Local public food – upgrading match between concepts and structures

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Abstract.
Maintains a high-level expert in Finland: “Local food has grown into something like a social movement.” The statement catches poignantly the broad social support for the concept of local food. However, public food represents a societal concept, loaded with expanding responsibilities of the welfare state not only to provide citizens with healthy but also sustainable meals. These include aspects of supporting local economy, more equitable trading relations and decreasing environmental impacts. Here the welfare state supports through its policies developmental trajectories for sustainable food systems.

This paper analyses the concept of local food as it is understood by public procurers and examines the structural match of the supply and demand in public procurement. The paper is based on qualitative and quantitative data about public procurement of local food during the first decade of 21st millennium. The qualitative data stem from public caterers representing organizations across Finland, offering a valid view about the dependency of the size of the organization and its understanding of the concept of local food. The quantitative data have been collected by a survey covering the Finnish municipalities, and it shows the proportion of ‘local food’ used by public catering in different parts of the country. The results suggest issues of structural development both in supply and demand and possibilities to understand the concept of ‘local food’ in more functional ways than currently is the case.

1. Introduction
During recent years, market demand for local food in Finland has grown strongly, to the point that an academic states in media: “Local food has grown into something like a social movement”. The statement catches poignantly the broad social support for a concept as vague as the one of local food – and its growing market both in Finland and other European countries (Hingley et al., 2011; Mikkola, 2009; Morgan & Sonnino, 2008). As about 4 500 public catering units served nearly 450 million meals annually in Finland in 2009 (Finnish Food Information, 2011), including free, warm lunches daily at schools and kindergartens for circa 900 000 young people (Statistics Finland 2010), the local public food seems to build up an issue for Finnish public catering industry, its customers, suppliers (Mikkola, 2011) and particularly its promotional quarters (Kurunmäki et al., 2012).

However, local public food may be seen as a contested and disparate concept. On the one hand, local food has been broadly understood as a proxy for sustainable food, whereby it is seen to benefit local and more equitable economy, increased socio-cultural wellbeing and environmental considerations of production and consumption (Morgan & Sonnino, 2008). The recent visible (re)sourcing of local and sustainable food from small and medium sized suppliers active in provincial areas by a major Finnish retail chain seems to suggest, that the concept reflects mainstream appeal rather than the one of a niche (Hingley et al., 2011). In general, Finnish public
caterers join to supporters of local food as they recognize the impetus given by consumption of local and domestic food for local livelihoods, rural development as well as food safety and security (Mikkola, 2009). These views represent the “celebration of the local against the global” (Morgan & Sonnino, 2008), and portray the victory of the ‘small people’ of the ‘giants’ as the generic ethos of local food.

On the other hand, local food may also represent elitist and exclusionary features against local farmers and customers whereby the benefits of local food may not realize according to idealized expectations (Hinrichs, 2003). However, there are also cases in Finland where demand for local food has been limited whereby particular supply chains need to expand into wider markets (Mikkola, 2008, 2011). Moreover, local food is seen to represent narrow-mindedness, avoiding responsiveness to global environmental problems (Morgan & Sonnino, 2008). The environmental impacts of local food production and consumption seem to be ambiguous, referring to highly variable procedures of production and consumption which allow no generic evidence in favour of local food (Morgan & Sonnino, 2008; Risku-Norja et al., 2008). However, transports from a point of local production to the one of local consumption have been found to be but a fraction of the one of transnational transports (Weber & Matthews, 2008).

While local food seems to be a fuzzy concept, allowing various understandings to be constructed regarding its operative economic, social and environmental effects, public food represents in Finland a rather rigid societal concept. First, the health quality of public food is regulated by nutrition recommendations which control both the meal and nutrient composition through recommended ingredients (National Nutrition Council, 2012). Second, the municipal catering tends to increase its efficiency through (slowly) raising the number of meals prepared in ever fewer central kitchens, to be served by satellite kitchens (AC Nielsen, 2008). Third, the (central) kitchen processes increasingly align with the use of industrially prepared ingredients and meal components, diverting from own cooking (Goodman & Redclift, 1991; Mikkola, 2009; Morgan & Sonnino, 2008). Finally, the public procurement directive (EC, 2004) aims at competitive bidding, guarding the open market by ensuring non-discriminatory access to all businesses. The competitive bidding concerns particularly large caterers, who on the one hand benefit from the scale of economies but on the other are forced, by their tendering criteria, to buy industrial commodities at ever lower prices (Morgan & Sonnino, 2008). The small caterers may avoid competitive bidding if the value of the tendered product group is below the threshold value, set below 30 k€ (1.6.2010), while they are still expected to trade according to the basic competitive principles.

