

Barriers for small-scale farmers in public food procurement

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1. Introduction

The main objectives of the COCOREADO project are to connect consumers and producers and enhance the position of the farmer in the food system. Part of the project pursues these objectives through the lens of the public procurement of food, with a goal of developing recommendations and showcasing good practices for establishing and maintaining farmer-inclusive, sustainable food procurement approaches. To this end, it is important to identify and highlight the challenges that farmers face when engaging with public customers. Most often, the discussions on how to improve public procurement do not include the farmers but instead focus only on other actors involved, such as wholesalers, procurement officers, policy-makers etc. This research is an attempt to get information as directly as possible from farmers about the barriers they have experienced.

COCOREADO has 13 partners from across Europe, six of which have contributed to this research, working in five countries (**Figure 1**).

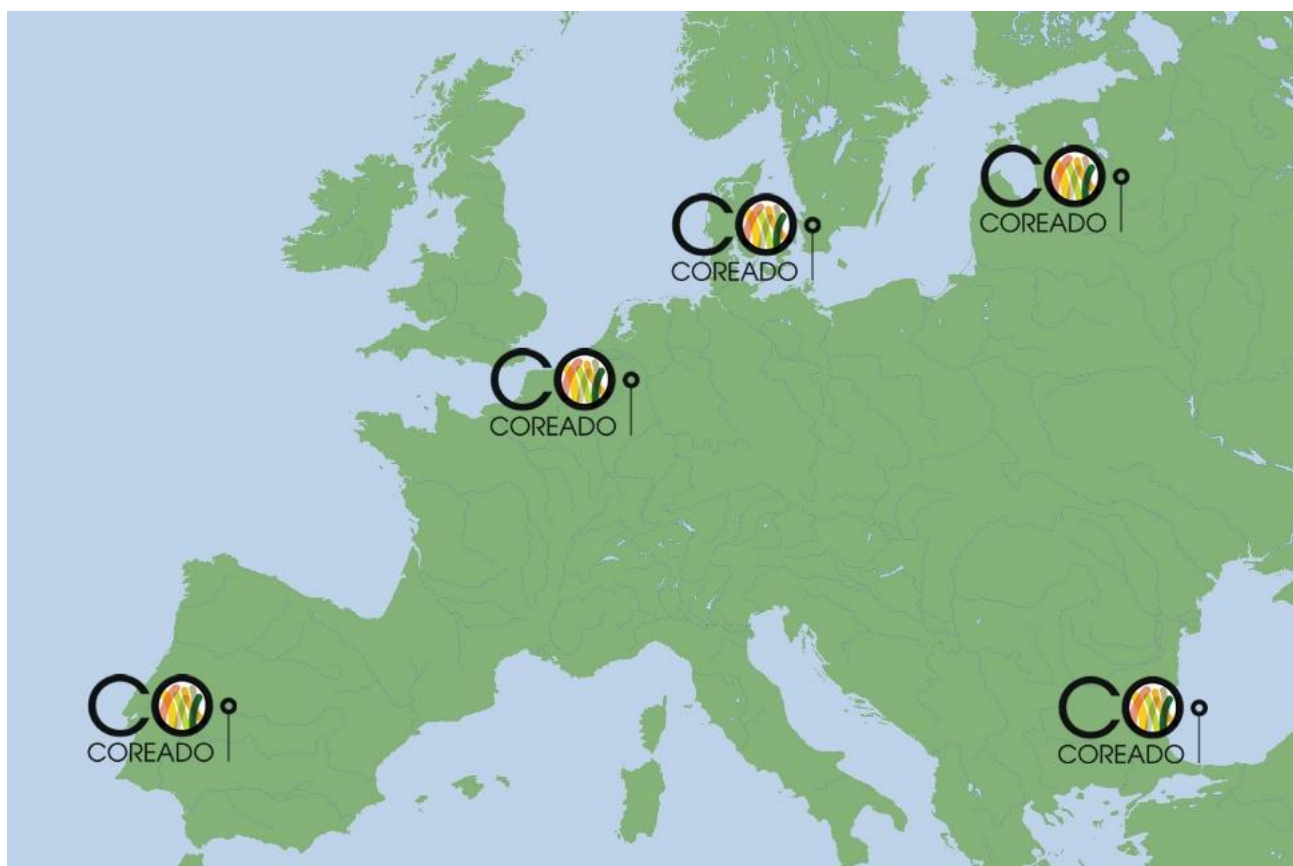


Figure 1. Information has been collected from five countries across Europe.



