

BACKGROUND INFORMATION
PROCURER The City of Helsinki

OBJECT OF PROCUREMENT

The object of the procurement is the access rights contract for the restaurant, café and catering services offered in the new office building of the City of Helsinki Urban Environment Division, which opened in Kalasatama in early autumn 2020. In accordance with the access rights contract, the service provider has the right to charge fees to customers using the services while it assumes the risk associated with the provision of the service. The contract consists of a tenancy agreement and a service agreement.

PROCUREMENT VALUE
€7.5 million

PROCUREMENT PROCEDURE

Open procurement
procedure: the
procurement is carried
out as an access
rights contract.



Aiming for a diverse and attractive range of food, taking into account responsibility

With the completion of the new Urban Environment House, services of the urban environment sector located in different parts in Helsinki will move under the same roof. The aim of the joint Urban Environment House is to intensify cooperation between services and improve customer service. Approximately 1,500 employees of the urban environment sector will move into the building.

The aim of the acquisition of restaurant services was to obtain a service provider for the premises located on the entrance floor of the Urban Environment House whose food selection is diverse, attractive and variable. In addition to staff, the restaurant is also open to customers from outside, and the restaurant's facilities can be utilised outside the opening hours of the city's services.

In addition, the level of responsibility in restaurant service production was to be developed in accordance with the city's carbon neutrality objective. The service provider was hoped to be a responsible pioneer who is aware of the environmental and climate impacts caused by the service, takes them into account in its operations

and communicates responsible choices to its customers. To support this, it was also necessary to find ways to utilise carbon footprint calculation as part of the procurement.

Procurement carried out in multiprofessional cooperation

The preparation of the procurement was carried out by the facilities and procurement services of the Urban Environment Division. In addition, an external consultant specialising in the catering sector was used for working on the tendering materials. Regarding responsibility and the consideration of climate impacts, experts from the Canemure project of the city's Environmental Services participated in the preparation. An expert from the Finnish Environment Institute was consulted on the possibilities for implementing carbon footprint calculation.

Food services as part of the city's carbon neutrality target

Food services procured by the city have been identified as a key means of promoting a sustainable food system and reducing the climate impact of food production. The city can serve as an example by requiring food services to provide its residents with high-quality, responsibly produced food that takes into account environmental and climate impacts.

The City of Helsinki plans to bring forward its carbon neutrality target from 2035 to 2030. In order to reduce emissions, the city also takes the climate perspective into account in its procurements. In the city's food services, climate goals are achieved by adding climate-friendly foods to menus, reducing food waste and optimising food transport. The same measures will be introduced in staff restaurants.

Opened in summer 2020, the new Urban Environment House reflects the city's environmental and climate objectives. The technical solutions of the building aim to take into account energy efficiency, green construction and the utilisation of renewable energy. Restaurant and café services opened on the street level are also required to operate in accordance with the objectives. The tendering for the restaurant services of the Urban Environment House is one of the case targets of the Towards Carbon Neutral Municipalities and Regions (Canemure) project aiming for low-carbon procurements. The objective is to achieve successful cases as examples and to produce applicable tools to support the city's carbon neutrality measures.

Clear guidelines needed for assessing climate and environmental impacts

The introduction of the new office building involves several different procurements, one of the largest of which was the purchase of restaurant and café services. The preparation of the procurement required the cooperation of several parties and detailed research on the requirements and characteristics set by the Urban Environment House for the provision of services. In addition, the procurement was subject to a tight schedule and pressure to get a service provider for restaurant and café services by the time the Urban Environment House was opened for use.

For these reasons, the consideration of environmental and climate impacts remained separate in the preparation package, which also made it sometimes challenging to concretise the related requirements in the tender documents. During the preparation, it was also noted that, even though the city has very ambitious climate targets linked to the strategy, clear guidelines for taking into account climate and environmental impacts were lacking in staff lunches. In addition, the market's willingness to meet the requirements, the cost implications and the customers' reaction to, for example, cutting down on meat dishes raised questions. However, for scheduling reasons, these were not clarified by market inquiry or personnel inquiry.