While ‘local food’ may not represent an all inclusive solution it can be seen as a mode of production and consumption which entails possibilities to develop all dimensions of sustainability in collaboration with various stakeholders (Mikkola, 2011). In this sense, local food is a sustainability oriented concept the implementation of which depends on the concerted efforts of its “actor-promoters”, the individuals and businesses consciously contributing to growth of local food (Mikkola, 2011). Therefore, ‘local food’ may be understood as an intentional and connecting concept rather than something to be defined independently of actors as a (natural) scientific term. This nature of the concept makes it highly relevant for public policies aiming at sustainable food systems within EU (HM Government, 2011; Ministry of the Environment, 2009), as proposed by academics (Lang & Heasman, 2004; Gliessman, 2007, Patel, 2008; Risku-Norja, 2011). However, this kind of emphasis on the notion of public local food seems to embody the tension between the location-neutral, impersonal market relations and the particular trading relations potentially characteristic for localized food consumption and production (Mikkola, 2008, 2011; Mikkola & Post, 2012), assumed to entail sustainability orientations. As the Common Market is
characterized as a ‘European style’ social market economy, aiming at both competitive businesses and sustainable development (CEC, 2004; EC, 2004), the tension inherent in the concept of local public food is a relevant one in need of clarification and development.

This paper analyzes the inherent ambiguity of the concept of local public food from a critical qualitative perspective, probing into the contextual roots of the Finnish public caterers’ views and activities. Furthermore, the paper investigates the reasons for the caterers’ support to the use of local food and the struggles they experience with it. Through surveys, the paper provides semi-quantitative data on local food reported to be used in Finnish public catering, and the most important criteria of its competitive bidding on the sector. The paper then discusses upgrading the match between the structural features of the public catering system and the concept of local food, and seeks to outline the concept of local public food in constructive terms to benefit the development of the food systems towards sustainability.

2. Qualitative and semi-quantitative methodology
2.1 Qualitative analysis of the use local food
The paper makes use of qualitative interviews with public caterers from the period 2003-2008. The caterers were asked to tell about their work and views about local food and sustainability in their own language (Fontana & Frey, 1998). The interview period seems rather long but as the situation has been rather stagnant it may be evaluated that no major changes have occurred on the caterers’ conceptual horizon (Mikkola, 2009; 2011); on the contrary, the issue still prevails (Kurunmäki et al., 2012). The interviews included altogether 16 caterers; four of them worked in rural areas, four in provincial towns, and eight in urban environments. The interviews lasted for about two hours and were transcribed verbatim. The interpretation extracted qualitatively different core insights (categories) and their variation (Kvale, 1996) regarding public caterers’ views on and activities in terms of local food. The qualitative results represent only a minor fraction of public caterers in the nearly 400 Finnish municipalities of that time (Mikkola, 2009), but the results are seen to be strengthened by the multiple case study (Schofield, 2000).

2.2 Survey analysis of the use local food and competitive tendering
The extensive survey about the state of the art of public catering was conducted 2008-2009 (Risku-Norja et al., 2011). The survey aligned with the interpretation of the qualitative analysis about ‘local food’ as ‘regional food’. Therefore, the notion of regional food is used in the survey although this paper deals with ‘local food’ as an academic and everyday notion. Through the survey, the respondents provided semi-quantitative information regarding their use of regional food in municipal public catering and on the relative importance of the criteria of competitive bidding.

The survey was carried out as an Internet questionnaire. It was directed to the responsible actors within the catering services of the Finnish municipalities, and it was sent to all Finnish speaking and bilingual municipalities. About 30% of the respondents answered the questionnaire. The responding municipalities were located in different parts of Finland. In terms of the population and the municipal type, i.e. urban areas, urban adjacent rural areas, core rural areas and sparsely populated rural areas (Malinen et al. 2006), the different municipal categories were rather evenly represented, which improves the generalizability of the results.

3. Results
3.1 Construction of local public food by caterers
Rather than presenting a shared and unified view about local food, the public caterers articulated it in different terms reflecting their contextual conditions. Important were aspects such as the location and size of the catering unit, geographic distances, administrational or historical regions,
trading relations with local producers or industrial processors (some of which delivered across Finland), and local economic as well as policy aims. Particularly extra transport loops were to be avoided, for instance via Helsinki. Increasing employment and avoiding food miles were central foci for public caterers.

