

AREPO TECHNICAL MEETING ON INNOVATION

Bilbao, 21 October 2014

14 regions were represented: Bretagne, Pays de la Loire, Andalucía, Corse, Toscana, Castilla y León, Lombardia, Emilia-Romagna, Piemonte, Cataluña, Aquitaine, Hessen, Extremadura, and Rhône-Alpes.

PRESENTATION OF THE CALL SFS-20-2015, HORIZON 2020

AREPO staff chaired the meeting introducing the discussion with a presentation of the project proposal ([see attached presentation on the call](#)).

Horizon 2020 call SFS-20-2015 deals with “sustainable food chains through public policies”. In particular, it is structured in two pillars:

1. the **EU quality policy** and the
2. **food public procurement policy**.

For both policies, the call asks:

- a. To provide insight into the **effects on sustainability and on the promotion of a healthy diet**;
- b. To allow to **better design and implement these policies** and to foster their delivery to the overall sustainability of agriculture and the rural economy;
- c. To clarify how these approaches, through the creation of new quality markets, can foster the **development of local food chains**.

DISCUSSION ON AREPO CONTRIBUTION FOR THE STAKEHOLDER EVENT

AREPO members expressed the interest on the call, especially for the **possibility to use food public procurements (FPP) as a booster for quality policy**. FPP could have a positive economic and social impact on quality products. Furthermore it could have an important effect on the **promotion of healthy diet** educating children to the consumption of local quality products in the school canteens. That's why we focused our discussion on problems and challenges coming from the combination of the two policies.

Further contributions on these issues are more than welcomed and can be sent to the following address:

policyofficer@arepoquality.eu. The interested regions can send us information regarding the following questions:

1. Quality policy: what are the **relevant experiences and the problems (or challenges) of your region**?
2. Supplying GIs and local quality product through Food Public Procurement: what are the **relevant experiences and the problems (or challenges) of your region**?
3. Could you suggest relevant **best practices in regional and national policies** on quality policy and food public procurement? Do you have some relevant examples?
4. Do you identify some **needs for policy improvement** in these areas at EU level?
5. How AREPO can use project funding in a useful way for your regions?

QUALITY LOCAL PRODUCTS IN PUBLIC FOOD PROCUREMENTS: CHALLENGES AND POSSIBLE SOLUTIONS

During the discussion we identified 3 principal challenges in the implementation of Food Public Procurement as an instrument supporting quality local products:

1. Lack of information for the competent administrative authorities in charge of public procurements (demand-side problem)

- Regions see the pro-competitive principles of the single market (transparency, non-discrimination and equal treatment) as an obstacle for local quality products: there is no sufficient information about criteria for public procurements that can be used to prioritize the local products;
- Lack of information on the EU regulatory mark for Public Procurements and Green Public Procurements;
- Lack of information on best practices and example of tenders.

Suggestions :

- Need to collect and disseminate **information on EU procurement legislation**, in particular on criteria that can be used to support the local products in the Food Public Procurements.
- Need to collect and disseminate **best practices and exemplars** of local quality food supplied through the public sector.
- Need to **develop guide lines for tenders** that can be used and applied by the interested regions.

2. Organizational problems within the food supply chain (supply-side problem)

Food supply chains at local level are usually characterized by small producers without collective organizations. The lack of a single stakeholder grouping all the producers creates several difficulties:

- Weak relation between demand and supply of local food for Public Procurements that causes the lack of supply, especially in big cities with a high and concentrated demand (ex. Milan). Local producer cannot satisfy an high demand
- Problem in the organization of distribution, sales and logistic aspects (products storage)
- Lack of collective organization increase the price of local products

Suggestion:

The project should analyze possible **solutions for regions to improve the organization of the local food supply chains** in order to match the needs of Food Public Procurement and to grant the added value to farmers. In particular, the project should take into account the following aspects for the organization of food supply chain:

- **Objective of the food supply chain:** depending from the objective (school meals VS hospitals) the chain should be structured in different ways, taking into account the length of the supply (ex. 9 months for school meals) and also the specific nutritional need of the end-users.
- Need to develop **instruments to sustain producers in their processing activities, storage and logistics.**
- Support the creation of producer groups and inter-branch organizations working together to improve the organization of the food supply chain.

3. Size of Public Procurements (demand and supply-side problem)

Example: tender of 20 million € for the supply of food in hospitals in Emilia-Romagna (from plastic forks to organic fruit). This causes difficulties for the small producers and local supply chains.

European policy assumes that increasing the size of the tender would increase the savings, but in reality there is only an advantage in logistics for the recipient of the service (single supplier). Nevertheless, only few suppliers are able to offer all the products. As a consequence, the average price of the product ends up being

higher than what you would get from the individual tenders for each product (ex. organic fruit and vegetables, meats, etc...).

Suggestion:

Need to find a **balance** between the **size of procurement** and the possibility to **prioritize local food**.

QUALITY POLICY: SPECIFIC QUESTIONS/TOPICS THAT NEED TO BE ADDRESSED

On the first pillar on quality policy, the main objective of the project is the **study of the socio-economic and environmental impact of GIs** and organic farming. In this regard, AREPO experts stressed the need:

- To identify **best practices** in strengthening the link between quality products and territory in the rural disadvantaged areas.
- To collect **data on socio-economic and environmental impact of quality products** (IGs and organic products) in the rural areas.

RELEVANT BEST PRACTICES AND OUTSTANDING EXAMPLES OF PUBLIC POLICIES

RELEVANT BEST PRACTICES IN THE DOMAIN OF **QUALITY POLICY** AT REGIONAL LEVEL:

- **Rural development (2007-2013):** Support for quality products (IGs and organic) through the RDP measure 132 for certification and 133 for promotion. Moreover, some regions established transversal priority for quality productions in other RDP measures (ex. young farmers). On this issue is possible to consult [AREPO study](#).

RELEVANT BEST PRACTICES IN THE DOMAIN OF **SHORT FOOD SUPPLY CHAINS**:

- **Corse** implemented a regional programme for the development of **short food supply chains** (“Route des sens authentiques”) for [official quality systems](#).
- **Cataluña** created a system for the recognition of proximity products and direct sell, which entered into force through a regional decree. These products are now supported by the new RDP measures.

RELEVANT BEST PRACTICES IN THE DOMAIN OF **FOOD PUBLIC PROCUREMENT**:

- **Cataluña:** initiative on PFP focused on prioritize within the selection criteria GIs, organic products, integrated agriculture and short food supply chains in school canteens and hospitals. This policy should be implemented in 2015.
- **Emilia-Romagna:** “**Sportello mense bio**” is an instrument to **inform and assist public administrations** in the **definition of tenders for food public procurement** with the objective to enable the rapid introduction of **organic food, GIs and integrated productions** in public canteens in Emilia Romagna.

AREPO ROLE IN THE UPTAKE OF PROJECT RESULTS

Before and during the project: AREPO can involve its member regions and producers to assure the representations of their need in the definition and implementation of the project.

During the **dissemination** we can keep our members informed on the results of the project through workshop, publications and informative material uploaded on AREPO website (guide lines, examples of best practices, etc...).

Moreover, the results of the project could give a scientific base at our lobbying activities, especially during the mid-term revision of CAP.