



Value-Based Procurement of Food in Health Care

An Implementation Guide

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**Planetary
Health**

A Nourish Program



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Executive Summary

Food is unlike other hospital purchases; it holds the power to promote healing physically, spiritually, and culturally. When health care organizational values that embrace “food as medicine” are woven through each procurement step, food purchases can drive menu improvements, uplift communities and culture, reduce climate impacts, support Truth and Reconciliation efforts with Indigenous Peoples, and showcase health care institutions’ anchor leadership.

Value-based food procurement can include many elements: purchasing locally produced food, ensuring that food production and procurement are ecologically sound, humane, ethical, and socially just, and sourcing food with Indigenous, diversity and cultural mindfulness goals in mind. Transforming hospital food for patients and the food environment for staff and visitors is an overlooked opportunity to embody medicine’s “do no harm” ethos.

Unfortunately, the status quo of public procurement primarily places weight on cost alone. And it’s a common misperception among many institutional food buyers that local food is always more expensive. The reality is that it can be cost-effective. Based on the experiences of health care institutions, a general guideline is that one-third of the time local food is less expensive, a third of the time it is cost-neutral, and only the remaining third of the time it is more costly. The takeaway is that there is room to balance budgets when menu decisions are integrated.

Nourish has prepared this implementation guide to look beyond cost, to the many advantages of value-based procurement (VBP). VBP can help strengthen local economies, reduce environmental impacts and food waste, build relationships among buyers and sellers, and provide fresh, locally sourced, nutritious foods that support local agriculture, sustainable farming, and production practices that are undertaken in a socially and ethically responsible manner.

Smaller producers new to the supply chain can offer great value to an organization through quality products, highly personal customer service, and the ability to shape future product offerings. People staying in hospitals are often impressed to see foods from small-scale, local farms and producers on the menu. Showcasing these ingredients and the stories behind sourcing can improve patient satisfaction because it demonstrates care. Supporting the local economy, shortening the supply chain, and bettering patient experience is a triple win.

Securing alternative food sources versus relying on one large supplier is also in everyone's best interest, especially in the case of a system failure like a labour strike or extreme weather event. We learned through the COVID-19 pandemic that a diversified supply is essential for weathering unanticipated supply disruptions, and this must be achieved intentionally and preventatively.

In 2023, Nourish produced a primer, "Values-Based Procurement (VBP) of Food in Health Care", to introduce the concept of incorporating values into food purchases for hospitals. Early signals indicate a readiness for health care institutions in Canada to shift away from the existing model towards VBP, leveraging existing budgets to lead the transition to meeting social, ecological, and economic sustainability goals. The demand is significant, with over \$4 billion spent on health care food services annually in Canada. We have the opportunity to invest this \$4 billion to enhance and expand value chains for more sustainable and resilient food systems. The externalities of the current food system have a huge impact on our health care sector stemming from food insecurity, malnourishment, diet-related chronic disease, and barriers to Indigenous food sovereignty.

This implementation guide outlines tangible practices for value-based procurement and points to resources for further support and change. It examines the many benefits of value-based procurement and offers tips for preparing contracts, requests for information, and requests for proposals. It also addresses common barriers, promotes networking opportunities, and explores measuring outcomes. The guide is designed to equip food purchasers with tools to adapt to unique contexts related to food service management, operation size, and sourcing through group purchasing organization (GPO) or for specific categories "off-contract." Supply chains intentionally developed will continue to improve as more volume is shifted.

Nourish envisages this implementation guide as a pivotal resource for guiding health care institutions in Canada toward integrating values into their food-procurement processes for regional economic development, a reduction in the carbon footprint (Scope 3 emissions), supporting good agricultural practices, and bettering labour considerations.

A growing readiness for this transition is evident, the call is more urgent than ever, and the opportunity is significant. Embracing value-based procurement of food presents an opportunity for health care organizations to utilize existing budgets as a catalyst for achieving social, ecological, and economic sustainability goals. Through a commitment to a systems approach to food, emphasizing social value, and establishing robust, enduring contracts with local, values-aligned growers and vendors, health care institutions can enhance menu offerings, uplift communities, reduce climate impact, and actively support Truth and Reconciliation efforts. The future is bright as we envision empowered health care institutions creating meaningful and positive impacts through their procurement practices and contributing to a healthier, sustainable future.

Introduction

Food purchasing in health care is a core activity with deep-rooted potential. Unfortunately, current norms create barriers to building relationships between those who grow, deliver, order, prepare, and ultimately, eat the food procured with public dollars. This separation conceals the harmful impacts of current systems on growers, harvesters, workers, communities, soil, land, and water.

The pressures to maintain this status quo come from many places. On the demand side, they stem from traditional procurement price-only mindsets, real and perceived policy and contractual constraints, and low organizational priority. On the supply side, they come from inadequate supply from desired vendors and procurement processes that prohibit small enterprises from selling to public buyers. Both demand and supply can face challenges in identifying potential starting points and paths forward. In short, we can't just "flip the switch" to a new system, but we can start investing strategically.

With fragmented, regionalized efforts to build meaningful change in health care across the country and mindsets that encourage race-to-the-bottom price shopping, the current procurement landscape disincentivizes the creation of criteria and measures for empowered, value-based procurement of healthy, sustainable, local foods. Tight food budgets and a prominent view that food is ancillary to care compound the challenge.

This guide outlines tangible practices for value-based procurement (VBP) and points to resources for further support and change. (If you are just getting started with VBP, we invite you to review the [Nourish VBP Primer](#) which includes a readiness scan).

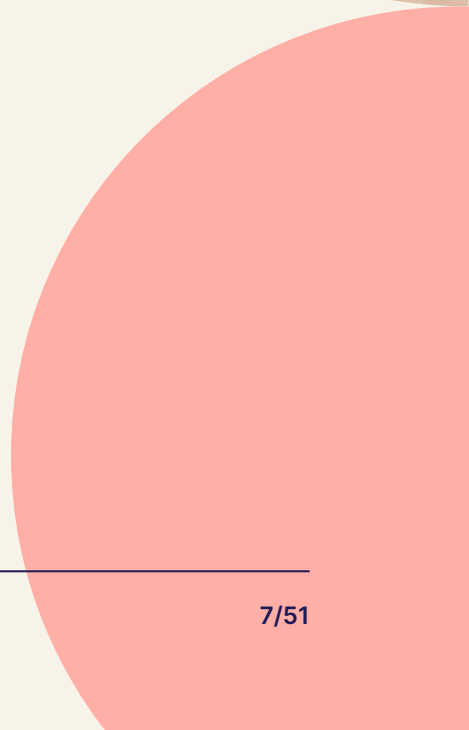
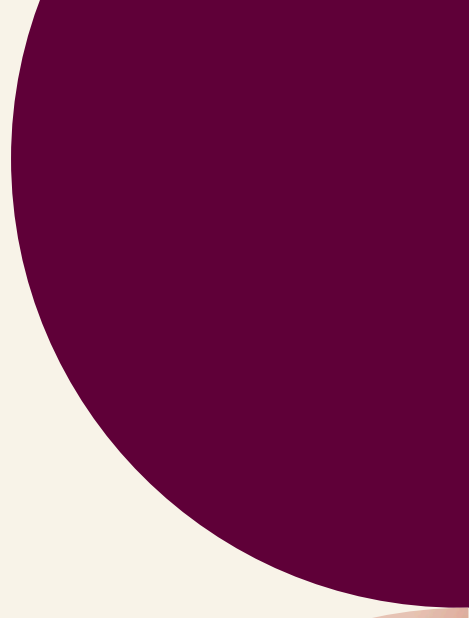


Value-Based Procurement is Rooted in:

- A systems approach to food: the fair treatment of people and animals; consideration of climate impacts; diversity, equity, and inclusion; emphasis on quality and nutrition; support of local economies.
- Adding social value: desired outcomes could include improved local skills and training, or support for living wage employers.
- Rewarding people doing good work by chosen criteria.
- Creating strong, stable contracts with local, values-aligned growers and vendors through increasing demand.

Before We Begin: Essential Components Woven Throughout

It can be uncomfortable and even disturbing to unpack the social injustices inherent in food supply chains. Only occasionally do these stories make front-page news, like the [five workers killed under unsafe working conditions at Fiera Foods](#) between 1999 and 2019. The opportunity to address this, and the ability to positively impact planetary health, Truth and Reconciliation, and cultural inclusion cannot be a sideline conversation when we talk about values-based procurement. These elements are essential pieces of VBP and are woven throughout. Just as this guide demonstrates these components as fundamental and impacting every step in the process, so too should your procurement practices be rooted in advancing all of these important areas.



Cultural Inclusion

Consider the last trade show or industry event you attended. How much diversity did you witness? Strategies to promote diversity, equity, and inclusion throughout society demand that we are constantly scanning the tables we are invited to for missing guests. In health care food services, this includes the front-line staff who prepare and serve meals, the committee making menu-planning decisions, the farmers our purchases support, and industry leaders who can influence change. Each step in the food supply chain benefits from being as diverse as the population it serves. With a lack of diversity in food spaces – from growing to distribution to the sales force – intentional efforts are needed. Ask yourself, who am I excluding (consciously or not)? Who are we here to serve? Who can meet my needs and support our organization's environmental, social, and governance (ESG) goals? On reflection, what opportunities do you see?

