

Ministry of Education
National Fund for the Development of Education

FNDE



ACQUISITION OF SMALLHOLDER FARMING PRODUCTS FOR SCHOOL FEEDING



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FNDE



World Food
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Centre of Excellence
against Hunger

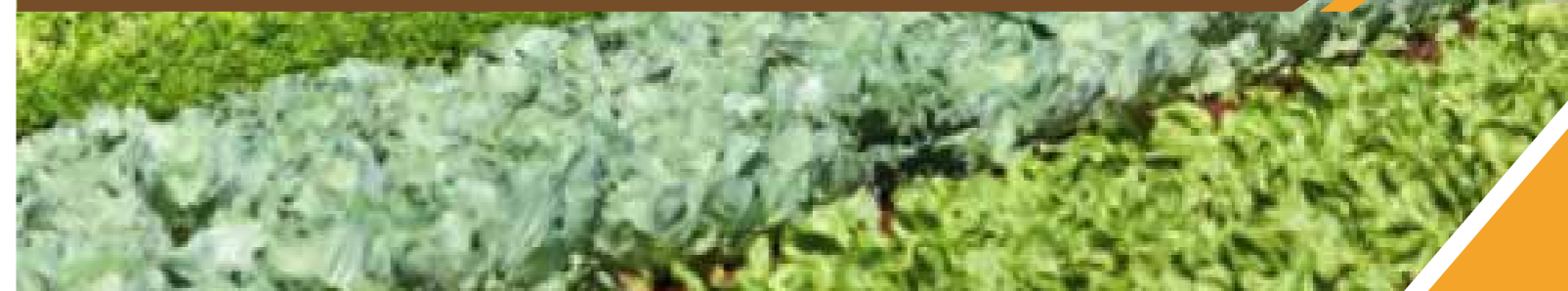
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1

INTRODUCTION



Federal Law no. 11,947 (June 16th, 2009) establishes that at least 30% of revenue transferred to States, municipalities and Federal District from the National Fund for the Development of Education (Fundo Nacional de Desenvolvimento da Educação – FNDE in Portuguese) to the Brazilian National School Feeding Programme (Programa Nacional de Alimentação Escolar – PNAE in Portuguese) must be spent purchasing food supplies from smallholder farming.

Law no. 11,947, June 16th, 2009

Art. 14. At least 30% of total financial resources the FNDE (National Fund for the Development of Education) transfers to the PNAE (Brazilian National School Feeding Programme) must be spent purchasing foodstuffs directly from smallholder farming and rural smallholder entrepreneurs or from their organisations, prioritising land reform settlements and traditional indigenous and Quilombola¹ communities.

Paragraph 1º. The acquisition specified in this article may be executed without a bidding procedure, as long as prices are compatible with the local market, regarding article 37 of the Federal Constitution, and food supplies meet the demands of quality control established by rules that regulate the matter.

Therefore, the programme incorporates elements related to production, access, and consumption with the aim to provide healthy food to elementary students in public schools and, at the same time, develop national smallholder farming.

In this context, the PNAE conducts and boosts identity reassurance, poverty relief and reduction of food insecurity in the countryside, (re)organisation of communities, including indigenous and Quilombolas, fosters organisation and association of farmer families, strengthens social dynamics, promotes local economies, widens the offer of high quality food and appraises family production.

The link between smallholder farming and school feeding is based on guidelines established by the PNAE, especially regarding:

- I. Promotion of healthy and appropriate feeding, including varied food that respects culture, traditions, and healthy food habits;
- II. Support of sustainable development, encouraging the acquisition of varied and seasonal foodstuffs produced in the regional scope and by smallholder farming.

This meeting – school feeding and smallholder farming – has been promoting an important shift in school feeding by allowing healthy food of regional origin, produced directly by smallholder farming, to be consumed daily by public school students in Brazil.

Through this tool, the PNAE represents a crucial achievement regarding sustainable public purchase initiatives combined with smallholder farming strengthening. This creates a mechanism to manage direct acquisitions from registered smallholder farmers by dismissing bidding procedures, democratising and de-centralising public purchases, creating demand for small producers, and providing new dynamics to the local economy, with the aim to offer an appropriate food supply.

Hence, the institutional purchase of smallholder farming products is part of a process that recognises the need to find a food production method that meets the population's nutritional demands and ensures social and economic development of smallholder farmers based on alternative forms of food production and trade. The options include creating short trade and supply chains, which brings producers and consumers closer, strengthens social relationships, promotes productive diversity, and meets demands of public institutions, providing access to healthy and high-quality food for the population, in the perspective of promoting food and nutritional security.

Supporting local sustainable development is possible due to the prioritisation of varied, organic, or agroecologic products that are produced in the very city or region where the school is located, paying special attention to rural settlements, indigenous and Quilombola communities. This means jobs and income to the city, which strengthens and diversifies local economy, and promotes the particularities of local food habits.

To the smallholder farmer, it represents a crucial trade channel and a regular income source, providing productive inclusion, creating jobs in the rural area and fostering cooperatives and associativism.

To students of public schools, it represents the regular and long-lasting access to better quality products in schools: a step forward to guarantee healthy food and habits, respecting their culture and regional food practices.

The inclusion of locally produced food supplies in the school menu may be a critical conductor to approach the symbolism of food associated with local tradition and culture. Besides, it promotes, within schools, the discussion of alternative and healthier food production and consumption and the importance of local smallholder farming to a social and economic development associated with environmental protection. It opens a promising channel to build knowledge by bringing students and farmers closer. Experience has shown that visits to rural properties and storytelling are some examples of activities that have been developed.

Thus, varied and healthy products have been included in school feeding. It is possible to extend this initiative: the PNAE must comply with the minimum 30%, but up to 100% of FNDE resources may be used to purchase smallholder farming products for school feeding.

The acquisition of smallholder farming products for school feeding is regulated by Resolution CD/FNDE 26, from June 17th, 2013 (updated in Resolution CD/FNDE 04, from April 2nd, 2015), which establishes school feeding for elementary students in the PNAE scope. The steps and operation arrangement are based on this Resolution, which regards the acquisition of smallholder farming products to provide school feeding, and are presented as follows.

¹ Descendants of the African enslaved people who currently live in rural black communities. Most of them practice smallholder agriculture in lands that were donated, bought, or occupied a long time ago. (http://basilio.fundaj.gov.br/pesquisaescolar/index.php?option=com_content&view=article&id=857:quilombolas&catid=51:letra-q)



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OPERATION

WHO BUYS IT

The Executive Entities (Entidades Executoras\ EEx – in Portuguese) are federal, State and municipal public educational institutions that receive funds directly from the FNDE to execute the PNAE.

- I. State Secretariat for Education
- II. City halls
- III. Federal schools

The purchase may be centralised, when the State Secretariat for Education and city halls operate it, or decentralised, when the schools' Executive Units (Unidades Executoras das escolas – in Portuguese) do it. The Executive Units do not receive funds directly from FNDE. They are implementers to decentralise the revenue management of school feeding.

I. Executive Unit: non-profit private organisation that represents the school community, responsible for receiving revenue transferred by Executive Entities to the school represented, as well as its accountability. The institution established to implement the Straight to School Programme (Programa Dinheiro Direto na Escola – PDDE in Portuguese) is also considered as an Executive Unit.

ATTENTION: Purchases operated by Executive Units of public Elementary Schools must abide by the same guidelines presented to Executive Entities, including the obligation to meet the minimum acquisition percentage of smallholder farming products and its regulations.