Local food was understood by caterers of small municipalities to have its provenance not only within the municipality they were working in but rather in the wider area consisting of several municipalities. These often had formed on the basis of changing collaborative patterns of the individual municipalities; however, the different kinds of ‘lists’ of municipalities were not always remembered by caterers. Therefore, local food was broadly understood as regional, which was also emphasized by reference to rather long distances (nearly 100 km) between the public kitchens and suppliers of local food, including their particular farms and processing premises. Thus the provenance of local food was described in terms of area, province and groups of municipalities.

“I think that if we think (local municipality) it (local food) is something like this area, consisting of these five municipalities, of course the provincial town is one direction here.” [Rural caterer]

The public catering organization’s location, size and trading relations with the (local) suppliers often seemed to go together, in the way that a rural municipality with small daily meal volumes (<1000) was eligible to purchase small lots from local suppliers’ limited offer. The local suppliers were typically known by their first and family names, and the caterers often also knew the site of their farms within particular villages. The trading relations were often ‘traditional’ in the sense that there were no written agreements but simply a delivery practice in place.

“We have had a local potato here across the years…one (local surname) has been. For how many years he might have been here…I don’t know the history back.” [Rural caterer]

In provincial catering organizations local food was seen as products which were either grown and processed within the province or imported from elsewhere to be processed locally. The stricter views underlined the local operational entity of the supply chain while more ‘liberal’ constructions approved local food as just processed locally, whereby long distance transports could be avoided in this last phase. However, the transports of raw materials were not an issue for this more relaxed view but food system was seen to be networked across regions, until country borders limited the food as domestic. The main emphasis of local food in both views was on employment, whereby administrative boundaries meant that collected taxes returned into circulation to benefit the local services such as hospitals and catering units. There seemed to be also strong tendency to centralize catering activities by closing down small kitchens if their location allowed easy transports from central kitchens. Furthermore, the smallest kitchens in remote village schools were not wanted into the centralized operations due to their high delivery costs of transporting the procured food. Therefore, these kitchens had relative independency and they also were known to use local farmers as suppliers of potatoes and other vegetables. However, these kitchens also bought food from the local supermarkets, which offered the global display of foods and thus possible connections with the global food system.

“Even if it would come from Central Europe or Spain the vegetable or cabbage or such one. But if it is processed here which means it creates local employment then it is local food for me.” [Provincial caterer]
In large urban catering organizations local food was considered both in geographic and domestic terms. The major processing industry located in the capital region was recognized as ‘local’ as well as the products sourced from (name of the municipality) 100 kilometers. In general, the people living in the capital region of Helsinki were seen to have no possibilities to buy food both produced and processed within this narrow geographic distance. Furthermore, in the surrounding province agricultural production was perceived to decline due to the low income level of farmers, particularly in animal husbandry. Even if industry would like to sell high value processed products entailing high technology, availability of local raw material such as dairy milk was considered to delimit trade. Farming was understood to be a sector entailing no easy restart in the region. Thus, interpretation of local food was claimed to be sensible in terms of domesticity.

“...I would see that local food is Finnish food. If we live in Helsinki...so if we don’t think in this way that it is Finnish food so we are on the wrong track. From where does this Helsinki region, if you think about all this, gets its food, if it should be limited within some specific radius in kilometers. I cannot see anything else.” [Urban caterer]

3.2 Support for local public food by caterers
There were caterers who were very happy with the quality of local food and who therefore ordered products from local farmers. The local producers also contacted catering organizations of very different sizes, from small rural to large urban ones. The rural caterers were also rather independent without organizational control and could therefore keep to their exchange relations with local farmers. Sometimes the benefit of using local food coincided with the access to both economical and processed food as the industrial plant was local. If the catering organizations were small, they were also members of banded procurement, which dictated the use of tendered items. However, the fresh produce such as vegetables, berries, potatoes and fish were often not often included in tender calls and contracts, although these could be sourced by the wholesalers if needed. This opportunity of fresh food was used by caterers across Finnish municipalities to procure local food. Another opportunity for local food purchases appeared as there were ‘emergency catering needs’ such as festivities or lack of deliveries, which forced the caterers to source what they could in local bakeries, slaughterhouses or vegetable and berry producers.

