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# 26. Public procurement as a booster of medium-scale food supply chains: the case of Avignon, France

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#### Abstract

This chapter shows how public procurement is key to improving cities' capacity to re-localize their food system. The chapter analyses the case of school food procurement in Avignon (France), focusing on actions to improve the quality of the food served by increasing the use of local fresh fruits and vegetables in the preparation of school meals. Comprehensive analysis was combined with participative workshops. The research found that the main constraint to public procurement of local fresh food is not the quantity of local production, but the structure of its distribution and retailing network, especially strategic alliances across scales. In this sense, public demand can boost the development of medium-scale food supply chains operating at territorial scales.

#### 1. Introduction

#### The demand for high-quality food products from public procurement for French schools

Until recently, the planning field paid little attention to food systems (Pothukuchi and Kaufman, 2000), and urban food planning remained a major challenge (Morgan, 2009). Then, several local governments got to grips with the issue and developed food strategies in the Global North (Mansfield and Mendes, 2013). Although food policy councils have not yet taken off in the same way in Europe as in North America, municipal food policy in Europe is developing in other ways, especially in the form of initiatives for school food reform that combine objectives related to nutrition and the relocalization of food procurement (Morgan and Sonnino, 2008).

The French Government has spotlighted procurement in public canteens since 2010, seeking to increase the proportion of local and organic products in overall food purchases. Law 2018-938 on agriculture and food, enacted on 1 November 2018, specifically requires that public canteens use at least 50 percent high-quality food products (i.e. certified products or products coming from sustainable circuits) by 1 January 2022 at the latest, to support local producers (France, 2018). In this context, many managers of public canteens, including municipal governments attempting to anticipate future requirements for local or organic products, have started to change their practices.

Whatever their nuances and the different forms of partnership between local governments, private stakeholders and local civil society groups, these new food policies tend to be framed around four

major themes: health and well-being, environment, economic and community development, and social and cultural aspects (Brand *et al.*, 2019). In this context, the re-localization of the urban food supply is seen as a way to enhance human health by emphasizing the freshness, seasonality and distinctive qualities of local food (Lamine, 2015). However, there is debate on the capacity of local food systems to curb the energy and pollution costs associated with the transportation of food (i.e. "food miles") (Coley *et al.*, 2009). Thus, urban food strategies usually view "food from somewhere" (Campbell, 2009) not as a commodity or a commercial service but as an investment in the health and welfare of the citizens of tomorrow.

#### Can the demand for food from public procurement be satisfied by local production?

Several French local governments are developing strategies to provide their cities' public procurement system with fresh food products sourced from nearby peri-urban agriculture. However, little research has been conducted on the extent to which the demand for food from public procurement can be satisfied by local production (Darly and Aubry, 2014). To help fill this gap, this chapter seeks to highlight the importance of medium-scale food supply chains in providing cities with local food. It underlines the special role that public procurement plays in boosting the development of existing medium-scale food supply chains. These medium-scale, territorial food chains:

[Represent] strategic alliances among midsized farms and other processing, distribution and retail businesses that operate at regional level, handle significant volumes of high-quality, differentiated food products, and distribute profit margins equitably among the strategic partners (Lev and Stevenson, 2011, p. 120).

In North America, the notion of "agriculture of the middle" has been proposed to define food systems combining commodity markets and short supply chains (Stevenson and Pirog, 2008). The concept has been used in France to extend findings to alternative food systems and to analyse the new forms of agri-food systems that are emerging (Brives *et al.*, 2017).

This chapter argues that the main constraint to public procurement of local fresh food is not the quantity of local production, but the structure of its distribution and retailing network. The chapter's hypothesis is that public procurement only involves farmers who correspond to the "agriculture of the middle" profile. To illustrate this point, the chapter focuses on public procurement of food for nursery and primary schools in Avignon (France). The local government of Avignon is running a project to improve the quality of school meals by increasing the use of local fresh fruits and vegetables in their preparation, to replace frozen and tinned foodstuffs. Given the enormous size of the public procurement market, the findings of this chapter should be of interest to urban food policymakers, planners and stakeholders.