WHO SELLS IT

Smallholder farmers and/or their economic organisations that possess a Declaration of Aptitude to Pronaf (DAP). Smallholder farming members may participate individually or organised in informal groups – with DAP Individual – or in formal organisations (associations and cooperatives) – with DAP Legal Entity.

According to Law no. 11,326/2006, a smallholder farmer and smallholder rural entrepreneur is someone who performs activities in the rural area, owns an area smaller than 4 fiscal modules, whose labour force is their own family, and whose family income is linked to the management of their own property or entrepreneurship. Silviculturists, aquaculturists, extractivists, fishermen, indigenous people, Quilombolas, and land reform settlers are also considered smallholder farmers.

A smallholder farmer is recognised by the Ministry of Agrarian Development (Ministério do Desenvolvimento Agrário – MDA, in Portuguese) through the Declaration of Aptitude to Pronaf (Declaração de Aptidão ao Pronaf –DAP – in Portuguese). This document is the identification instrument of a smallholder farmer, used for access to public policies.

This declaration may be of a private individual, which identifies the farmer and his or her family, or a legal declaration. The last one is the instrument that identifies smallholder farmers' associations, gathered as properly assigned legal corporations. A DAP Legal Entity includes the entire list of members or associations bounded to them, along with their respective DAP Individual numbers.

It is possible to check legal DAPs and statements searching for municipality or National Registry of Legal Entities (Cadastro Nacional de Pessoa Jurídica – CNPJ, in Portuguese) at www.mda.gov.br.

Smallholder farming members can participate as school feeding suppliers under the following conditions:

- I. Formal groups: must have a Legal Entity Declaration of Aptitude to Pronaf – Cooperatives and Smallholder Farmers Associations properly formalised.
- II. Informal groups: groups of smallholder farmers with an Individual Declaration of Aptitude to Pronaf and make a joint effort to present a sales project.
- III. Individual suppliers: smallholder farming members who have an Individual Declaration of Aptitude to Pronaf.



3

GUIDELINES



3

GUIDELINES

Direct purchase of smallholder farming products for school feeding

1

Budget

2

Social Actors Coordination

3

Menu Creation

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Price Research

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Public Call

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Sale Project Preparation

7

Presentation and selection of sale projects

8

Quality control sample

9

Purchase Contract

10

Receipt document and farmers' payment



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STEP 1
BUDGET



4

STEP 1 - BUDGET

Verification of available budget resources

Mandated by: Executive Entity

At first, it is necessary to identify how much the federal government transferred, which is based on school census of the former year and set the percentage to be used to acquire smallholder farming products - which must be at least 30% of the amount transferred by the FNDE under the PNAE scope.

The Executive Entities need to comply with the minimum percentage in all acquisitions they operate. The FNDE may dismiss this requisition only under one of the following circumstances, as long as the Executive Entity properly documents it for accountability:

- I. Impossibility of issuing the corresponding bill of sale;
- II. Impossibility of sustainably and regularly providing food supplies respecting food seasonality; and
- III. Inappropriate sanitary conditions, that is, in conflict with article 33 of Resolution 26, 17 June 2013.

The Executive Entity must know the amount transferred by the FNDE before the school year begins, determine the percentage for smallholder farming purchase (considering the minimum 30%), apply this information to plan the menus, and inform these amounts to the School Feeding Council (CAE) and to smallholder farming organisations.



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STEP 2
**SOCIAL ACTORS
COORDINATION**

Mapping of Smallholder Farming Products

Mandated by: Executive Entity (and partners)

The coordination of social actors involved in the process of acquiring smallholder farming products for school feeding is crucial to the good progress of the programme.

In order to identify the diversity and quantity of foodstuffs that smallholder farming offers and that can be added to the school feeding menu, it is critical to enable a dialogue and a joint effort between the Secretariat for Education and the Secretariat of Agriculture (or equivalent) of the Executive Entities, and their relations to the smallholder farming associations and segments that may promote a liaison between them, along with local entities of Technical Assistance and Rural Extension Company (EMATER). Based on this association, it is possible to map smallholder farming products.

Mapping details must include at least local products description, amount of production, and harvest seasons (crop calendar).

The participation of nutritionists is essential in the process, since this professional is in charge of creating the school menu, taking the mapping of local smallholder farming products into consideration. The nutritionist can also count on the support of smallholder farming representative bodies to recognise local farmers and their organisations, logistical and product processing capabilities, among others, so that they can identify and stimulate the potential to diversify their production and meet school feeding demands.

A photograph of children sitting at a long table in a school cafeteria, eating from blue plates. A teacher or staff member is visible in the background. The scene is brightly lit with warm tones.

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STEP 3
MENU CREATION

Mandated by: Nutritionist (Responsible Technician)

The nutritionist creates the school feeding menu based on the mapping of local smallholder farming products, including regional food, complying with nutritional references and local food habits, and according to the harvest season.

Nutritionists have an essential role in planning a nutritive menu with quality goods for school feeding. With the purchase from smallholder farming, there are conditions to acquire fresh and healthy products, which respects local agricultural vocation and culture. Therefore, it is important to plan according to the mapping of local smallholder farming products, the harvest season, and amount produced in the region.

FOOD ACQUISITION PROGRAMME AND SCHOOL FEEDING

According to Resolution 59, from July 10th, 2013, from the Food Acquisition Programme managing committee (Programa de Aquisição de Alimentos – PAA, in Portuguese), PAA's purchase of Simultaneous Donation modality provides donated food to the educational and philanthropic public system. In this case, projects or participation proposals should be approved by technical mandate from the PNAE in municipalities or states.

Food acquisition through the PAA aims to conciliate its receiving entities' food demands and the characteristics of the public they attend with the product offers from the PAA's beneficiary suppliers. Thus, food acquired through the PAA can be included in school feeding menus, according to the nutritionist's plan and PNAE guidelines. However, it is important to highlight that food from the PAA is not included in the minimum 30% of smallholder farming purchases, which refers only to acquisitions with PNAE funds.

² A word generally used to refer to mixed-race descendants of indigenous people and European white people.

³ People who inhabit the northern countryside of the state of Minas Gerais. They take all their resources from the Cerrado biome (similar to the Savannah) through livestock, agriculture, and extractivism. (<http://portalyfade.mma.gov.br/geraizeiros>)

⁴ Inhabitants of the semi-arid Caatinga region. Their lifestyle and production system are adapted to the Caatinga's harsh environmental conditions. They produce a diversity of crops, dairy products, and livestock. (<http://portalyfade.mma.gov.br/caatingueiros>)

⁵ "A mixture of descendants of indigenous people, Europeans from various countries, and black people, especially Quilombolas, that inhabit the coastal Southwestern and Southern region of Brazil.", according to human populations researcher Antonio Carlos Diegues. (<http://www.comciencia.br/caicaras-o-tradicional-povo-do-litoral-brasileiro/>)

SOCIOBIODIVERSITY PRODUCTS IN SCHOOL FEEDING

The strengthening of smallholder farming represents one of the most important components of development with social inclusion that combines strategic goals of food and nutrition security and sustainable use of natural resources. This protects national natural heritage, including biodiversity and the landscape itself, and promotes the multiple functions of rural space.

Some featured alternative agricultural models are organic agriculture, agroecology, and extractivism, which include social, economic, environmental, political, cultural, and ethical sustainable dimensions. Extractivist activity enables product diversity, particularly with traditional peoples and communities, such as Caboclo², fishermen, riverside communities, geraizeiros³, catingueiros⁴, caiçaras⁵, indigenous peoples, and Quilombola communities. This context may be expressed with the expression "sociobiodiversity", a concept that implies an interrelation between biological diversity and sociocultural system diversity.