2. Data collection

Data have been collected mainly through interviews and focus groups. The goal was to get primary information from farmers (**Table 1**), but due to difficulty in reaching and engaging them, supplementary information has been gathered from consultants, advisors, NGOs and public servants, as well as from desktop research. The five partners participating in the research have collected the information in the following way:

- In **Belgium**, we conducted 13 semi-structured interviews with representatives from farmers' organizations, consultants, procurement officers, NGOs and other actors in the field.
- In **Bulgaria**, we conducted semi-structured interviews with eight farmers and five other experts in the field, and supplemented by participating in a relevant event.
- In **Denmark**, we gathered information from eight small-scale farmers through interviews and a survey, supplemented by a focus group with three consultants/representatives.
- In **Latvia**, we conducted nine interviews, four of them with farmers, one with a consultant, and the rest with public servants, combined with desktop research.
- In **Portugal**, we gathered information from five farmers, one consultant and three additional experts with knowledge in the field through interviews and a survey.

Table 1. Overview over participating farmers. Farmers are assumed to possess primary knowledge about barriers preventing their participation in public procurement.

Country	Farmers (no.)	Farm sizes (ha)	Goods produced	Certified organic ^b	Public procurement experience ^c
Belgium^a	-	-	-	-	-
Bulgaria	8	1.3-200	Vegetables, fruit, honey, dairy	8 (100%)	4 (50%)
Denmark	8	<20-500	Vegetables, herbs/flowers, dairy, eggs	5 (63%)	6 (75%)
Latvia	4	2-70	Vegetables, grain, honey	2 (50%)	4 (100%)
Portugal	5	<5-100	Vegetables, fruits and other crops	4 (80%)	4 (80%)
Total	25			19 (76%)	18 (72%)

a: In Belgium, none of the participants were farmers.

b: A small minority of farms had additional certifications of various kinds.

c: Defined as experience with bidding on a tender and/or being a supplier to a public authority.

3. Background

The five countries participating in the research are very different in terms of the dynamics of their food systems and food habits and priorities, as well as their procurement practices. However, all of them are bound by the conditions and requirements in EU procurement law, and many of the most



pervasive ideas about the role of procurement (such as the importance of a low price) are evident everywhere. These commonalities mean that regardless of the differences between the countries, it is possible to identify barriers for farmers that are valid across borders. Nevertheless, some important differences may be mentioned, both when considering the food system as a whole and the procurement situations specifically.

The main consideration when it comes to the food system is to understand that the countries are very different when it comes to how prioritized and valued sustainable agriculture and food production is in the general society. One indicator of this is the role of organic food production and consumption in the country. In Bulgaria, organic production is not prevalent, with the organic area only encompassing about 2% of the total cultivated area. At the other end of the spectrum, almost 15% of the arable area in Latvia is cultivated organically, placing Latvia sixth in the EU, after Austria, Estonia, Sweden, Italy and Czechia (Eurostat). In Denmark, the figure is about 12% and in addition, Denmark has a national, state-controlled organic label trusted by 90% of the population (Ministry of Food, Agriculture and Fisheries in Denmark). In Belgium, the organic area is about 7%, and 8% in Portugal (Eurostat).

Another important aspect that varies between the countries, is the fundamental structuring of the procurement systems. Some countries, such as Belgium and Latvia, mainly operate their procurement as service contracts. This means that the entire activity of planning, cooking and serving the public meal is undertaken by a private catering company, contracted by the public authority. In other countries, in this case perhaps most prominently in Denmark, the custom is to procure goods. This means that the planning, cooking and serving of the public meals is done by employees of the public authority and supplier of food materials to the kitchens is contracted by the public authority. Procurement tenders for a service are different under EU law than tenders for goods, which affects the demands that can be made. In general, the regulations are stricter for goods tenders.

4. Barriers

The barriers can be sorted into six main themes: *Priority, Terms and criteria, Resources, Cooperation, Trust and Motivation (Figure 2)*. These can be viewed as six necessary pillars for achieving sustainable public procurement accessible for farmers. The pillars are of course interlinked and interdependent, and in many cases the individual barriers identified could have been sorted into other categories. However, in this form the categories have an inherent progression, starting with the public authority prioritizing sustainable procurement and farmers as suppliers, setting the necessary criteria for it, and ensuring that the resources to make it work are available and that the cooperation with farmers is taken seriously. This in turn builds trust in the system from the side of the farmers and stimulates their participation.



Figure 2. Overview over main themes barriers for farmers in public procurement have been sorted into, and the suggested connection between them, from political priority of the area to farmers being motivated to participate.

Not every single barrier was identified in all countries included in the research (**Figure 3**). In some cases, this is due to differences in the procurement situation in the different countries, though the research method also plays a role, in that only the barriers identified by the respondents is included. More barriers can exist that the respondents had not thought about.

All countries have barriers that fall into the six main themes, and some barriers were identified in one form or another in all countries. The most prevalent types of barriers are i) that the tenders are written and constructed entirely with wholesalers or usual suppliers in mind; ii) that logistics are a major challenge for farmers; and iii) that it is difficult to match the inherent variability of farming to the rigid structure of public procurement. Additionally, most countries also note that major issues are iv) that price is too important in awarding public contracts; v) that the procurement offices lack skills and time or do not prioritize changing procurement; and vi) that the time consuming process of public procurement is prohibitive for farmers' participation. In one case, a main barrier identified is unique in this context to a specific country: In Bulgaria a major challenge is the prevalence of corruption in public institutions, which significantly reduces trust in the procurement system. This barrier was not identified in the other countries, where the trust issues have more to do with transparency and the risk of fraud, or a general feeling that public procurement is not intended for farmers and that nothing can change this.