#### 2. Methods

#### Research context

This chapter focuses on public procurement of food for nursery and primary schools in Avignon (France). School food procurement, as part of the city catering service, was contracted out in 2000 to the private firm Scolarest, a branch of Sodexo, one of the biggest French food services and facilities management companies. However, in March 2014, the new maire from the socialist party brought school catering back under municipal control, thereby fulfilling a campaign promise. The main objective was to improve the quality of the meals served to children by introducing local fresh

products and educate children about good eating habits. During a session of the municipal council in March 2015, Cécile Helle, the maire of Avignon, stated that school food was "a service with a social function, meeting needs in the public interest". The characteristics of school food catering and procurement in Avignon are summarized in Table 1.

	Description
Preparation of school	A central kitchen delivers 4 000 to 5 000 lunches to 58 childcare centres and
meals	primary state schools, as well to the private homes of elderly people who request this service.
Cost of meals	School meals cost parents between EUR 1.02 (for families with low incomes) and EUR 2.95 per meal. This price has not changed over the past four years, although the food used to prepare each meal alone has a cost of around EUR 2.1
Schedule	Meals are served on the four full schooldays per week (Monday, Tuesday, Thursday and Friday).
Origin of school food	Roughly 18 percent of the ingredients used to prepare the meals are local; about 28 percent are organic.
Local procurement	The local fresh products used are mainly fruits. Vegetables are mainly either "raw, ready for use" (classed as 4th range under the public procurement code) or "cooked, ready for use" (5th range). The production of animal-sourced foods (e.g. meat, eggs or dairy products) in the Avignon area is limited, so local sourcing of these products is small.
Strategy for the procurement of local products	Contracts with a large food-service provider are supplemented by ad-hoc orders on Agrilocal to provide seasonal fresh products (mainly fruits).

Table 1. Characteristics of school food catering and procurement in Avignon

It should be noted that the municipal department responsible for catering did not receive any additional financial or human resources to facilitate the transition to the local procurement of fresh products.

#### Framework for qualitative analysis

To investigate the process of change in food provisioning, the research combined several methods yielding different kinds of evidence so as to cross-validate the provisional hypothesis that only farmers with an "agriculture of the middle" profile participate in public procurement (see Becker, 1958).

In a first step, data collected through 25 semi-structured interviews with key informants in 2017 were analysed,2 grey literature was reviewed and 14 meetings on the re-localization of school food procurement were observed. The aim was to:

<sup>1</sup> The decision to place school catering under municipal control resulted in a reduction of the total cost of school meals from EUR 2.4 to 2 million (60 percent of which is funded by the city).

<sup>2</sup> Twenty-five interviews were conducted with key informants involved in the preparation and supply of school food in Avignon, including public procurement officers, the head of food procurement, the manager of the Agrilocal platform, experts on local agriculture, nutritionists, the head of the central kitchen and politicians.

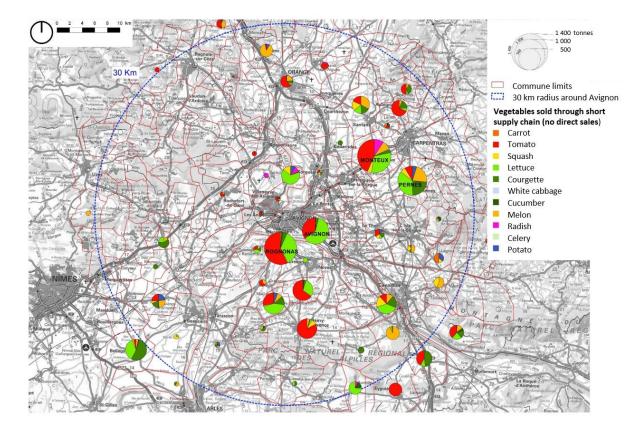
a) provide a comprehensive inventory of the demand by the city of Avignon (including kitchen needs and constraints) and the supply from existing local food producers (farmers currently providing food under public procurement);

b) analyse the strategies employed to implement urban food policies aimed at re-localizing public food procurement.