Some sociobiodiversity products are: goods and services (final products, raw materials, or benefits) generated from native biodiversity resources, which aim to build production chains that meet interests of indigenous peoples, traditional communities, and smallholder farmers, that promote maintenance and appreciation of their practices and knowledge, and ensure their resulting rights. This generates income, promotes quality of life, and improves protection of the environment where they live. Biodiversity of tropical biomes and ecosystems are essential to the populations that live in them: it creates jobs and a great potential for economic and environmental protection.

Among the useful goods are a great variety of fruits, chestnuts, oleaginous seeds, resins, gums, medicinal herbs, etc. As examples of edible native species of sociobiodiversity are guabiroba, araticum, butiá, pinhão, red Brazilian berry, jaboticaba, cagaita, jatobá, mangaba, pequi, babaçu, cajá, jenipapo, cashew, umbu, murici, araticum, baru, buriti, açai, Brazil nut, among others.

School feeding can include sociobiodiversity products, which enhances regional production, reclaims cultural and food habits, strengthens traditional communities, and diversifies school feeding, in the perspective of Food and Nutrition Security.



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STEP 4
PRICE RESEARCH

Mandated by: Executive Entity (and partners)

Prior definition of prices and Public Call Notice publication

ATTENTION: Acquisition prices determined by Executive Entities must be included in the Public Call and will be the amount paid to the smallholder farmer or their organisation for the food sale.

Product prices for smallholder farming products must be previously determined by Executive Entity and published in a Public Call notice.

Public Call is an administrative procedure that aims to choose a specific proposal to acquire food supplies from smallholder farming and/or rural smallholder entrepreneurs and their organisations. It is an instrument signed in the scope of sustainable public acquisition strategies, which ensures compliance with the constitutional principles of public administration and enables the transmission of important governmental guidelines in relation to sustainable development: supporting inclusion of social and local production and promoting food and nutrition security. Therefore, there is a stronger possibility to meet the particularities of smallholder farming products acquisition, as long as it complies with the programme's rules.

Product prices signed in compliance with the Public Call must necessarily express market prices, which are previously determined by price researches done by the Executive Entity. Hence, acquisition of smallholder farming food through a Public Call is in conformity with judicial principles that regulate acquisitions performed by a Public Administration.

Sale project with prices different from the Public Call prices

The Executive Entity previously determines the prices presented on the Public Call, and those prices will be applied to smallholder farming products purchase contracts. That means price is not an eligibility criterion. In this view, sale projects must include the same prices presented on the Public Call.

Article 27 of Resolution FNDE no. 26\2013 establishes that in the absence or nonconformity of any required documents to the qualification of proposals, the Executive Entity can determine a deadline to document regularisation. In this sense, if one presents a sale project with different prices from the Public Call, the Executive Entity may request an adjustment of the projects to include prices determined in the Public Call.

Determination of prices

To determine prices, the EEx must consider all commodities, such as transporting costs, packaging and any other necessary expense to product provision. In case the Public Call indicates that goods must be delivered in each school, delivery costs must be considered in price estimates to acquire smallholder farming products and these expenses must be included in the product's final price.

In case the Executive Entity takes responsibility for transporting and distributing products to schools, only delivery costs in central areas of distribution will be considered as a commodity regarding transportation. Such criteria and provision conditions must be explicitly determined on the Public Call. Therefore, a smallholder farming product's final price must cover all these necessary conditions to be purchased for school feeding. And such conditions must be detailed in the Public Call, as well as in the signed contract, to ensure its efficiency and transparency.

Price Research

To determine prices, a comprehensive price research must take place, which is a fundamental step to the programme's good and regular progress. As a result, the Executive Entity may count on partnerships that contribute to creating a methodology to verify product prices. The CAE may contribute in this partnership, as well as technical assistance and rural extension companies, universities, smallholder farming associations, Secretariats of Agriculture and others.

Each acquisition price must be the average price researched at at least three local markets, plus other costs required on the Public Call Notice, such as transportation costs, packaging, taxes and any other requirement to provide the product. Price estimates must prioritise smallholder farming fairs, when it exists.

ATTENTION: When there is no local market for specific products, price estimates must extend to a territorial, state, and national scope, respectively. It is important to elucidate that local market stands for trade within the municipality where the schools are located. Territorial, state and national scope markets include trade in municipalities that are part of rural territory, as determined by the MDA; trade within the state and within national range, respectively.

Organic and/or agroecologic products prices

In Public Calls that include the purchase of organic or agroecologic products, the Executive Entity can operate a specific price research for organic or agroecology products, if they are determined in such way.

If the Public Call is not specific for organic or agroecologic products and/or if specific price research for these products is not performed, it is possible to determine prices of organic and/or agroecologic products by increasing conventional product prices by 30%.

CERTIFICATE OF ORGANIC AND AGROECOLOGIC PRODUCTS

According to article 1 in Law no. 10,831\2003, "an organic system of agricultural and livestock production is one that adopts specific techniques by optimising the use of available natural and socioeconomic resources and respecting the cultural integrity of rural communities in order to promote economic and ecological sustainability, expand social benefits, reduce non-renewable energy dependency, using, as much as possible, cultural, biological, and mechanic methods instead of synthetic material, elimination of genetically modified organisms and ionizing radiation in any stage of production, processing, storage, distribution and trade, and environmental protection".

According to the second paragraph of the same article, "several methods of sustainable production are included in this concept. The concept of an organic system of agricultural, livestock, and industrial production comprehends: ecologic, biodynamic, natural, regenerative, biological, agroecology, permaculture, and others that configure the principles established in this Law".

The Federal Government currently recognises three forms of organic product certificates. The recognised certificates are Participative Systems of Warranty (Sistemas Participativos de Garantia – SPG in Portuguese), Certificate by Auditing, and Civil Society Oversight Organisation (Organização de Controle Social – OCS in Portuguese). For further information, please access "Organic Products in School Feeding – smallholder farming feeds knowledge", available in Portuguese at www.mda.gov.br/sitemda/sites/sitemda/files/user_arquivos_64/portal.mda.gov.br_0.pdf. It is also important to highlight that the PNAE considers as "trade" the sale to the final consumer, therefore OCS modality can be considered.

A vibrant display of fresh vegetables including tomatoes, potatoes, green peppers, onions, and squash. The vegetables are arranged in a basket, with a mix of colors and textures. The background is a solid white color on the left side of the image.

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STEP 5
PUBLIC CALL
NOTICE

Mandated by: Executive Entity

The purchase of smallholder farming products for school feeding may dismiss a bidding procedure, according to article 14 of Law 11,947/2009, as long as:

- I. Prices are compatible with the local market (according to price reasearches);
- II. It is in compliance with the principles established in article 37 of the Federal Constitution: conformity to law, impersonality, morality, publicity and efficiency.
- III. Foods meet quality control requirements established by norms that regulate the matter.

By dismissing the bidding procedure, the purchase can be operated through a Public Call, according to paragraph 1, article 20 of Resolution CD/FNDE 26/2013.

Considering reverse auctions and other forms of bidding procedures, a Public Call is the most likely to meet the particular necessities of acquisitions from smallholder farming. A Public Call is the most appropriate approach since it complies with the PNAE guidelines regarding prioritisation of local products in order to strengthen food habits, local culture, and smallholder farming, which are fundamental aspects to ensure food and nutrition security.