Climate and sustainability aspects included in the service description

In order to take into account the climate impacts and responsibility aspects related to restaurant service production, the city's aim was clearly recorded in the service description of the procurement. Requirements and recommendations were also formed in the service description to take into account the environmental and climate impacts related to the object of the procurement.

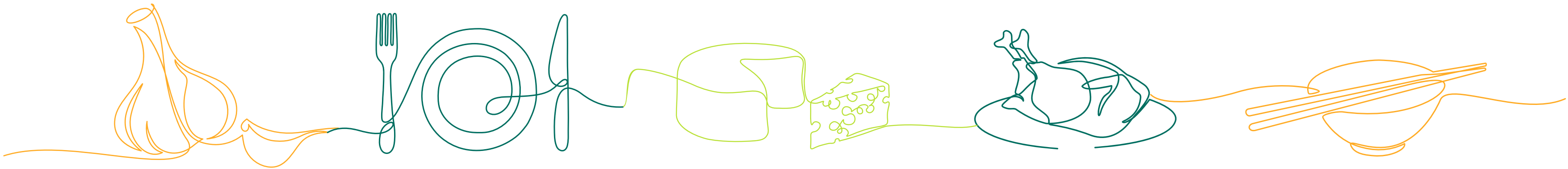
The selected producer was required to commit to the sustainability and climate friendliness criteria defined in the procurement for the production of restaurant services and to develop its operations towards a smaller carbon footprint. In addition, the service provider was required to communicate responsible choices that are in line with nutritional recommendations to the restaurant's customers. Meals that meet the criteria for a heart symbol are marked on the menu with a heart symbol or similar. Meal options that take into account responsibility and climate are included in the menu where possible. Responsibility and climate impacts are hoped to be taken into account in service themes, for example, during Food Waste Week and World Vegetarian Day.

Case: Restaurant and café services of Helsinki Urban Environment House

carbonneutralfinland.fi

CANEMURE

Helsinki



Responsibility requirements of the service description

- ▼ The restaurant offers a wide range of vegetarian and vegan options. The lunch menu must include at least two vegetarian dishes every day, one of which is vegan. The bistro's à la carte meals include a vegan or vegetarian dish at least once a week. A vegan alternative to the café's lunch salad is available daily. In addition, vegetarian and vegan options are considered in snack products and catering services.
- ▼ The restaurant favours climate and environmentally friendly raw materials, develops recipes based on them and tries to find substitutes for products with a significant climate impact (for example, substituting rice with barley and beef with poultry, avoiding uncertified palm oil and favouring responsibly produced soy).
- ▼ The country of origin of the meat (chicken, pork and beef) used in the restaurant is indicated on the menu. In addition, the service provider must be able to provide information in writing on the farm (location) where the animals from which the meat originates were born and reared, where they were slaughtered (slaughterhouse) and where the meat was processed and packaged (processor).
- ▼ The use of various species of fish in the available lunch options is restricted according to the WWF Fish Guide: the restaurant does not use species marked with a red traffic light in the guide.
- ▼ All vegetarian and vegan foods follow nutritional recommendations and use good sources of vegetable protein and other raw materials suitable for a vegetarian diet, such as soy, soy milk, oat milk, tofu, whole grains and new kinds of vegetable raw materials such as Härkis and pulled oats.
- ▼ Nutritionally well-balanced, attractive and modern vegetarian and vegan recipes are being developed so that even omnivores would increasingly choose a vegetarian option.
- ▼ In the case of vegetables, root vegetables and fruit, preference is to be given to seasonal crops.
- ▼ Efforts are being made to reduce food waste and leftover food, for example, through good planning and attractive presentation. After lunch, the restaurant sells leftover lunch food for an affordable price.
- ▼ Take-away products are offered using environmentally friendly packaging materials and recyclable disposable containers (from renewable materials; wood fibre FSC or PEFC certified).
- ▼ The café's options include Fairtrade coffee and tea, as well as other Fairtrade products depending on demand.
- ▼ During the contract period, the service provider must employ at least one (1) person in a weak labour market position.

Grounds for comparison

In addition to the total price (30%), it was possible to obtain points for quality (65%) in the tendering process. The total price consisted of the sum of the weighted lunch, café and catering prices. In addition, points were obtained for the turnover-linked additional rent portion (5%) offered by the tenderer on top of the fixed rental rate.

