Public Procurement - Call for Evidence

Command paper consultation response – Feedback
March 2021

About Feedback

Feedback is a charity (number 1155064) which works to regenerate nature by transforming the food system. To do this, we challenge power, catalyse action, and empower people to achieve positive change.

Introduction

Reforming public procurement regulation is an opportunity to enshrine meaningful and mandatory environmental and social sustainability standards into public food procurement law, so that small scale sustainable food producers can compete for contracts and provide genuinely local employment, supply chain resilience, reduced food waste and reduced greenhouse gas emissions.

Q1. Do you agree with the proposed legal principles of public procurement? “We propose enshrining in law, the principles of public procurement: value for money, the public good, transparency, integrity, efficiency, fair treatment of suppliers and non-discrimination.”

We believe the principle of “the public good” does not adequately ensure that public sector food procurement will be compatible with the UK’s net zero target, or with the UK’s commitment to the Paris Agreement to keep global warming to below 1.5°C.

We agree that “Public procurement should also be leveraged to support strategic national priorities” but do not believe that including environmental outcomes under a social value priority will be adequate to tackle climate change (point 37). In 2015 the UK signed the Paris Agreement to limit warming to 2 degrees and to make efforts to limit warming to 1.5 degrees. The UK has enshrined in law to reach net zero emissions by 2050 and this must be an explicit national strategic priority in the National Procurement policy statement in order to properly influence procurement practice. With regard to the principle of value for money, it is imperative that best value should incorporate greatest environmental and social benefit, otherwise environmental costs will be externalised.’

38. Point 38 states that key outcomes should be considered where relevant to contract and where ‘proportionate’. However only an absolute requirement to consider environmental impacts/outcomes will ensure that all procurement procedures are in line with a national strategic priority to tackle climate change.

Regarding point 40, the skill set of contracting authorities should include an environmental understanding specialised to their work focus. This is relevant to all sectors but applies especially to public procurement of food. Indeed, without action on food system emissions, and even if all other sectors were immediately net zero from 2020, we would likely surpass the 1.5°C emissions limit by 2051-2063. Taking into account that other sectors are not net zero from 2020, and instead assuming a linear decarbonisation of non-food sectors from 2020 to 2050, we would surpass the 1.5°C emissions limit by 2031. Changes to agricultural production methods, such as a reduction in fossil fuel inputs, will be essential to achieving 1.5°C however, supply side measures will be insufficient on their own to achieve a sufficient reduction in farming’s emissions. Therefore, addressing demand has an enormously important role to play in meeting the emissions mitigation priorities of the food, agriculture and land sector, and public procurement can both be instrumental in deploying demand and demonstrate government leadership on this issue.
Public procurement to normalise plant rich diets

Addressing diets is a crucial part of the food systems action which will contribute to mitigating food systems emissions: halving food waste, eating a healthy level of calories and switching to sustainable diets delivers a reduction of 88% of the total mitigation needed within the global food system to bring us within a 67% chance of meeting 1.5°C. Dietary shifts alone could contribute up to a fifth of the mitigation to stay below the 2°C Paris target\textsuperscript{i}.

In order to avoid dangerous climate change, the UK will need to reduce meat and dairy consumption by 50% by 2030, in line with the Eating Better Alliance, a coalition of over 60 civil society organisations supporting public health, environment, animal welfare and social justice outcomes. A report commissioned by the Committee on Climate Change (CCC) estimates that a 50% reduction in beef, lamb, and dairy consumption by 2050 would alone result in a 37% reduction in the total UK agricultural sector’s domestic emissions by 2050, a reduction of 17.49 Mt CO2e per year.\textsuperscript{xii} We strongly welcomed the UK’s recently published Nationally Determined Contribution (NDC), which states that the UK is ‘committed to delivering a national shift to healthy diets supported by a sustainable food system which contributes towards a reduction in GHG emissions’\textsuperscript{xiii}.

We consider that the most effective immediate action on sustainable diets is likely to include legally-binding standards for public food procurement across all public institutions, which will require duly weighted consideration of requirements including nutritional content, sustainability and welfare criteria, and enforcement of these standards. Procurement has a huge role to play in normalising plant-rich food\textsuperscript{iv} which is an important part in decreasing meat consumption. We recommend a public procurement commitment of 50% less meat by 2030, adhering to the National Sustainable Dietary Guidelines. Schools, hospitals, prisons and public canteens can choose between meat free days (as in 40% of Swedish municipalities\textsuperscript{v}), increasing vegetable portions in recipes, adding more plant-based options or offering a plant-based meal as the daily special, all of which would help to normalise plant rich options, highlight the shifting trend and increase support for stronger policy options.

Voluntary initiatives on sustainable public procurement are likely to be unsuccessful in driving change fast enough. Public Sector Catering’s 20% less Meat pledge is voluntary and has no time frame. From previous evidence of the impact of voluntary initiatives, for example in corporate action on food waste, we might expect to see a couple of institutions making progress while the others fall behind.