Moreover, Executive Entities can operate more than one Public Call per year if, based on convenience and opportunity, it facilitates the acquisition process respecting product seasonality, as well as climate issues and others. In the same way, a Public Call may last longer than the civil year, if it meets the necessities of the process of purchasing smallholder farming products.

Therefore, the Public Call is the most appropriate instrument to meet the minimum of 30% of food purchase from smallholder farming. Moreover, the Public Call may be extended up to the entire amount of resources for school feeding transferred by the FNDE, as long as it is dedicated to purchasing smallholder farming products, in conformity with the same rules here presented.

The Executive Entity (city hall, State Secretariat of Education, school or executive unit) is responsible for the Public Call, through which intention of acquisition of smallholder farming products for school feeding becomes public.

The Public Call must include enough information so that suppliers can elaborate selling projects correctly, such as kind of products, quantity, delivery schedule (daily, weekly, duration of supply) and delivery places. Acquisition prices must also be determined on it.

The approval to dismiss the bidding procedure is regulated only for funds transferred by the FNDE for the PNAE. However, the Public Call may be extended to the entire amount of the resources transferred by the FNDE for the PNAE, as long as it aims to acquire smallholder farming products and are in conformity with the norms here presented.

The implementation of Public Calls is in accordance with Federal Constitutional principles, such as legality, legitimacy, and economicity, concerning not only the judicial norms that sustain it, but also saving natural resources and socio-economic aspects that guide it. Regarding the principle of economicity, it is necessary to elucidate that the public-sector cost-benefit ratio is not only monetary cost-benefit, but also the cost-benefit of social impact of public policies. Hence, the application of Law 11947/2009 and Resolution CD\FNDE 26\2013 follows paragraphs 37 and 70 of Federal Constitution.

Public Call Release

In the specific case of acquisition of smallholder farming products, the Public Call must be widely publicised. The Executive Entity must publish public notices for school feeding in local circulation newspapers, in the form of a mural in a public space of high circulation.

The EEx must also publish on its website, if it exists, and advertise it to local smallholder farming organisations (such as rural unions, cooperatives, associations, social movements and other smallholder farming bodies), and state and municipal technical assistance and rural extension entities.

The publication can also take place in different potential places, such as local community radios and newspapers of regional, state, or national circulation.

ATTENTION: The Public Calls must remain open to receive sale projects for at least 20 days.

A photograph of several blue plastic mugs on a light-colored table. One mug is in the foreground, slightly to the right, with its handle facing left. Another mug is behind it, and a third one is partially visible to the right. The background is a plain, light-colored wall.

9

STEP 6
**SALE PROJECT
PREPARATION**

Mandated by: smallholder farmers or their associations/cooperatives

The sale project is the document that officialises smallholder farmers' interest to sell their product to school feeding.

Smallholder farmers or their organisations are responsible for elaborating and delivering sale projects. They should consider the Public Call to elaborate their sale projects. The project must include their offer to provide foodstuffs (variety, amount and delivery schedule) according to the Public Call and the service possibility of each supplier.

A sale project is signed, according to aspired qualification:

- By representatives of a formal group (smallholder farmers organised in formal groups as associations and cooperatives, which possess a DAP Legal Entity. In this case, contracts must be signed with the entity);
- By informal group suppliers (smallholder farmers organised in informal groups which do not possess a DAP Legal Entity. In this case, individual contracts will be signed);
- By individual supplier (smallholder farmers who represent individual projects based on their own production. In this case, contracts will also be signed with the individual supplier).

In the case of informal groups, the project must include all participant farmers, along with their complete names, Individual Taxpayer Registrations, and DAP Individual (standard model project attached).

In the preparation of sale projects, every participant farmer (individual and informal group) should complete a declaration stating that delivered products related to their DAP Individual are of their own production. For formal groups, a formal organisation must make that declaration and its legal agent must sign it (standard models attached).

ATTENTION: States, Federal District and municipalities in which total revenue transferred from the FNDE to execute the PNAE is above R\$ 700,000.00 (seven hundred thousand reais per year), the Executive Entity may accept offers only from DAP Legal Entities, if mentioned on the Public Call.



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**STEP 7
PRESENTATION AND
SELECTION OF
PROJECTS**

Mandated by: Executive Entity

Sale Project Qualification

The following supplier qualification documents must be attached to sale projects:

Formal groups

- Certificate of Enrollment in National Register of Legal Entities (Cadastro Nacional de Pessoa Jurídica – CNPJ);
- Declaration of Aptitude to Pronaf (DAP Legal Entity) to associations and cooperatives, released in the last 60 days;
- Register of compliance to the Department of Federal Revenue, in regard to Social Security and Severance Pay Fund (Fundo de Garantia por Tempo de Serviço – FGTS);
- Copies of the group's charter and current director board's terms of investiture, registered in the corresponding agency;
- Sale project signed by legal agent;
- Declaration stating that delivered foodstuffs are produced by the group's own members;
- Proof of conformity to requirements stated by specific laws, whenever needed.

Informal groups

- Certificate of Enrollment in Individual Taxpayer Registration (Cadastro de Pessoa Física – CPF);
- Declaration of Aptitude to Pronaf (DAP Individual) of each participant smallholder farmer, released in the last 60 days;
- Sale project signed by all participants;
- Declaration stating that delivered foodstuffs are produced by smallholder farmer members listed on the sale project;
- Proof of conformity to requirements stated by specific laws, whenever needed.

ATTENTION: Individual smallholder farmers, or those organised in informal groups who have individual DAP, may have the support of a Coordination Entity (according to MDA definition) that may assist with the sale project preparation.

Individual supplier (individual DAP and not organised in a group)

- Certificate of Enrollment in Individual Taxpayer Registration (Cadastro de Pessoa Física – CPF);
- Declaration of Aptitude to Pronaf (DAP Individual) of smallholder farmer participant, released in the last 60 days;
- Sale project signed by smallholder farmer participant;
- Declaration stating that the delivered foodstuffs are of the smallholder farmer's own production;
- Proof of conformity to requirements stated by specific laws, whenever needed.

If any requirement is not in conformity, the Executive Entity may establish a new deadline for document regularisation.

A list of sale projects will be presented in public session and put on record upon the deadline to present projects.

Sale project selection

After qualification, the Executive Entity shall select sale projects according to the criteria established on Resolution FNDE 26/2013 (and updated on Resolution FNDE 04/2015), as listed below.

Selection criteria

After receiving sale projects, the Executive Entity must separate them in the following groups:

- Group 1 – local projects;
- Group 2 – rural territories projects;
- Group 3 – State projects;
- Group 4 – Country projects.

Local projects are those from smallholder farmers or their associations located in the same city of schools. Food purchase must be performed, as long as it is possible, in the same city where schools are located.

ATTENTION: In the case of a Public Call performed by a State Secretariat for Education, which has a wider scope than municipal ones, all projects from the same city of beneficiary schools may be considered as local. However, it is suggested that Public Calls do not overestimate regional territory borders compatible with the same smallholder farming acquisition, so the food distribution logistic remains feasible and resources are not concentrated in few cities. That is, states may establish Public Calls with regional scope, including fewer cities and considering local production and culture.

Therefore, after selecting sale projects, the Executive Entity will assess, at first, ONLY Group 1 projects (local projects), and note the following PRIORITY ORDER to select projects:

1) Land reform settlements, traditional indigenous and Quilombola communities, with no priority among them

The PNAE prioritises sale projects from these communities because it aims to promote local sustainable development and social and productive rural inclusion.

