of the project was dedicated to contacting supporting institutions, carrying out situation analysis and research market, and creating links between public institutions and potential suppliers. The second phase is dedicated to the outlining of calls for tender, the identification within the food component of the 20% share to be supplied locally, the preparation of tender documents, and the finalisation of the contracts. To increase the amount of local food provided in public procurement contracts, emphasis is given to quality aspects in menu planning and to understanding which parts of the food provision may be available locally. These parts are then treated as separate lots in the procurement process and awarded to local providers by means of direct contracts. These lots would represent 20% of the total budget spent yearly on food and catering services, for the 41 municipalities of Podravje.**

Additionally, the project aims at **enhancing procurement processes** compared to what was done in the past. Hence, within a municipality, the procurement activities of more public institutions are joined in order to have: higher quantities of each type of foodstuff requested in the procurement process and hence more power in negotiating on prices; the same type of tender documents across more public institutions and hence less time and money spent on the preparation phase and less fragmentation of rules for potential suppliers; and more attention given to menus and quality. **Engagement of local suppliers or producers** is primarily driven by the two coordinating organisations which arrange meetings and gatherings; collect feedback; exchange information; establish contacts; and conduct workshops and awareness raising activities. **Main involved stakeholders are municipalities, school institutions and schools' nutritionists, local food producers and their cooperatives.**

The final aim is to create a long-lasting and mutually trusted collaboration between public institutions and suppliers. **Food education** is also given importance and parents are involved in **educating children in local food appreciation.**

Highlights: Use of a **project framework to establish public procurement processes for food** which are **sustainable in time; Long-term vision;** Attention to **menu-planning** and to the **introduction of local food proportionally to the real supply capacity of local producers;** **Gradual strengthening of the bidding capacity of local suppliers;** **Inclusive engagement** of all concerned stakeholders through third party organisations (the coordinators of the project). The Pomurje Region provides an example where **locally grown produce is used to promote both healthier communities and local development.**

- [Pioneering public procurement of sustainable food in Tukums, Latvia](#)

In 2014, the municipality started introducing environmental and social criteria in the procurement of produce for its schools' canteens. Schools with their own on-site canteens continued to coexist and purchase food directly. The 2014 procurement procedure was valued at EUR 278 019 and was run centrally by the municipality on behalf of those schools having their own on-site canteens. **It was divided into 21 category groups of produce and bidders could make an offer for one or more lots. Out of 19 bidders, contracts were awarded to 10 companies, six of which were local producers and received 67% of the total contract value. The new contract award criteria assigned 30 points to price; 40 points to quality standards (e.g. organic, nationally certified); 20 points to the delivery distance; and 10 points to environmentally friendly packaging and waste disposal. The delivery criterion evidently favoured short supply chains and local sourcing.**

In 2015 and 2016, these criteria were applied to the procurement of catering services and the tender awarded in 2016, in fact, centralised the provision of services for three quarters of the public schools, which was awarded to one catering company. In the following years, the municipality decided to partially switch to the outsourcing of catering services. Costs (e.g. no investments in kitchen facilities) and administrative burden considerations were at the basis of this decision.

Still, **schools with their own on-site canteens** insisted on keeping their mode of food provision, arguing that such mode allowed, among other aspects, **to keep better control of quality and origin of food, and to play a social function as kitchens provide local employment opportunities. Currently, small farmers have more opportunities to be involved in the procurement processes of these schools than in the catering contracts of the other schools.**

Engagement of local suppliers or producers The relevant stakeholders to be engaged in pre-bidding talks are outlined in the city's food strategy. Before the launch of the 2014 tender, a seminar attended by schools' representatives, agricultural officers, local farmers and SMEs was organised in 2013. Despite this consultation, bidding conditions were challenging as the contract was for one year only, foresaw the immediate start of delivery of produce (i.e. without giving producers the time to get organised), and the tender was issued in a rather busy period for many farmers. Still, response by farmers was positive even if, apparently, they relied on the technical support of a paid specialist for preparing their offers.

Highlights: A trade-off needs to be found between the goal of administrative ease and the implementation of a procedure which better suits the response capacity of local suppliers. When a one-fits-all procurement procedure cannot be found, it is reasonable to have two parallel approaches.