Successful examples of sustainable public food procurement abound. One example was spoken about by Line Rise Nielsen of Changing Food at the Launch of the Glasgow Food and Climate Declaration in December 2020. Line spoke of the initiative in Copenhagen to convert all the public kitchens to 90% organic. People constantly asked how the team made the organic food cheaper and Line explained: “We did not! We pay the price for Organic, because we need fair prices for farming. But we made the conversion within the same budget, by reducing food waste, and eating more vegetables and less meat”. Another example is that of Manchester Veg People who incorporate their produce in menus at Stockport secondary schools while keeping the cost of school meals the same.\textsuperscript{vi}

Public Procurement can reduce food waste by supporting shorter supply chains

To avoid dangerous climate change the UK needs to reduce food waste from farm to fork by 50% by 2030. The CCC’s report considers 50% reduction of food waste by 2050 as its most ambitious scenario. However, Sustainable Development Goal 12.3, which the UK government endorsed as far back as 2015, sets a global target for 50% reduction of food waste by 2030\textsuperscript{xv}, with WRAP’s more recent Food Waste Roadmap encouraging businesses to sign up to and deliver this target. Champions 12.3 recommend that this 50% reduction should be from farm to fork, including food left unharvested in the field.\textsuperscript{xvi} Greater government
leadership could speed the uptake of this target. The Committee on Climate Change estimates that reducing avoidable food waste downstream of the farm-gate by 50% by 2050 would result in 1.7 MtCO2e domestic emissions reduction\[^1\] in addition to emissions reductions achieved overseas. These savings would be greater if the approximately 3.6 million tonnes of food waste and surplus occurring on UK farms\[^2\] was halved also.

**The potential of public procurers and anchor institutions to support shorter supply chains**

The IPCC has suggested that shorter supply chains may limit food waste generation - simply through a mechanism of fewer moments in food transport where waste can occur\[^3\]. But a further way in which shorter supply chains may reduce waste may be through helping to ‘rehumanise’ food production, through for example, creating direct links between producers and citizens or increasing understanding of where food comes from. This in turn can help to foster citizens’ agency, as described above, and help to produce a food environment where the value of food is more clearly appreciated, especially the land and labour required to produce it, helping to create an environment that is less likely to be ‘wastogenic’.

One of the main ways in which policy makers can support the shortening of supply chain - or the de-facto regionalisation of food production and distribution - is through public procurement. Regionally, anchor institutions such as local authorities, universities, hospitals and prisons all have the potential to use their buying power to support regional production, supporting both local and regional economies and jobs, and enhancing the strength of regional food systems, though this potential is so far largely poorly explored. Further study is needed to ascertain the extent to which these kinds of procurement practices reduce food waste, both on site, and within supply chains.

One example that the government could follow is to adopt a version of the French beneficial public procurement law, ‘Egalim’, which requires that public canteens use at least 50% organic, local or sustainably produced ingredients by January 2020\[^4\]. Policy approaches like this have the potential to facilitate the support of local businesses: a case study from Avignon demonstrated how this law is being leveraged to support local businesses including an intermediary platform connecting public catering services and farmers, a small business which prepares local fresh vegetables and provides them to canteens ready to cook, and another small business which prepares soups and purees using local produce, allowing a response to over-supply of specific products during different seasons. Feedback further recommends that the government establish funding mechanisms which facilitate local groups to explore different models for shortening supply chains and enabling access to good food, such as collective purchasing of key essentials to reduce waste and increase access, as well as more familiar redistribution of retail surplus.

**Public Procurement can support local resilient socially and environmentally sustainable supply chains**

Regional public institutions must play a greater role as a mechanism to support positive investment in their local region. However, businesses and communities need support to access resources that could be used to scale-up local food enterprises or projects so as to be able to meet increased demand for local sustainably produced food. The importance of specific sustainability criteria is demonstrated by this excerpt from the NB AgriFood ‘Procuring food for the future’ report\[^5\]:

*Food miles bring up some interesting discussions. There is a need for procurement professionals to look beyond the locality of the supplier or distributor, and to the food miles associated with the products themselves. Food miles in themselves are complex and are not tied to a single issue (for example carbon emission). Shorter food miles can have benefits for ties into social, economic and environmental sustainability. With many foods, transport is just a small part of the overall emissions associated with food production and waste. However, there are strong arguments for eating local and seasonal food to reduce environmental impacts, as well as the economic and social value delivered when anchor institutions invest in their local food system. Shorter supply chains can also allow for greater transparency in terms of the social and environmental impacts of the food being*
The N8 Agrifood research project interviewed several public institutions and found that sustainable procurement is often interpreted as packaging and food miles, where food miles means local suppliers even if their food sourcing is global. They found that it is important to be very specific about what procurement teams need to do so that suppliers can put forward ambitious proposals. The research found that suppliers want requirements to be specific, as interpretations of what sustainable means varies so much. Interestingly, some interview respondents source a high percentage of their food from within a 30 mile radius but do not see reducing meat and dairy as a necessary sustainability step, despite the greenhouse gas mitigation potential of dietary change to be many times that of food transport\textsuperscript{v}.

