A Taste of Sustainability – Mobilizing Public Procurement and Catering Services in the Baltic Sea Region

BSR Round Table Conference, Tallinn 12.–13.11.2019

StratKIT – Innovative Strategies for Public Catering: Sustainability Toolkit across Baltic Sea Region
Social and environmental innovations in public food consumption in Rybnik

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1. INTRODUCTION

2. SOCIAL ECONOMY – HIDDEN ASSET OF SUSTAINABLE PUBLIC PROCUREMENT. CASE STUDY OF SOCIAL COOPERATIVE.

3. HOW TO BEGIN TACKLING THE PROBLEM OF PLASTIC WASTE? ECO-CUP CASE STUDY.
Geographical location
City of Rybnik: basic facts

- **Population:** 136,000 inhabitants (ranks no 25 in Poland)
- **Area:** 148 km² (ranks no 16 in Poland), 27 districts (i.a. Meksyk, Maroko)
- **Localisation:** South Poland (Silesian Voivodship), close to the border with the Czech Republic
- **Accessibility:** highways A1 and A4, national road DK 78, direct railway connection to Warsaw, Prague, Vienna.
- **Rybnik agglomeration:** 650,000 inhabitants. Rybnik is a service, commercial, educational and administrative center of this area of the Upper Silesia (Jastrzębie Zdrój, Żory, Pszów, Radlin, Rydułtowy, Wodzisław)
- **Industrial center:** coal mining industry, electric power plant, metal industry (automotive). Services, retail, well-educated workforce. **Unemployment rate 3,5%**
- **Higher education:** University of Economics i Silesian University of Technology
Why City of Rybnik became partner of the StratKIT project?

- Transfer of good practices in procurement of food
- Supporting social economy
- Promoting healthy eating
- Developing nutritional standards
SOCIAL COOPERATIVE "Z IKRĄ" in RYBNIK

“BISTRO Z IKRĄ”: WITH ROE / WITH CAVIAR – WITH VITALITY

Gastronomy as a main business activity from the very begining. Competitive prices. Preparing products on the spot without subcontractors.
The idea emerged in 2015, and the bistro began its activity in April/May 2017.

Formally the social cooperative has been funded by two legal entities:
- Polish Association for Persons with Intellectual Disabilities – Rybnik Section (PSONI) – came up with the idea
- City of Rybnik

Partners share control:
- PSONI: chairman – CEO and one member of supervisory board
- Rybnik: 2 members of supervisory board

The background: **occupational therapy workshops (WTZ)** run by PSONI in Rybnik.
Active social and occupational rehabilitation, developing or restoring skills to employment under sheltered working conditions.
In 2016, the newly formed cooperative received **EU Funds** thanks to the support of the Social Economy Support Centre (OWES) led by Rybnik-based NGO called CRIS.

Applicants present the idea, assumptions, brief description of the project (business plan). The evaluation shall be carried out by the external committee.

The cooperative received a subsidy (grant) to create jobs – 120,000 PLN (EUR 30,000) plus a “bridging support” for 1 year (approx. 50,000 zł = EUR 12,000).

Coop received **training, coaching and consulting** for the social enterprise.

Condition: a social cooperative must have at least 50% of people in the group excluded or threatened with social exclusion (disabled, unemployed, etc.).
CONTINOUS SUPPORT

- PSONI gave also its own contribution of approx. 10,000 PLN.
- Rybnik charges cooperative a symbolic rent for the restaurant.
- PUP (employement service) in Rybnik slowed the Bistro with ZUS (social insurance) for some of the disabled workers.
- In the following years OWES gave the cooperative two more subsidies for expanding the business (new jobs + bridging support).

GROWING EMPLOYEMENT AND PROFITABILITY

- At the beginning of the Bistro there were 6 people with disabilities and 1 person who was a full-time manager.
- Currently, 11 people are employed, including persons with disabilities on incomplete posts.
- Employees origin mainly from the Occupational Therapy workshops.
- The revenues in July 2019 reached approx. 40,000 PLN (including bridging support from OWES)
- Costs = approx. 35,000 PLN.
Social cooperative „Z Ikrą”

- EU Funds
- Consumers
- Rybnik in-kind
- Employment services (PUP)
- PSONI people
- CRIS know-how
- PSONI funding
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<th><strong>Strengths:</strong></th>
<th><strong>Weaknesses:</strong></th>
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<td>Good, unquestionable high quality of dishes</td>
<td>No sufficient strategic management due to extensive line management</td>
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<td>No sufficient cooking skills development</td>
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<td>Too many fried dishes</td>
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<th><strong>Chances:</strong></th>
<th><strong>Threats:</strong></th>
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<td>Employment of a new chef with fresh ideas</td>
<td>Lack of liquidity</td>
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<td>Separation of functions of President and manager</td>
<td>Routine</td>
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<td>Introduction of alternative dishes, fit</td>
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<td>Reserved contract. Amendment from 1 January 2021 – under the new law of public procurement. In the reserved order set out in art. 94 (earlier article 22 (2) and (2a))</td>
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<td>Contract under the RPO WSL: paragraph 26 (2) – the question of taking into account social aspects in catering, printing, etc.</td>
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Directive 2014/24/EU on public procurement

