Revision of the EU GPP criteria for Food and Catering Services

October 2016

General Comments

GPP and the contribution of organics to sustainable production and consumption

Organic food systems have huge potential to contribute to sustainable food production and consumption. Organic production has proven sustainability credentials, with farms delivering a wide range of positive ecological and social-economic outcomes and the profile of regular organic consumers largely demonstrate sustainable diet characteristics (e.g. consumption of more plant foods, better nutrition and health, motivation to minimise use energy/water and overall environmental impacts). This is largely reflected in the organic approach to sustainable development, with a clear and generally accepted definition, four basic principles (health, ecology, fairness and care), internationally acknowledged standards and useful and well-established metrics. In practice, for over the last 100 years, organic food systems have addressed aspects related to the environment, animal welfare, food quality and health.

With the public sector a key food distribution channel in many Member States, Green Public Procurement (GPP) has great promise to support the development sustainable food systems by incentivising sustainable production and educating citizens about sustainable consumption. Indeed, the organic approach is often an integral part of procurement policies pioneered by public authorities particularly through school meal programmes. The EU criteria are an important instrument to encourage the uptake of green public procurement in national and regional policies and therefore the revision process should aim to build on the existing 2008 EU criteria responding to the growing consumer demand for organic and support for farmers and SMEs producing organic products.

In working to meet GPP goals, procurers’ contracts should seek to align with national and regional organic action plans, developed or under-development, of relevance to public procurers’ in order to make a better link between the demands of the procurers and the organic supply base. This can also help to make links to relevant EU funding, such as the European Structural and Investment funds. For an overview of organic action plan development and implementation, see Organic Action Plans: A Stakeholder Guide.

Creating a dynamic approach to GPP criteria

Given the compatibility of organic food systems with sustainable food diets, organic food products should be the baseline criteria for public contracts complemented by additional criteria e.g. seasonal products and award criteria e.g. fair trade products. In order to promote a dynamic approach to GPP and achieve an optimal result, different categories “compatible” with organic food products should be
combined together where possible instead of remaining mutually exclusive. Public procurers should be able to demonstrate that an organic product was unavailable prior selecting alternative product categories e.g. IPM.

**Practical guidance to accompany GPP criteria**

The current 2008 criteria do not provide practical recommendations or guidance for implementation e.g. how certain requirements can be verified. Clear Guidance on the implementation of award criteria based on the principle of the "most economically advantageous tender" (the "MEAT" - criteria) is particularly important. Practical guidance could be informed generically by existing experiences of GPP at national and regional level, including the use national or private organic standards. It is important to adapt the guidelines and recommendations to the organic sector and procurers’ needs.

The potential for Member States and public procurers to further increase the use of organic food in public procurement of food and catering services as set up in the Action Plan for the future of Organic Production in the European Union should be clearly recognised in the new GPP criteria. This includes the commitment of the Commission to develop informational material to promote the uptake of organic production in public contracts for food and catering services as a means of increasing sustainability.

Sufficient guidance and best practice to demonstrate and support the successful integration of GPP criteria into public contracts should accompany the final criteria. Such guidance and best practice act as a means to stimulate green procurement in the private sector.

**Scope of the GPP criteria**

In the first instance, organic production should be clearly acknowledged as the only farming system that is a legally recognised and certified standards for production and labelling and marketing in more than 80 countries or regions including the EU-28. This should be clearly highlighted in the criteria and better reflected in the overall technical report.

This harmonised approach is further developed in different Member States through national and private standards which reflect the specific cultural, structural, geographic and climatic diversity of individual countries and regions and helped to pioneer further progress in sustainability.

In some cases, organic standards for mass catering have been developed in a number of Member States (for further information see section on market data below). Given the limited intra-community trade and national specificities, organic mass catering standards remain outside the scope of the EU regulation on organic production and labelling of organic products.

**Use of Life Cycle Assessments**

The technical report relies significantly on the use of Life Cycle Assessments (LCAs), comparing organic and conventional agriculture as the basis for the development of the GPP criteria. While LCAs offer a very precise quantitative overview of environmental impacts, they are not a panacea as they only address certain environmental aspects. However, they tend not to take into account the multi-functionality character of sustainable agriculture systems in particular aspects related to biodiversity and soil fertility where organic is a forerunner. As a result, LCAs that compare organic and conventional systems currently do not to take into account the multitude of differences between
farming systems and the products produced and therefore not comparing like with like.\textsuperscript{10} The use of LCAs in the technical report is extremely narrow as it is based on the product itself, not taking into account the background of the enterprise. While a variety of different approaches has been developed for assessing aspects of sustainability in the food sector and agricultural production, these do not always have a clear definition of sustainability and different and inconsistent indicators can lead to contradictory assessment results that may not be comparable.