For PNAE normative purposes, to be considered as formal and informal groups of land reform settlements, traditional indigenous and Quilombola communities, the groups must have, in their composition, at least 50% + 1 of productive organisation members, for formal groups; and 50% + 1 of smallholder farmers, for informal groups, according to DAP identification.

2) Food suppliers with organic or agroecologic certificates, according to Law 10,831, from December 23rd, 2003.

Organic and agroecologic food are directly related to food security, healthy feeding, regional sustainable development, and caring for the environment and labour relations. Therefore, the PNAE prioritises acquisition of these products for school feeding as the second criterion to select smallholder farming projects. In this case, certification conditions and organic and agroecologic agriculture guarantees will be considered, as previously presented in this handbook.

3) Formal groups (productive organisations with DAP Legal Entity) over informal groups (smallholder farmers with DAP Individual, organised in groups), and the latter over individual suppliers.

Smallholder farmers may participate in the selection as individual suppliers or organised in either formal or informal groups (associations and cooperatives with DAP Legal Entity). However, formal groups have priority over others, and informal groups have priority over individual suppliers.

The access to and building of different markets to trade smallholder farming products can be boosted when farmers are properly organised. Through associations and cooperatives, farmers have better work opportunities and strengthen community support by coordinating production and facilitating the access to consumer market, with social inclusion and local development. Thus, the PNAE encourages coordination by prioritising smallholder farmers organised in associations and cooperatives.

If there is a tie in the formal groups criterion, associations with a larger percentage of smallholder farmers as members will be selected, according to the DAP Legal Entity statement, which contains all members' information.

ATTENTION: If there is still a tie among formal groups of land reform settlements, traditional indigenous and/or Quilombola communities, the tie-breaker shall be the higher percentage of associated members. If there is still a tie among informal groups of land reform settlements, traditional indigenous and Quilombola communities, the tie-breaker shall be the higher percentage of associated suppliers, according to DAP identification.

OTHER GROUPS: (Group 2 – rural territory projects;

Group 3 – State projects;
Group 4 – Country projects):

ONLY if the amount of local smallholder farming products does not meet the demand, Executive Entities will consider offers by rural territory, state, and country farmers, respectively.

ATTENTION: Rural territories are combined cities that share economic and environmental profile, with identity, social, and cultural cohesion, and are defined by the Ministry of Agrarian Development (MDA). A complete list of Brazilian rural territories and its cities is available at the MDA website: www.mda.gov.br. If it is not possible to meet the smallholder farming products demand within the city, cities that are part of rural territories should prioritise projects from other cities from the same rural territory. That is, other cities that are not part of rural territories shall not use this principle to select suppliers. Therefore, priority will include offers from any other city from the state in order to complement the purchase of products from other cities.

In other words: in this case (when Executive Entities cannot meet the demand of products from Group 1, local smallholder farmers), projects from Group 2, Group 3 and Group 4 will be considered, respectively. In each sale project group, the same priority criteria will be applied.

- If the selected supplier of a specific product is not able to offer the whole amount required, the Executive Entity may acquire the same product from more than one supplier, considering ranking order.

- In case of a tie after selecting suppliers, the EEx shall hold a draw or, if there is consent among the parts, there can be a division of product supply among finalists.

PLEASE NOTE THAT THE INDIVIDUAL LIMIT FOR SMALLHOLDER FARMER SALES TO SCHOOL FEEDING IS R\$ 20,000.00 PER DAP/YEAR/ EXECUTIVE ENTITY.

DAP LIMIT CONTROL

- The Executive Entity should verify, on its records, the limit of payment to each farmer, in their jurisdiction, whenever the farmer's participation is either individual or in informal groups. Hence, individual contracts signed in the scope of each Executive Entity must not exceed R\$ 20,000.00 per DAP in the same civil year.

- Please note that Executive Entities are ONLY State Secretariats for Education, city halls, and federal schools.

- The largest amount to trade with formal groups shall be determined by the number of smallholder farmers enrolled in the DAP Legal Entity multiplied by individual limit to trade, using the following formula:

Largest amount to be contracted = number of smallholder farmers enrolled in DAP Legal Entity X R\$ 20,000.00/year/EEx

In the case of contracts with formal groups, the Executive Entity is responsible for controlling the maximum amount to be purchased from each cooperative, and the latter should control individual limit for each smallholder farmer's sales.

- The limit refers to the main DAP. Required DAP statements have precise information about the main DAP number, and it is the only number that will be considered. In case of accessory DAPs (such as DAP Women and DAP Youth), only the main DAP number linked to it will be considered.

- It is important to note that farmers' limit relative to the PNAE does not consider sales for other governmental programmes, such as the PAA. Even among different PAA modalities, it is possible to accumulate modalities' limits such as Simultaneous Donation (Doação Simultânea), PAA Milk (PAA Leite), Institutional Acquisition and Direct Acquisition (or, as an alternative to the latter, Stock Formation - Formação de Estoque). Therefore, public agencies can enhance smallholder farming through institutional purchase from several suppliers, according to demand and local customs.



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STEP 8
QUALITY CONTROL
SAMPLE

Mandated by: Executive Entity

The Executive Entity may require on the Public Call that product samples be presented so that they can be assessed in advance for quality control, according to corresponding norms. Food samples should be presented by a supplier that was temporarily qualified as first place (and thus successively until the necessary classification is reached). The samples will be used for evaluation and selection of the products to be acquired, right after the selection phase of the sale process. In conformity with seasonality, the Executive Entity may establish a schedule for product delivery for quality control, and the contracts should determine that as well.

Product analysis will follow three criteria:

- a) Meeting Public Call requirements
- b) Sanitary Certificates, when required
- c) Compliance with sample examination, if it is possible to qualify the product's sensory features.

This step is especially important for products that require sanitary concession. Smallholder farming products must comply with sanitary legislation. The foodstuffs acquired for school feeding must abide by food legislation established by one of the following sanitary agencies:

- Brazilian Health Regulatory Agency (Agência Nacional de Vigilância Sanitária - ANVISA), Ministry of Health or State and local health agencies.
- Unified System of Agriculture and Livestock Sanitary Surveillance (Sistema Unificado de Atenção à Sanidade Agropecuária -Suasa/Mapa) or Federal, State or City Inspection Centers.

It is crucial to notice that “in natura” products, which are plant-based and haven't been processed, do not require sanitary analysis. On the other hand, plant-based products that were processed must be analysed by the Ministry of Health, through the Brazilian Health Regulatory Agency and its state, regional and city subsidiaries.

All products from animal origin, including eggs and honey, must be analysed. The Ministry of Agriculture, Livestock, and Supply (Ministério da Agricultura, Pecuária e Abastecimento - MAPA) is responsible for analysing these products. They can be inspected by one of the following agencies: Municipal Inspection Service (Serviço de Inspeção Municipal – SIM) (municipal commerce); State Inspection Service (Serviço de Inspeção Estadual – SIE) (State commerce); and Federal Inspection Service (Serviço de Inspeção Federal – SIF) (all national territory commerce).

In addition to these certificates, a federal initiative that aims to unify sanitary certifications for all animal products is the Unified System of Agriculture and Livestock Sanitary Surveillance (SUASA).

