

GPP In practice

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Procuring healthy and sustainable vegetables for Vienna's nursing homes

City of Vienna (Austria)

Background

The City of Vienna's Sustainable Procurement Programme (SPP), Ökokauf Wien, began as a project in 1998 involving the cooperation of various departments and services of the City administration. Over 20 years later, it continues to be one of the main drivers of Vienna's Climate Protection Programme (KliP Wien), which was enacted in 1999 and updated at the end of 2009.

An important, early action of KliP Wien was setting an "organic quota", which required at least 30% of all food purchased (based on the quantity purchased) for public canteens and events in the city of Vienna to come from organic agriculture. In several areas, the share of organic products has been raised



above the minimum of 30%, including in nursing homes, where currently about 35% of products are organic.

The City of Vienna prepares about 100,000 meals every day for kindergartens, schools, medical and nursing facilities and home delivery for pensioners. ÖkoKauf Wien's criteria are applied in the procurement of food products. The City's aim is to continuously develop these criteria in terms of sustainability.

Procurement objectives

In 2019, the City of Vienna needed to award a new framework contract for the supply and delivery of "earthy vegetables", referring to vegetables growing directly in or on the soil, to supply the city-run nursing homes. A call for tender was published for the supply of vegetables to 31 nursing homes.

With this procurement, the City wanted to encourage food sustainability along the entire supply chain, from production to delivery. This included requiring the seedlings to be certified as organic, to encourage suppliers to grow young plants in their own nurseries, using renewable energy, asking for producers to only use organic compost as fertiliser, and finally to encourage bidders to reduce packaging and transportation distance as well as to use low emission transport.

Criteria used

Subject matter of the contract:

Framework contract for the weekly delivery of earthy vegetables to Vienna's city-run nursing homes. Earthy vegetables include Chinese cabbage, yellow carrots, carrots, various types of potatoes, garlic, savoy cabbage, red cabbage, cabbage, pointed cabbage, leek, parsnip, parsley, parsley root, red beet, chives, celeriac, red and white onion.



Award Criteria:

The contract was awarded to the most economically advantageous offer. Bids were evaluated using a points based system, with a maximum of 50 points that could be achieved. In each of the following five categories, a maximum of 10 points could be achieved. The five categories were then summed up in a weighed final score.

- 1. Price (30% weight)
- 2. Quality (40% weight)
 - Bidders have added product information sheets about each of their vegetables to their bid (3 points)
 - The product specifications fulfil the criteria for all products as defined by the contracting body (if yes: 5 points, if no: 0 points)
 - Voluntary hygiene audits (2 points)
- 3. Staff (5% weight)
 - A minimum of 15 employees
- 4. Logistical concept (15% weight)
 - Existence of a logistical concept (1 point)
 - 124 deliveries per year to all 31 locations possible (1 point)
 - Subsequent delivery possible within two hours of main delivery (1 point)
 - Reduction of transportation distance (bid with shortest delivery distance from production area to a reference location in Vienna:
 5 points, second lowest: 3 points, third lowest: 1 point, all others:
 0 points. This needed to be specified for all vegetables)
 - Own fleet certified EURO V, VI, or higher (European emission standards for vehicles (2 points)
- 5. Customer Service concept
 - Providing a point of contact for all 30 nursing homes (6 points)
 - Staffed office for taking orders by phone from minimum 7h00 to 15h00 (2 points)
 - Staffed office for making reclamations by phone from minimum7h00 at the latest to 15h00 at the earliest (2 points)

Product specifications:

For product specifications to be considered as fulfilled, all products needed to be organic certified (Austrian organic label¹, EU organic label, or equivalent). The tender also specified additional insecticides that were not to be used during production, such as spinosad. For all products, it was required that the seeds to also be from organic certified production, non-hybrid seeds, and free of GMOs. The specifications required the producers to use only compost of organic quality as fertiliser. Vegetables need to be delivered in as large a batch as possible, while still being carriable by the employees. This is intended to reduce packaging. At least 50% of the vegetables needed to be grown in the bidders own nursery, using renewable energy. This criterion refers to the heating systems used in the nursery green houses. As verification, bidders needed to submit a self-declaration, which is checked by the contractor through onsite verification several times during the contract delivery period.

Contract performance clauses:

If the bidder commits to supplying organic products, audit results of the organic production need to be submitted regularly, whenever an audit is conducted or the organic certification is renewed. Each nursing home needs to be able to order vegetables from the contractor independently. The contractor is required to ensure their packaging is recyclable and is responsible for the adequate disposal, meaning the contractor is taking back the packaging.

"Vienna's programme to promote green criteria in food procurement has resulted in suppliers who are able to supply high quality, organic food, using renewable energy and sustainable transport and reduces packaging as much as possible"



Results

All four bidders were able to fulfil the award criteria, and offered only products that are certified as organic. The framework contract was awarded to the Company "Grünzeug &Mehr" for a duration of 24 months. The approximate contract volume is €700,000 for an indicative amount of 635,648 kg of vegetables to be purchased annually. The products offered by the company are all certified organic.

Environmental impacts

Environmental impacts of vegetable production and delivery result from the production and use of chemical fertilisers, soil degradation and soil depletion resulting from agricultural practices. General impacts also include CO₂ emissions due to food production and transport.

Organic certified products as purchased through this tender reduce the environmental impact on the soil and groundwater resulting from pesticides and herbicides. Organic production also excludes the use of mineral nitrate fertilisers, which reduces the harmful impact on groundwater. The tender also rewarded the use of organic fertiliser only, which reduces the impact of synthetic fertilizer production and transportation, and promotes soil health. By rewarding the bidder with the shortest distance of food transportation, CO₂ emissions related to food transport could be minimized. The winning bidder uses renewable energy in their operation, which also contributes to lower CO₂ emissions.

Lessons learned

The procurement process was successful insofar as all bidders were able to comply with the award criteria.

The procurement demonstrates that Vienna's programme to promote green criteria in food procurement has resulted in suppliers who are able to supply high quality, organic food, using renewable energy and sustainable transport and reduces packaging as much as possible, because it is delivered in large batches and requires the supplier to take back and recycle/reuse the packaging used to deliver the vegetables.

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For related information, please see <u>European GPP criteria for Food, Catering Services</u>, and vending machines, and the <u>Technical Background Report</u>.