Planetary Health and Our Relationship with the Land

With each added layer in the supply chain, there are added considerations for our environmental impact. Each new inspection site, processing facility, and distribution warehouse represents travel emissions and energy usage. Just as each health care organization can set its environmental targets and practices, the vendors we engage may place more or less priority on reducing their climate impacts. Scope 3 emissions (outside of the operations), including those from food purchases, are increasingly on the radar of health care leaders and governmental decision-makers. Ask yourself, if my department intends to use resources wisely and keep our land, waters, air, and non-human kin thriving, how do I support the same in the vendors chosen in our procurement processes?

Truth and Reconciliation

The [Truth and Reconciliation Commission's Calls to Action](#) point clearly to needed change within health care's walls. Also embedded in its mandate (under Call #92) is the inclusion of Indigenous peoples in economic development, including the supply chain. Procuring food from Indigenous-led businesses not only responds to this call, but also actively supports the growth of their operations and ultimately communities and culture. Every dollar shifted to Indigenous-led business builds cultural safety and economic resilience. The City of Saskatoon took this Call seriously and implemented an [Indigenous Procurement Protocol](#), outlining its commitment to procuring goods and services from Indigenous-led businesses while still maintaining an open, fair, and transparent process. Their Indigenous participation evaluation criteria include five to 10 percent of points awards for Indigenous-led participation. The Government of Canada has committed to a target of five percent of all goods purchased to be from Indigenous-led businesses by 2025. Participation can be enhanced by advanced engagement in new opportunities and increased access to contracts through more flexible timelines. How can your organization formalize its commitment to this much-needed mission?

Opportunity Brief

Transforming hospital food for patients and the food environment for staff and visitors is an overlooked opportunity to embody the “do not harm” ethos of medicine and health care. The Covid-19 pandemic was unprecedented and built awareness of the fragility of most of our systems: economic, health, food, and social. Nourish has coined the term “anchor leadership” to convey what our growing network and community of practice are surfacing around overlooked opportunities for food as health, in all its dimensions: transitioning to regenerative food and health systems that nourish and reconnect people with land, culture, and one another for a healthy future.

Anchor leadership, including through the value-based procurement of food, is a strategy to harness the long-term presence, mission, and resources of health care institutions to anchor well-being in their communities. Senior health leaders and policy-makers do not currently have a mandate for hospital food beyond managing budgets and making sure that patients receive meal trays. A mindset shift to see food not as a commodity but as culture, connection to place, supporting local economies, and stewardship of soil and watersheds flips the script on “value.”

Countries around the world are establishing green procurement policies and practices, and food is a powerful place to start. [Danish public institutions purchase 60 percent organic ingredients](#). In the U.K., the Soil Association's [Food for Life program](#) currently operates in around 25 percent of English primary schools, 50 National Health Service hospitals, and

over 50 universities, serving around two million accredited meals every day focused on local, sustainable, and nutritious food. In the U.S. Health Care Without Harm's network of more than 2,000 health facilities are utilizing "their respected voices, purchasing power, investments, and other assets to develop food systems that conserve and renew natural resources, advance social justice and animal welfare, build community wealth, and fulfil the food and nutrition needs of all eaters now and into the future."

We have the same opportunity in Canada to invest the \$4 billion annual spend on health care food services to enhance and expand value chains for more sustainable and resilient food systems. The externalities of the current food system have a huge impact on our health care sector stemming from food insecurity, malnourishment, diet-related chronic disease, and impacts from barriers to Indigenous food sovereignty.

Given that food and diets play a significant role in human and planetary health, every dollar represents powerful purchasing power to change the future of food in health care. Nourish envisages sustainable food procurement as a core strategic priority for visionary health care providers. This implementation guide outlines actionable ways to build the systems we need in the future starting today.

The Power of Creating Equitable Opportunity

A myriad of benefits can be realized through the pursuit of equitable opportunity for suppliers, allowing smaller producers to enter new spaces in the supply chain.

These include:

- Introduction to quality products
- Focus on excellent, highly personal customer service
- Enhanced ability to shape future product offerings

Patients and residents regularly express satisfaction with foods sourced from small-scale, local farms. Food service leaders can double-down on this win by highlighting producer stories in their patient communications.

However, a preference for the status quo tends to lead to sustaining incumbent or well-established vendors. Supporting new players in the food system is pivotal to increasing diversity and achieving value alignment throughout the procurement process. There are many examples of ways to use health care demand to shift the system. Often, awarding a portion of food spend toward non-incumbent vendors just takes some mindset adjustment.

Ask yourself:

- which elements of “business as usual” are unnecessarily upholding an unfair status quo?
- who bears the majority of the risk in the agreements we enter? Where could your organization share risks to make the playing field safer to engage in?
- as a small-scale grower, what barriers would I be encountering through the procurement process we set out? How could those issues be addressed?

We can name the forces that led to the inequalities in our current system, things like racism, patriarchy, and xenophobia. What forces are required to combat discrimination and remove barriers to access for equity-deserving players?

When advancing ESG goals within your supply chain, you may need to simplify your procurement processes to seek and find suppliers aligned with your ESG goals. For example, regional food growers and Indigenous suppliers may be unfamiliar with online bidding platforms. It is well worth the effort to connect with your desired values-aligned vendors at their business level as you refine your Request for Information (RFI)/Request for Proposal (RFP) processes. This may mean enabling multiple methods of document issue and receipts. In addition to releasing via an online portal, consider providing hard copies handed out at various community events, sharing notices on multiple social media platforms, and sending emails with the RFI/RFP as an attachment. Be ready to receive submissions in their most accessible format (e.g., fax). A higher quantity of bids on an RFP is a signal of successful engagement with the local value chain.



Ensure that your communications are understandable at various levels of business comprehension and don't result in intimidation to pursue. Avoid "business legalese," a collection of words generally unknown to those with limited or no experience with institutional procurement and that unintentionally exclude those already experiencing barriers to participation.

Consider who holds the risk in your proposed agreement. Small growers experience far-reaching consequences of poor growing conditions and unforeseen challenges. They may be concerned or even unable to enter into contracts that make those situations even more dire.

Avoid "Rent-a-Feather" Arrangements

This refers to tokenistic agreements with Indigenous partners that are forged to advance organizational reputation or the meeting of a target. Many steps come before signing into a contract, like authentic introductions, in-person meetings, sharing of personal and organizational goals, swapping stories, establishing respect, understanding each other's values, mutually agreeing on a fair share of risk as well as money exchange, and starting from a basic spirit of reciprocity. Once a partnership is initiated, the relationship can continue to thrive through regular, unrushed connections, flexible and gracious responses to challenges, and open communication.

The Power of Relationship-Building

Building authentic, two-way relationships that are forged in good faith and strengthened over time continues to emerge as an unparalleled superpower in pursuing values-aligned suppliers, and essential in meeting climate-, cultural-, and social justice-related targets.

Individuals and teams with a history of saying what they mean and meaning what they say benefit from proven integrity and earned trust. When two groups feel a certainty that the other's word is good and that values are shared, that level of certainty and absence of suspicion are the perfect conditions for a mutually beneficial partnership.

These trustful relationships have a way of branching into new opportunities. Take the example of AgriTech North, a B-Corp certified year-round grocer specializing in local and Indigenous-harvested ingredients, with a goal of improving food security in their region. One purchasing professional learned of their impressive mission and identified that they would meet the needs of other purchasers within the province, passing along their information in hopes of building business. A group purchasing organization recognized the value and shared the opportunity to purchase local Indigenous-harvested wild rice with its health care members. This led to multiple orders and satisfaction on all ends of the equation. Their product met a need for Indigenous-sourced ingredients and the new contract enabled a mission-aligned grocer to increase sales.

This goes beyond transactions or interactions; it is much more than just buying food. This is building a network of like-valued people and organizations, to put great use to the public dollars already allocated for buying food for health care.

Three Simple Principles for Relationship-Building with New Suppliers

1. Listen more than you talk
2. Practice cultural humility
3. Explain your needs

A Case Example: The Importance of Relationship in Action

Mike Visser started My-Pride Farm in 2012 after moving to Thunder Bay, Ontario. The early years weren't easy as he navigated the universal challenges of being a smaller-scale farmer: fluctuating operating costs, unpredictable sales volumes, environmental hurdles, and finding the personal stamina and work-life balance to keep going. With the pandemic still raging, restaurants were not a reliable client for his high-quality meat. A couple of years into the business, he was invited to a City of Thunder Bay-hosted event intended to bring producers and buyers together, as part of the city's food strategy, aimed at achieving a target of 40 percent of purchases as local. There he met buyers from a nearby long-term care home and an instant connection was made. He began supplying small amounts of meat for the home's resident menu, totalling around 23 kilograms every three months.

A decade later, thanks to a solid relationship, consistent quality, and vocal resident demand, the home now purchases more than 227 kilograms every four weeks, a consistent sales volume that has been essential to the farm's viability. Outside of the health care contract, Mike's other sales come from weekly farmers markets that take hours to prepare for, operate, and tear down, and yield highly variable sales. Although he boasts many dedicated repeat customers, market revenue streams fluctuate.

Mike knows other farmers who have reservations about entering into public procurement contracts. They either have no prior understanding of how food in health care works, or they have had failed contracts in the past. The tight pricing structure they require can be a dealbreaker, but he reminds other farmers that some costs are tied to production (like the feed needed to raise an animal) but others are not, like the time it takes to move product. A large, consistent contract helps him keep overall costs lower, so he can accept the wholesale per-kilogram price and remain profitable.

The home's buyers and residents are impressed by the quality of his product as well as his commitment to humane animal treatment and sustainable practices. He knows happy animals are good for business, and that the environment must be cared for. The buyers know Mike well enough from their regular connections that they can trust his word about availability. He makes a point to stop in and say hello when he does deliveries, and members of the home's leadership team sometimes come to the farm for tours. These checkpoints offer opportunities to discuss challenges, successes, and any course correction that's needed for the next period. His delicious products have lowered food waste, as residents eat up every bite, and have raised their spirits. He's even recognized out in public, with strangers coming up and saying, "I know you. Your farm supplies the home my mom lives at. She said that you make great food."

