

“DYNAMIC FOOD PROCUREMENT DAYS”

—

KEY TAKEAWAYS 2024

Organisers and lead facilitators of the discussion activities

Sustainable Gastro and Seinäjoki University of Applied Sciences

Project partners and supportive partners

Collaborating Centre on Sustainable Consumption and Production GmbH

Green Liberty

Latgale Planning Region

Latvian Rural Advisory and Training Centre

Lithuanian Public Procurement Office

Nordic Council of Ministers' Office in Lithuania

Public institution CPO LT

Savonia University of Applied Sciences

The Association of Municipalities of Tartu County

Ukmergė District Municipality

Published on December 11th, 2024

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Summary of results from workshops and discussions

Topic 1 – What long-term policies need to be developed to create meaningful change to sustainable and dynamic procurement system?

1. From regulations to support – How do we provide clear guidance for procurement specialists?

Leverage Successful Models: Adapting procurement strategies from advanced countries, such as Estonia and Finland, can enhance dynamic procurement systems in less developed nations.

Additional points:

- A main and clear national policy to allow public sector to buy short supply.
- Standardised documents to buy local and organic food, but also rules for nutrition, fish, vegetarian food etc.
- Procurement specialist to be allowed to buy 50% local and short supply.
- An exception law outside the national procurement law for school food, elderly home, hospitals and social houses.
- More support from national governments for smallholder farms to grow organic food to meet the increasing demand for organic food.
- There is a gap between suppliers and buyers, suppliers don't know how to join to DPS-system, they need more advice. There should be more will to improve green procurements in regions and municipalities.
- In Lithuania regulations on of DSP has been set, but farmers has not yet participated well to DSP-system. Guidance is clear for procurement officers, policy and goals are clear, but they are still improving it.
- In Finland small purchase should be easier to do, because usually the tendering processes are large and this makes it challenging to purchase small amount products for example from small producers. The procurement system is good, but the price, which should be low, makes it difficult.

Increased Utilisation and Adoption: The more municipalities adopt and utilise procurement tools and technologies, the broader their application will become, with Finland encouraging others to follow its dynamic food procurement practices.

Additional points:

- More assurance from the local municipality with a clear vision; guidelines (from municipality) and decisions from government (financial support).
- Tools on transparency for catering services on their supply chain.
- Pre- procurement is needed to assure the farmer a sale (farmer should know the amount to produce) and assure the farmer gets the order.

Variability in Scope and Local Management: Differences in procurement scale (e.g., Poland's smaller scope) and the presence of dedicated procurement managers at the municipal level in Finland and Estonia significantly impact the effectiveness and transferability of procurement strategies.

Additional points:

- More time (or planning some time to their schedule) to contact farmers and that allows them to be more informed.
- There should be a separate person for food product procurement (it could also be as a contact point for farmers).
- Sub groups in local level should be created, as Tartu county has to know local challenges and ways how to change them.
- Municipalities have different ways to provide meals in public organisations, so there must be several guidelines (2-3) how to make good procurement.
- Workshops, more knowledge about public procurement process. In Poland schools order food by themselves, you have to follow national laws and this makes the procurement process challenging.
- More support for small farmers to get into tendering market, as they do not have experience. Contractors with the lowest prices are chosen. Prices in contract tend to increase. Decision makers and procurers should engage in developing the markets.
- Problems also in contacting the quality product suppliers, this can be solved with meeting with suppliers, municipality officials, development of municipality templates e.g. contracts, detailed description of the products, need to have product groups, sometimes products are not available.
- Develop a hub with farmers and suppliers to be able to buy directly from them with a simplified procurement system as a procurement centre. The space should be a "showroom" such as food markets of products to present to procurer for initiating the sale. Not cost and price related procurement but quality and local as priority.

Comprehensive Overview for Tailored Guidance: Creating a comparative overview of different countries can serve as a foundation for developing tailored guidance and best practices for dynamic procurement systems.

Additional points:

- Survey, most common method is through domestic market, only some from foreign countries.
- In Estonia usually procurement is done for 5 years in schools and for 3 years in kindergarten. Procurement system is quite okay, biggest problem is maybe that contractors do not follow the contract.

2. Baltic Sea Region – How to unify policies and share best practices?

Training and Capacity Building: Organising workshops to enhance procurement skills and knowledge while addressing language barriers through translation of case studies and learning materials in local languages. Additional points:

- Meetings with other procurement specialists.
- Meetings with different ministries.
- Cooperation between different projects and organisation.
- More projects related to the topic.
- Sister school systems, municipality and school representatives visit schools to get to know how system works in different countries.