In the following, the barriers and themes will be described in detail, with examples from the country-specific reports.



Main themes	Sub-themes	Belgium	Bulgaria	Denmark	Latvia	Portugal
Priority	Political support					
	Procurement office					
Terms and criteria	Price					
	Sustainability					
	Terms					
Resources	Facilities and equipment					
	Skills and preferences					
Cooperation	Logistics					
	Economy					
	Access					
	Production					
Trust	Exclusion					
	Fraud					
	Corruption					
Motivation	Bureaucracy					
	Time					
	Reward					

Figure 3. Identified categories of barriers per country. The color markings indicate in which countries at least one identified barrier was found within the sub-theme. See **Appendix 1** for a list of the barriers per country.

4.1 Priority

The category of Priority includes all the identified barriers that relate to the lack of priority given to development, implementation and assurance of sustainable public procurement accessible for farmers by the contracting authority or in the general political landscape.

4.1.1 Political support

Farmers and other respondents report that the issues behind the barriers that prevent sustainable public procurement and access to procurement for farmers start at the very top. Achieving sustainable food systems is simply not prioritized enough politically, and has not been for many years, which has created procurement approaches that are not conducive for achieving more sustainable practices or making the system accessible to farmers. In some cases, there are no food strategies at any level – national or local – and sustainable farming is not a priority either. A general lack of comprehensive studies, specialists and monitoring practices is observed, so there is no available overview over the area

Bulgaria

Pressure is put on organic producers through various forms of control not relevant to organic production that do not apply to conventional producers (in-situ registration of harvested produce by control and certification organisations rather than the farmers themselves, cumbersome bureaucratic procedure for correcting technical errors resulting in monetary penalties, etc.). In general, the attitude towards organic production in the country is not very high.



for public authorities to act upon even if the political motivation should arise.

4.1.2 Procurement office

In most of the included countries, a lack of skills in or time allocated to, the procurement offices was identified. A general observation was that some procurement officers are interested in writing tenders that promote sustainable food and that enable farmers to become suppliers, but that they do not have the necessary skills, training and knowledge to do so. Many procurement officers work with procurement across product categories, and only dedicate a small amount of their time to food. This makes the procurement officer an expert in procurement, but not in food or sustainability, which makes it challenging to transform the approach. Even in the event that the main practical barrier for the local farmers in their region and the relevant sustainability priorities of the public institution are known, the procurement officer and legal advisors struggle with being able to translate this knowledge into concrete and legal criteria. They lack the necessary framework for regulating, monitoring and

Denmark

A supplier experienced that a specific procurement officer was very open and wanted to understand the barriers, but had great difficulties in translating them to tender conditions that would minimize the problems.

supporting their efforts into sustainable procurement. They also lack time, both to expand their knowledge and expertise, and subsequently to administer the new approaches. In many cases, a single purchaser is responsible for managing many contracts and their time is stretched across a multitude of tasks, resulting in a need for as little administration as possible. If a public authority decides to tailor a tender to farmers, it will in most cases be necessary

to replace one large contract with several smaller contracts with various producers, because no farmer produces the amounts and variety of a wholesaler. However, managing many smaller contracts takes a lot more time than managing one, and the administrative burden increases with the increasing amounts of paperwork and follow-up required. It is often not feasible to add the challenge of establishing and maintaining contracts with suppliers that require more flexibility and alternative approaches to already busy schedules. This lack of expertise and resources in the public procurement offices leads to tenders that perpetuate current unsustainable practices instead of challenging the status quo. They are often based on a previous contract and the process seems to be almost habitual, with a lot of actions motivated by "how things are usually done."

4.2 Terms and criteria

The category of Criteria includes all the identified barriers that relate to the criteria and terms used for selection of eligible bidders and final awarding of the supply contract to a bidder, and the ways the formulation and selection of these criteria can hold farmers back and even prevent potential political sustainability targets from making a real-life difference.



4.2.1 Price

It appears that the vast majority of public procurement tenders focus exclusively, or almost exclusively, on selecting the cheapest bidder living up to the minimum requirements. Essentially price

Bulgaria

Tenders are aimed at achieving the lowest possible price, without quality being defined as an evaluation and supply criterion/requirement.

is the only criterion that really matters. This barrier is one of the most often mentioned, regardless of whether the respondent is a farmer, a consultant or an ambitious public procurement officer, and it is one of the most important barriers to deal with. It builds upon the previous barriers in the category of Priority, because paying as little as possible for services and goods is a prevalent strategy for public

spending in general. However, the focus on price has arguably created a race to the bottom where food in public kitchens, such as schools, nurseries and elderly homes, in many countries is largely cheap, pre-packaged, processed food with a long shelf-life, and all infrastructure and facilities have been arranged for this (see section 4.3). This makes it challenging to implement sustainable practices and makes the market inaccessible for farmers. In theory it is possible to construct a tender where all the sustainability and quality criteria are included as minimum requirements, and continue the practice of having the actual competition centered on which bidder can live up to the demands at the lowest cost. However, this puts the responsibility for achieving a sustainable food system entirely on the shoulders of the contracting authority, and perpetuates a mind-set of only striving for the bare minimum in both suppliers and procurement officers.

