



EUROPEAN
REGIONAL
DEVELOPMENT
FUND



School meals in Estonia - lessons learned so far

Aaro Lode
Baltic Restaurants Estonia AS

Tallinn, 12 November

About Baltic Restaurants

- Experienced – in 25 years we have developed the biggest outlet network in the Baltics
- Leader – 600 employees in 138 outlets in Estonia:
 - Daily lunch restaurants – 8
 - Student lunch restaurants – 9
 - School canteens and cafés – 57
 - Kindergarten canteens – 43
 - Staff lunch restaurants – 13
 - Take Off cafés and restaurants – 6
 - Subway– 1
 - Chat cafe-restaurant - 1



Baltic Restaurants outlets



Baltic Restaurants

Chat

Daily

Take Off

SUBWAY

Daily

StratKIT

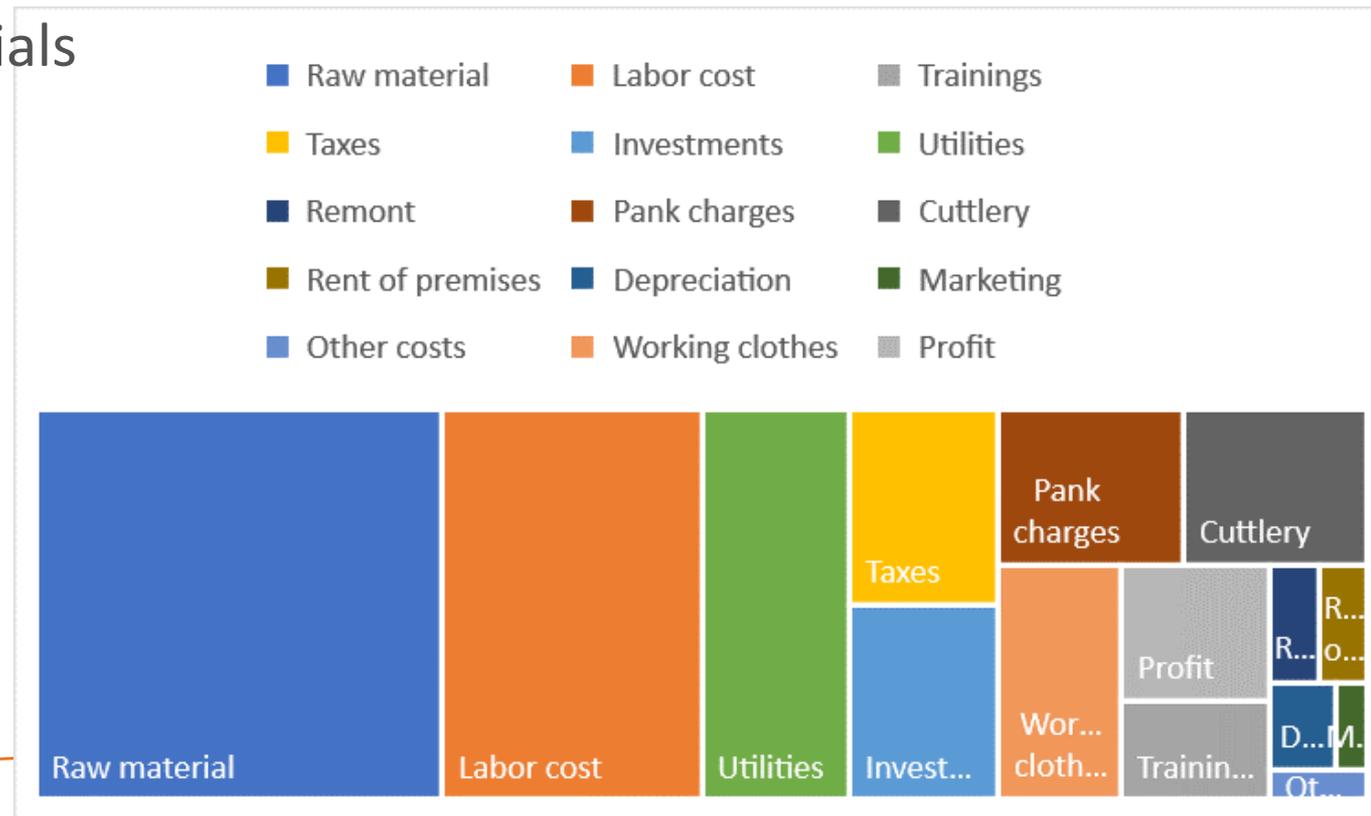
National school lunch in Estonia

- National school lunch allowance of EUR ~27 million
- ~ 175 € per student per year
- ~ 1 € per student per day
- School Fruit Scheme grant ~ 907 404 €
- The subsidy paid from the school milk scheme amounts to ~ 1.84 million €
- Support total ~30 million €
- ~ 193 € per student per year

This allows all Estonian students to have free hot lunch every day!

Shcool lunch money consists of?

- School food allowance is fixed by contract for a certain period.
- Raw materials
- Salary



Can it be too healthy?

- Unawareness of actual situation among parents teachers, results in misinterpreted view on school lunch.
- wrong eating habits
- a healthy diet is considered a vanity of the richer class



Different forms of public procurement

Different municipalities have different procurement practices. One cannot prefer one for another, but should consider various options:

- Large area joint procurement
- Each institution for its own sake
- Third party procurement
- Local government carries out procurement for educational institutions

Municipalities vs service provider

Service Provider

- Specialization
- Clearer overview of costs
- Competent
- Continuous innovation and the pursuit of change

Municipalities

- Limited competence
- Often a political promise rather than a practical need
- The cost is the cost of the raw material, the actual cost hidden



Different Forms of Operation

On-site preparation

- Flexible menu
- Smaller investment
- Higher labor costs
- Food wastage less
- Energy consumption higher

Central Kitchen

- One time investment
- Shared costs
- Lower labor costs
- Less environmental impact
- Very high investments
- Transport costs
- Rigid menu
- Bigger Food wastage

Environmental sustainability

There is no green procurement. For example:

- Although introduced the concept of the organic, it often remains unexplained.
- Short contracts (1-2 years in kindergartens, 3-5 years in schools) mean that the operator has no economic interest in investing in more environmentally friendly solutions.
- Biodegradable packaging and its handling
- Food should be prepared as close as possible, preferring local kitchens, but it cannot be a restrictions.

A holistic view of the procurement

Often, procurers do not have a comprehensive view of procurement and the impact of procurement outcomes. Only a few factors are evaluated but their greater impact is overlooked.

For example:

- Increasing the number of options in the menu also increases the amount of organic waste.
- Additional demands to operator increases cost thus increases lunch money.
- The requirement for organic or local raw materials can give the individual producer a monopoly and increase the price of a day's food.
- A last-minute purchase will incur additional costs for everyone.
- Procurement documents are coordinated with the service consumer.

Examples of evaluation criteria

- Whether the price of school lunch is in place or not, how the procurement is set up.
- How important is the plethora of choices you can determine what the maximum rate is and the maximum points for it. More is not always good.
- 70% quality and 30% price actually mean 100% price
- Kindergarten menu 26%, school lunch menu 22%, staff to take over 8%, nursery school meal cost 22% and student school lunch cost 22%.
- Price 40%, Menu 20%, Service 20% and Technology 20%
- Persons with reduced working capacity
- Remuneration of planned personnel of the object of the procurement, submission of employment contracts.
- Food tasting by an impartial commission.
- Previous positive or negative reference.



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