From:
To: DECC GPP
Cc:

Subject: Public Consultation on the Draft Green Public Procurement Strategy and Action Plan - IFA

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IFA Submission on Draft Green Public Procurement Strategy and Action Plan 2023.pdf

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A Chara,

Please find attached the IFA's submission re the Public Consultation on the Draft Green Public Procurement Strategy and Action Plan.

If you require any further information, please feel free to contact me on the details below. Thank you.

Regards,

Pig	and Poultry Policy Executive	
The	Irish Farmers' Association Irish Farm Centre	Bluebell Dublin 12 D12 YXW5
Tel	·	Email:
	2	

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IFA Submission on Draft Green Public Procurement Strategy and Action Plan 2023-2027

17th November 2023

Executive Summary

IFA believe that there must be an emphasis within the GPP on ensuring the procurement of fresh locally produced food to foster a resilient, sustainable, and inclusive agricultural sector. Encouraging local Irish food procurement aligns with circular economy principles, promoting sustainability, reducing waste, and enhancing resource efficiency.

It is imperative that the GPP Strategy recognises the role of government procurement in driving sustainable trends. The green public procurement policy must prioritise the economic sustainability of Irish farmers by ensuring a fair and sustainable price is paid for their produce. By setting an example through its purchasing power, the Irish government can stimulate market demand for sustainably produced Irish food produce. This, in turn, encourages the private sector to adopt similar practices, amplifying the positive impact on the environment and local economies and the farming community.

The Irish Farmers' Association is the largest national representative organisation in the country, with over 72,000 members. We represent farmers in all sectors through our democratic structure of 29 County Executives and our ruling body the National Council, on which each county and each commodity is represented. IFA represents farmers with Government, agri-business and retailers. Through our Brussels office and affiliation with COPA-COGECA¹, we maintain a full-time presence at EU level on behalf of Irish farmers.

Introduction

IFA welcome the opportunity to provide input on the draft Green Public Procurement (GPP) Strategy and Action Plan. IFA acknowledge the government's commitment to sustainability and welcome the efforts to integrate green principles into public procurement practices. The Government Climate Action Plan 2023 ² has a commitment to consider the carbon footprint in all public procurement. Food that is produced locally and sustainably must have its positive contribution towards our climate ambitions recognised in the new GPP.

Our focus as a farmer representative body is on the procurement of local Irish food produce, particularly, fresh produce from horticultural, pig and poultry farmers, and liquid milk producers, and we emphasise the importance of supporting sustainable agriculture for a resilient and circular economy. While beef and lamb production is largely export market orientated, the GPP should support all locally produced food that is certified as sustainably produced by Bord Bia. Public procurement policy for agriculture must encompass a commitment to fostering a resilient, sustainable, and inclusive agricultural sector. Recognising the pivotal role that agriculture plays in both our economy, food security, and rural development, our procurement policies must aim to support local farmers, promote environmental sustainability, and contribute to the overall well-being of suppliers and consumers alike. Sourcing fresh produce for

¹ European Farmers' Organisation - European Agri-cooperatives' Organisation

² https://www.gov.ie/en/publication/7bd8c-climate-action-plan-2023

public procurement on the Island of Ireland will support our growers and farmers and thus strengthen rural communities and ensure a secure and diverse food supply for our population.

Horticulture

The horticulture sector is the 4th largest sector within agriculture with a farm gate value of €529 million (2022), consisting of €429 million for food horticulture and €100 million for amenity and other non-edible products. The industry is responsible for providing employment directly to more than 7,000 people involved in primary production and a further 11,000 via downstream employment. The Irish retail market was valued at approximately €1.63 billion in 2022, where fruit accounted for €810 million, vegetables €593 million and potatoes €231 million.

The draft Agri Food Strategy 2030³ recognises the role horticulture plays in the development of a climate-neutral agri-food system by 2050. There are a number of targets in the document set out to increase the areas of horticultural production in Ireland. Food Vision 2030⁴ recognises the role horticulture plays in the development of a climate smart, environmentally sustainable Agri-food sector by 2050. The strategy calls for the expansion of the Irish horticultural sector to help combat climate change.