Multimedia Learning Tools: Creating short videos and expert interviews with subtitles in national languages to facilitate understanding, while acknowledging budget constraints in EU projects that often limit translation services. Additional points:

- Storytelling sessions organised by ministries - the most needed, ministries must get feedback how the rules are working in practice (challenges and solutions).
- Best practice sharing - storytelling sessions are the best, after we can provide some suggestions how to implement those practices.

Inclusive Input Gathering: Collecting insights from both low-level procurement staff (e.g., kindergartens) and higher-level officials (e.g., municipalities) to ensure comprehensive understanding of the rules and minimise misunderstandings. Additional points:

- More cooperation on how to unify policies in different countries, because of different features, legislations and cultures between countries.
- Think together about the criterias and rules of food procurement in Europe, to find transparency and equal treatment.
- In Estonia they don't have clear criterias how to procure local food. They have DPS-system, but it's too complicated to use in municipality level.
- In Lithuania bigger municipalities use DPS, but for smaller is difficult.

3. The role of national government? Changes in legislation, rules, regulations and support?

Ministries have to be open-minded to make the changes in legislations and rules more easily. It should start with a question how municipality specialists implement rules, regular monitoring and feedbacking also is needed:

- In Lithuania they are improving legislation, rules etc.
- Estonia is still working with legislation
- Still work on how to control footprint calculation of organic producers/products

Topic 2 – How to involve farmers into dynamic procurement system?

1. How to aid small farmers/producers to get into the system?

IT Skills Development and Outreach: It is imperative for farmers to enhance their IT skills to effectively engage with dynamic procurement systems. Implementing outreach programs is essential to inform them about procurement requirements and potential supply opportunities. Additional points:

- Farmers are often not active in tendering calls, cause the risk of getting sanctions if they are not able to deliver amount of food that is in the contracts (regular purchasing and DPS)
- DPS don't give security for the farmers
- Farmers can only make sale in a short time frame as most don't have storage facilities
- Contracting, delivering in DPS-system will cost for farmers, it is also time consuming
- There are challenges in involving farmers to procurement systems, because in Finland/Poland farms are so small that they cannot provide so much products that are needed.
- In Estonia in Tallinn farmers are not involved in procurement at all, because there are not so much farms and the caterers do the procurement, it is not done straight from the farm.

Communication Limitations: Time constraints faced by procurers hinder their ability to communicate effectively with farmers. Therefore, procurement specialists should be allotted sufficient time to engage with suppliers, and budgets must be allocated to support these interactions. Additional points:

- Organise meetings with farmers to share expectations
- Face-to-face meetings about participating in procurements
- In Estonia even old farmers are leaving, and there is no new farmers coming. There should come new farmers with development of more innovation and opportunities.

Addressing Knowledge Gaps: A significant number of farmers may be unaware of the dynamic procurement opportunities offered by municipalities. Organising workshops aimed at educating stakeholders on the operation of these systems and showcasing best practices is vital. Additional points:

- Meet the procurer (individual session - booking sessions online), 1 per month
- Procurement lunch - local suppliers meets together - knows better the procurement procedure, 2 times per year (10 suppliers).
- Procurers can make contracts to be flexible in terms of seasonality offers, etc..
- Training for small farmers, presentation of the hub. There should be exception in law to help make the procurements from small farms.

Fostering Social Motivation: Cultivating social motivation among farmers is crucial for encouraging the provision of high-quality food to schools. Leveraging social media platforms, such as TikTok, can inspire farmers, while schools should invest time and resources in visiting farms to strengthen relationships. Additional points:

- Introducing tools, for example government could give extra money for small producers so they could offer their products with lower price and this way to win the bigger tendering process.
- Making the competition more fair to everyone (big and small farms), for example making own law for organic farmers etc.

Local Supply Chain Solutions: The practice adopted by Sweden of hiring transport contracts to deliver local food from small suppliers to kindergartens serves as an effective model for enhancing local procurement and supporting farmers. Additional points:

- Tax reduction
- Warehouse with an umbrella organisation (in Voru county)- that collects the products, they can do what they do better.
- Third partner that collects products from small farms and distributes it (association eg. Fresh Net in Finland).

2. Strategies and tactics – Local differences vs. centralized activities?

Facilitate IT Tool Utilization: Promote the effective use of IT tools among stakeholders to streamline procurement processes.

Implement Social Motivation Strategies: Develop strategies that create social incentives for farmers to engage in local procurement. Additional points:

- Develop cooperation between farmers.

Conduct Mapping of Local Farmers: Identify farmers within municipalities and the specific products they produce to enhance local sourcing.