Denmark

The public tenders are too often based on price, and you can import almost anything more cheaply. It is not even enough to demand organic food, because you can get an organic apple from South America. It is important that the sustainability criteria, e.g. CO₂-emissions, are weighed higher than price.

4.2.2 Sustainability

Some public authorities attempt to include sustainability criteria in their tenders but they are often too vague or unclear to make a difference in what is being purchased in the end. This was reported from various sources in this research, and the claim is that the criteria are not measurable or are not even properly defined. Words such as "sustainable" or "local" are used without specifying what this means in the context of the tender. Besides potentially being greenwashing, because it ends up as empty claims, this practice means that farmers who actually do live up to the ideals the tender purports to support do not have any actual competitive advantage over those who do not in the running for being selected as a supplier.

Portugal

Sustainability requirements are often related to environmental certifications (no farmer has one), or sustainability in a generic way (what is sustainability?). For example, there is not enough organic production to meet the needs.

4.2.3 Terms

In the cases where criteria are actually included in a real or measurable way, the tenders are often written in a way that makes them inaccessible for farmers. Sustainability might be handled through asking for certifications or other forms of documentation that is expensive or difficult to obtain, or documented dietary or nutritional information might be required, which is much easier to provide for



processed packaged food than for fresh produce. Farmers experience that the selection and award criteria as well as the terms and conditions are designed to be suitable for wholesalers and not for farmers. They are difficult to live up to and no attempt is made at dialogue that could lead to the

Portugal

The procurement process is very complex, so the companies that have their own teams for it and know the process well usually apply. The bureaucratic process of a public tender is not attractive for agricultural producers.

necessary adaptation of the criteria. Furthermore, the documentation and general administration through the bureaucratic process of public procurement is so complex that it is not feasible for farmers to participate. Costly specialist accountants or consultants are often required, and farmers do not have the funds to pay for such services. This leads to the presently common

situation that wholesalers are a bottleneck between the farmers and the public customers, and farmers mostly engaging public customers indirectly with the wholesaler as an intermediary.

4.3 Resources

The category of Resources includes all the identified barriers that relate to the way the lack of political prioritization of inclusive, sustainable public procurement impacts what resources are actually allocated to preparing and serving the public meals. Arguably, time and skills in the procurement office can also be a part of this category, but in this overview, it is covered in section 4.1.

4.3.1 Facilities and equipment

In many cases, public meals are supplied by catering companies and might not even be prepared on the premises of the public institution. In catering systems, farmers can only be suppliers to the public meals through the private catering company, and whether this happens depends on the demands made by the public institution when writing the service tender. Demands can be made in the service tender that facilitate this. Should the public institution decide to take home the preparation of the food in an attempt to gain direct control over sustainability aspects or the inclusion of farmers, they face a problem because often the public

Portugal

Canteens often require processed products (washed, peeled, frozen, pre-cooked, etc.), which results in a big cost, especially for refrigerated transport.

institutions serviced by catering are constructed without a kitchen. Even in situations where the public authority is responsible for the preparation of the meals, there can be problems in the kitchens themselves. Many kitchens do not have the facilities to prepare fresh food and produce coming directly from farmers but require processed products, because they simply lack the facilities and

Belgium

The kitchens are often only outfitted with a regeneration oven and basic equipment. They do not have facilities for cleaning vegetables or fruit, since this would be against the food safety rules. Most schools in the city do not have the space to build a kitchen with infrastructure to wash and cook vegetables. This would take too much of the valuable space in the city. If farmers want to supply public customers they have to process their products (e.g. all chicken breasts need to be the same size, carrots need to be peeled etc.), and package them (e.g. specific packaging for regeneration ovens). Most farmers do not have facilities – and time – to do this.

equipment to handle and store fresh food. It is reported that this is sometimes due to food safety rules, but most commonly it is a matter of economy and a choice to go for the absolute cheapest option, barring all other concerns (see section 4.2). This means that for farmers to become suppliers to such kitchens, they would have to either process their produce themselves, individually or through cooperatives, or engage intermediaries to do so. This places



a significant burden on the farmers, and it is not even always evident in tenders what exactly is expected.