“So he called us for two years every now and then and asked if he could come here and show the products. So he came and promised that the products would be available to the volume we needed. They come from less than four hundred kilometers from (name of a small municipality) but I’ve understood that they sometimes use raw material from Russia to fill the gaps...We’ve given the media release about our local food just a while ago.” [Urban caterer]

3.3 Struggle with local food by public caterers;
The caterers had several reasons for their dissatisfaction with local food. One was the lack of offer and produce, which were quite unacceptable for catering organizations as they needed the food for their daily processes. In some cases local potatoes and vegetables were not available in the late spring, and had to be replaced for imported ones. On the other hand, not all local producers seemed to be interested in local deliveries as their scale dictated the transports to large terminals of the wholesalers. Another problem was the lack of preprocessed food, needed by caterers as there was no possibility to prepare piece meal foods in mass scale.

“We use quite a lot prepared meal components such as salads...we are not trying to make meat balls and the like ourselves…” [Rural caterer]
“We have tried to use local food by a few day care centres but it turned out to be expensive and the delivery did not function and the quality of the stuff was a problem, it was not processed…they call us every day but when I ask for processed products the answer is negative.”
[Urban caterer]

The cost aspect was decisive too as the public caterers have limited means at their use. Particularly meat and berries are seen expensive from local sources. Furthermore, the contracts aim at keeping to the economical level, and offering some predictability. Additionally, the wholesalers control the purchases and the fulfilling of the contracts; there are no options for not to follow the agreements.

“It is quite tight with the money and we have to get it plus minus zero. Really the food cannot be expensive…” [Rural caterer]

The caterers experienced difficulties in grasping the delivery systems spanning from local to national, and particularly in rural areas it felt absurd to pay more for local delivery than for an ‘orderly’ one through system’s logistics.

“It was funny when we once had lack on salad. And the (wholesaler) did not deliver…So I called to (local salad industry). So yes, yes they can deliver. That I went there myself to get it. So it was more expensive when I fetched it from a distance less than a kilometer than as if I would have cycled it through (another provincial town) and they just label it there, the same salad. So it is cheaper to cycle it like that. In that sense local food may be more expensive”[Rural caterer]

The caterers criticized the numerous food suppliers and deliveries causing extra work and considerable costs as they multiplied within the municipal administration. Therefore, it was suggested that local food suppliers organize a central trading system with organized deliveries.

“If I would have the power in the world we would use more of these local products. But we would use them so that they would have some sort of…how do you call these…community, to which one can put in one order…which would have a terminal somewhere, to take our orders and deliver all the products in one transport…We would have one bill for ten farmers’ stuff.”
[Provincial caterer]

The caterers felt the political pressure to use local food, but they also experienced the more or less chronic pressure to decrease costs rather than increase them. Furthermore, there were legal difficulties with procurement regulations. Understandably they felt unhappy about the possibility to get accused about their possible mistakes in legal tender calling and accepting processes. However, the caterers were also willing to support the development of the local food industry by leaving some product groups out of tender calls, and expecting that local producers would start to offer their products in ways corresponding with the caterers' technical demands.

“We cannot call for tenders and get into a quagmire. No one can pay unreasonable prices even though it is local…it is a political decision if we clearly go for supporting local entrepreneurship as much as possible. But it needs money…and I think we are always short of money…The price differential. It must be explicable by the quality…according to legal procurement criteria..”
[Provincial caterer]
3.4 Use of regional food by public caterers
The staples considered in the survey comprised bread, meat, milk, fish and eggs; these are produced evenly throughout the year (non-seasonal products). The rest of the staples are potato, other root vegetables, vegetables, fruit and berries are seasonal products with the high peak in production in summer and in autumn.

The use of regional products as subdivided into these three categories is shown in Figure 1. The results show, that the caterers are interested in regional products, out of which the seasonal products along with bread and fish are the most commonly used items. While domestic products are most widely used, showing that food security of public catering is on a firm basis, regional products represent domestic produce in a more narrow sense. The availability of regional products, thus, varies greatly among the municipalities, which explains their apparently modest use (Fig.1); the use of domestic products is much higher (Risku-Norja & Mikkola 2010).
Fig. 1. Use of regional products by public catering in Finnish municipalities
3.5 Procurement criteria used by public caterers

The implementation of competitive bidding was clarified by asking the respondents whether the particular product groups were fully or partially within competitive bidding or whether they were purchased without the bidding procedure. Most of the municipalities procure food by competitive tendering; the great majority of the respondents purchase meat, milk and bread only through competitive tendering. The rare exceptions were mainly berries, fruit and vegetables and, potatoes, comprising only few per cent of the total purchases. Use of local food is the most common reason given for partial or omitted competitive bidding. Local food is especially used in rural municipalities, and in some cases this is because the local policy-makers have decided to favor local products in public catering. Sometimes the volumes are so small that they remain below the threshold value of the procurement law\(^1\). Especially regarding fish and some other fresh products, instead of long-term contracts based on competitive bidding, often only daily or weekly prices are available. The overall inexpensive price-policy of the large wholesalers and the prevalence of the bonded procurement were also mentioned as reasons for not using competitive tendering.