Therefore, we question the over-emphasis on the results of a patchwork of LCA studies for organic food products. Furthermore, although the scope of GPP is focused primarily on reducing environmental impacts, it is important to acknowledge that the sustainability concept is much broader and includes economic, socio-cultural and ecological impacts.

Given the limitations of the LCAs, only existing studies that have conclusive results with significant differences between farming systems and products covering all environmental aspects should be considered in the first instance, with elements of sustainability also taken into account in the second instance.

**Market data**

The organic market continues to grow year on year (on average 6\% per year) reflecting the demand amongst EU consumers for high quality food production that supports the environment, animal welfare and rural development. In the last decade alone, the EU market doubled in value from €11.1 billion in 2005 to €24 billion by 2014 (€11.9 billion to €26.2 billion in Europe). At the same time, the latest production and market data demonstrate a challenge in filling the gap between growing market demand and the development of the supply base.\textsuperscript{11}

![Figure: Growth of organic retail sales in EU 28, 2005-2014](image)

*Source: Willer et al., 2016\textsuperscript{12} based FiBL-AMI surveys 2006-2016 and OrganicDataNetwork surveys 2013-2015*
The data used in the technical report are out-of-date, given that they are from 2011. The latest data available is from 2014, hence the report should be updated to ensure that the information is correct. On top of this, it needs to take into account that there is limited data regarding intra EU-trade and organic farming. Information of the latest market as well production trends can be founded in Organic in Europe: Prospects and Developments.

EU-wide figures for organic catering are not as widely available. However, of the data available, figures for 2011 show that organic catering sales differ significantly from country to country. Public and private canteens and restaurants procuring organic food can represent between 1% and 10 % of total organic sales depending on the country. Intra-community trade in organic mass catering remains limited.

<table>
<thead>
<tr>
<th>Country</th>
<th>Domestic organic sales excluding catering Mio. €</th>
<th>Organic catering sales Mio. €</th>
<th>Total organic sales including catering Mio. €</th>
<th>Catering as % of total sales %</th>
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</thead>
<tbody>
<tr>
<td>Austria</td>
<td>1 065</td>
<td>64</td>
<td>1 130</td>
<td>5.7</td>
</tr>
<tr>
<td>Czech Republic</td>
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<td>5</td>
<td>63</td>
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<td>1 006</td>
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<td>158</td>
<td>3 911</td>
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<tr>
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<td>300</td>
<td>6 890</td>
<td>4.4</td>
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<td>1 903</td>
<td>18</td>
<td>1 921</td>
<td>0.9</td>
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</tbody>
</table>


Figure: Estimates of catering sales values in 2011 in some Member States based on national sources

Whilst national or private mass catering standards exist in several Member States, the procurement of organic food and catering services can be difficult to implement where there is no previous experience. This reflects the need for effective GPP criteria that can be adapted to different national and regional contexts, as well as practical guidelines for implementing the criteria in practice.

**Specific comments: EU GPP Criteria Proposal for Food**

**Organic food products (TC1, AC1):**

IFOAM EU welcomes the fact that there is a percentage on the organic produce required (25% in core criteria and 50% in comprehensive criteria). Having a percentage means that there is a clear target that must be achieved. The percentage of organic products should be regulated in two steps. First there should be a specific percentage of those products that can be sourced 100% organically. A second step would allow specific organic products to take up core criteria (25 %) with others accounted for in comprehensive criteria (50%).

For vending machines, we agree with a % threshold, but more details on the development and application of criteria are needed.

The application of the criteria for mass catering can be more challenging as catering services should be expected to procure a full range of organic ingredients for the preparation of a wide variety of dishes, but not all ingredients may be available.
Allowing the use of organic indications such as only one ingredient (e.g. organic potatoes) or one component (e.g. all vegetables) in a mixed menu should be considered as part of the criteria. Minimum percentages of organic ingredients could also be specified.

The % threshold could also be further defined based on an assessment of the availability of organic products.

It is important to remember that a percentage requirement is not always relevant as the more specific the procurement requirements are, the less relevant the use of a percentage is. For instance, in relation to the procurement of specific products e.g. tea and coffee can be purchased 100% organic. As a result, further guidelines in this regard could be considered.

We agree to express the criteria in terms of the total cost of food and drink products purchased within the contract. This reflects the reality that it is very difficult to get reliable data on the weight, as lots of products have differing weights and data is not available for many products bought per item e.g. eggs, bread etc. Difference between the weight of produce and processed products is also not easy to define, as well as for minimally processed produce e.g. peel fruits and vegetables. In order to ensure a simple and effective approach to keep administrative burden to a minimum (including those associated with certification), price is the most useful indicator.

