



## Public procurement

Public procurement is a policy tool that promotes sustainable agriculture by creating consistent demand for products produced through carbon farming practices. This approach incentivizes the adoption of climate-smart agricultural methods, ensures stable and reliable income for farmers, and supports broader climate and environmental objectives.

# REWARDING MECHANISM: PUBLIC PROCUREMENT

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| <b>Tier 1</b>      | Regulatory/ Policies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Tier 2</b>      | <b>Public procurement</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Tier 3</b>      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Description</b> | <p><b>Public procurement</b> is a policy tool that can promote specific farming approaches—such as organic farming or carbon farming—by requiring public institutions (e.g. government agencies and state-owned enterprises) to purchase products from farms using these practices. By shaping consumption patterns, public procurement increases demand for agricultural goods produced in line with climate-smart practices. This stable demand creates income opportunities for farmers and serves as a market-based incentive to adopt carbon farming methods. In doing so, public procurement supports the transition to more sustainable farming systems and contributes to broader climate mitigation and environmental goals.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>References</b>  | <ul style="list-style-type: none"> <li>- Lindström, H., Lundberg, S., &amp; Marklund, P. (2020). <i>How green public procurement can drive conversion of farmland: An empirical analysis of an organic food policy</i>. <i>Ecological Economics</i>. <a href="https://doi.org/10.1016/j.ecolecon.2020.106622">https://doi.org/10.1016/j.ecolecon.2020.106622</a></li> <li>- European Commission. (2008). <i>Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Public procurement for a better environment</i> (COM/2008/0400 final). Retrieved from <a href="https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52008DC0400">https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52008DC0400</a></li> <li>- Defranceschi, P., &amp; D'Addario, F. (2024). <i>Public food procurement as a powerful tool to boost territorial food systems</i> (Policy Brief). ICLEI Europe. Retrieved from <a href="https://www.oneplanetnetwork.org/knowledge-centre/resources/public-food-procurement-powerful-tool-boost-territorial-food-systems">https://www.oneplanetnetwork.org/knowledge-centre/resources/public-food-procurement-powerful-tool-boost-territorial-food-systems</a></li> <li>- Sustainable Public Meal Toolkit (StratKIT+). (2025). <i>Public procurement</i>. Retrieved from <a href="https://www.sustainable-public-meal.eu/en/public-procurement/">https://www.sustainable-public-meal.eu/en/public-procurement/</a></li> </ul> |

## Example Public Procurement: Buy Better Food

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| <b>Tier 1</b>                                                                                              | Monetary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Supportive                | Regulatory            |
| <b>Tier 2</b>                                                                                              | <b>Public Procurement</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                           |                       |
| <b>Tier 3</b>                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                           |                       |
| <b>Example</b>                                                                                             | Buy Better Food Campaign                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                           |                       |
| <b>Summary</b>                                                                                             | <p>The <b>Buy Better Food</b> campaign is a coalition of European non-profit organizations, local and regional government networks, and civil society groups advocating for the inclusion of sustainable, nutritious, and ethically sourced food in public procurement processes. The campaign aims to transform public food procurement across Europe to enhance environmental sustainability, public health, and worker welfare, while ensuring access to healthy food in institutions such as schools, hospitals, and nursing homes.</p> <p>It proposes seven minimum standards for public canteens throughout the EU, aligned with the EU Farm to Fork Strategy and the UN Sustainable Development Goals (SDGs). The campaign also calls for increased public funding to support sustainable food systems and fair compensation for producers, along with simplified procurement procedures to strengthen local supply chains and advance fair, healthy, and sustainable food systems.</p> |                           |                       |
| <b>Type of climate action</b>                                                                              | Carbon removal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>Emission reduction</b> | Climate adaptation    |
| <b>Appropriate for:</b><br>Who can benefit from this type of rewarding mechanism (in agricultural sector?) | <ul style="list-style-type: none"> <li>- Farmers</li> <li>- Land Users</li> <li>- Farm advisors</li> <li>- Landowners</li> <li>- Value chain actors</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                           |                       |
| <b>Source of rewarding mechanism:</b><br>Who provides the rewarding mechanism?                             | Public                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Private                   | <b>Public-Private</b> |
| <b>Rewarding method:</b><br>What is the reward based on?                                                   | Result based                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                           |                       |
| <b>Type of on-farm action:</b> What is the recipient obliged to deliver in return?                         | Adoption of organic farming practices                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                           |                       |

# REWARDING MECHANISM: PUBLIC PROCUREMENT

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| <b>Recipient requirements:</b><br><br>What requirements must the recipient meet to receive finance?           | Join the Buy Better Food campaign by completing an on-line survey                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Timing of rewarding:</b><br><br>When is the reward received?                                               | ex post                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Governance:</b><br><br>Who manages the programme, provides the reward, and where does the money come from? | <ul style="list-style-type: none"> <li>- Funded by: Healthy Food Healthy Planet and European Climate Foundation</li> <li>- Led by: Local Governments for Sustainability Europe (ICLEI)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>References:</b>                                                                                            | <ul style="list-style-type: none"> <li>- Buy Better Food. (2024). <i>The Buy Better Food campaign for sustainable food on the public plate</i>. Retrieved from <a href="https://buybetterfood.eu/">https://buybetterfood.eu/</a></li> <li>- ICLEI. (2022). <i>Manifesto for establishing minimum standards for public canteens across the EU</i>. Retrieved from <a href="https://iclei-europe.org/publications-tools/?c=search&amp;uid=AXvXw6K2">https://iclei-europe.org/publications-tools/?c=search&amp;uid=AXvXw6K2</a></li> <li>- HFHP. (2022). <i>Buy Better Food: Campaign for sustainable food on the public plate</i>. Retrieved from <a href="https://www.hfhp.eu/funded-members/iclei-european-secretariat">https://www.hfhp.eu/funded-members/iclei-european-secretariat</a></li> </ul> |

| Advantages                                                                                                      | Disadvantages                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Provides a reliable revenue stream, reducing dependency on volatile private markets (Andhov, M., et al., 2024). | Creates participation barriers for farmers due to scale, administrative complexity, and demanding procurement requirements. |
| Frequently includes local sourcing criteria, offering advantages to regional and small-scale farms.             | Policy or funding changes may affect the continuity or level of payments available to farmers.                              |