For more information about health surveillance, please access (all in Portuguese):

- Resolution RDC 49, October 31st, 2013, which sets the regularisation to exercise sanitary activities for individual microentrepreneurs, rural smallholder entrepreneurship and mutual economic entrepreneurship.
 - Resolution RDC 278, September 22nd, 2005, which establishes categories of Food and Packaging Exempt from Mandatory Registration.
 - Handbook on Health Inspection of Food Processing Facilities, on health inspections under MAPA responsibility (Available at http://www.cpimmoc.sc.gov.br/admin/uploads/car_tilha-sobre-inspecao-sanitaria-de-estabelecimento-de-alimentos-10-06-2016-09-22-36.pdf).
 - Guideline of Municipal Inspection Service (Available at <https://www2.mppa.mp.br/sistemas/gcsubsites/upload/37/MANUAL%20-%20SIM%20-%20Servico%20de%20Inspecao%20Municipal.pdf>)
-

Regarding sensory analysis of products, the Executive Entity must create a team that will be trained by the responsible technical nutritionist to run sample tests. It is suggested to perform an “attribute test” or an “inside-outside of standard test”, since those are recommended and validated by the FNDE.

There is detailed information about number of members to run tests, as well as how to run a inside-outside of standard test, in chapter 12 of the Manual for the application of Acceptability Tests in the PNAE, available at <https://centrodeexcelencia.org.br/en/experiencia-brasileira-2/16150/#more-16150>.

It is important to note that products that differ from usual school feeding habits must be submitted to acceptability tests, such as “waste-ingestion” or “hedonic scale”. The nutritionist and his/her team must apply these tests before the purchase of new products. More details on the tests are in the mentioned Manual. However, it is not required to submit fruits, vegetables, and preparations made of mainly fruits and vegetables to Acceptability Tests.



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STEP 9

PURCHASE CONTRACT

Mandated by: Executive Entity and suppliers

The selected sale projects will sign contract with the Executive Entity. The purchase contract is the legal, formal commitment between the Executive Entity and suppliers to deliver food products for school feeding.

The Law of Contracts and Bidding Procedures (no. 8,666/1993) determines regulations for administrative contracts, which also applies to acquisition of products through Public Calls.

Contracts must establish conditions for their execution clearly and accurately, including articles that express rights, obligations and responsibilities of all parties, according to Public Call terms and to the linked offer (e.g. food delivery schedule, including date, place, products, features, payment dates, and other buy and sell articles).

The contract of acquisition of foodstuffs must be signed by all parties: Executive Entity and association/cooperative's legal agent, smallholder farmer members of informal group, or individual supplier.



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**STEP 10
RECEIPT DOCUMENTS
AND FARMERS'
CONTRACT**

Mandated by: Executive Entity and suppliers

Delivery schedule must comply with the Public Call schedule and with the contract. Upon delivery, an Executive Entity agent and the smallholder farmer group or individual supplier must sign a RECEIPT.

Receipt is the instrument that certifies that delivered products comply to the schedule determined by contract and to the required quality standard. This document describes the type, number, and prices of delivered products. The supplier (or his/her representative) and the Executive Entity agent must sign it. The EEx agent is responsible for checking the products. The receipt must be printed in at least two copies, one for the Executive Entity and another for the smallholder farming group agent or individual supplier.

Along with the receipt signature, it is mandatory to provide fiscal documents:

- Rural farmer bill of sale;
- Separate bill of sale (sold at city hall); or
- Bill of sale (formal group).

ATTENTION: Associations are non-profit entities, even though some states allow smallholder farming associations to engage in commercialisation for institutional purchases, of which the PNAE is an example. In these cases, in which associations are authorised to provide bills of sale and possess a DAP Legal Entity, they are categorised as formal groups and contracts can be signed directly between Executive Entity and association. To other associations that cannot provide bills of sale – but can represent smallholder farming members' interest to sell their goods –, contracts can be signed directly with each smallholder farmer who is a member of the sale project. In that instance, payments must be direct to smallholder farmers who will provide a bill of sale.

Note: foodstuffs to be delivered to the contractor must be the ones determined by Public Call, but may be replaced if needed as long as replacement products are in the Public Call list and are nutritiously equivalent to the previous ones. The responsible nutritionist must certify the need for replacement, and the CAE may endorse it.

Standard models for price research, Public Call, sale projects for individual suppliers, formal and informal groups, declaration of own production, sale contract, and receipt document are all attached.

For further information about smallholder farming products acquisition for school feeding, access the FNDE website at www.fnde.gov.br/programas/alimentacao-escolar/agricultura-familiar.

Or contact the Division of Smallholder Farming Development at FNDE by didaf@fnde.gov.br.

National Fund for the Development of Education - FNDE
www.fnde.gov.br

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ATTACHMENTS

Download standard models (in Portuguese) at:
<http://www.fnde.gov.br/programas/pnae/pnae-area-para-gestores/pnae-manuais-cartilhas>

Public Call Standard Model

MODEL

Executive Entity Logo

CITY HALL OF XXXXXXXXXXXXXXXX
 MUNICIPAL SECRETARIAT FOR EDUCATION

Public Call n. xx/xxxx to purchase products directly from Smallholder Farming and Rural Smallholder Entrepreneurs, in compliance with **paragraph 1, article 14, Law 11,947/2009 and FNDE Resolution n. xx/xxxx.**

City Hall xxxxxxxx, a legal entity governed by public law, office based at xxxxxxx, with National Registry of Legal Entities (CNPJ) no. xxxxxxx, represented by the city mayor, **Mr./Ms. xxxxxxxx**, using his/her legal prerogatives and considering article 14, Law 11,947/2009 and FNDE Resolution xx/xxxx, through the **Municipal Secretariat for Education**, executes a Public Call to purchase products directly from Smallholder Farming and Rural Smallholder Entrepreneurs for the Brazilian National School Feeding Programme (PNAE), during the period of xxxxxxx. Parties (formal and informal groups, individual suppliers) should present documentation for qualification and Sale Projects in the period of xxxxxx, at XXXXX time, at XXXXXX headquarters, address xxxx.

1. OBJECT

The object of this Public Call is to purchase products directly from Smallholder Farming and Rural Smallholder Entrepreneurs for the Brazilian National School Feeding Programme (PNAE), according to the following foodstuffs specifications:

Number	Product	Unit	Amount	*Acquisition Price (R\$)	
				Unit	Total Amount

Acquisition price is the amount paid to smallholder farming supplier. (FNDE Resolution xx/xxxx, Art.29, paragraph 1).

2. SOURCE

Resources are from xxxxxxxxxxxx

3. SUPPLIER LICENCE

Smallholder farming suppliers may trade their agriculture production as Individual Suppliers, Informal or Formal Groups, according to article 27, Resolution FNDE n. xx/xxxx.

3.1 ENVELOPE No. 001 – INDIVIDUAL SUPPLIER LICENCE (not organised in groups)

Individual suppliers must present the following documents in envelope no. 01, under risk of inaptitude:

- Certificate of Enrollment in Individual Taxpayer Registration (*Cadastro de Pessoa Física – CPF*);
- Declaration of Aptitude to Pronaf (DAP Individual) of smallholder farmer participant, released in the last 60 days;
- Sale project signed by smallholder farmer participant;
- Declaration stating that the delivered foodstuffs are of the smallholder farmer's own production;
- Proof of conformity to requirements stated by specific laws, whenever needed.

3.2 ENVELOPE No. 01 – INFORMAL GROUP LICENCE

Informal groups must present the following documents in Envelope no. 01, under risk of inaptitude:

- Certificate of Enrollment in Individual Taxpayer Registration (*Cadastro de Pessoa Física – CPF*);
- Declaration of Aptitude to Pronaf (DAP Individual) of each smallholder farmer, released in the last 60 days;
- Sale project signed by all participants;
- Declaration stating that delivered foodstuffs are produced by smallholder farmer members listed on the sale project;
- Proof of conformity to requirements stated by specific laws, whenever needed.