He is looking forward to more local farmers being supported by institutional contracts, as people become more concerned about the climate impacts of the travel emissions associated with non-local food. He is firsthand proof that an intentional relationship is step one in this important shift.





Supporting Local Food Systems

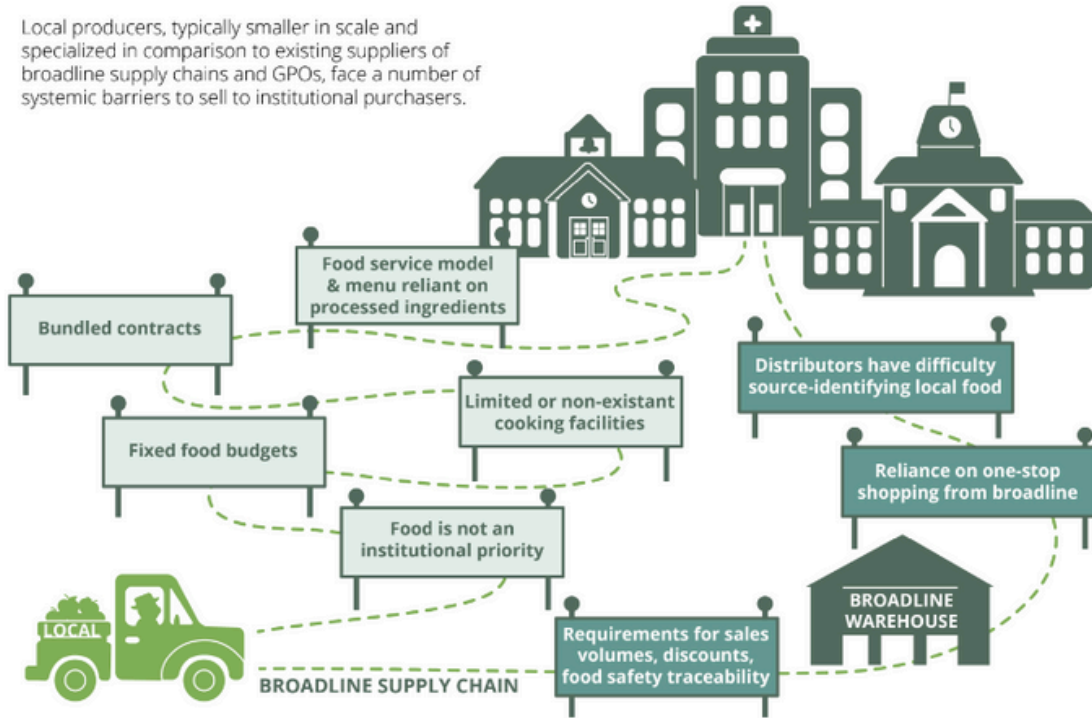
While value-based procurement goes far beyond the geographical origin of food, to considering the full social and economic impact of a purchase, supporting local growers is often the most common goal of food service teams when exploring enhancements to their buying values.

The Benefits of Buying Local Food

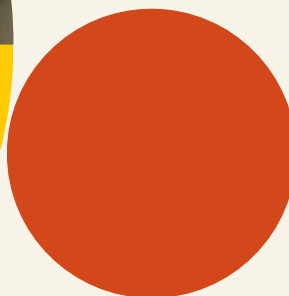
- Large stable contracts with public sector institutions can provide significant economic stability to local suppliers. This allows farmers to plan and maximize their growing season (“fields and yields”). In turn, this leads to job creation, protecting farmland, and building a sense of community while enhancing regional food security and promoting seasonal, culturally mindful menus.
- Consumers are motivated to eat locally. In a [survey](#) of attitudes toward local foods, Foodland Ontario found that seven in 10 shoppers buy local to benefit the economy and that most also do so because it’s fresher. In research from August 2023, they found other positive themes related to quality, healthfulness, safety, and price consciousness.
- Growers who operate “just down the road” from you generally provide strong, personalized customer service. For example, if you forgot tomatoes on your order and it’s causing a major menu malfunction in the kitchen, it’s much more likely that farmer Selena will drop them off before 10 a.m. than it is that a major distributor will send out another truck.
- Strengthening local food systems is an act of emergency preparedness and climate change resilience. It is estimated that our current system can support about one week of food for the entire population if the borders close. With looming climate events and unsure global supply, a secure local supply is worth investing in.

What are the systemic barriers for local food?

Local producers, typically smaller in scale and specialized in comparison to existing suppliers of broadline supply chains and GPOs, face a number of systemic barriers to sell to institutional purchasers.



From: Food Secure Canada's [Purchasing Power Report](#)



Getting Acquainted with the Local Food System

The road to new, mutually beneficial relationships with producers in your area can be lined with challenges, but some universal tips can support the process.

- **Determine local food definitions.** Many provinces and territories have industry- and consumer-approved definitions of “local” food products covering all product categories. The most challenging situation arises when defining processed foods, as they can range from being made in the region only to being made in the region with a range of local ingredients. For example, in Ontario, the [Local Food Act](#) defines local food as “food produced or harvested in Ontario, including forest or freshwater food, and subject to any limitations in the regulations, food and beverages made in Ontario if they include ingredients produced or harvested in Ontario.”
- **Explore local food seasonal availability.** Some fruits and vegetables are limited by seasonality. A common misperception is that local food is limited in the winter months. However, new production and storage practices are increasing the availability of commodities such as strawberries year-round and allowing new commodities to be introduced into the marketplace. Beyond produce, other categories (e.g., eggs, dairy, proteins, maple syrup, and honey) can be available year-round.
- **Conduct a food origin audit.** Conducting a food origin audit (step-by-step guide [here](#)) is an effective way for an institution to establish a baseline for local food purchases, assist in setting goals, and track and report on performance indicators. The major broadline distributors and contract caterers have IT systems in place, and can therefore inform their institutional customers what percentage of their total food purchases are from Ontario. Many are also actively promoting local products on their ordering sheets. To acquire this information, an institution can request a velocity report from its distributor(s) or group purchasing organization (GPO). These reports provide a summary of products purchased over a specific time frame. The request can be made to identify the percentage of local food purchased relative to total food purchases. The in-depth tracking of food budgets provides an institution with the power to make purchasing choices to support positive change. This includes identifying ways to replace imports with local food alternatives that are cost-neutral, offer savings, or are of higher quality to support better nutrition or resident meal satisfaction.
- **Review food prices.** Many factors contribute to the price that institutions pay for food, including origin of the food product, seasonality, food category, food variety, type of production, cost of inputs, market supply and demand, regulations and policies, scale of production, and more. A common misperception among many institutional food buyers is that local food is generally more expensive. However, the reality is often that local food can be cost-effective. Based on the experiences of other health care institutions, a general rule is that one-third of the time it is less expensive, a third of the time it is cost-neutral, and a third of the time it is more expensive.

The journey to local purchasing can require creativity. Take the example of Marianne Katusin at Halton Healthcare. After reviewing her contract commitments with a fine-tooth comb, she noticed their fully cooked chicken was travelling from Indonesia. “I just couldn’t agree to the GPO’s offerings knowing that there were Ontario proteins available,” Katusin said. So she decided to review where she had room to play. Raw chicken was not part of her GPO’s contract, and she found great options available that her team could cook in-house, eventually sourcing a quality Ontario product. With budget in mind, she extended this single ingredient to multiple menu items, eventually using the Ontario chicken to make in-house entrees: chicken cacciatore, herbed chicken, and Greek chicken, and saving her organization \$14,000.

Further Resources:

- Golden Horseshoe Food and Farming Alliance [Serving Up Local: Guide for increasing local purchasing in long-term care](#)
- Appendix A: Local, Sustainable Food Procurement: Where to Start in Every Province/Territory
- Appendix B: Key Ontario Legislative and Non-Legislative Frameworks Encouraging Local Food Procurement

Breaking Down Local Food Barriers Through Forward Contracting

A [forward contract](#) involves a buyer and producer/grower assuring that a specified product in an agreed volume will be reasonably available at a certain time at an agreed-upon price, or pricing mechanism. The benefits of this mutual agreement assure the producer/grower that the buyer will honour their commitment and be there to buy when the product becomes available and also provide a producer/grower with the ability to furnish evidence of a sale if financing is required. To the buyer, it provides assurance the produce will be available at the agreed-upon time to feed into their food supply chain. These forms of commitment can be beneficial to both parties, but they remain uncommon between institutional buyers and small-scale growers.

Establishing and renewing these agreements fosters longer-term relationships, promotes increased financial stability, and helps to build the regional capacity of local farmers to meet hospital and other institutions’ demands. A substantial contract can also be leveraged by a small-scale grower to secure a loan or other financial assistance to fund growth and expansion, further enabling them to meet demand.



With fresh produce rarely, if ever, included in GPO contracts, there is a lot of latitude to purchase local fruit, vegetables, and herbs for a health care facility during peak season. With notice, farmers can anticipate when the first crops will be ready, and institutions can switch back to broadline distributors when the harvest season is complete.

Contracts can be negotiated to include benefits that go beyond money: favourable packing size, initiatives to reduce waste, and reusable containers are all potential attributes.

The City of Thunder Bay's experience with forward contracting was so successful that its broadline distributor recognized the market for local goods and began onboarding the very vendors the city was connecting with directly. This led to a supply chain efficiency that still honoured the desire to localize purchases.