In a second step, in 2018, three half-day workshops were organized with some key informants involved the preparation and supply of school food in Avignon. Interviews revealed that the profile of the farmers providing schools' kitchens with fresh products is that of "agriculture of the middle": medium-sized farms selling through both long and short supply chains (no direct sales) and producing significant volumes of high-quality, differentiated food products. Then, the production of vegetables by organic and conventional farms of "agriculture of the middle" in a radius of 30 km around Avignon was estimated (see Figure 1). Finally, the theoretical demand from Avignon school kitchens for the most commonly used 11 raw vegetables was compared with estimated production.3 All results were discussed by the workshop participants. The objective was to identify lock-in and enabling factors in the re-localization of school food procurement, and especially factors related to local production and the structure of its distribution and retailing network.

Figure 1. Estimated production by "agriculture of the middle" of the 11 most important vegetables used in Avignon's central kitchen

<sup>3</sup> Avignon is located in a very fertile region for vegetables and fruits. The land used to grow these 11 vegetables accounts for 90 percent of total cultivated farmland in a radius of 30 km around Avignon. Minor areas of farmland are used for the production of poultry and other meat, and dairy.

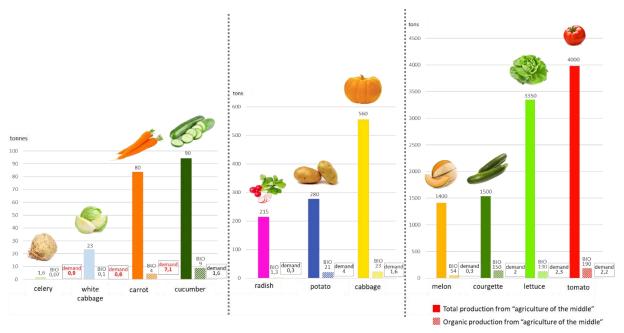


Sources: author's representation based on data from the national agricultural census RGA 2010 and Centre Technique Interprofessionnel des Fruits et Légumes.

#### 3. Results

Avignon is located in a very fertile foodshed. Hence, the demand from Avignon school kitchencan be satisfied by local production. Nevertheless, for certain products like carrots, white cabbages and celeriac, there is not enough local organic production to meet demand (Figure 2). Furthermore, the overall demand for these products from the inhabitants of Avignon and surrounding municipalities is much higher.

Figure 2. Comparison between the theoretical demand from Avignon school kitchen for the 11 most important vegetables and the existing supply by "agriculture of the middle" in a radius of 30 km around Avignon (in tonnes)



In addition to local availability of supplies, what enabled schools' transition to the procurement of local, fresh food were the strategic alliances among medium-sized farms and processing, distribution and retail businesses operating at regional level. The following paragraphs describe the main strategic alliances in processing, provisioning and purchasing created to overcome the main barriers to the use of local food.

Processing constraints were one of the main barriers to the use of local fresh ingredients, since the central kitchen was not equipped with a processing area to pre-prepare (decontaminate, peel, cut ends, slice) raw vegetables before cutting them (slice, dice, julienne, shred). A plan to equip the kitchen for these operations was examined; however, the financial cost (EUR 700 000) and the additional labour required were deemed prohibitive. Instead, new partnerships were created with two local small and medium enterprises (SMEs) (Local en Bocal and La Légumerie de Solène) processing local fresh vegetables and fruits to circumvent the need for technical equipment and labour to process raw products.4