4.3.2 Skills and preferences

The existing conditions in many kitchens, where food is most often at least partly processed and delivered by wholesalers, has led to a lack of skills and knowledge, as well as a set of habits in the kitchens that makes it difficult for farmers to consider becoming suppliers. Kitchen staff prefer goods from wholesalers because this is what they are used to and what the kitchens they work in are constructed for. They are not trained in using seasonal, local products, or even fresh products, and neither are the staff responsible for developing the menus. The reliance on wholesalers has also created habits or systems of ordering of food that are completely unattainable for farmers, with deliveries expected in frequencies and at times that farmers cannot live up to. The kitchens are sometimes expecting deliveries that are just in time for the preparation of the food, because no or very limited storage is available on-site.

Belgium

The 'just in time' method, in which goods are received from suppliers only as they are needed, poses a problem for the supplier. In an example, a day care ordered one or two apples, so the supplier needed to come especially for this. These small deliveries are very expensive for the supplier.

Denmark

A farmer succeeded in creating a supply contract with a public authority that minimized many of the barriers. However, the kitchens chose to not order from the farmer at all, and continued ordering everything from the wholesaler instead. The farmer saw it as a protest from the kitchen staff.

4.4 Cooperation

The category of Cooperation includes all the identified barriers that relate to problems in cooperation between public authorities and farmers, where the public institutions might have existing systems in place aimed at wholesalers and are not engaging in adapting these systems to fit farmers' needs. Most of these are centered around public authorities having very strict demands that fit poorly with the variable nature of food production.

4.4.1 Logistics

A major type of barrier identified in the research relates to the logistics of being a supplier to public kitchens. Individual farmers simply do not have access to – or ability to build – the kind of complex infrastructure it takes to deliver the goods to the kitchens. In general, the expectation from the kitchens is a very strict adherence to the agreed timeframe, and very little flexibility is allowed. The

Belgium

Delivering the produce to the kitchens is very labour intensive and expensive (rising fuel costs, still delivering quality food, etc.). For example, a supplier looked at a tender for school meals, where all the 50 schools needed to have their delivery Monday morning. For smaller platforms, this is not realistic so they did not participate in this tender.

farmers do not have the ability to deliver goods to multiple places at the same time or deliver small quantities multiple times during the week. This requires trucks, drivers and storage facilities that are outside the economic reach of an individual farmer. Currently solving these logistical challenges is entirely the responsibility of farmers who want to bid on a public tender, and farmers find that if they



want to make a bid they would have to factor in the purchasing and maintenance of logistics scheme. In some cases it was also reported that specific hygiene and sanitation standards for transporting food and specific requirements for packaging are difficult for farmers to comply with and that sometimes licensing of the means of transport is required. Even in the cases where solutions have been created, e.g. allowing for multiple farmers to pool their deliveries, farmers find them too unpredictable and risky for delivery to public customers who expect a high degree of precision in deliveries. For these reasons, supplying wholesalers who handle the logistics is much more feasible for farmers, essentially barring their direct participation in public procurement.

4.4.2 Economy

Dealing with public customers can also be a financial issue for farmers for other reasons than navigating complex and expensive logistics. It is evident from the research that public customers are used to dealing with very big suppliers with large financial reserves, for whom delayed and inflexible payment is not a problem. The research suggests that suppliers often have to wait up to six months to receive payment, and that there is no flexibility available to match the uncertain and very variable conditions farmers' economies balance on. One respondent even reported that indexation clauses are not always available in the tender making engagement in public procurement even more fraught with risk for farmers in economically uncertain times. At the same time the public tenders generally include financial conditions that are difficult to meet for farmers.

4.4.3 Access

Most public tenders are published, accessed and bid on through online portals and use a very specific terminology. For farmers to consider engaging with public customers, they have to learn a whole new

Portugal

In most cases, public procurement requires computer literacy that farmers do not have, and the main portal used is quite complex and not user-friendly – even for a more knowledgeable person. As the vast majority of farmers are not computer literate, this leads them to opt out of public tenders.

technical language and use tools that are not familiar to them. There are many administrative requirements with very little flexibility for the farmer, and understanding the terminology and why various demands are made in the tenders can be challenging, but crucial. It was reported that the online platforms are not user-friendly, and the procurement officers are not able to assist potential

bidders, because they do not have access to the bidders' version of the platform. Furthermore, many small-scale farmers do not have access to using the online invoicing systems required.

4.4.4 Production

Many of the individual barriers encountered are related to the differences between farmers' realities and the realities public customers have become accustomed to from mainly trading with large wholesalers. This leads to tenders that do not consider the farmers' situations, and ask for large quantities and for products that exactly match a stipulated diet unrelated to what is available and in season. In certain cases, such as public kitchens in schools with long summer holidays, this is partly because the growing season matches poorly with the year, with most consumers of the public meals being on

Latvia

The fact that farmers often need to engage in long-term planning and ensure that there will be products to deliver to schools is among the reasons why they choose not to engage in public procurement.





holiday when some of the products are fresh. Most often, however, the reason is more likely to be the expectation built over many years that all food items are and should be available at all times, combined with the long cooperation with wholesalers who can deliver all types of products on a single supply contract. This means the public authority never had to take into account where and when the food is produced, and in which amounts. The demands made in tenders often do not take seasonality or