Establish Pilot Programs: Initiate pilot projects focused on purchasing local pig meat to evaluate feasibility and effectiveness.

Identify Potential Challenges: Assess potential challenges associated with local procurement initiatives to inform future strategies. Additional points:

- Cultural differences also inside of countries, this affects what food is served in different regions.
- Distances of farms, logistical differences

- Small farms with many different products are nowadays rare, trend is to have bigger farms, that produce one or two products in big amounts.

Targeted Outreach Projects: Implement outreach programs for farmers, drawing inspiration from successful examples in Sweden, to facilitate communication and collaboration. Additional points:

- Involve umbrella organisations (NGOs, etc.) for small farmers who can represent small farmers in procurements

Assess Supply and Demand: Actively engage with farmers to understand their offerings and align them with municipal procurement needs. Additional points:

- Locally procure food is more flexible (there is needed smaller amounts)
- Warehouse and collection centers could work for both activities
- Adapting logistics with cooperative models, allowing the private sector

Utilize Expertise of EcoCentria: Leverage the expertise of organizations like EcoCentria, which specialises in promoting dialogue between farmers and procurement officials, as well as mapping municipal needs against local produce.

Encourage Local Autonomy: Ensure that while there is central oversight, local entities have the freedom to make decisions that best suit their procurement needs. Additional points:

- Create a centralised procurement centre for whole country
- Local differences, in every kitchen possibility to order some local food directly
- Centralised food procurement is possibly going to happen in Gdansk

3. How to keep the relationship between farmers alive- Recency, Frequency, Monetary value?

Implementation of Outreach Programs: Develop outreach initiatives to foster communication and collaboration between farmers and municipalities. Additional points:

- Open days at farms organised by government
- Visits to farms could be financed by the state
- Plan meeting days that are good for all, chefs have time during summer and school breaks, farmers during winter = quickest way is by conversation
- Schools can create relationship with farmers themselves
- Seminars for the farmers are being organised in Estonia

Active Participation of National Farmers' Organisations: Engage national farmers' organisations in efforts to connect with municipalities and enhance local procurement.

- Municipalities will invite farmers for the open days, municipalities should tell what products they need and what's the amount of the products

Considerations of National Regulations: Acknowledge that national governments may perceive organised farmer supply to municipalities as potentially conflicting with competition regulations.

Ensuring Fair Compensation for Farmers: Advocate for fair payment practices to ensure that farmers receive equitable compensation for their products.

Branding of Organic and Local Foods: Promote the branding of organic and locally sourced foods as a strategy to facilitate higher payments to farmers and enhance market visibility.

Topic 3 – How to implement a dynamic procurement system into different regions?

1. New avenues of collaboration between municipalities and regions?

Facilitated Discussions: Initiate talks between municipalities and farmers to organise cooperation, similar to the approach taken in Scotland. This can establish a framework for collaboration and shared goals. Additional points:

- EU level collaboration is needed more as we have the same problems. If we have to change smth, we have to change EU Act of procurement.
- Tartu county has established a good connection with the ministries already, and in future context more feedback about the problems and needed solutions will apply.

Local Procurement Projects: Implement projects in regions like Sweden's Lana Region that work with private buyers, enhancing local procurement and fostering economic ties between municipalities and businesses. Additional points:

- Täby municipality in Sweden has offers consultancy on DPS to farmers. If farmers qualifies to the DPS system, the farmer can apply to any tender in all national regions that has a DPS-system.
- Funding programs should have a priority on short supply chains and build on existing finalised projects to develop a long term and sustainable bridge between farmers and municipalities.

Engaging Regional Authorities: Explore whether regional authorities should be involved in collaboration, especially in areas where there is a motivation for regional branding. Their involvement could help align efforts and resources. Additional points:

- Collaboration between municipalities and Tartu county is working well, is an example of good practice and could be implemented in other counties at least in Estonia: meetings once in a month, talking, information exchange, planning surveys, sharing experiences...

Direct Engagement with Education: Foster direct connections between municipalities, farmers, and schools as a more effective avenue for collaboration. Educational programs can raise awareness and support for local agriculture. Additional points:

- Social campaigns and funds for the campaigns to educate everyone on healthy, tasty and nutritional food. Latvian parents are ready to pay more for school food if it's local, organic and healthy. The campaign should help the majority to understand the importance of good food, and could lead to motivate the municipalities on Farm to School programmes.
- Milan Urban Food Policy Pact = international agreement among cities from all over the world, committed "to develop sustainable food systems that are inclusive, resilient, safe and diverse, that provide healthy and affordable food to all people in a human rights-based framework, that minimize waste and conserve biodiversity while adapting to and mitigating impacts of climate change".