- [The city of Malmö \(Sweden\)](#)

Has been procuring organic food for its schools' meals since the late 1990s. In 2004-2007, a pilot project was carried out to introduce 100% organic food in one school, with the view to then replicate the experience in other public institutions. By the end of the pilot, 97% of the food purchased by the school was organic, although it decreased to 85% in the following years. In Malmö, the school food system is centrally organised for menu planning but food purchase and preparation is done in 25 kitchens and then sent to another 60 kitchens where the food is prepared to be served. Each day, 40,000 school meals are distributed this way. In 2010, **the city aimed for 100% of the food served in the city's canteens to be certified organic by 2020 and for 40% reduction, compared to 2002, of greenhouse gas (GHG) emissions from food and catering services by 2020. Environmental and sustainable development concerns**

are amongst the drivers of the city's 'Policy for sustainable development and food' adopted in 2010. In line with this policy, for example, purchasing has to adapt to seasonal availability, introduce more coarse vegetables and reduce the consumption of meat; local suppliers must be strengthened in their capacity to sell their produce; and by means of food procurement practice, suppliers must be influenced to improve their produce as well as the way the produce is processed, packaged and transported. Likewise, the policy also states that ethically certified (e.g. fair trade labelled) products shall be given preference, if available in the product groups of interest. In 2014, the proportion of organic food purchased by the city was 44 % of all food. The city of Malmö website (accessed on February 2018) reports this proportion to be over 50%. Tendering procedures "Malmö spends EUR 15 million on food from the wholesale provider each year – this includes all products except dairy, fresh fish, fresh bread and fresh vegetables, for which there are separate contracts. The expenditure is high enough and competition on the market strong enough to drive the market towards offering better value, sustainable products - the two main wholesalers that bid for business are constantly challenging one another". Each of the 25 kitchens preparing meals undertakes its procurement via an electronic buying system and as part of the city's food contract. Each kitchen is guided in the purchase to select the most environmentally friendly products as these are clearly indicated in the online catalogue. **Procurement requirements relate to the assessment of the supplier and of the mandatory criteria. Mandatory criteria refer to food as well as delivery and transport. Among the food criteria are the inclusion of organic products, the supply of fish which comply with the Marine Stewardship Council criteria, or equivalent, and the supply of meat which is free of hormones.**

Engagement of local suppliers or producers - The city prefers to purchase food rather than catering services and there are usually only two main wholesalers competing for the contract. Highlights A political decision or strategy is needed to effectively guide the change. Training of kitchens' staff is important, especially in those catering systems where kitchens carry out the purchase of food. **Products for which local supply is likely (i.e. dairy, fresh fish, fresh bread and fresh vegetables) are treated as separate contracts. Environmental award criteria for food produce may also drive the local sourcing of produce, for example via packaging and transport requirements.** The city of Södertälje managed to increase the proportion of organic food in public catering without raising the cost of school meals. **The higher price paid for organic and locally produced food is compensated for by the reduction of food waste and meat consumption, and by the increase of vegetables in planned menus.**

- [The Dynamic Purchasing System for school food in Bath & North East Somerset Council, UK](#)

The National School Food Standards sets the mandatory standards for school food.⁶³

The experience of Bath & North East Somerset Council is considered as pioneering an inclusive tender model which provides more opportunities for participation by local suppliers. It also highlights how important it is for the catering service to be accredited by third parties. In 2009, the catering service of the Bath & North East Somerset (B&NES) Council was among the first group of caterers to be awarded the Soil Association's Bronze Food for Life Catering Mark. In 2016, the Council's school meals service received the Silver Mark. **The 'mark' rewards those caterers who succeed in serving fresh, environmentally sustainable and healthy food, while championing local food producers.** The Council used to run the procurement of school food as separate lots, one for each category of produce, with the selection of a single supplier for each lot. When, in 2015, the planning of the new tender began, a series of circumstances led to the design of a totally different **procurement approach**

⁶³ DEFRA 2020?

relying on a ‘Dynamic Purchasing System’ (DPS). These circumstances were: **the launch by the Council, in 2015, of its Local Food Strategy**; the existing **priority within the overall procurement strategy of the Council “to encourage procurement from suppliers in the B&NES area (where legally compliant and possible)”**; and **the need to maintain high standards in order to retain the Silver Award**. The procurement procedure run by the Council in 2016 for the provision of school food to 60 local primary schools and nurseries was for the award of a 5-year contract valued about EUR 600,000 per year. 24 The 2016 tender comprised two elements:

First, **an innovation partnership** was finalised with an organisation (online food store) which is responsible for order consolidation and delivery. **The delivery organisation has a local hub and good knowledge of suppliers in the region.**

Second, a framework contract **for the selection of multiple suppliers** was launched. This type of contract is referred to as **‘Dynamic Purchasing System’** because suppliers can join it **at any time if they are qualified. Even small suppliers can join because they are not expected to cover the whole amount required by schools but can supply the quantity they produce.** In fact, orders made by school kitchens are consolidated by the delivery agent so that each school receives only one delivery. In practice, all qualifying suppliers are registered on a platform and participate in mini competitions run approximately on a quarterly basis, according to school requirements and seasonality. **Against a list of specific products to be delivered, registered suppliers submit their prices. In order to qualify, there are minimum requirements to be met by the produce (e.g. meat and eggs have to comply with UK-specific certifications) and other safety and certification characteristics which are not mandatory but that can be taken into account by the catering service, besides the price, when selecting the produce to be used.** This selective behaviour of school kitchens while ordering, contributes towards maintaining the ‘Silver Mark’ accreditation of the catering service.

Engagement of local suppliers or producers - **The outline of the new procurement approach importantly relied on pre-procurement market engagement.** Engagement took place in 2015 and in 2016 with logistics providers and suppliers in the form of meetings as well as individual and group talks. **The aim was two-fold: meet the objectives set in the Council’s Local Food Strategy and Procurement Strategy and propose a contractual arrangement which was realistically feasible for suppliers.** The last step was the presentation of the procurement documentation to potential suppliers to ensure their understanding of the requirements of the Council and of what they were asked to do. Further engagement is reported to take place on an as-needed basis.

Highlights Political commitment and market engagement are important preconditions to set up a viable system. Innovation in the procurement approach may open significant opportunities for new suppliers to participate. The certification of the catering services guarantees minimum quality standards of the produce they serve. The Dynamic Purchasing System pioneered by Bath & North East Somerset Council, which allows suppliers to join a framework contract at any time, if qualified, multiplies their opportunities for participation.

Soldi, R. concludes that this work is based on the evidence that **institutional demand** is important in increasing the use of sustainable food and in opening market opportunities for small suppliers.

Although lessons learnt by an administration may have some value for other public procurers, learning by *experience* remains essential

The turning of public canteens to sustainable food is a gradual and relatively slow process. The **changes needed** are both **cultural** (e.g. eating habits as healthier food may have a different taste) and **structural** (e.g. creation of small-scale pre-processing facilities) and therefore take

time. The **sequential introduction of quality requirements in procurements** seems to be the most successful approach, as it gives caterers and suppliers, and supply chains time to adjust. There is evidence that **increasing the quality requirements in food procurement** contracts usually elicits positive responses from suppliers, especially when **pre-procurement engagement** with the market takes place.

Procurement managers' personal commitment appears to be crucial in overcoming the objective difficulties linked to the preparation, award and management of food procurement contracts. **National guidance is valuable.**

- **Procuring the Future: Sustainable Procurement National Action Plan, DEFRA 2006,**⁶⁴

Form close relationships with the supply chain, with suppliers over longer time frames, on outcome focused solutions. Encouraging SMEs and local companies to apply for contracts can benefit local economies and help in development/supply of produce and services more suited to end users' needs. **Task force found scope for public sector procurers to work more closely with their internal customers to consider at the outset (needs identification and specification stages) what they are trying to achieve when tendering for goods and services.** Form long term relations with suppliers, foster dialogue to ensure alignment of client and supplier needs to achieve sustainable solutions. Local authorities seize opportunities for benefit of their communities. An informed approach to sustainable procurement can help meet objectives of local regeneration or SME involvement.