We wish to stress the importance of public procurers carefully monitoring targets overtime, so that goals to reach a certain percentage of organic can be met. It is important to note in the case of catering, as there is no obligation to certify mass catering, there is no solid basis to control the percentage to be achieved. If mass catering is to remain outside the scope of the EU organic legislation, encouraging the uptake of legally binding obligations, at national and regional level, can be a means to better control the procurement of organic products.

Marine/Aquaculture products (TS2, AC3):

IFOAM EU welcomes the marine/aquaculture criteria. However, the criteria should complement organic, not exclude certified organic aquaculture products. The combination of organic food and aquaculture product criteria leads to more optimal results. Organic aquaculture should be considered as one of the criteria. The criteria should also focus more on how harmful fishing methods can be avoided and the way in which the different aquaculture products are raised e.g. use of antibiotics, hormones, use of feed.

Seasonal products (TS3):

IFOAM EU welcomes the seasonal product criteria as a complement to organic criteria. Similar to other compatible product criteria, it should not exclude organic certified products. Therefore, seasonal products should be combined with the organic criteria. The product should first be organic and then seasonal to avoid exclusion. It is important to remember that seasonal products are difficult to describe because they depend on the special region, which is not always clearly defined. It is very important to take into consideration the different climatic zones of the EU and that seasonality of fresh produce can vary even in the same country, e.g. North and South Italy have different climate and hence, can produce different vegetables and fruits per season.
For mass catering, seasonality can be a technical criterion (i.e. for individual ingredients), however it is questionable whether seasonality can be considered as a technical criterion for food products. When procuring fruit for example, the seasonality of products can be clearly indicated. Dialogue between procurer and potential suppliers (individual producers/SMEs and/or associations is crucial too. For instance, the background information from the procurer is very important for the potential suppliers in order to set a correct price.

**Integrated Pest Management (TS4, AC2):**

Defining integrated production as a technical criterion is questionable as it is neither defined nor controllable in all Member States. In several countries, such criteria don’t even have any added value as produce produced using such methods is a standard requirement. Therefore, including IPM criteria wouldn’t give advantage to more sustainable producers.

**Animal welfare (AC4):**

IFOAM EU welcomes the inclusion of animal welfare standards. However, since this topic can be quite wide it is important to set clear criteria for these standards.

Free range egg criterion should not undermine the procurement of organic eggs.

It is important to highlight also that organic agriculture already has clear and high standards for animal welfare compared to conventional produce. These products should not exclude organic labelling. The combination of these two criteria will lead to optimal results.

**Fairtrade products (AC5):**

IFOAM EU welcomes the inclusion of fairtrade product criteria and sees the added value of such criteria to complement organic criteria. However, it is not a practical approach to have a percentage for specific products. When supplying coffee, you need to have several retailers of coffee to have a percentage. But, often, procurer only have one supplier of coffee in their contract who has a range of coffee products not all of which can meet the criteria. These products should not exclude organic labelling. The combination of these two criteria will lead to optimal results.

**General comments on environmental performance (post-production)**

IFOAM EU welcomes the inclusion of criteria for environmental performance as award criteria for packaging (A06) and for catering services. The inclusion of such criteria can act as a means to incentivise environmental performance by controlling and improving the use of resources (energy, water etc.), avoiding pollution and limiting climate change impact.\(^\text{14}\)

IFOAM EU are not in favour obliging SMEs to comply with EMAS/ISO14001 or equivalent schemes. Establishing complex requirements with an additional certification system is too far reaching approach with a tremendous additional burden (workload and costs) for SMEs. Imposing such systems has a high potential to exclude many operators. It is therefore highly important to define requirements which meet the needs of SMEs, rather than disadvantaging them in favour of larger industry players.
With regards to packaging, referring specifically to the technical report, some improvements could be made. Firstly, a wider spectrum of stages in food supply chain (outlined in Table 3, p.3) should be considered. This includes:

- emissions from processing i.e. the processing stage creates ... and emissions
- packaging exceptions for juice and soft drinks e.g. water and milk, juice and soft drinks

The main environmental hotspots and causes from food and catering services (outlined in Table 5, p.11-12) should consider:

- water and energy in the context of meat processing, milk and cheese production, fruit processing
- packaging materials in the context of vegetable packaging e.g. production of steel, glass and plastic
- manufacturing processes in the context of hot drinks production e.g. drying of teas leaves, roasting coffee
- production of materials in the context of packaging materials i.e. (e.g. glass, paper, cellulose)

Food packaging requirements should also be able to meet the needs of the user.

References


14 For more information, see IFOAM EU, (2014); Background information on Environmental Performance in Organic Production. Available at: http://www.ifoam-eu.org/sites/default/files/ifoameu_reg_enviperformance_background_info_20141219.pdf