Tips for Writing a Forward Contract

Core Conditions	Optional Value Added Conditions
Price or method to determine price	Returnable packaging
Volume or time period	Composting/addressing food waste
Product description and standards	Inclusion of social enterprise content
Minimum health and safety requirements (traceability, certification, inspection, etc.)	Farm-to-plate marketing initiatives (tours, videos, education, events, farmers markets, etc.)
Payment and delivery terms	GHG emission reporting
Unit/package size	Early or pre-payment (partial or in full)
	Innovation delivery models (i.e. consolidated shipments from several growers)
	Consider additional value-added conditions as the “playing field” for creativity and innovation. This enhances value added service and regional growers vs. basic services from broad line distributors

Further Resources:

- [Breaking Down Local Food Barriers: A Case Study on Food Forward Contracts in Thunder Bay](#)

Implementation Guide and Sample Language

Health care food services and procurement processes are defined by a few key factors: contracted or in-house food service management, operation size, and purchasing through a GPO or for specific categories “off-contract.” Our aim with the guide is to equip you with tools to adapt to unique contexts. The path to increasing your procurement of sustainable food will also be affected by several food service variables, including the size of the institution, who is being fed and how often, available kitchen infrastructure, staff cooking skills, decision-making over menus, revenue models, contract management clauses, and institutional goals.

See Appendix C for definitions.

Public Procurement 101

Public procurement strives to balance fairness, openness, and transparency with value for money while administering an efficient procurement process. To this end, process controls placed on procurements are often based on total dollar values.

Generally speaking, procurements of up to \$10,000 (or similar lower value) can be conducted by selecting a single/sole vendor based on the buyer's opinion of who delivers the best total value they are seeking. Single/sole purchases for foods under \$10,000 can often meet needs for special meals or events that may occur throughout the year. Buyers are encouraged to consider single/sole-sourcing foods for these special occasions.

Procurement up to the \$100,000 threshold can often be made by seeking three written quotes to meet process-control obligations. Health care food buyers can approach three local/regional food producers directly with a simple Request for Quote (RFQ) with limited terms and conditions. Food buyers are encouraged to use this simple and selective RFQ procurement process to ensure purchases are sourced from local/regional suppliers.



Procurement over \$100,000 requires a more formal procurement process using Request for Proposal (RFP) to make publicly available for all to see and bid on. RFP's may include multiple decision criteria such as Environmental, Social, and Governance (ESG) elements, Indigenous inclusion, social justice, and other criteria beyond price by which submissions are scored. Food purchasers should ensure the decision criteria and weighting values align with the values of their organization, assuring food vendor selection and ultimately foods served are in line with desired outcomes.

Often in health care, food buyers may utilize a Group Purchasing Organization (GPO) to access their food contracts. GPOs offer consolidation of volumes and take care of all the necessary procurement processes. Food buyers should review in detail the procurement values these GPOs place on their decision-making process to ensure their values align with that of the organization.

What to Evaluate For

Organizationally important values may include food being locally grown or produced, ecologically sound, humane, ethical, socially just, or sourced with Indigenous or diversity and cultural inclusion goals in mind. Organizations may seek out suppliers who:

- are independently owned and operated;
- have reduced greenhouse gas emissions;
- demonstrate commitment to improved soil health and air quality;
- reduce or eliminate their use of synthetic pesticides;
- demonstrate strong equity, diversity, and inclusion values and/or are led by Black, Indigenous, and People of Colour (BIPOC);
- have achieved certain certifications*; and,
- employ a significant number (100 or more) of people in the region.

*Currently, most label claims are regulated by the Canadian Food Inspection Agency (CFIA) using specific criteria for some claims (for example "grain-fed" or "raised without antibiotics"). [Eco Label Index](#) is a great resource to review the compliance standards and other data for many international ecolabels.

Creating and Managing Effective Contracts for Food Service Management

Ultimate control over procurement values comes with self-operation but properly managed contracts can be highly successful. Some groups have taken the bold step of breaking a long-term contract to move to in-house food services. Many food service operations in health care are fulfilled through contracted third-party companies. There is a single, quintessential time when organizations have a substantial opportunity to identify their desires and be clear about expectations, and that is when the contract is being built. Before signing, there are a plethora of options to include and time to negotiate details. Once a contract has been finalized and entered into, the control is decreased and new demands can't be added, with the opportunity to positively impact outcomes minimized to contract management.

Some Simple Principles for Creating a Contract:

- Don't ask for anything you're not willing to evaluate. This ends up wasting everyone's time and doesn't lead to the intended results.
- Avoid unclear terms like "shall attempt to" or "make the best effort to".
- Save time and effort by gleaning from successful examples. Be willing to do some "rob and duplicate" (R&D). Don't reinvent the wheel.
- Request the evidence; for example, if you're asking for regular waste audits to be completed during the contract, as part of bid submission, ask bidders to present a sample waste audit report. This not only demonstrates that they're serious but also shows the method they plan to utilize to complete the task.



Suggested Inclusions in a Robust Contract:

- Definitions (clarity on understanding of terms like “local”).
- Clearly defined and marked for sustainability.
- Clear tracking, reporting on, and minimum targets for local purchasing.
- Values-aligned menu planning principles and objectives.
- Defined performance measures.
- Appropriate milestones, on an appropriately progressive scale.
 - For example, it’s much less challenging to go from zero to five percent local than it is to go from 65 to 70 percent local. Early changes can happen rapidly, with later increments being smaller.
- A detailed plan for reporting.
- A detailed plan for course correction if targets aren’t attained.
- A detailed plan for recognizing outstanding performance if targets are exceeded.
- Proof of engagement with values-aligned vendors.
 - For example, request a list of suppliers they’ve connected with over the past year to meet the needs of your organization, emphasizing an ability to demonstrate that local suppliers understand what you’re looking for and reasonable effort is being made to find a good fit, including potential education.
- A plan to address and incorporate feedback from eaters and the broader community.
 - Typically, this level of engagement happens from the hospital itself, potentially through patient/family advisory committees or resident councils, and it is up to the contracted company to enact the suggestions. Language could include, “At least annually, the owner will conduct a survey of meal satisfaction and results will be incorporated, with any items or meals falling below 75 percent satisfaction to be addressed.”
 - This helps immeasurably to track the feelings of patients, residents, and families. Negative feedback can further reveal the urgent need to shift procurement values. For example, a long-term care home had skyrocketing complaints in December, illuminated the increased quality of the local produce when it was seasonally available.
- A waste auditing plan specifying frequency and addressing high-waste items.
 - Happy patients are commonly quiet, but waste audits tell a story and uncover areas that need changes.
- Robust escape clauses if the contract must be severed with or without cause.
 - These contracts can be eight to 10 years long. Things can change. See Appendix D for sample language.
- An outline of the consequences of contract non-compliance.
 - This may include actions if targets aren’t met, and actions if other performance measures are not met. These actions should be financial-based. On the flip side, consideration may also be given if performance exceeds expectations, if the owner chooses.



Building a Strategic, Resilient Value Chain

The practices that lead to an improved values-driven supply chain are standard best practices and not inherently outside of the box. A concerted effort to create a field that encourages new players to show up and provide value shouldn't be radical. Ensuring that you have multiple options and not "all your eggs in one basket" is a no-nonsense approach to sustainability. Just as a robust food system requires many, diverse sources, so does your organization's food sourcing. This builds resilience. Securing alternative sources of food versus relying on one large supplier is in everyone's best interest, especially in the case of a system failure like a labour strike or extreme weather event. We learned through the COVID-19 pandemic that a diversified supply is essential for weathering unanticipated supply disruptions, and this must be achieved intentionally and preventatively.

It starts with identifying and defining the components of your supply chain that you wish to improve. It is essential to determine your organization's definition of value. This could mean the inclusion of regional economic development, a reduction in the carbon footprint or Scope 3 emissions of the operation, supporting good agricultural practices, or bettering labour considerations. The supply chains you intentionally develop will be better as more volume is shifted.

A few strategies:

1. **Partnerships:** Take the example of AgriTech North from the previous section, the power of building relationship provided a simple boost in a supplier's awareness and led to Indigenous-harvested wild rice being added to large hospital menus. The same groups are now learning about new food options, from bullrush flower to pickled new-growth spruce tips. The grocer can use increased financial resources to advance its mission of increasing food security in the north.
2. **Regional Contract Awards:** Baskets that are posted nationally are a challenge for regional producers to fulfil. Posting baskets by region within an RFP allows the supplier to quote on one, some, or all. This allows a smaller, northern supplier that couldn't service a full provincial agreement to receive at least some of the business.
3. **Negotiated Direct Awards:** In the case of low-threshold categories, it is possible to do business with a known values-aligned supplier directly. This is an efficient way to source a specific product like "pickerel from Trout Lake."
4. **Finding Room to Play in Off-Contract Items and "The Other 20 Percent":** When a purchase threshold requires three competitive quotes, there is no obligation to choose a mainstream distributor as one of the quotes. Choose three local suppliers and be assured the award will go to one. These quotes can be requested on a recurring schedule. These prices can be compared to the mainline supplier's catalogue to test that they are reasonable, without formally introducing them as a bidder. Produce offers the ultimate room to play and can hugely affect the ability of a hospital to offer seasonal items.

Opportunities for Public Purchasers to Support Local Producers to Grow

As outlined earlier, in the case of My-Pride Farm, a single, reliable contract with a public purchaser can be the key to a grower's success and the essential factor in supporting their growth from small to medium. The significance of that purchasing power comes with great responsibility. An entire market can be shifted with that level of influence, so every chance must be taken to advance your organization's goals as to whom your purchases will support.