Case Study Northumberland County Council:

Northumberland County Council decided to measure and improve its local economic impact, and used its supply contracts, and initially its food supply contracts, as an opportunity to focus efforts. Carried out a substantive supplier spend analysis in partnership with the New Economics Foundation in order to establish a Local Multiplier: The benchmark evaluation. Found that local suppliers *re-spent* on average 76% of their contracts with local businesses. Investigations revealed that if the council shifted 10% of its current spending on non-local suppliers to local suppliers, this would generate an extra £34 million for the local economy. By increasing awareness and encouraging local SMEs, the council saw a five-fold increase in local supplier expressions of interest. Almost half of the £3million annual contract now goes to local suppliers and will circulate amongst the local economy. Although there is more administrative work involved, the additional time investment was offset by the quantity and quality of tenders received. The County Council has since officially set a target of shifting 10% of procurement spending to local sources within the next 3 years.

- European Commission, GPP in Practice, People centred, low carbon healthcare catering solution **The Rotherham NHS Foundation Trust** (United Kingdom) Issue No 55, 2015,⁶⁵
- Leading the way in Sustainable Food Procurement, **Durham University** Case Study January 2012,⁶⁶

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/69417/pb11710-procuring-the-future-060607.pdf

⁶⁵ https://ec.europa.eu/environment/gpp/pdf/news_alert/Issue55_Case_Study113_Rotherham_healthcare.pdf

⁶⁶ <https://www.dur.ac.uk/resources/procurement/DurhamUniversityCaseStudy1.pdf>

- **The University of Birmingham's** Sustainable Food Procurement Policy, Catering, updated January 2019,⁶⁷
- **Public Procurement for Sustainable Food Environments, 2019**⁶⁸

Identifies *Seven main pillars of a sustainable food system*:

Helpful to map items from the Group's Resilience Checklist (impacts of food procurement) against sustainable procurement measures to minimise these impacts.

1. **Environmental** (e.g. climate change; biodiversity; quality of water, air and soil; availability of water; land and resource use; chemicals use);
2. **Health** (e.g. diets and nutrition; food safety; antimicrobial resistance (AMR); occupational safety; chemicals use; environmental health);
3. **Economic** (e.g. economic viability, income across the supply chain; employment; added value);
4. **Social** (e.g. access to good food for all; cultural adequacy; inequities in production and consumption; labour standards)
5. **Ethical** (e.g. animal welfare; bioengineering);
6. **Quality** (e.g. organoleptic qualities; taste);
7. **Resilience** (e.g. maintaining and increasing diversity in the system; enhancing capacities to create knowledge, innovate and anticipate change).⁶⁹

At society-wide level, public procurement can help steer markets towards sustainable options and contribute to durable changes in eating habits and preferences. Changes in consumption are, alongside improvements in production practices, unavoidable if sustainability is to be approached.

Rather than trying to inform and educate consumers to make 'the right' choices, a practice that has limited effect and unjustly places the burden of responsibility on the individual, evidence overwhelmingly supports the need to affect **structural changes to 'food environments'** so they enable, empower and facilitate healthy, sustainable eating. **'Food environments'** are the physical, economic and socio-cultural surroundings that shape the availability, accessibility, affordability and attractiveness of foods, thereby affecting our consumption decisions and eating habits. **The foods and meals on offer in canteens, hospitals, schools etc. are core constituents of food environments.** Public procurement policy can significantly influence these.

Case study 7: Valencia With almost 800,000 inhabitants, Valencia is the third largest city in Spain. The City launched a food strategy in 2015. Following the signature of the Milan Pact and a period of consultations and dialogue between various actors from civil society, the local administration and with the private sector, a municipal Food Council was established, as well as a municipal action plan on food. **A working group of the Food Council, after more than a year of work, is now in the process of finalising a guide to improve the tendering process, including multiple criteria – social, ethical, environmental, nutritional – when procuring**

⁶⁷ <https://www.birmingham.ac.uk/Documents/environment/sustainable-food-procurement-policy-jan15.pdf>

⁶⁸ <https://epha.org/wp-content/uploads/2019/12/public-procurement-for-sustainable-food-environments-epha-hcwh-12-19.pdf>