Belgium

A school might ask for a particular kind of fruit delivered in a certain month. Sometimes the apples are ripe and ready for harvest a bit later so a specific month cannot be guaranteed.

variability into account, and might ask for a specific product to be delivered during a specific month, with no substitution or adaptation possible. This is risky for a farmer because weather conditions can shift the optimal time for harvesting a specific crop, and farmers fear repercussions and penalties if they are not able to deliver as promised. In general, engaging

in public procurement requires that farmers engage in long-term planning, and do so from the very moment they consider bidding on a tender: When the farmer submits the bid, several months can pass before the public authority engages with the supplier. Additionally, for farmers to be able to supply a public customer, they often might have to abandon or reduce existing channels of sale, such as direct to customer sales through farm shops or box schemes, which are actually more adaptable to the inherent variability of farming, or perhaps give up on other non-farm business that contributes to their income. Some of these challenges could perhaps be tackled by organization and collaboration between farmers, such as cooperatives, but these are rare, either due to a lack of cultural tradition for this type of organization, or even due to regulative restrictions. Farmers might also be reluctant to participate in public procurement out of fear that this will result in more scrutiny of their farming practices than they are willing to submit to.

4.5 Trust

The category of Trust includes all the identified barriers that relate to farmers lacking trust in the procurement system. From the research it appears that lack of trust can exist at three different levels of severity, with the first being a general feeling of not being met and seen by the contracting authorities, the second being suspicions of fraud, e.g. by the wholesalers who currently dominate the market, and the third being actual corruption.

4.5.1 Exclusion

The first level of trust-related barriers is those that relate to a feeling of exclusion. Respondents from several countries report that the fact that tenders are not written for them, and that a dialogue aiming to amend this is non-existent (see section 4.2.3), which leads to a pervasive feeling of not being able to participate in this market. Farmers feel that it is generally the same people who always win the contract, and these are the wholesalers who are used to engaging in the dialogue and managing the demanding process, and have employees who deal with the documentation and demands.

Bulgaria

The existence of informal practices used by farmers make them afraid to participate in public procurement. These include: undeclared areas on which produce is grown and marketed; declaring only one crop grown per unit area without this being respected; harvesting a companion crop that is not declared, etc. Farming involves many informal practices that do not create a problem for the farmer when he sells his produce on the open market. However, the public market requires too much transparency, which farmers prefer not to provide.



4.5.2 Fraud

The second level is cases of fraud. In some cases it has been reported that there is a risk of fraud taking place in the tender or contracting period. Some respondents feel that public institutions do not have adequate ability to monitor the fulfilment of the contractual agreement with the wholesalers or

Latvia

It is suggested that the wholesalers can intentionally keep ambiguity in the internal bookkeeping to make it difficult to make any immediate conclusions regarding what products have been delivered where. This might give them time to obtain the needed documentation post-factum (if such a need emerges). It is also claimed that schools and caterers within the school lack the capacity and the competency to double-check the documentation of each delivery.

catering company, e.g. to ensure that the correct products are delivered. This leads to a lack of trust that the demands made by the contracting authority will translate down the chain. There is also a fear that the control of the required documentation in the tender process is lacking. This might lead to loopholes where wholesalers can refrain from living up to the demands they have agreed to. This perception of the procurement process gives farmers even more of a feeling of distrust, and a belief that they could never become a supplier.

4.5.3 Corruption

The most severe level of barriers related to trust are the cases where corruption occurs. The fear of corruption among respondents is based on experience of corruption practices where certain producers pay officials in public institutions, or where the documentation requirements in the tenders are used as a tool to legalize corruption.

Bulgaria

Respondents report various corruption-led practices, mostly between large commercial agri-food companies and representatives of the Paying Agency State Fund Agriculture (SFA), as well as with local government representatives (mayors) on whom school principals depend. Similar corruption-led practices, according to the data collected, are also observed in the supply of food under the "School Fruit" and "School Milk" schemes, where school and kindergarten directors are dependent on municipal management or enter into corruption type relationships with commercial companies.

4.6 Motivation

The category of Motivation includes all the identified barriers that relate to whether farmers feel that public procurement is worth it or whether their energy is better spent engaging in other markets.

4.6.1 Bureaucracy

Public procurement tendering is a very bureaucratic process, probably unlike most other trade exchanges farmers engage in. Achieving the necessary level of understanding and knowledge to successfully bid on a tender is a difficult task, and in addition, there is a perception of very limited influence over demands and requirements in the tender. Essentially, farmers who are interested in becoming suppliers to public customers have to put in an extreme amount of effort to understand and navigate the process, obtain necessary certificates and discuss possible adaptations to the process with a contracting authority that might not value their engagement. In the end, they might see their bid fall on a specific technicality that they were not aware of, because they, unlike the wholesalers, do not have specialist employees retained to engage in the process. In many cases, tenders are won by



catering companies or wholesalers, and even if farmers collaborate with, or act as consultants for, these actors during the long bidding process, they do not have any insurance that they will be chosen as participants once the contract is won. In short, these challenges lead farmers to feel that the procurement process is too bureaucratic to be possible for them to participate in, especially when comparing with other forms of trade.