Requesting a local product in a large, consistent quantity can get it listed with broadline distributors, a game-changing move for a supplier trying to make it. A guarantee of, for example, 100 cases could be significant enough to get a distributor's attention. If that volume isn't possible, consider partnering with other organizations that may have similar goals. This may require creative ways of building demand, like putting wild rice on the core rotational menu, instead of just as a special lunch on National Indigenous Peoples Day.

A committed volume over months is just what the bank is looking for if a producer needs to secure financial support for an expansion. This confirmed demand may even be what they're looking for to plan their standard operations for the year. Knowing what ingredients you're ready to buy makes field planning much simpler, and the commitment to buy in a contract makes it much firmer.

This willingness to commit is common when we consider other mainstream products, such as signing a multi-year commitment to purchase soup from the top national company. Making that assurance to a local grower whose livelihood could depend on that decision can have a major impact. And the choice to support a local grower can create a domino effect, prompting other hospitals to follow suit and place their business with that supplier. In time, a relationship is built with mutual trust, and a forward contract that promises certain volumes in advance is less necessary. Formality is more important at the onset.



Building an Effective RFI

When a hospital buyer is not familiar with a product they need to source or is unfamiliar with suppliers available to sell these items, they may use a procurement tool called a Request for Information (RFI). An RFI is a non-legal, non-binding open procurement process to seek information to help an organization better learn about what they need to procure and who may sell the product. An RFI alerts potential bidders to an upcoming contract evaluation and seeks more information on any listed elements. Both the way the RFI is communicated and its content will determine if your desired values-aligned vendors will respond. Without careful attention to these elements, an RFI can exclude or deter the local growers you seek to support. Crafting a proper RFI is a delicate art, and more industry efforts are required to properly train procurement professionals in how to responsibly source and buy local, sustainable foods, especially from Indigenous producers.

Food buyers are often unfamiliar with local or regional food growers and producers. The creation and issue of an RFI could be a meaningful first step in learning about what's available within their region. The release of an RFI must be done in a manner that allows the potential suppliers to see and be made aware of the opportunity to submit information.

Notice locations may include:

- local newspaper;
- local agriculture or farming trade publications or websites;
- postings at local farmers market and local food stores;
- Chambers of Commerce;
- notification of area agriculture government officials;
- other creative ways to reach potential responders.

A clear, inclusive RFI will use open language such as “encouraged” and “requested” rather than “mandatory.” It will not assign a score or appear to be performing an evaluation.

An RFI can outline the path an organization hopes to take to build a relationship with a supplier; for example, speaking to possible grower visits.



This sample text is available as an editable document [here](#).

Sample: Request for Information (RFI) – Supply of Local Foods

Context: Many small, local food growers/producers are unfamiliar with formal public procurement practices. They are generally not subscribers to bidding platforms and often become uncomfortable with excessive terms, conditions, use of technologies, and process complexities.

To encourage many and diverse responses your procurement approach should strive to be welcoming and less complex. Be aware that different religious groups and Indigenous suppliers may not have access to or choose not to use certain technologies.

1.0 Introduction

Through responses received from this Request for Information (RFI) process, the *[your organization name]* is seeking to learn more about the capacity, capabilities, and range of local foods available from growers, producers, and suppliers within our region. Our region is generally defined as *[insert boundaries]*. *[Your organization name]* goal is to enhance our food offerings to *[residents and patients, modify as necessary]* through fresh, locally sourced, nutritious foods supporting local agriculture, sustainable farming, and production practices that are undertaken in a socially and ethically responsible manner.

Foods that we may require, include but are not limited to:

[Modify this list to meet your needs

- fresh fruits and vegetables;*
- dairy products, including milk, butter, cheese, and yogurt;*
- meat and poultry proteins, including grass-fed, free-range, and organic options;*
- bakery goods: freshly baked bread, pastries, and other baked items; and,*
- pantry staples: including locally produced grains, honey, preserves, and spices.]*

1.1 RFI Contact for Inquiries

If you have any questions about this RFI, the information-gathering process, or the objectives, please contact:

[Name, title

Organization name and address

Email

Phone number]

1.2 Submission Details

[Insert organization name] is seeking to learn more about local food growers, producers, and suppliers. As we are seeking to learn about your operations, your submission should tell us your story, including:

- *Brief history including who you are, where you are, and contact information.*
- *Types of food products currently available (or planned to be available).*
- *Outline your commitment to sustainable and environmentally friendly practices.*
- *Highlight your capability to deliver products on a regular and timely basis.*
- *Confirm your ability to provide products that comply with all relevant health and safety regulations.*
- *Provide any prior experience in supplying institutional markets (prior experience is not a prerequisite).*
- *Include any other helpful information that may assist us in getting to know you and your operations.*

To encourage responses, submissions may be in a format of your choosing, including formal, informal, hand-written, or digital. Responses may include pictures/videos and or references to informative websites. Once you have made us aware of who you are, we will make the effort to get to know you. This introductory process may include a visit to your operations. Submissions may be [specify... e.g. hand-delivered, mailed, or e-mailed] to the contact person above.

Submissions are encouraged to be submitted by: [insert proposed submission date].

As we are simply seeking to gather information, submissions received after this date will be accepted.

1.3 Information Session

To assist local growers, producers, and suppliers, a [specify e.g. in-person /virtual] information session will be hosted: [Provide session details]

Please contact the person above to register to attend the meeting and secure your invitation.

To ensure accessibility to all, in-person meetings or one-on-one telephone calls can be arranged for those who may not have access to or desire to connect electronically.

2.0 Objectives

[Organization name] believes that food is medicine and that fresh, good-tasting, culturally appropriate foods contribute to the healing of a resident/patient's mental and physical health, especially when those foods include a local story.

The objective of this RFI is to seek information to help us learn more about the local food landscape and identify potential supply partners who are reliable and can supply high-quality, safe, sustainable, and locally produced foods. We seek to engage growers, producers, and suppliers who are committed to meeting or exceeding environmental and social responsibilities and who can contribute to healing the mental and physical health of our residents and patients.

2.1 [Organization] Background

[Include background information about your organization, as not all growers/producers will be familiar, including information to help producers and growers better understand potential food volumes. E.g., the City of Thunder Bay has one long-term care home of 150 beds and numerous food kiosks within stadia and arenas that support seven-day care facilities. It serves 1,300 lunches weekly through its Meals on Wheels program.]

2.2 Project Background

[Specify: e.g., if creating a local food priority is a desired outcome, share highlights.]

3.0 Additional Information

This RFI is non-legal, non-binding, and is designed as a method to seek and gather information only. No contract will be awarded as an outcome of this process.

All information provided in response to this RFI will be confidential; however, it will be subject to applicable freedom of information legislation [clarify for your jurisdiction].

After receipt of RFI submissions, possible next steps may include:

- [Insert organization name] may request additional information or clarification;*
- a team visit to your operations;*
- an invitation to view our food operations may be extended to RFI responders;*
- requests for evidence of food traceability systems, other health and safety matters;*
- invitation into a more formal solicitation process may be extended; and,*
- samples may be requested.*

**Submissions are encouraged to be submitted by:
[Insert proposed submission date]**

A Case Example: Forging New Relationships through an RFI

St. Joseph's Health Care London (St. Joseph's) serves approximately 3,000 meals daily across five main sites, with a staff of more than 100. In 2021, the St. Joseph's Food and Nutrition Services (FNS) team, as part of the St. Joseph's Nourish Project, identified increasing local spending as a top priority. Consequently, the FNS team dedicated significant time to researching the origins of its purchases and comparing them to Ontario's definition of "local." This task proved challenging and led to many roadblocks, unanswered questions, and confusion.

In 2023, the FNS team adopted a new strategy and reached out to industry experts to gather knowledge and insights. The new approach involved advertising an RFI through the Ontario Tenders Portal, inviting local growers and farmers to provide St. Joseph's with fresh produce for their patient and resident meals. The success of this strategy significantly increased the reach of their RFI. The FNS team also promoted the request via St. Joseph's social media channels and traditional media (radio shows), garnering more awareness and attention.

This successful strategy resulted in new vendors (farmers and local food providers) contacting St. Joseph's to discuss their capacity to supply local produce. One nearby vendor reached out to the FNS team to offer hydroponic greens grown exclusively using reusable packaging. However, the greens were sold in small quantities and without any washing. The FNS team and St. Joseph's leadership discovered that by visiting the vendors' properties and farms, they could build new relationships with the growers and ensure the supply of bulk amounts of washed produce. The team is now reviewing updates to its processes to meet this demand.

Key Elements in an RFP

Requests for Proposals (RFPs) are the required method for institutions to solicit bids from suppliers for large contracts over \$100,000. This procurement process offers a significant opportunity to ensure the parties that are awarded contracts help you achieve your organizational goals. It is imperative to determine what you are hoping to achieve when awarding new contracts when creating an RFP.

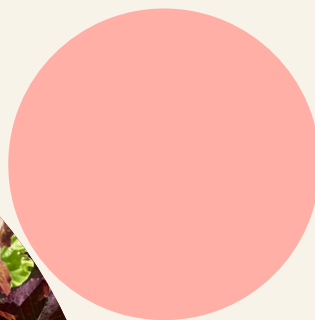
It may take several cycles of narrowing the criteria to achieve what you want. Begin broad, and review if you were able to evaluate successfully, ultimately refining the criteria and learning each time. This process will ensure you end up with the supplier that best meets your needs but also holds the possibility of communicating to the industry what you're

looking for and bending behaviour in a beneficial direction. In this way, a more frequent RFP process (e.g., every two years) will yield the best result and is time well spent.