With regard to quality, six (6) assessment criteria were used as follows:

- The service provider's proposal on the a) concept and operating model of the restaurant and café, b) personnel, c) deployment plan, d) substitute arrangements and e) orientation process. (Max. 20 p.)
- The qualifications applicable to the field and work experience of key personnel assigned to work, as well as the experience of the key personnel in the active and innovative development of their activities regarding, for example, service design, processes, personnel competence or improving the customer experience. Development work taken into account included, for example, a significant increase in the share of vegetarian food in the restaurant's sales, a significant reduction in waste and other successful participation in the activities of the sector. (Max. 10 p.)
- The service provider's commitment to employ two (2) or three (3) persons in a weak labour market position during the contract period. (Max. 5 p.)
- The service provider has at its disposal ISO 14001, EcoCompass or any other environmental system verified by an external party in which the organisation 1) has set environmental objectives, 2) implements an action programme in order to achieve the objectives, 3) monitors the implementation on a regular basis in order to achieve the objectives and 4) continuously improves the environmental performance of its operations by setting new objectives. (5 p.)
- Customer satisfaction assessment of the service provider's reference restaurants' contact persons and the assessment of the reference restaurants' lunches by the taste panel, which involves the personnel of the urban environment sector. (Max. 20 p.)
- Overall grades of the service provider's Oiva reports. (Max. 5 p.)

Contract terms and conditions

During the contract period, the carbon footprint of the restaurant service will be determined with the help of the service provider. This will be done using the carbon footprint calculator for food services developed by the Finnish Environment Institute (SYKE). The client and service provider will separately agree on deadlines for the information necessary for the survey and other dates related to the survey. After the calculation, the same will be done about possible goals, measures and their monitoring in order to develop the restaurant service and reduce its carbon footprint.

In order to ensure smooth cooperation and the development of operations, a steering group following contractual matters and a customer committee representing the customer's point of view will be established, which will also monitor compliance with the requirements of service operations.

Weaknesses in the suitability of carbon footprint calculation

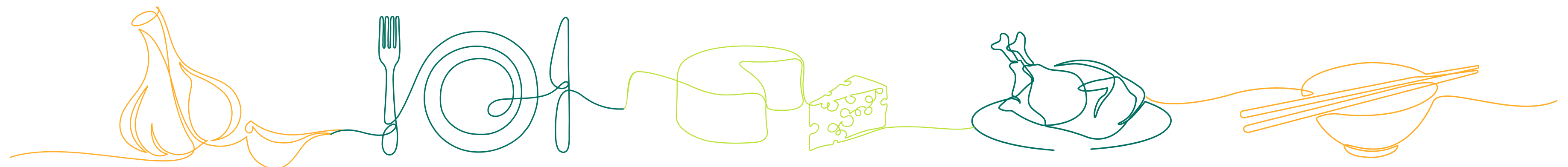
The inclusion of carbon footprint calculation in the procurement was not unambiguous, as there were few tools available to calculate the carbon footprint of the restaurant service and there were no uniformly agreed calculation rules in the sector. However, SYKE's carbon footprint calculator for food services developed as part of the [Accelerator project](#), which had been used in the calculation of the carbon footprint of the City of Turku's food services, was seen as a potential option.

It was not considered possible to carry out the calculation as part of the comparison of tenders, as the tool was not able to produce sufficiently reliable, truthful and thus comparable results as such and using the available emission data. However, it was possible to carry out the calculation as part of the development during the contract period. In setting the responsibility requirements, the carbon footprint data available from the City of Turku's calculation was used in terms of which measures should be focused on in terms of the climate impact of procurement. [According to the calculation](#), the largest sources of total emissions were the production of ordinary mixed food (84%) and food waste (10%).

The level of responsibility was raised with the help of quality appendices

Four tenders were received for the call for tenders. The level of responsibility was successfully increased, and more qualitative scores were obtained for the comparison. Although it was cumbersome to go through the various quality appendices at the tender comparison stage and, for example, the taste panel was eventually only able to achieve a slight point difference between the tenderers, it was felt that the image of the supplier and service production portrayed by the quality appendices was essential. The final result was satisfactory, and a responsible operator was selected as the implementer of the restaurant service.