Article 20

Reserved contracts

1. Member States may reserve the right to participate in public procurement procedures to sheltered workshops and economic operators whose main aim is the social and professional integration of disabled or disadvantaged persons or may provide for such contracts to be performed in the context of sheltered employment programmes, provided that at least 30% of the employees of those workshops, economic operators or programmes are disabled or disadvantaged workers.

2. The call for competition shall make reference to this Article.
In – house procurement

Procurement without competitive procedure

1. The contracting authority must exercise control over the undertaking in similar manner to its own departments, i.e. it must have decisive influence on the strategic objectives and important decisions of the controlled company.

2. The controlled company must do business predominantly for the controlling contracting authority. In other words, over 80% of its activities must consist of performing the tasks entrusted to it by the controlling contracting authority or several contracting authorities.

3. There must be no direct private participation in the capital of the controlled undertaking.

Example: 2 small municipalities establish a cooperative to clean green terrains (Toszek, Poland).
Recognition and awards
Sheltered workshop in Żory
Sheltered workshop in Żory
HOW TO BEGIN TACKLING THE PROBLEM OF PLASTIC WASTE?
ECO-CUP CASE STUDY.
Eco cups are part of the ecological campaign of the city of Rybnik.

Eco cup (eko kubek) is a reusable cup with a klip for hanging.

2 main aims of introduction:

• Reduce city’s ecological footprint – less plastic waste
• lower financial costs related to cleaning the venue from traditional single use plastic cups.
Since 2018, City Sports and Recreation Center (MOSiR – unit of the City) became an operator of the eco cup system.

It has introduced Eco Cups for its own event, other events organized by the City institutions and speedway games.

Rybnik authorities hope, that eco-cup system will lead in the future to complete elimination of disposable cups in public space.

People attending city events frequently are supposed to own their own eco cup, which they will consider "as theirs" and as a result they will use them at all events organized in Rybnik.

Stage 1. Customers had a choice, buy a beverage in an Eco Cup with a deposit, or buy a beverage in a traditional plastic cup, disposable.

Stage 2. Since 2019 during most events there is no longer such a choice – “mandatory” eco cups.
Eco cup functions also as a **gadget**, which city residents and guests can take home, and use later e.g. during outdoor activities, as a gift etc.

MOSiR also distributed Eco Cups as Rybnik souvenirs during the „Lunar Half Marathon” and other sports events. Thanks to this, thousands of active **people became familiar** with the idea of Eco Cups.

Eco-cups have also been distributed in "Beer gardens", operating in the old town.

Two types of eco-cups:

- so-called „urban" with the symbols of Rybnik

- "Speedway" with an illustration of speedway riders of KS ROW Rybnik, a partner in the project.
ECOLOGICAL IMPACT

Reduction in the number of disposable plastic cups used at events.

Example 1. During a single speedway match, the “sales” of Eco Cups amounts to 2,000 pcs. Several thousands of disposable plastic cups do not reach the ecosystem. Average turnout = 9,000 persons.

Example 2. During city festival (Dni Rybnika) catering companies returned 6,000 pcs for washing.

EDUCATIONAL IMPACT

Very important aspect of the project. Making the public aware of the necessity of pro-ecological attitude.

Eco Cups are a proposal of a systemic solution to fight disposable plastic packaging in entire town.
BUSINESS MODEL

The main costs related to the implementation of eco-cups is following:
• purchase (ca. 76 000 PLN – 3,50 PLN a piece // 19,000 EUR – 0,80 EUR a piece),
• distribution and washing (0,35 PLN – 0,08 EUR)

Part of the cost of 28 290 zł = 7,000 EUR (cash and barter) was covered by sponsorship of companies whose logos were placed on both types of eco cups.

Gastronomic partner **who did not return** the cups used at the event bears a fee of 5 PLN a piece.

For this reason, in 2018, MOSiR earned a revenue of 17 640 zł.

**Number of employees who clean up the stadium or event site after an event is a few times lawer.** Event organisers bear lower costs of cleaning.

Improved aesthetics and culture in the place of the event.
Summary and challenges

- City is in the process of diagnosing its opportunities in the sphere of food and related issues
- Exploring possibilities related to public procurement
- Promoting a healthy lifestyle – sports (cycling, sailing, outdoor gyms etc.)
- Senior „+” – ordering vegetarian meals
- City nursery – employment of a dietician
- Raising the environmental awareness of residents
- A draft resolution eliminating plastic from the city Office