When following the survey’s proportions of ‘very important’ and ‘important’ as procurement criteria there are three criteria exceeding the other ones (Fig.2). The health criteria include the ones dictated by national nutrition recommendations, and can therefore be seen as mandatory. Price is very essential but can actually vary, disclosing municipally relevant aspects of food purchases. Reliability of delivery is a crucial operational aspect of the everyday tasks of the caterers who depend on deliveries. Freshness can be considered to go together with transport distance. As a criterion, pre-processing again depends on the available equipment and labor force in kitchens, while packaging is more or less given by suppliers. However, regional economy and employment seem to be a weak criterion. Intriguingly, national and EU regulations were not of the same weight as national regulations regarding health aspects of food, while quality certification (or the like) was seen important as a guarantee of sector specific competences. Again interestingly, there were no differences in importance of criteria among the type of municipalities.

\(^1\) Law on public procurement. 348/2007 30.3.2007.  
4. Discussion and conclusions

The caterers constructed local food primarily as regional and domestic, not to be confined within narrow and defined geographic boundaries. Local food seemed to be a particularly functional concept for caterers, with the main intent of fresh quality food and employment of local primary producers and processors. Intriguingly, more elaborated concepts such as administrative districts and networked supply chains were also explicated by caterers, making the concept of local food even more challenging for suppliers and increasing its societal impact. Intriguingly, both very rural and very urban caterers used food which they identified as local on the same (regional or domestic) grounds, but the rural caterers seemed to have a more personal approach to suppliers than the urban ones. The lack of this relational character was further underlined in provincial and urban environments, where caterers did not buy any food items without contracts ‘at the back door’ of the kitchen. However, local food could also be seen by provincial and urban caterers as domestic in its widest regional and administrative sense, without particular identification to its sources unlike in rural environments, where the villages and farms were known by names. However, the local and national scales got mixed at both ends: the main industrial site of the large salad manufacturer was located in the small rural municipality, from where the produce was transported to all of Finland; in similar vein, the meat processing industry was located in the capital region from where the products ‘travelled’ across Finland. An additional logistic layer seemed to play a part in the making of food as ‘local’; from the point of a caterer the price differences of the same product were absurd in strict terms of distance, while the logistic orchestration could not be included in the evaluation of localness.

Public caterers also supported the use of local food in many ways, and they were happy with the quality of it. The caterers also gave feedback on the quality and thus developed and controlled the local market. This was further done by using procurement criteria in such a way as to prohibit other more remote actors to tender their products; freshness is a general requirement towards
this aim. While the caterers also seemed not easily accessible to local suppliers, the caterers eventually benefitted from suppliers’ who marketed their local food persistently for public catering.

However, the caterers also appeared to struggle in their use of local food. First, they wanted the pre-processed items due to limitations of their equipment and working capacity. The problem with price was also a political issue, as the costs should be covered by tax payers. Furthermore, as catering processes develop towards efficiency, the small deliveries by a plethora of individual farmers seemed to be too tedious for caterers; the issue was the (lacking) mutual organization of the local suppliers. The deliveries to multiple sites were clearly problematic in terms of fuel consumption and work of both the supplier and the caterer; the efforts threatened to grow unacceptable by too simple logistic schemes. However, this was particularly the experience of large scale farmers, who saw no value for the notion of local food and were not interested to deliver. The cases emphasize the development of demand and supply of local food through compatible scales, which may be organized by mutual negotiations between caterers and suppliers. The caterers’ not-tendering measures may support the developments of small-scale production and consumption. For large scale production there are already the commercial channels and trading procedures, which would need clearer identification and communication about the provenance of food in public catering. In conclusion, the public caterers can be seen as responsible ‘citizen-consumers’ who make efforts to source local food. Their work seems very similar across Finnish municipalities, particularly in terms of contextual dependencies on security of deliveries. Because of its smaller scale, rural local food may be distinguished as ‘local’ in a different way – from a limited and familiar local source - than urban local food, the provenance of which might be within restricted area but procured through impersonal trading relations. Rural, provincial and urban catering units all have options to source ‘their’ local food, which adopts to some extent different social and commercial-administrational relations. However, there seems to be also site specific developmental options to increase the use of local food.

6. References