Details about the product you're seeking (e.g., organic certified, grass-fed beef) can be built into the product specifications, and information about the supplier's business practices (e.g., if they're B Corp certified) can be included in a question. In the case of questions about an organization's mission, vision, values, or overall strategic priorities, be specific in your request. For example, instead of asking if they value diversity in the workplace, ask for their current targets, plans, policies, and measurable results related to workplace diversity.

The team that evaluates the bids should be well-versed in the goals of the procurement process, and be on the same page about how to award points. Just as the Registered Dietitian evaluates for nutritional adequacy, the cook evaluates for the product's ability to yield a good result with the team's equipment, and the patient or resident council evaluates for palatability, an aligned team must be ready to evaluate for more qualitative elements like sustainability.

These questions may also be posed to third parties contracted for retail or patient food services.





Goal	Action
Source Locally	<ul style="list-style-type: none"> • Evaluate on food miles • Add questions about economic benefits to the region, such as job creation and community revitalization. • Make menu updates to prioritize products that you can source locally (e.g., produce).
Improve Sustainability and Reduce Carbon Emissions	<ul style="list-style-type: none"> • Sign the Coolfood Pledge (through Nourish) and make menu updates to reduce or eliminate conventionally farmed beef and lamb. • Add a question requesting their plan for GHG emission reduction. • Evaluate on food miles (due to the associated travel emissions). <p>Sample language:</p> <p><i>Describe your organization’s practices and leadership in helping to manage environmental matters – that is, in the areas of sustainability, including but not limited to: design for environment, packaging, waste management, water conservation, air pollution, climate change resiliency, greenhouse gas emissions, and nature conservation. Please provide any specific examples of policies/targets/action related to the Canadian food system.</i></p>
Reduce Waste	<ul style="list-style-type: none"> • Add a question requesting an outline of their organizational efforts to reduce food waste and excess packaging (e.g., utilizing recycled materials, not wrapping in paper/plastic, delivering in reusable containers). • Award points based on the sophistication and commitment to their plan.

Goal	Action
<p>Improve Diversity, Equity, and Inclusion</p>	<p>Sample language:</p> <p><i>Describe your organization’s practices and leadership in helping to manage social matters – that is, in the areas of anti-racism, anti-harassment, anti-gender violence, gender diversity, disability rights, animal rights, health and safety, employee relations and engagement, community relations, Indigenous rights and reconciliation, supplier diversity, ethics, and security. Please provide any specific examples related to the Canadian food-service industry.</i></p> <p><i>Describe your organization’s practices and leadership in helping to manage governance matters – that is, in the areas of board composition, board practices and risk management and oversight, diversity, equity, and inclusion, regulatory compliance, corruption, fraud, data, and security. Please provide any specific examples related to the Canadian food-service industry.</i></p>
<p>Source Seasonal Ingredients</p>	<ul style="list-style-type: none"> • Make menu updates to emphasize seasonally available produce (refer to your provincial or territorial definitions; e.g., Foodland Ontario, see Appendix A). • Utilize a direct, forward contact with a local grower that offers a variety of seasonal produce.
<p>Increase Organic Sourcing</p>	<ul style="list-style-type: none"> • Add organic certification, or organic growing practices, or a pathway to organic certification, in the product specifications at the bid table (the same way you would specify a low sodium level or high protein content). • Request a price list for organic produce, dairy, meat, etc.



The Good Food Guide Version Two (2020)

The following suggestions for definitions and certifications may be a good starting point when working to define your evaluation criteria:

Community-Based	Socially Just	Ecologically-Sound	Humane
<p>Food production upholds community-based principles, including:</p> <ul style="list-style-type: none"> Privately-owned processing Traceability to its point of origin Local production Production by small and medium-sized businesses 	<p>Certifications guarantee food producers just treatment, including:</p> <ul style="list-style-type: none"> The right to organize and collectively bargain A safe working environment Transparency throughout the production chain Worker designed accountability programs Prices cover the cost of production 	<p>Certifications guarantee that food is produced using ecologically sound practices, including:</p> <ul style="list-style-type: none"> Promotion of agrobiodiversity Soil conservation Reduced use of synthetic fertilizers and pesticide Protection of existing wildlife habitat (farm & surrounding) 	<p>Certifications guarantee that animals are treated humanely, including:</p> <ul style="list-style-type: none"> Free access to appropriate food and water Living conditions that accommodate the health and natural behaviour of animals Safe handling that minimizes harm No non-medically necessary physical alterations
<p>Products must meet all of the following criteria: (100% of single-ingredient products; ≥ 50% of aggregated single-ingredient or multi-ingredient products)</p> <p>Processor Ownership: Processor must be privately-owned (not publicly traded on the stock market) or a cooperatively-owned enterprise.</p> <p>Traceability: Food must be traceable to point of origin (farm, harvest, boat, or aquaculture site). In the case of aggregated items, a list of possible producers should be provided to researchers.</p>	<p>Products with any of the following certifications: (100% of single-ingredient products; ≥ 20% of multi-ingredient product(s))</p> <ul style="list-style-type: none"> Equitable food initiative Fairtrade International Fair Food Program Certified Milk with Dignity Small Producers Symbol 	<p>Products with any of the following certifications: (100% of single-ingredient products; ≥50% of multi-ingredient products)</p> <ul style="list-style-type: none"> American Grass-fed Bird Friendly Certified Coffee Canadian Organic Regime (and all certifications that use COR standards) Canadian Roundtable for Sustainable Beef Certified OR Verified Beef Production 	<p>Products with any of the following certifications: (100% of single-ingredient products; ≥ 50% of multi-ingredient products)</p> <ul style="list-style-type: none"> American Humane Certified, 'Free-range,' 'Cage-Free,' and 'Enriched' - laying birds only Animal Welfare Approved - all animals Certified Humane Raised and Handled - beef & dairy cattle, veal calves, swine, and laying birds only Demeter Certified Biodynamic - beef cattle, veal calves, and dairy cows only Food Alliance Certified - beef cattle and veal calves only

Community-Based	Socially Just	Ecologically-Sound	Humane
<p>Distance: Food must be grown, raised, foraged, hunted, or landed (fish) within the province or 50km outside of the provincial border. For campuses in the Maritimes, food must originate from within the Maritime region or 50km outside.</p> <p>Farm Size: Producer must be small and medium-sized according to the following thresholds:</p> <ul style="list-style-type: none"> • Produce (including fruit, vegetables, tree nuts, melons): \$1.5 million/yr or less in total annual sales. • Farmed Meat, Animal Products and Grocery (including beef cattle and ranching, dairy, hog and pig, poultry and egg, oilseeds and grain): \$2.5 million/yr or less in total annual sales. <p>Fisheries Ownership: Small-scale and/or community-based fisheries, such as:</p> <ul style="list-style-type: none"> • Community-supported/owned fisheries • Indigenous-owned fisheries • Owner-operated boats or licenses 	<p>Products from organizations that belong to any of the following entities:</p> <ul style="list-style-type: none"> • Fairtrade Federation • World Fairtrade Organization 	<ul style="list-style-type: none"> • Certified Naturally Grown • Certified Sustainably Grown • Certified Wildlife Friendly • Certified Predator Friendly • Demeter Certified Biodynamic • Equitable Food Initiative • FairWild • Food Alliance Certified • HAND IN HAND fair-trade • Naturland Fair • Predator Friendly • Rainforest Alliance • Regenerative Organic Certification • Salmon-Safe • USDA Organic (and all certifications that use USDA standards) 	<ul style="list-style-type: none"> • Global Animal Partnership (GAP) <ul style="list-style-type: none"> ◦ level 1 and above - beef cattle, veal calves, and swine only ◦ level 2 and above - laying hens only ◦ level 3 and above - turkeys only ◦ level 5 - broilers and waterfowl only • Society for the Prevention of Cruelty to Animals (SPCA) - all animals

From Meal Exchange and the Good Food Challenge

A Meaningful RFP Debrief

Scheduling conversations with bidders after an evaluation is complete creates a feedback loop and increases the potential for innovation within the food system. Bidders are eager to understand why they may have lost, and will be interested in how they can respond with improvements for next time. This goes both ways; a debrief can illuminate to the purchaser what their RFP may be unintentionally communicating and allow them to reflect on how they can best broadcast what measures matter to them.

Evaluating for Indigenous-led Procurement

Supporting Indigenous economic resilience and opportunity doesn't always look like purchasing from a company that is majority-owned by an Indigenous person. Other criteria can be effective in shifting public dollars to First Nations, Métis, and Inuit communities.

For example:

- *What percent of your labour force is Indigenous?*
- *What employment equity policies do you follow?*
- *How many Indigenous people are in leadership? (See [The Circle's I4DM Definitional Matrix](#).)*
- *What is your organization's commitment to reconciliation efforts?*
- *What mandatory learning (e.g., cultural safety training) do your employees take?*
- *What traditional medicines and healing practices do your company benefits cover?*



Reducing the Climate Impact of All Food within Hospital Walls

In addition to patient meals, hospitals can apply their sustainability values to all the food served within their walls:

Reducing Waste for Meeting/Event Catering

Some organizations are adopting new, conservative approaches to meeting/event food planning, with 0.8 servings per expected attendee presenting as a sweet spot to account for unsure attendance numbers and varying appetites. Event planners can also provide eco-friendly take-out containers so leftovers can be distributed to willing attendees to share with their co-workers or families.