The National Strategy for Horticulture 2023- 2027 ⁵ aims to grow a more profitable value-added sector, driven by sustainability and innovation. Food Vision 2030 called for this strategy to leverage the sector's potential for growth and contribute to climate change mitigation. The strategy sets an anticipated growth in farm gate value of the sector by 30% to €688 million by the end of 2027. Irish farmers and growers must have access to a level playing field in accessing public procurement opportunities. The procurement of horticultural products by public entities holds significant implications for growers, consumers, and the overall economy.

From an agricultural perspective, the Green Public Procurement Strategy aims to make agriculture more sustainable by, for example, purchasing organically produced food. While in essence the above statement is fundamentally correct, there are a number of challenges in the horticulture sector around purchasing strategy that may create barriers for increased purchasing of Irish produce detailed in the below heading.

Consolidation of Growers

The consolidation of growers is hugely concerning which has extended consequences for the whole agricultural sector. The most recent National Field Vegetable Census⁶, which is out of date, showed that the number of field vegetable growers fell from 377 in 1999 to 165 in 2014, a reduction of 56%. IFA estimate that there are currently less than 100 commercial field vegetable producers left in Ireland.

³ file:///C:/Users/brennann/Downloads/132635 fcff0476-aa17-4e3f-962c-16baf7cbbffb.pdf

 $^{^{4}\,\}underline{\text{https://www.gov.ie/en/publication/c73a3-food-vision-2030-a-world-leader-in-sustainable-food-systems/}\\$

⁵ https://www.gov.ie/pdf/?file=https://assets.gov.ie/259509/9bad0225-cb0a-4b8c-a713-5a63b632e61e.pdf#page=null

 $^{^{6}\ \}underline{\text{https://www.bordbia.ie/globalassets/bordbia.ie/industry/irish-sector-profiles/horticulture-censuses/national-field-vegetable-census-2015.pdf}$

Sustainable Price

The policy must underpin the economic sustainability of Irish horticultural growers when considering the procurement of Irish fresh produce. The economic stability of Irish horticultural growers has been eroded significantly over the past decade primarily due to actions of the retailers. Growers have been priced out of the market by cheaper imports from abroad. The green public procurement policy must ensure that a sustainable price is achieved for growers providing fresh produce.

Tendering and Contracts

Tendering processes and the length of contracts are hugely problematic for the horticultural sector. Annual tendering and short-term contracts make it impossible for growers to plan long-term and to invest in their businesses. As already outlined the consolidation of growers and future succession is a major issue for this sector and any contracting processes for public procurement must take this into account. As outlined in the draft Green Procurement Policy document, procurement rules for contracts will be set out by both EU and National rules. There must be due consideration to the above points as part of long-term sustainable contracts being awarded to growers for any public procurement purchases.

The National Horticulture Strategy 2023 -2027⁷ outlines that a charter for the Food Services sector should be considered, especially around State funded institutions' procurement requirements. Such a charter would ensure that the economic sustainability of growers is protected.

Food Waste

According to the EPA, food waste in Ireland is the 5th highest in Europe and about 15% ahead of the EU average.⁸ It is estimated that food waste accounts for approximately 8-10% of greenhouse gas emissions; therefore, reducing food waste is a hugely effective climate action. EPA statistics estimate that 29% of food waste is generated at household level. Manufacturing and processing accounts for 28%, restaurants and food service account for 25% while only 7% occurs at producer level. ⁹ The specification that is required for fresh produce has an effect on food waste levels at farm gate level. On the retail front, over the past decades the specs of all fresh produce have increased dramatically. This leads to perfectly useable and saleable produce being rejected because of minor blemishes. The new procurement policy must consider that the spec of fresh produce must be adjusted based on growing conditions in a given year. From a climate and economic perspective, the most carbon efficient use of produce is to be consumed unprocessed by the consumer. Due diligence must be exercised in this area in any future policy.

Knowledge of Produce Seasonality

⁷ https://www.gov.ie/en/publication/2a5d5-national-strategy-horticulture-2023-to-2027/

⁸ https://www.epa.ie/our-services/monitoring--assessment/waste/national-waste-statistics/food/

⁹ https://www.epa.ie/our-services/monitoring--assessment/waste/national-waste-statistics/food/#:~:text=Food%20waste%20is%20a%20global,10%25%20of%20greenhou

The seasonality of fruits and vegetables in Ireland, as in many temperate climates, is influenced by the country's climate and weather patterns. It is important to note that the specific timing of when fruits and vegetables are in season can vary depending on weather conditions, local growing practices, and the specific variety of the produce. Consideration must be given to the availability and seasonality of produce in tender than contracts issued for fresh produce.

