

From niche to volume with integrity and trust

CASE STUDY FACT SHEET

Kiuruvesi - Finland

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General introduction

Prioritising local and organic food (LOF) in municipal catering is an important ingredient in the Kiuruvesi municipality's brand as the capital of ecological Finland. Kiuruvesi has determined developed the use of LOF since the 1990's, and it is the pioneer in this area, both in Finland and also internationally. The strengths lie in the rich regional production structure of agriculture and in the commitment of the municipal authorities to the LOF concept. The LOF strategy is based on territorial approach, and it has been adopted as means of enhancing the attractiveness of the municipality, which is located in a fairly remote area and which has been facing declining population development over the past decades. As a public actor the municipal catering service is constrained by the law of public procurements. Prioritising LOF requires careful planning of the tender calls, so that local products could be chosen among the offers. The major restriction in use of LOF is the availability of the products suitable in view of the needs of the institutional kitchens. The price constraints are compensated by substituting expensive items with nutritionally comparable less expensive items and by careful menu planning. Over the years the LOF concept has brought about various kinds of food entrepreneurship to the region. The Kiuruvesi case, thus, allows evaluate the impact of the institutional kitchens on the development of the small enterprises and on co-operation among them and with the catering sector. It also demonstrates the gradual development of the competitive bidding procedure from price-based tender calls towards anticipatory dialogue and interaction among the producers and catering personnel and as an impulse to product development



Helena Laitinen, the head of the Kiuruvesi municipal catering service.

"Realizing organic idea is not restricted to farming, but it means social cohesion, interaction among stakeholders, it is a way of life"

(Chair of the municipal council)

The LOF strategy

With emphasis on the long-term impacts on public health, social cohesion, regional economy and on the environment, the LOF strategy of Kiuruvesi can be described as sustainability strategy. The core values are local entrepreneurship, local and organic production, quality, traceability, environmentally friendly

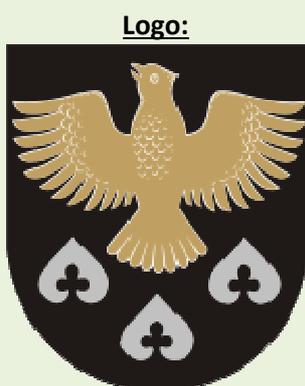
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Legal form:
Public entity
(Municipality)

Date of foundation:
1999

Homepage:
[http://www.kiuruvesi.fi/
Suomeksi/English](http://www.kiuruvesi.fi/Suomeksi/English)



Turnover:
n.a.

Product range:
Potato, tubers, green
vegetables, bread, cereal,
eggs, berries, pork meat, fish

Number of meals per day:
1300 lunches for schools,
850 meals for social & health
care

Distribution channels:
Mainly in schools and health
care centers

Google hits for Kiuruvesi LOF:
7 230 (6 May 2015)

production, animal welfare and continuous development. The LOF strategy is not based on the lowest price. The LOF concept was introduced in an economically difficult situation to the Kiuruvesi school catering in the end of the 1990'ies. The caterers initiated active discussion on values and goals of organic production and on sustainable development referred to in the municipality's strategy. The formal initiative for the LOF came from the actors of the educational sector. LOF started as an experiment in one of the village school kitchens in 2000.

The use of LOF has been determined developed during the past 15 years. The municipal authorities are fully committed to the LOF strategy. It is considered as an important driver in reviving economy and livelihood in a fairly remote area suffering from declining population development. Over the years, the use has increased gradually as new entrepreneurs have emerged, small scale preprocessing has been developed and the entrepreneurs have been able to accommodate their supply to the needs of the public catering.

As the public actor, the municipal catering service is constrained by the strict regulations of the EU law on public procurements. The tendering process has been developed in order to enable the purchase of LOF items. Before the tender calls are put out, there is an extensive process of anticipatory dialogue among the interested suppliers and the catering service. In these, the needs of the professional kitchen are clearly brought up and the possibilities for product development and recipe innovations are discussed. Mutual co-operation has developed from mere business relations towards strategic partnership.

Depending on the product, the contracts with the suppliers are written for up to 4 years. The municipality is a large buyer, and the contracts give the entrepreneurs secure income. This allows them to focus on developing their own activities. The municipal customer, thus, comprises a kind of protected space for the SME enterprises to develop their activities and get footing in the highly competitive Finnish food markets. The catering service is under the control of the municipal board, and the yearly budget is decided by the board. The implementation of the strategy is at the responsibility of the food service manager.

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