"In addition to increasing cooperation and allocating sufficient time, the availability of different procurement criteria could have been ensured through market dialogue."



The COVID-19 pandemic played a key role in the start-up of restaurant operations. The sector's personnel moved to the new premises by early autumn 2020, but due to remote work, the Urban Environment House and its restaurant were in low use. During the exceptional period, the operation of the restaurant was negotiated between the client and service provider, and in addition to the national restrictions, the restaurant complied with the negotiated exceptional rules in terms of opening hours and service coverage. During the exceptional period, the restaurant was partly in the city's internal use only. Although the sales of the restaurant are significantly lower than in normal times, the staff of Urban Environment House, as well as external customers, have made good use of the restaurant.

The possibilities for carrying out a carbon footprint calculation for restaurant services were evaluated in spring 2021 and, despite the exceptional circumstances, it was decided to carry out the calculation in the autumn of the same year. However, the calculation was mainly limited to the carbon footprint of food, as the climate impacts of food preparation per serving of food have been higher during the exceptional period. For this reason, it is easier to compare the result of a simple carbon footprint calculation of food by adjusting it to the number of eaters in a possible recalculation.

The creation of a single set of sustainability criteria has begun

The possibilities for developing service production based on carbon footprint calculations have been taken into account in the service description. The recommendations received from the calculation are intended to be utilised in developing restaurant operations to take better account of climate impacts as the COVID-19 restrictions subside and restaurant operations normalise. In addition to the changes to the menu and recipes, the main focus is on strengthening the acceptability of climate-friendly alternatives among diners, in which communication also plays an important role.

One of the goals of the city is to develop and tighten the criteria that reduce the environmental and climate-related impact and take circular economy into account in the city's procurements related to foodstuffs and food service. The establishment of uniform criteria to support the goal is currently underway, and the aim is to take into account the city's very different food services and the customer groups who

use them, including staff meals. In addition, in accordance with the city's roadmap for circular and sharing economy, a guideline for the entire city organisation concerning the catering of meetings and events will enter into force at the beginning of 2022. The purpose of the guideline is to reduce food waste from catering, reduce the environmental impact of the food served and reduce the use of disposable plates and cutlery.

More cooperation and market dialogue needed

The consideration of climate and responsibility aspects in the preparation of procurement would have been facilitated by agreeing on common objectives and operating methods and improving the exchange of information. Clear guidelines on the climate impact and responsibility of personnel meals would also have been central. In addition to increasing cooperation and allocating sufficient time, the availability of different procurement criteria could have been ensured through market dialogue. In the future, the aim is to define exceptional circumstances and the way to operate during them more clearly in the procurement documents.

The implementation of the carbon footprint calculation was initially determined with precision, but it was decided to record it in the service description in a concise form. This proved to be sensible because it was good to agree on the restrictions and implementation of the calculation. Finally, for the purposes of the calculation, data on the number of daily visitors, recipes for prepared meals, accompaniments offered and waste accumulated were collected over a two-week follow-up period, and the actual calculation was carried out using this data for a four-day period. In addition to the client, the service provider also benefited from carrying out of the calculation, and both parties are motivated to implement the calculation recommendations.

Sharing knowledge

Increased cooperation and communication are seen as important at the national level so that other public procurers can find suitable ways to promote sustainable food services. In order to share good practices, a public calculation description will be drawn up for the calculation carried out in the restaurant services of the Urban Environment House, which will explain the basics of the calculation and clarify the restrictions made and challenges encountered in the calculation.

In connection with the carbon footprint calculation, the Finnish Environment Institute decided to develop a separate Excel-based tool for the carbon footprint calculation of a single restaurant. The tool will be publicly available for download, and it is also possible to use it in other similar locations.



LIFE17 IPC/FI/000002 LIFE-IP CANEMURE-FINLAND

This procurement case has been carried out with the financial contribution of the LIFE Programme of the European Union. The procurement case reflects only the CANEMURE project's view, and the EASME/Commission is not responsible for any use that may be made of the information it contains.