Supporting a local business to cater the event, serving food with reusable plates and cutlery instead of disposable, and sticking to plant-forward options are also ways to reduce the climate impact of your event's food.

Retail Cafeterias

Hospital cafeterias intended for staff, visitors, and patients are not publicly funded and therefore are not bound by the Broader Public Sector Act in Ontario and can be more flexible with procurement. Menus are also not as inflexible, allowing for quick shifts and the chance to experiment with new items. Cafeterias are a great place to 'try things out.' Will cafeteria visitors accept a fully plant-forward menu? Is there an appetite for more culturally diverse dishes? Could eliminating sugar-laden sodas work here? These questions can be tested in the retail space before being implemented with Patient Food Services.

Also, different from Patient Food Services where the budget is set, a cafeteria has some flexibility with in setting prices to reflect more values-aligned ingredients.

Best practices in procurement and a high-quality end-product that is acceptable to all patrons are of great importance because a hospital cafeteria's competition is the fast-food joint down the road. A strong local purchasing program that leads to high-quality ingredients is imperative for revenue generation and happy customers.

Because these cafeterias typically operate for profit, quality is of high importance, bringing in more business and making higher prices more acceptable. If values-aligned suppliers are selling at slightly higher prices, this can be passed along to the customers in many cases. Education about where the food comes from and who it supports goes a long way. Your regional Ministry of Agriculture may be able to support the cafeteria's promotion of local foods, to market the benefits and to broadcast your values.

Maximizing Your Impact

Addressing Common Barriers to Bringing Values into Procurement

Barrier	Pathway to Success
<p>Reliance on ‘How We’ve Always Done it</p>	<p>Be ready to myth-bust.</p> <p>In one often-cited case, a GPO was concerned about the food safety certification obtained by the supplier, as they were provincially inspected. They held a common misconception that provincial inspection was less safe than the federal system. When the producer invited them to their processing facility to see their food safety in action, they were satisfied with their practices and learned from each other. The GPO was impressed with the high quality of their product, and the producer learned more about the customer’s needs.</p>
<p>Lack of Available Local Supply based on the Current Menu</p>	<p>Get creative with seasonal features.</p> <p>Institutions can develop new recipes for the use and promotion of local food. For example, instead of specifying one vegetable (e.g. green beans) as a side, menus can instead specify “seasonal vegetables.” This would give food services the flexibility to use the best seasonal produce and the benefit of lower seasonal pricing.</p>
<p>Resistance to Change from the Food Service Team and Patients or Residents</p>	<p>Increase engagement for a thriving culture.</p> <p>Buy-in is required at all levels from senior leadership to frontline food service staff to patient eaters. Typical change management principles, an engaging deep-dive into the ‘why,’ and a model of feedback gathering and incorporating, can be key in all of these cases. Be ready to share regular updates, celebrate the wins and breakdown silos to garner that much-needed buy-in. Leverage early, internal champions and recognize their contributions publicly.</p> <p>Food service staff experience a unique window into the patient experience. Asking for their input - and resourcing them well when asked to contribute - will be a valuable investment. Empowering food services’ staff voices and actively listening to their concerns and challenges will be key.</p> <p>Over time, these efforts will reduce resistance and even build a culture that prioritizes local, delicious, sustainable food. Updated policies and practices, and new norms, will eventually become embedded.</p>

Harnessing Peer-to-Peer Networking Opportunities

Many regions have supportive networks of health care and procurement workers interested in value-based procurement. These may show up as working groups, networking meet-ups, communities of practice, or subcommittees of larger networks. A good starting place is to connect with a non-profit, expert/academic, or other organization leading in health, equity, and sustainability (Nourish, Canadian Coalition for Green Health Care, Canadian Association of Physicians for the Environment, Practice Greenhealth, Health Care Without Harm) and ask if they're aware of any groups meeting currently. For example, the Toronto Academic Health Science Network (TAHSN) Sustainable Health System Community of Practice supports health care sustainability goals in the Toronto area.

These three conditions are essential for a strong leap into the world of value-based procurement (VBP).

A strong, connected internal champion

Have a procurement lead for a VBP project ensuring it is not just on the side of their desk.

Establish clear "room to play" and pathways to permission for far-reaching decisions (i.e. who has the authority to greenlight a new idea).

Buy-in from senior leadership

Include VBP in the corporate strategic plan.

Set a cadence for project updates to the senior leadership team.

A supportive peer-network

Reach out to a known sustainable procurement trailblazer and ask to be connected with others at a similar stage of the journey.

Join a community of practice to share and learn with others members who are at similar and more mature stages in VBP advancement. See Nourish's [Planetary Health](#) community of practice.

Re-imagining the Purchasing of the Future

Next Steps for Value Chain Development

Vendors that deeply align with social, environmental, and cultural values are smaller, newer, and often the exception. A future that, not just features, but is rooted in local, sustainable food systems will require extensive value chain development. New suppliers, and the development of smaller, existing ones, will be required to meet growing needs. Health care organizations can target desired suppliers to forge new, direct-purchasing relationships that honour reciprocal needs and share the risk. Organizations can pool their annual food spend, and leverage their purchasing power to scaffold this transition, supporting new suppliers that are in a state of readiness to scale and meet demand. For this to reach its full potential, demand from other public and private sectors will be needed. Health care itself, while influential, is insufficient to generate all the resourcing for a local food system to fully scale. Structural barriers, such as policies that favour incumbents and rely on a colonized view of food safety, must be confronted to see true change. This requires transformation at all scales, from individual mindset to institutional practices to federal policy, which in turn requires advocacy, collaboration, the work of trailblazers, and organized effort. The resulting food system should balance benefits to planetary health, Truth and Reconciliation, cultural mindfulness, the local economy, and patient experience - factors that tend to be mutually reinforcing as opposed to at odds with one another.

Next Steps for Bold Action

1. Establish organizational values to be incorporated into purchasing processes and criteria to test new relationships against.
2. Hardwire a tracking process to monitor food spend shifted to your desired value set.
3. Set organizational targets for food purchases shifted to value-based procurement (see next section).
4. Enact an organizational food-procurement policy (add to this win by making it publicly available to your peer health care organizations).
5. Resource the food services and procurement teams to implement carefully managed strategies, identifying key moments; e.g., contracts up for bid.
6. Regularly assess perceived barriers to engagement experienced by smaller, desired vendors.

Measuring Success

Monitoring food spending is no small task, but it's a vital tool for progress. By measuring what matters, we pave the way for change. Institutions are recognizing the importance of tracking local and sustainable food spending to gauge their impact. Essential to the process is using clear and established definitions and criteria. Many provinces and territories have their definition of "local" food. Tracking changes in food spend can engage important players, helping to demonstrate progress and impact, and fostering buy-in and support for future goals.

Some provinces and territories are leading the way in directing their health authorities and health care organizations to track their annual intra-provincial food expenditures, toward an aspirational target. See: British Columbia's [Feed BC in health care](#) and Quebec's [Stratégie nationale d'achat d'aliments québécois](#) (National strategy for purchasing Québec foods).

Access to purchasing information can be rife with challenges due to non-disclosure agreements and industry practices. Despite barriers, many institutions prioritize tracking spend, even if it requires manual effort.

Measure What Matters - including the Calls to Action

The Truth and Reconciliation Commission's Calls to Action are clear: we all play a part in the path forward. Tracking purchasing shifts that support these Calls to Action is one way to ensure we're rowing in the right direction.

Signals of Procurement Moving in the Right Direction

The landscape is shifting. Purchasing values in health care organizations are changing. For the first time, broadline distributors are ready to show you what's local. The City of Thunder Bay's efforts over the past years to build a resilient supply chain resulted in almost 40 percent of food sourced being local. During the height of the Covid-19 pandemic, the city watched as peer organizations struggled to secure a stable food supply, as many items were not available. The City of Thunder Bay's supply was the strongest it had ever been and local producers sustained the city. As we celebrate the groundswell of action in the movement to integrate values into purchasing, we must look for markers of resilience. Our "post-pandemic" window of opportunity, when supply chain fragility is still fresh in everyone's minds, is closing. We need to advocate for a better tomorrow and make the needed changes rapidly and substantially to improve our food system's ability to adapt and mitigate climate change, and be as prepared as possible for future potential disruptions.

The road to sustainable health care and a resilient food system is paved with the hard work of mission-aligned food service and procurement teams with a clear vision for a better way of doing business. It requires intentional effort and deliberate steps and understanding of ‘efficiency’; it may mean another truck at the loading dock or another invoice to process.

It is the deep hope of the co-authors that this implementation guide is a pivotal resource for guiding health care institutions in Canada toward integrating values into their food procurement processes. A growing readiness for this transition is evident, the call is more urgent than ever, and the opportunity is undoubtedly significant, to the tune of \$4 billion annually. Embracing VBP presents an opportunity for health care organizations to utilize existing budgets as a catalyst for achieving social, ecological, and economic sustainability goals. Through a commitment to a systems approach to food, emphasizing social value, and establishing robust, enduring contracts with local, values-aligned growers and vendors, health care institutions can enhance menu offerings, uplift communities, reduce climate impact, and actively support Truth and Reconciliation efforts. The future is bright as we envision empowered health care institutions creating meaningful and positive impacts through their procurement practices and contributing to a healthier, sustainable future.

“Take control of your food system. Do it. I dare you.”
- Dan Munshaw



Food is much more than sustenance. It’s culture and connection. It’s medicine. And it’s a powerful way of showing we care. That’s why Nourish believes food should be at the heart of health care. We’re on a mission to change the way food is served in health care settings — not just for the well-being of patients, but for the dedicated people caring for them; for growers and food producers; for our communities; and for the planet we all share.