Availability of Produce

The target of 10% of produce to be organic in all public procurement is welcome. However, the availability of this produce should also be considered. Although organic production has increased in Ireland in the past two years, many of these farmers are still in conversion and, as a result, their produce cannot be sold as organic. Fulfilling this target maybe overly ambitious and we do not want to see a situation where produce is substituted with imported lines which contradicts the nature of green public procurement. If shortages do exist, produce should be replaced with certified Irish produced produce.

Pig & Poultry Sector

The pig industry contributes €1.491 billion to the Irish Economy annually, supporting over 8,000 jobs. With pig industry activity concentrated away from Ireland's large urban centers, the pig industry also plays an important role in supporting economic activity within Ireland's more regional, local and rural economies according to a report carried out by PwC on the Irish Pig Sector in 2022; 'The Pig Industry & Ireland's Economy'¹⁰.

The Irish poultry sector, including meat and eggs, produces an annual output of approximately €611 million at wholesale prices. The sector supports just over 5,000 jobs - 70 percent of which are based in the border region. As an input intensive industry, €250 million is spent on farm inputs (including animal feed), while the processing sector spend in the order of €140 million on wages, salaries, and other inputs. This expenditure provides a welcome boost to rural economies across the country.¹¹

Quality and Certification

Irish farmers are proud to highlight that Irish pig and poultry products are produced to the highest quality standards. Certified by Bord Bia under the Sustainable Quality Assurance Scheme, our farmers ensuring that the food produced is not only of the highest quality but also meets stringent environmental criteria.

Economic Benefits

Supporting local pig and poultry farmers through government procurement provides a significant boost to the Irish economy. By prioritising local produce, the government contributes to the creation and sustenance of jobs within our communities. This not

 $^{^{10}\} https://www.ifa.ie/wp-content/uploads/2022/06/Pig-Industry-Report-PwC.pdf$

¹¹ <u>201109</u> Report on The Economic Importance of the Poultry Sector in Ireland 2020 - Prof T. Hennessy <u>UCC.pdf</u>

only strengthens the agricultural sector but also has positive ripple effects across related industries, fostering a more robust and resilient local economy.

Reduction of Food Miles

Procuring locally sourced pig and poultry products aligns with the goal of reducing food miles. By minimising the distance that food travels from farm to fork, we not only decrease the carbon footprint associated with transportation but also ensure fresher, more nutritious products for consumers. This reduction in food miles is a tangible step toward achieving the environmental objectives outlined in the draft GPP Strategy.

Liquid Milk

Ireland's 18,000 dairy farmers produce eight billion litres of milk per year, and the majority of this is processed into dairy products for export by the milk co-ops. We consume c.540 million litres of fresh milk annually.

The year-round supply of this fresh milk is governed by the National Milk Agency (NMA) which issues annual contracts to Ireland's 1,300 liquid milk farmers. Typically, a dairy cow has a nine-month lactation and the most economical time for this to be produced is from early spring until late autumn to coincide with our grass growth.

In order to have fresh milk in the winter months, specialised liquid milk farmers have a more expensive system of calving cows in the autumn, in order to have high quality fresh milk for the consumer.

Locally produced liquid milk is certified as produced and processed locally by the National Dairy Council (https://ndc.ie/). IFA strongly supports the inclusion of NDC certified liquid milk as a criteria in the GPP.

Circular Economies

Encouraging the procurement of local Irish food produce supports the principles of a circular economy. By creating a closed-loop system within our local communities, we promote sustainability, reduce waste, and enhance resource efficiency. This approach aligns with the broader goals of the circular economy model and contributes to a more sustainable and resilient food system.

Conclusion

In conclusion, IFA urge the government to include in the Green Procurement Plan that the procurement of locally produced Irish food products would be prioritised in the finalisation of the strategy. By doing so, we can collectively contribute to a sustainable, circular economy while supporting our local farmers and communities.

ENDS.