4.6.2 Time

The bureaucracy of the process means that farmers are not willing or able to devote time for public procurement if they already have a stable business. There is simply too little time to spare for a farmer with a healthy production level for it to be feasible to allocate the many hours necessary to understand the tender and its requirements and complete all the documentation and paperwork. Additionally, the time demands do not end once the tender is won. Farmers who succeeded in becoming suppliers to a public customer feel that a significant amount of time is spent on paperwork during the contracting period.

Latvia

There seems to be a large group of farmers who in general feel uneasy about the need to be more active and take more responsibility in looking for markets for their produce. For these farmers spending time ensuring that they can engage in public procurement is a problem. However, most likely providing them with "the time" (in a form of consultations) would not solve the issue, because the general issue they struggle with is broader and talking about time is just one manifestation of that.

4.6.3 Reward

The combination of a process that is difficult to navigate, with a lot of pitfalls that can lead their bid to not be taken into consideration, and the fact that large amounts of time is required to complete it, leads many farmers to conclude that it is simply not worth it. Farmers – rightly – ask themselves: “What is in it for me?” Most often the answer is that there is nothing for an individual farmer to gain from choosing to pursue public procurement over other forms of trade, such as selling through supermarkets, farmers’ markets, box schemes, farm shops or even wholesalers who then sell to public customers. Farmers perceive the necessary investment of time and resources differently, and some actually have contracts with public customers even though it is not actually generating any profit. They simply do it because they want to.

Denmark

One farmer reports having a few small contracts with schools and kindergartens, but they are not actually profitable. They keep them because of the direct contact.

Latvia

The amount of products the school kitchens need usually is small and the sums used to buy food are below the threshold that requires organizing a public procurement tender. However, farmers suggest that engaging with these schools is not really a business opportunity and more resembles charity – the orders are small and require regular engagement.

5. Conclusions

Public institutions have an interest in attracting farmers to ensure that the food they provide in their kitchens is sustainable, fresh, seasonal and culturally relevant for their consumers, so that they can connect to their food environment through public meals. The majority of farmers are not interested



unless the major barriers holding them back are broken down. The fact that some farmers do have (small) contracts with public customers, even though some report that they are actually not earning a profit, shows a willingness – against all odds – to participate. Public customers should take on the responsibility of reforming the system and engaging in the dialogue with farmers.

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<https://lbst.dk/nyheder/nyhed/nyhed/naesten-alle-danskere-kender-og-har-tillid-til-det-roede-oe-maerke/>

7. Appendix

Overarching themes	Sub-themes	Belgium	Bulgaria	Denmark	Latvia	Portugal
Priority	Political support	Public institutions are willing to improve their tenders yet struggle with formulating a good approach towards sustainability	Quality of the food is not a priority	There is an unwillingness to pay for quality		
			Lack of national or local (regional) strategies for education on healthy diets and food quality			
			Steadily decreasing area certified for organic farming			
	Procurement office	High administrative burden, but the contracting authorities want as little administration as possible The purchaser(s) of a city or a village are time restricted, in most cases a village has one purchaser for all the contracts	Lack of knowledge on how to prepare the procurement documents to adapt to the small farmers	Lack of information about tenders and how to access them Difficulty in translating identified barriers for small-scale farmers into criteria More time is required for management to enable smaller contracts	Farmers are uninformed about the process, structure and involved actors	
Criteria	Price	The key term in the contracts for food and food services is price	Only aiming at lowest price	The price is too important in tenders		Absence of selection criteria besides price
			Local organic producers are uncompetitive due to the higher production prices offered by them compared to imported organic fruit and vegetables			

Sustainability	Vague description of sustainability criteria		Difficult to get documentation for the requirements		Sustainability requirements are also often related to environmental certifications (no farmer has one) or are vague
			Required certifications are expensive or difficult to get		
Terms	The selection and award criteria are difficult to live up to and leave no room for adaptation	Tenders and terms and conditions not made to be accessible for farmers	Tenders are too big for small-scale farmers, and are written for wholesalers	Catering contracts are prevalent and caterers use wholesalers, so the responsibility for engaging farmers fall on wholesalers, whose practices are difficult to control.	Insurance requirements, and other times of financial ratios that cannot be met
		Documentation is complex and requires a specialist accountant financially inaccessible to farmers The terms and conditions are designed to be suitable for traders and not for farmers			
Facilities and equipment	They don't have the place to wash and clean the vegetables or fruit, since this would be against the food safety rules	School food is supplied by catering companies and schools do not have kitchens			Canteens often require processed products (washed, peeled, frozen, pre-cooked etc., which results in a big cost, especially for refrigerated transport, and not usually provided by producers
	To deliver to public kitchens farmers have to be processing the produce (and it is not always evident in the tenders how this has to be done)				
Resources	Expectation for deliveries "just in time", with no storage etc. of goods onsite		Kitchen workers prefer goods from wholesalers		People responsible for the menus are not always properly trained in the use of local and seasonal products
			Kitchen workers are used to being able to order the day before Kitchen works lack understanding of the value of small-scale farmers and education in working with their products		
Skills and preferences					