3.3 ENVELOPE No. 01 – FORMAL GROUP LICENCE

Formal groups must present in Envelope no. 01 the following documents, under risk of inaptitude:

- Certificate of Enrollment in National Register of Legal Entities (*Cadastro Nacional de Pessoa Jurídica – CNPJ*);
- Declaration of Aptitude to Pronaf (DAP Legal Entity) for associations and cooperatives, released in the last 60 days;
- Register of compliance to the Department of Federal Revenue, regarding Social Security and Severance Pay Fund (*Fundo de Garantia por Tempo de Serviço – FGTS*);
- Copies of the group's charter and terms of investiture of current directors' board, registered in the corresponding agency;
- Sales project signed by legal agent;
- Declaration stating that delivered foodstuffs are produced by the group's own members;
- Declaration of responsibility for controlling each of the associates' individual sale limit.
- Proof of conformity to requirements stated by specific laws, whenever needed.

4. ENVELOPE No. 02 – SALE PROJECT

4.1. In **envelope no. 02**, individual suppliers, informal or formal groups should present **Smallholder Farming Sale Project**, according to **attachment XX** (model Resolution FNDE n. xx/xxxx)

4.2. A list of sale projects will be presented in a public session and put on record upon the deadline to present projects. Selection results will be disclosed xx days after deadline for proponents list publication. Within xx days, selected candidates will be summoned to sign contract.

4.3. Sale projects will be selected according to criteria established in article 25 of the Resolution.

4.4. The Sale Project must include Individual Taxpayer Registration (CPF) and Declaration of Aptitude to Pronaf (individual DAP) of each smallholder farming supplier in the case of individual suppliers or informal groups, and the DAP Legal Entity and National Registry of Legal Entities number in the case of formal groups.

4.5 In case a document is missing or does not conform to any requirement, it is possible to establish a new deadline for regularisation in XX days, according to the Judging Committee.

Selected suppliers shall present the product samples specified below, at **XXXXXX headquarters, until day XXXX, xxx time**, for analysis and selection of products to be acquired, which shall be submitted to necessary tests immediately after qualification. Analysis results will be published XX days after the deadline for sample presentation.

N.	Product

7. ADDRESS AND DELIVERY FREQUENCY

Foodstuffs delivery must follow the schedule below:

Products	Amount	Delivery address	Delivery frequency (weekly, fortnightly)

8. PAYMENT

Payment shall be completed within up to **xx days** after the last delivery of the month, through XXXXXX, upon presenting the corresponding bill of sale for each revenue. Payment in advance is prohibited.

9. GENERAL NORMS

9.1 This Public Call must be available at XXXXXX

9.1. Foodstuffs must comply with specific sanitary legislation (federal, state and municipal) regarding animal and plant-based products.

9.2. The individual limit for smallholder farmer and rural smallholder entrepreneur sales for school feeding must respect the maximum value of R\$ 20,000.00 (twenty thousand reais) per DAP/year/Executive Entity and abide by the following rules:

I – For commercialisation with individual suppliers and informal groups, each individual contract cannot amount to more than R\$ 20,000.00 (twenty thousand reais) per DAP/year/EEx.

II – For commercialisation with formal groups, the maximum amount to be contracted shall be determined by the number of smallholder farmers enrolled in the DAP Legal Entity multiplied by the individual limit, using the following formula: Maximum amount = number of smallholder farmers enrolled in the DAP Legal Entity X R\$ 20,000.00/year/EEX

9.3 Foodstuffs acquisition shall be formalised through a **Contract for Acquisition of Smallholder Farming Products for School Feeding** that will establish clearly and precisely the conditions for its execution, expressed in clauses defining the rights, obligations and responsibilities of the parties, in accordance with the terms of the Public Call and the proposal to which they are bound, from: Chapter III – Contracts, Law 8,666 /1993.

(City/State), _____(month)_____(day) _____(year)

MUNICIPAL SECRETARY OF EDUCATION

MAYOR

SALES CONTRACT STANDARD MODEL

CONTRACT No. /20XX

CONTRACT FOR ACQUISITION OF SMALLHOLDER FARMING PRODUCTS FOR SCHOOL FEEDING/PNAE

The _____(Executive Entity), a legal entity governed by public law, office based at _____ no. __, National Registry of Legal Entities (CNPJ) number _____, represented in this act by mayor _____, hereinafter referred to as CONTRACTOR, and (informal, formal group or individual supplier name), National Registry of Legal Entities (CNPJ) (for formal groups)/ Individual Taxpayer Registration (CPF) (for informal groups and individual supplier)_____, hereinafter referred to as COMMISSIONED, based on the provisions of Law No. 11,947/2009 and Law No. 8,666 / 93, and in view of what is stated in Public Call No. _____, resolve to enter into this agreement by means of the clauses that follow:

FIRST CLAUSE:

This contract refers to ACQUISITION OF SMALLHOLDER FARMING PRODUCTS FOR SCHOOL FEEDING for public primary school students, funded by FNDE/PNAE, ___ semester of 20XX, described on the Fourth Clause chart, according to Public Call no. __, which becomes integral part of this contract, regardless of annexation or transcription.

SECOND CLAUSE:

The COMMISSIONED commits to providing smallholder farming products for the CONTRACTOR, as described in the Fourth Clause of this contract.

THIRD CLAUSE:

Individual limit for COMMISSIONED sales for school feeding is R\$ 20,000.00 (twenty thousand reais) per DAP per year, regarding its production, according to PNAE legislation.

FOURTH CLAUSE

The COMMISSIONED will receive R\$ _____ (_____) for the provision of smallholder farming products, according to amounts described below (chart).

a. Products shall be received along with a receipt document and bill of sale provided by the person responsible for feeding in the delivery address, according to the attachment in this contract.

b. Acquisition price is the amount paid to the supplier. Costs such as transportation, human and material resources, taxes (social, commercial, labour, and social security), and any other expenses required to fulfill the obligations arising from this contract, must be considered to calculate the acquisition price.

Product	Unit	Quantity	Delivery Frequency	Acquisition price	
				Price per Unit (disclosed in the Public Call) <input type="checkbox"/> t <input type="checkbox"/> p/c	
total contract value					

FIFTH CLAUSE:

Expenditure resulting from this contract shall be charged to the following budgetary funding:
SCHOOL FEEDING PROGRAMME – PNAE

SIXTH CLAUSE:

The CONTRACTOR, after receiving the documents described in the Fourth Clause, item "a", and after conduct of instruction and settlement proceedings, will pay the amount corresponding to the previous month's delivery.

SEVENTH CLAUSE:

The CONTRACTOR that does not follow the resource release form for paying the COMMISSIONED is subject to a fine of 2%, plus interest of 0.1% per day, upon the value of the unpaid instalment.

EIGHTH CLAUSE:

The CONTRACTOR commits to keeping, for the period established on paragraph 11 of article 45 of Resolution CD/FNDE nº 26/2013, copies of the Bills of Sale and Terms of Receipt and Acceptability presented for accountability, as well as the Sale Project – Foodstuffs from Smallholder Farming for School Feeding and attached documents. All these documents must be available for verification.