Join us as we nourish change in health care.

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Mike Visser, Owner & Operator, My-Pride Farm

CASCADES is a national initiative for climate action and awareness in healthcare, which connects with healthcare partners across the country and with global initiatives. CASCADES is funded by Environment and Climate Change Canada and is an initiative of four founding partners:

- Collaborative Centre for Climate, Health & Sustainable Care, University of Toronto
- Healthy Populations Institute, Dalhousie University
- Planetary Healthcare Lab, University of British Columbia
- Canadian Coalition for Green Health Care

CASCADES has identified 10 priority action areas for high-quality, low-carbon, sustainable and climate-resilient health systems, including procurement.

Currently, CASCADES is bringing procurement agencies and teams together from across the country to share knowledge and resources for sustainable procurement in healthcare.

CASCADES procurement resources:

- [Food Infrastructures in Planetary Health Playbook](#)
- Reusables First Playbook (in development)
- Sustainable Procurement Playbook (in development)

To learn about the other priority action areas and relevant resources, please visit:

<https://cascadescanada.ca/action-areas/>

CASCADES also offers [continuing professional development training programs](#) for individuals in health systems working towards environmentally sustainable healthcare.

Other Resources

- [Primer: Values-based Procurement of Food in Health Care \(Nourish\)](#).
- [Sustainable Procurement Guide \(Practice Green Health\)](#).
- [Sustainable Procurement Guide \(UBC\)](#).
- [Social Value Menu \(Buy Social Canada\)](#).
- [Purchasing Power Report](#)
- [Serving up Local](#)
- [Anchors in Action Alliance](#)

Appendices

Appendix A: Local, Sustainable Food Procurement - Where to Start in Every Province/Territory

Each region coast to coast to coast is supported by a provincial or territorial ministry related to agriculture and food promoting local and sustainable food systems:

Alberta: [Alberta Agriculture / Made in Alberta](#)

British Columbia: [British Columbia Ministry of Agriculture and Food / BuyBC](#)

Manitoba: [Manitoba Agriculture](#)

New Brunswick: [New Brunswick Department of Food, Agriculture, Aquaculture and Fisheries / BuyLocalNB](#)

Newfoundland and Labrador: [Newfoundland and Labrador Department of Fisheries, Forestry and Agriculture](#)

Northwest Territories: [Northwest Territories Ministry of Agriculture / Northwest Territories Agri-foods Association](#)

Nova Scotia: [Nova Scotia Department of Agriculture / Perennia](#)

Nunavut: [Nunavut ShopNU](#)

Ontario: [Ontario Ministry of Agriculture, Food and Rural Affairs / Foodland Ontario](#)

Prince Edward Island: [Prince Edward Island Department of Agriculture / LoveLocalPEI](#)

Quebec: [Ministère de l'Agriculture, des Pêcheries et de l'Alimentation du Québec \(MAPAQ\)](#)

Saskatchewan: [Saskatchewan Ministry of Agriculture](#)

Yukon: [Yukon Ministry of Energy, Mines and Resources](#)

Appendix B: Key Ontario Legislative and Non-Legislative Frameworks Encouraging Local Food Procurement

Legislative:

Under the Local Food Act (2013), an Aspirational Goal for Broader Public Sector Local Food Procurement was introduced in 2019 to “Remove red tape barriers and open the door for local food in the broader public sector”.

A new regulation under the Building Ontario Businesses Initiative Act, 2022 (BOBIA) came into effect on April 1, 2024, which supports hospitals to give preference to Ontario businesses under specific thresholds when conducting procurements for goods and services, such as acquiring food for cafeterias.

Under the Fixing Long-Term Care Act, 2021, Regulation 246/22 ensures long-term care residents are offered more nutritional choices and variety including “menus that provide a variety of foods every day, including fresh produce and local foods in season”.

Non-Legislative:

In 2022, the Grow Ontario Strategy was released, outlining three key priorities: 1) strengthen agri-food supply chain stability, 2) increase agri-food technology and adoption, and 3) attract and grow Ontario’s agri-food talent.

Since 1977, Foodland Ontario has partnered with the agri-food sector to champion, promote and support the consumption of Ontario food products. Foodland Ontario’s logo is the best way to help suppliers, buyers and Ontarians (e.g., patients, and residents) to identify Ontario food. Foodland Ontario also has a set of Ontario food definitions that have been developed in conjunction with industry. The definitions are widely accepted as a proven way to help define local food as being from Ontario. The logo and the definitions can be utilized to help conduct a food origin audit, measure performance and set goals, marketing and promotion and for the tracking of local food purchases.

Appendix C: Definitions

Broadline distributors offer a wide variety of food products and supplies by purchasing large volumes to hold inventory, offering deliveries as frequently as daily, and promising consistent supply with low pricing and high responsiveness. Examples: Sysco and Gordon Food Service.

Regional and specialty distributors offer more targeted product offerings, for example, fresh, seasonal produce.

GPOs: Group Purchasing Organizations aggregate volume and pursue contracts for a group of similar organizations looking for better pricing by purchasing in bulk. There are both for-profit and nonprofit organizations in the Canadian health care market currently with some using the promise of potential spending and others committing specific volumes to awarded products on the contract.

Contracted food service management companies are outside companies, chosen to manage the day-to-day operations of inpatient or retail food services, often including sourcing (based on client preferences). Examples: Compass (parent company of Chartwells for education and Morrison for health care), Sodexo and Aramark.

Self-operated food services are managed by institutionally staffed positions, under organizational policies and guidelines.

Appendix D: Sample Contract Escape Clauses

This sample text is available as an editable document [here](#).

Sample: Contract Escape Clauses

1. Termination for Convenience

Either party may terminate this agreement, in whole or in part, at any time without cause by providing [one hundred and twenty (120)] days' written notice to the other party. Upon receipt of such notice, both parties shall take all necessary steps to terminate the services in an orderly manner and minimize any costs incurred by the termination.

2. Termination for Cause

Either party may terminate this agreement immediately upon written notice if the other party breaches any material term of this agreement and fails to cure such breach within [ten (10)] business days after receiving written notice of the breach from the non-breaching party.

3. Escape Clause: Force Majeure

If either party is unable to perform its obligations under this agreement due to circumstances beyond its reasonable control, including but not limited to acts of God, natural disasters, war, civil unrest, strikes, or governmental regulations (each a "Force Majeure Event"), such party shall notify the other party in writing as soon as practicable. The obligations of the affected party shall be suspended for the duration of the Force Majeure Event.

If the Force Majeure Event continues for a period of more than [sixty (60)] days, either party may terminate this agreement upon written notice to the other party. Upon such termination, neither party shall have any further liability to the other, except for obligations that have accrued before the effective date of termination.

4. Consequences of Termination

Upon termination of this agreement for any reason:

- a. The parties shall cease all further work and deliveries under this agreement.
- b. Each party shall promptly return or destroy all confidential information of the other party in its possession.
- c. The party terminating the agreement shall compensate the other party for all services rendered and expenses incurred up to the effective date of termination.

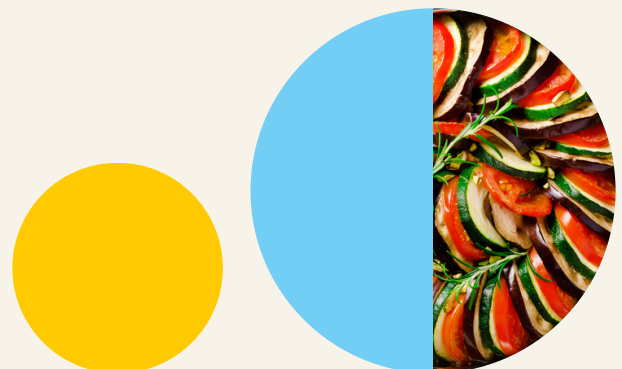
5. Survival of Obligations

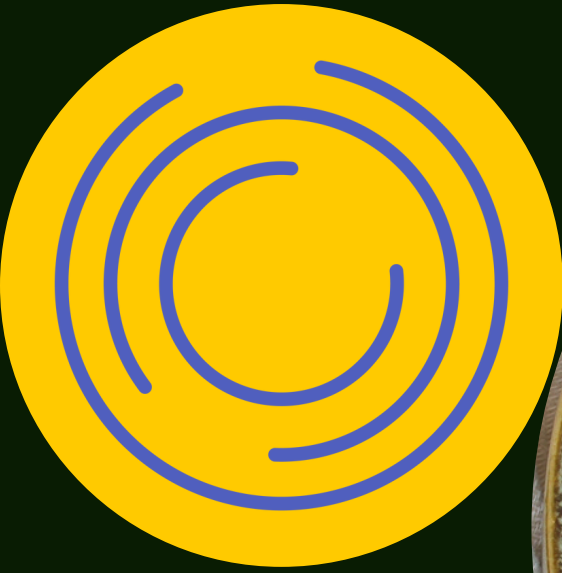
The provisions of this agreement that by their nature are intended to survive termination or expiration of this agreement shall so survive, including but not limited to confidentiality, indemnity, and dispute resolution clauses.

6. Notices

All notices required or permitted under this agreement shall be in writing and shall be deemed given when delivered personally, sent by confirmed email, or mailed by registered or certified mail, return receipt requested, to the address of the party specified in this agreement or to such other address as either party may specify in writing.

This escape clause provides clear guidelines for both parties on how to handle a termination, whether for convenience, cause or due to unforeseen events (force majeure). It ensures that there are mechanisms in place for orderly termination and outlines the responsibilities and rights of both parties in such events.





Miigwech. Merci.
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