Cooperation	Logistics	Requirement for delivery at specific times, e.g.: 50+ schools Monday morning	Lack of licensed means of transport to make deliveries in compliance with hygiene and sanitation standards	Difficult to transport the goods to the buyer	Logistics requires constant engagement and has to follow an agreed timeframe, increasing farmers' costs - wholesalers on the other hand support farmers with this	The logistics are complex and expensive, because usually small quantities are needed per school, but with daily supplies.
			Too specific requirements for packaging and calibration of deliveries	Lack of desire to have to store goods before delivery and lack of storage space The logistical issues are currently the responsibility of the farmer alone		
	Economy	Public authorities are not flexible and late payers.	Public organizations delay payments for 3-6 months forcing farmers to rely on savings			
		Indexation clauses are not always available in the tender				
		Farmers don't always understand the technical words used in tenders		Difficult to understand why demands are made and fill in required documentation	The wholesalers putting together the application farmers were involved in lacked relevant agricultural and market insights	Farmers are not able to cope with the bureaucratic and administrative requirements of the documentation and bureaucracy
		The e-platform is not user-friendly, and the public authority are not able to help the potential supplier, since their dashboard is totally different				Lack of knowledge and persistence in accessing data on tenders and submitting the required documentation.
	Access	New invoicing system (online) is not accessible for all farmers				Difficulty in understanding the requirements and procedures necessary to obtain required certification
						Lack of computer literacy to use the complex and not user-friendly portal Difficult for small-scale farmers to access information on tenders

Trust		Demand for specific products with no flexibility is difficult for farmers, e.g. asking for a specific fruit at a specific time, with no adaptation possible to take into account the variability of production	Fear of failing to secure the necessary supplies if a contract is won	Difficult to plan the production to fit demand	Need to engage in long-term planning and ensure that there will be products to deliver to schools is among the reasons why farmers choose not to engage in public procurement	Tenders are for a very long period, it requires the producer to plan very well and for the long term
		After winning the tender, the public authority can wait for several months before engaging with the supplier	The season when seasonal fruit and vegetables can be consumed fresh matches badly with the school year	Most small-scale producers focus on vegetables (can only bid on a narrow range of items)	Getting a contract to deliver products to schools means building up a logistics system and directing a share of the products to these schools. However, it also means abandoning existing channels in favour of the obtained contract	No culture of producer organizations and lack of an established network at national/regional level of producers who jointly present a wide variety of products and quantities needed to satisfy these tenders
	Production		Fear of penalties in the event of unexpected circumstances	Some small-scale producers prefer smaller customers with direct contact	Amount and diversity in the expected deliveries are important and have to match farmers' production - requires a lot of collaboration that is not always there	The management by municipalities could make access impossible for small-scale farmers, as large quantities of food are required and farmers may not be able to provide them.
	Exclusion		Lack of association between farmers in cooperatives or producer organizations (also due to regulative restrictions)			Large quantities required, with seasonality and production methods not taken into account
			Informal practices used by farmers make them afraid to participate because transparency is required			Demand/requirement for supply to match a stipulated diet, which does not relate to what is available
			Challenges with combining farm and non-farm businesses			
	Fraud		Lack of control of documentation so that fraud is prevented	Belief from farmers' that engaging in public procurement is not possible for them	Farmers consulted and collaborated with by wholesalers during the process might not be chosen as participants once the contract is won	Prevalent feeling that it is always the same people who win the competitions

Motivation	Corruption		Documentation requirements are used as a tool to legalize corrupt practices		
			Farmers fear corrupt practices where certain producers pay officials in various public institutions		
	Bureaucracy	Gaining the required knowledge to participate in the bureaucratic process takes time, which holds some back from applying	The procurement procedure is too complex	Lack of influence on what is demanded and required in the tender	The bureaucratic process of public tender is not attractive for agricultural producers.
	Time		Farmers do not devote time for public procurement if they already have a stable and predictable market or another business	It is too bureaucratic to be worth it Time-consuming paperwork both during the application process and during the contract period, if a tender is won	Too little time to complete all the tender documentation is usually too short for so much bureaucracy
	Reward			Some farmers do not want to spend time ensuring that they can engage in public procurement - but it would not help to provide them consultations or other help Small contracts with schools is not really business, it is more like charity – the orders are small and require regular engagement Differences in how farmers perceive investments they have to make and the returns from the investments	



THIS PROJECT HAS RECEIVED FUNDING FROM THE
EUROPEAN UNION'S HORIZON 2020 RESEARCH
AND INNOVATION PROGRAMME UNDER GRANT
AGREEMENT NO 101000573