Another major barrier concerned the provisioning itself. In 2016, the municipal department responsible for catering knew little about seasonality, local farmers and which local products were available at a given time. For example, it did not know the exact quantity of fresh vegetables per month that it would need every month a year ahead, so it estimated them. Officials from the department went to local farmers and specified their needs (e.g. estimated required quantities of specific vegetables per month). Farmers adjusted their production to meet the requirements of the catering department. In addition, the department developed and tested new products in collaboration with farmers and processors; a mixed green salad that would be to schoolchildren's liking was tested, so that a local producer could grow it, while fruit purées were tested with Local en Bocal to determine the right amount of sugar to be added.

<sup>4</sup> Local en Bocal is an SME created in 2015; it prepares soups and fruit purées using organic and local products. La légumerie de Solène is an SME created in 2017 that provides kitchens with peeled fresh vegetables that are ready to cook.

European public procurement rules do not allow contracts to require that food must be local. The catering department got round the French public procurement regulations by creating an award criterion of "direct supply/no intermediaries", combined with a "guaranteed freshness/carbon" award criterion to promote the use of locally produced food. Furthermore, the ceiling for the price of each lot of EUR 25 000 before taxes per year, for purchases based on a simplified competitive call without tender documents, was raised to EUR 90 000 through a deal with the legal department of the intermediary platform Agrilocal which operates at county level.6

These strategic alliances among medium-sized farms and processing and retail businesses operating at regional level facilitated the introduction of local fresh food into school meals. Orders through Agrilocal grew exponentially from 2014 onwards. They increased from 49 orders in 2014 to more than 111 000 today, by 70 schools or care establishments, up +93% from 2016. The collective approach across scales to the distribution and retailing of local products has enabled the structuring of medium-sized food supply chains and reinforced local food autonomy.

#### 4. Discussion: contextualizing school food procurement in the urban food system

Until recently, governments treated the provision of food as a commercial service and not as an investment towards the health and well-being of its future citizens. State school systems imported the neo-liberal values of the market to shape a "cheap food" catering culture (Morgan and Sonnino, 2008). However, the food system is now recognized as having a great bearing on the quality of urban life and a great impact on a city's economy, public health, environment and other community systems. This recognition presents new opportunities for school food procurement (Pothukuchi and Kaufman, 1999). Furthermore, public school food procurement is acknowledged as a driver of food and nutrition security, particularly by promoting the alignment between local food demand and local supply that is needed to improve sustainability (Filippini *et al.*, 2018; Soldi, 2018). School food reform raises questions concerning the public realm. How powerful is the public plate, and what role should it play in the implementation of urban food strategies? What are the prospects for a transition from school food procurement initiatives in promoting healthy diets and the protection of children in general (Caldeira *et al.*, 2017). As stated by Morgan and Sonnino (2008, p. xxi):

Community food planning could help to extend the public plate to new social and spatial scales, enabling it to serve adults as well as children and helping the state to honour the most basic human right of all – the right to food.

#### 5. Conclusion

The implementation of strategies for the re-localization of the supply of school food in public procurement is not just a matter of broadening and deepening the values and criteria behind food tendering and procurement processes. Medium-scale food chains must be created also, which requires new forms of organization among all stakeholders in the food chain, new territorial markets (such as Agrilocal), new tendering systems and bidding processes suited to small and medium-sized farmers (e.g. joint contract standing orders), structural changes and new technical equipment (e.g. small pre-processing facilities). *In fine*, the main constraint to public procurement of local fresh food is not the quantity of local production, but the structuring of its distribution and retailing network,

especially the translocal, strategic alliances across scales highlighted by other scholars (Moragues-Faus and Sonnino, 2018). In this sense, public demand can boost the development of medium-scale food supply chains. Furthermore, institutional responses to food system issues at the local level need to be bolstered by planning and policy initiatives at the regional, national and even global levels.

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#### Acronyms

SMEs small and medium enterprises