⁶⁹ Drawing on: Paula Mason & Tim Lang (2017) Sustainable Diets. How Ecological Nutrition Can Transform Consumption and the Food System. Routledge; and: Galli et al. (2018) A transition towards sustainable food systems in Europe. Food policy blue print scoping study. Laboratorio di Studi Rurali Sismondi

food for public institutions, particularly schools. The following criteria and approaches are worth mentioning: **Priority for products from short-supply chains, or from close distance, where the supplier has tried to minimise transport-related GHG emissions; Priority for fresh foods that have not undergone excessive cooling or freezing; Priority for foods that align with Spanish guidelines for a healthy and sustainable diet; Priority for products from organic farming and fishing, or those certified by the Committee of Ecological Agriculture of the Valencian Community; Priority for products with positive biodiversity characteristics and traditional varieties; Ensuring adequate labour standards and decent income, respecting production costs; Environmental criteria related to plastics and food waste reduction; Criteria related to the availability of vegan and vegetarian menus and to cater for needs related to religious and other special requirements; Staff training and public awareness raising campaigns.** **The working group is also proposing to ensure that, when evaluating offers, the relative weight attributed to the cost criterion cannot exceed 30% of the total scale.**

- **[International Panel of Experts on Sustainable Food Systems – IPES Food \(2019\) Towards a common food policy for the EU.](#)⁷⁰**

Social innovations abound in food systems. They include short food chains and community supported agriculture; new ways of reducing waste; various types of urban agriculture; an inventive use of public procurement schemes; or new forms of sharing food within local communities. Cities and regions are emerging as major actors in these innovations, and new alliances are being formed between public entities, local entrepreneurs, and civil society groups. The shift towards relocalisation and territorialization of food systems must be seen as an opportunity for fairer and more sustainable food systems. [Preface by Olivier de Schutter]

EU citizens are increasingly demanding access to sustainable, healthy, and local foods; over 50% of citizens see local and regional food systems as the means to meet these priorities, due to their ability to improve environmental conditions, strengthen local economies, improve household food security, ensure healthy diets, and preserve regional food cultures and traditions.

One primary means to re-localise food system infrastructure is through the development of food hubs. Food hubs are local or regional facilities that aggregate, store, process, distribute, and/or market locally produced foods. They have gained in popularity as a way of re-regionalizing food processing and distribution for the benefit of local producers and consumers. Food hubs are multi-functional, by rebalancing value along the supply chain, creating local job opportunities, and providing space for greater social interactions and education around food. They support small- and medium-size farmers by aggregating processing and retail facilities for year-round distribution and may contribute to reducing packaging and plastic use in the food chain via direct marketing. Food hubs – especially those located in peri-urban or urban areas – can also improve access to healthy food for low income groups, and contribute to social integration by acting as community food centres (e.g. merging the physical space usually reserved for food banks with farmers markets, community kitchens, and spaces dedicated to educational activities relating to food). Lastly, as food hubs allow multiple producers to aggregate production volumes, public institutions should be encouraged to connect to their local food hubs for easier access to local produce. This would allow local and regional

⁷⁰ http://www.ipes-food.org/_img/upload/files/CFP_FullReport.pdf

authorities to meet the green public procurement targets as defined in municipal and regional strategies.

The governance of public procurement schemes could aim to include a range of actors: this could include collaborations between local authorities, school boards, students, parents, local producers, and nutrition experts.

Support should shift towards zero-packaging and re-usable (non-plastic) initiatives frequently developed at the local level (e.g. zero-waste food retailers, deposit refund schemes, GPP).

- **Opinion of the European Committee of the Regions, Local and regional incentives to promote healthy and sustainable diets**⁷¹

32. points out to local authorities that they should prioritise, through public procurement in the food sector for all public bodies (including hospitals, nursing homes, retirement homes, kindergartens, schools, prisons and their canteens), to serve as role models by selling and providing healthy, local and seasonal foodstuffs that ensure sustainability and to make their contribution to **Goal 12.7 — sustainable public procurement — of the 2030 Agenda. To achieve this goal, recommends favouring [swap ENCOURAGING] local producers in public procurement procedures in order to promote healthy diets and the development of the local economy.**

56. welcomes the efforts of local authorities to support alternative food networks such as organic farmers' markets that offer healthy and sustainable food choices;

61. advocates the development of food networks, including farmers' markets, where local producers offer healthy, high quality food directly to consumers at reasonable prices. In addition, they preserve the food culture of the local community and help protect biodiversity;

63. supports the shared conviction that if sustainable solutions are to be found, robust partnerships with local authorities are a prerequisite.

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⁷¹ 4 July 2018, [2018] OJ C 387/21, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52018IR0435&from=PT>