44. With reference to point 44, this new oversight unit should include environmental experts with the power to conduct reviews and intervene on procurement projects not meeting net zero and biodiversity goals.

Q6. Do you agree with the proposed changes to the procurement procedures?

56. With regard to point 56 and the different procurement procedures, we propose a simple, overarching requirement across all these procedures to consider maximum nutritional value for maximum environmental enhancement when procuring food.

Q8. Are there areas where our proposed reforms could go further to foster more effective innovation in procurement?

91. With regards to point 91 and how to foster innovation through procurement, we propose specific innovation budgets which allow food procurers to invest in small-scale local projects that will best meet the environmental and social outcomes set out in the National Procurement policy statement. Small scale producers struggle to compete with economies of scale and often lack the capacity to access procurement contracts. Therefore there is a need for further investment to help small scale producers scale up to access contracts. We support the Preston Model principle to source locally however recognise that there are currently not enough local suppliers to meet growing demand for locally produced food - investment is required to help local producers to scale up. National government should work with local authorities and enterprise services to develop support for new sustainable food entrepreneurs via vocational training and business planning, finance, development advice, support and/or grants\textsuperscript{xiv}. This investment might encompass supporting start-up businesses to increase local food supply via an upfront grant to scale up premises, support to create or to link up with a cooperative or investing in infrastructure which allows a scale up of locally produced food (e.g. equipment or processing centre for local small scale vegetable growers to send their vegetables to be processed for public meals and benefit from large contracts as consortia). This is a neglected area, and in contrast to investment in large scale retail and residential projects in which the economic benefit tends to leave the area, small scale neighbourhood investment tends to lead to local employment and further cycles of economic benefit.

We also encourage national government to work with Local Food Partnerships to convene a food procurement working group to facilitate collaboration and knowledge sharing between food procurement staff and local businesses. This can also be a route for sharing and celebrating examples of good practice in the local area\textsuperscript{xv}. The Dynamic Food Procurement project aims to facilitate UK-wide, SME-inclusive, dynamic procurement, fulfilment and delivery capabilities for public sector food buyers and enable the buyers to procure directly from multiple primary food producers\textsuperscript{xvi}.

Q15. Do you agree with the proposal for removing the requirement for evaluation to be made solely from the point of view of the contracting authority, but only within a clear framework?
We agree with this proposal, as this is an important component of a transparent procurement process. A clear framework would work best as a set of standards, e.g. Soil Association. A centralised oversight unit ensure the standards are enacted, for example with random checks, taking a similar role to Ofsted in the education system, perhaps even creating a tiered framework to show which councils are doing well on transparency and other public procurement principles.

Q17. Are there any other behaviours that should be added as exclusion grounds, for example tax evasion as a discretionary exclusion?

120. With regards to point 120 and poor past performance, it is important that this integrates environmental violations or failure to meet standards. Suppliers associated with, or with past performance of, activities not compatible with meeting the UK’s legally binding target to achieve net zero emissions by 2050 should be excluded.

Q27. Do you agree that transparency should be embedded throughout the commercial lifecycle from planning through procurement, contract award, performance and completion?

We would like to highlight the findings of the N8 AgriFood Programme that increased transparency and accessibility of data around food supply chains and food businesses is needed to support more sustainable procurement practice. Whilst accreditation schemes are useful for recognising good practice, data about supply chain sustainability and ethics (positive and negative) for all food businesses supplying the public sector is essential to enable procurement teams to make informed choices that align with their social, environmental and economic values. This needs to be implemented in a way that supports small businesses in complying and does not restrict their access to the public procurement sector.

With regards to food procurement transparency of performance must include requiring collection and transparency of data on food waste and diets, in order to adequately monitor compatibility with the UK’s legally binding target to achieve net zero emissions by 2050. In turn, increased transparency and accessibility of data around food supply chains and food businesses is needed to support more sustainable procurement practice.

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14 Ibid
16 Ibid
17 Leip et al, 2019. European Commission’s Joint Research Centre. Evaluation of the livestock sector’s contribution to the EU greenhouse gas emissions
19 Alongside halving food wastes and eating a healthy level of calories, switching to sustainable diets by 2050 delivers a
reduction of 1077 Gt CO2-we compared to cumulative Business as Usual food system emissions of 1356 Gt CO2-we by 2100. See Supplementary materials from Clark, M. A., Domingo, N. G., Colgan, K., Thakrar, S. K., Tilman, D., Lynch, J., ... & Hill, J. D. (2020). Global food system emissions could preclude achieving the 1.5° and 2° C climate change targets. Science, 370(6517), 705-708.


Dynamic Food Procurement National Advisory Board. See https://www.dynamicfood.org/. Accessed on 9th March 2021