Reassessing the Role of Regional Offices: Acknowledge that regional offices may not be active in implementing local procurement initiatives. This opens the door for municipalities to take a more proactive role in driving collaboration. Additional points:

- Not to have DIS as own standing system in a city/region, but instead in the whole county or together with more regions. All municipalities need to support with financial means, creating a centralised procurement, local food group taking the lead, and present it to the municipality decision-makers.
- Currently in Estonia, only the military have a DPS-system (national level DPS-system).

Networking and Resource Sharing: Create opportunities for municipalities and regions to network and share resources, best practices, and success stories, facilitating a supportive environment for collaboration. Additional points:

- Municipalities don't have enough knowledge about DPS, seminars, informational sessions etc. Should be organised.
- DPS needs more attention and guidelines and a national framework is needed. Affecting the political decision making, building guidelines in all levels.

2. Concrete actions to get dynamic procurement system into action?

Organise Interaction Events: Set up regular meetings and forums between municipalities and farmers to foster collaboration and share best practices. Additional points:

- There should be on regular basis market dialogues between procurement units and farmers/producers.

Host Educational Webinars: Leverage the example of the Swedish Food Agency by organising webinars that educate stakeholders about dynamic procurement systems and their benefits.

Additional points:

- More information, workshops for procurement specialists, farmers - cooperation with state level (ministries etc) and cooperation with procurers and farmers.

Promote Awareness: A national agency should actively promote the dynamic procurement system, encouraging municipalities to adopt similar practices through case studies and success stories.

Encourage Municipal Commitment: Facilitate workshops or discussions that help municipalities develop a vision and motivation for change, emphasising the importance of willingness to adapt.

Additional points:

- A local food network is needed to drive food related topic in the region with various stakeholders.
- There should be more support for producing organic food.
- New pilots and taking the best practices to larger scale.

Align with EU Strategies: Utilise the "Farm to Fork" strategy as a framework to drive change in municipal food systems, emphasising the need for sustainable practices.

Assess Economic Benefits: Conduct a comprehensive study by RuRalia University on the economic benefits of transitioning to local food systems, with a focus on potential cost savings and community investment. Additional points:

- Set priorities (local, organic etc.)
- Digital tools to increase the efficiency

Follow Up on Research: Ensure that findings from the RuRalia study are communicated effectively and followed up with actionable recommendations for municipalities. (<https://helda.helsinki.fi/server/api/core/bitstreams/ef4a10da-7416-480a-874c-f02b997ca346/content>).

3. Which stakeholder should be responsible concrete actions to start the change? Think about following roles of a stakeholder: Responsible, Accountable, Consulted, Informed?

Ministries: They are responsible the national security (food security is an important issue), and local food is more expensive, so farmers would not produce it if there is no market for them. Ministries should have crisis plan for food, and also, make some exceptions for the local food. Local food is a question of national and regional security.

Municipalities: Should lead the motivation and commitment to implement local food initiatives and support dynamic procurement systems. Additional points:

- Distance - is local also national? Baltic countries are small countries and 100 km can mean that the food is from the neighbouring country.

Food Wholesalers: Need to be engaged and persuaded to adapt their policies to support local food suppliers. They can also be contracted to provide distribution services for local suppliers.

Schools: Can take initiative by managing their own procurement processes, conducting collective procurement with municipalities, and visiting local farms to build relationships with farmers.

Farmers: Should be motivated to collaborate with municipalities and schools, participating actively in dynamic procurement efforts.

Education Sector: Plays a crucial role in educating both students and parents about local food benefits, creating awareness and support for changes in procurement practices.

EU Level Projects: Multi-actor projects can foster collaboration and share best practices across regions, enhancing local food supply systems. Additional points:

- EU, governments giving the legislation, not doing the actual actions

Citizens and Parents: Must be informed about changes in the food system. Engaging parents through tastings and feedback sessions can build support for local procurement efforts.

IT Service Providers: Software developers should create accessible and affordable software solutions that facilitate dynamic food procurement processes.

NGOs and Civil Society: These organisations can promote local food initiatives, advocate for change, and support municipalities in their efforts.

Culinary Staff: Kitchen staff need training and support to adapt their skills to prepare meals with local ingredients effectively.

The “Dynamic Food Procurement” multi-stakeholder activities are created within the Interreg Baltic Sea region international cooperation program project "Circular FoodShift in the Baltic countries" #S026, which is implemented from August 2023 to July 2025.