NINTH CLAUSE:

The COMMISSIONED is solely responsible for reimbursing damages caused to the CONTRACTOR or to third parties, resulting from his fault or willful misconduct when executing the contract, not excluding or reducing this responsibility to the supervision.

TENTH CLAUSE:

The CONTRACTOR, due to the supremacy of public interest over particular interests, may:

- a. unilaterally modify the contract to better fit public interest purposes, respecting the COMMISSIONED's rights;
- b. terminate the contract unilaterally, in cases of breach of contract or unfitness of the COMMISSIONED;
- c. supervise execution of the contract;
- d. impose penalties for the total or partial non-execution of the adjustment.

Whenever the CONTRACTOR changes or rescinds the contract without it being characterised by fault of the COMMISSIONED, it must respect economic-financial balance, guaranteeing increase of the respective remuneration or compensation for expenses already made.

ELEVENTH CLAUSE:

The fine imposed after regular administrative procedure may be deducted from any payments due by the CONTRACTOR or, whenever applicable, collected in court.

TWELFTH CLAUSE:

The supervision of this contract will be under responsibility of the respective contract auditor, the Municipal Secretariat of Education, the Executive Entity, the School Feeding Council (Conselho de Alimentação Escolar) – CAE and other entities designated by the contractor or by law.

THIRTEENTH CLAUSE:

This contract is also governed by Public Call no. _____/20XX, by Resolution CD/FNDE nº ____/20XX, by Law no. 8,666/1993 and by Law no. 11,947/2009, in all its terms.

FOURTEENTH CLAUSE:

Additions may be included in this contract at any time by formal agreement between parties, safeguarding its essential conditions.

FIFTEENTH CLAUSE:

Communications about this contract must be formal and express by means of letters, which will only be valid if sent through Received Register or by Fax, transmitted by the parties.

SIXTEENTH CLAUSE:

This contract, provided that the preliminary formalisation of its execution is observed by letter, pursuant to the Fifteenth Clause, may be terminated in full, regardless of judicial or extrajudicial notice or interpellation, in the following cases:

- a. by agreement between parties;
- b. for failure to observe any of its conditions;
- c. for any reasons provided by law.

CLAUSE SEVENTEEN:

This contract will be in force from its signature until total delivery of the products in the schedule presented (Fourth Clause) or until ____/____/____.

CLAUSE EIGHTEENTH:

It is up to the District Court of _____ to settle any controversy arising from this agreement. And, as they are thus fair and bound, they sign the present instrument in three copies of equal content and form, in presence of two witnesses.

_____(municipality), _____ of _____ of _____.

COMMISSIONED (Individual or informal group)

COMMISSIONED (formal group)

MAYOR

WITNESSES:

1. _____
2. _____

Proposed Template for Price Research

PRICE RESEARCH

Conventional Products (produced with agrochemicals).

Products	Market 01	Market 02	Market 03	Medium price	Acquisition price*
	Date: Name: CNPJ: Address:	Date: Name: CNPJ: Address:	Date: Name: CNPJ: Address:		

*Price paid to Smallholder farmer's supply.

Products researched to define prices must have the same characteristics described in the Public Call notice. In the price research, observe **Article 29 of Resolution FNDE nº xx/201x, for market selection and definition of acquisition price**. Prioritise Smallholder farmer's markets such as free fairs and others. In defining acquisition prices for Foodstuffs from Smallholder Farming and/or Rural Smallholder Entrepreneurs or their organisations, the Executive Entity shall consider all required inputs such as freight, packaging, taxes and any other expenses necessary to supply the product. These expenses must be added to the average price to define the acquisition price.

Organic or Agroecological Products (produced without agrochemicals).

Products	* Market 01 Name: CNPJ: Address:	Market 02 Name: CNPJ: Address:	Market 03 Name: CNPJ: Address:	Medium price	* Acquisition price

* Price paid to Smallholder farmer supplier. Executive Entities that prioritise acquisition of organic or agroecological products in the Public Call may increase prices by up to 30% (thirty per cent) in relation to prices established for conventional products, according to Law no. 12,512 of October 14, 2011. Resolution 26/2013, Article 29, paragraph 2).

When there are organic markets, price research should happen within them. Products researched for defining prices should have the same characteristics described in the Public Call. In the price research, observe **Article 29 of Resolution FNDE nº xx/201x, for market selection and definition of acquisition price**. Prioritise Smallholder farmer's markets such as free fairs and others. In defining acquisition prices for Foodstuffs from Smallholder Farming and/or Rural Smallholder Entrepreneurs or their organisations, the Executive Entity shall consider all required inputs such as freight, packaging, taxes and any other expenses necessary to supply the product. These expenses must be added to the average price to define the acquisition price.

Template for Sale Project

Proposed Template for Formal Groups

SALE PROJECT – FOODSTUFFS FROM SMALLHOLDER FARMING FOR SCHOOL FEEDING / PNAE	
PROPOSAL FOR PUBLIC CALL Nº.-	
I – SUPPLIER DATA	
FORMAL GROUP	
1. Proposer's Name	2. National Registry of Legal Entities (CNPJ)
3. Address	4. Municipality/State
5. Email	6. Phone Number
8. DAP Legal Entity No.	7. Post Code
12.No. of Members	9.Bank
15. Representative's Name	10.Agency
	11. Account No.
	13. Nº of members according to Law no. 11,326/2006
	14. No. of members with DAP Individual
	16. Individual Taxpayer Registration (CPF)
	17. Phone
18. Address	19. Municipality/ state

II –EXECUTIVE ENTITY DATA - PNAE/FNDE/MEC			
1. Entity name		2. CNPJ	
4. Address		3. Municipality/State	
6. Name and e-mail of the representative		5. Phone Number	
		7. CPF	

III – PRODUCT LIST

1. Product	2. Unit	3. Quantity	4. Acquisition price*		5. Product delivery schedule
			4.1. Unit	4.2. Total	
* Price published in Public Call n xxx / xxxx (the same that appears in the Public Call)					

I declare that I am in compliance with the conditions established in this project and that the information above is true to supply conditions.

Date and Place:	Signature of Formal Group Representative	Phone number / email:

Proposed Template for Informal Groups

SALE PROJECT – FOODSTUFFS FROM SMALLHOLDER FARMING FOR SCHOOL FEEDING / PNAE
PROPOSAL FOR PUBLIC CALL Nº--
I –SUPPLIER DATA

INFORMAL GROUP			
1. Proposer's Name		2. CPF	
3. Address		4. Municipality/State	
6. E-mail		7. Phone number	
8. Organised by Coordination Entity () Yes () No		9. Name of Coordination Entity (if applicable)	
		10. Phone number	

II – SUPPLIERS					
1. Smallholder farmer's Name		2. CPF		3. DAP	
				4. Bank	
				5. Agency	
				6. Checking Account	

Proposed Template for Informal Groups

SALE PROJECT – FOODSTUFFS FROM SMALLHOLDER FARMING FOR SCHOOL FEEDING / PNAE
 PROPOSAL FOR PUBLIC CALL Nº--

I –SUPPLIER DATA

INFORMAL GROUP

1. Proposer's Name	2. CPF
3. Address	4. Municipality/State 5. Post Code
6. E-mail	7. Phone number
8. Organised by Coordination Entity () Yes () No	9. Name of Coordination Entity (if applicable) 10. Phone number

II – SUPPLIERS

1. Smallholder farmer's Name	2.CPF	3.DAP	4. Bank	5. Agency	6. Checking Account

III – EXECUTIVE ENTITY - PNAE / FNDE / MEC

1. Entity Name	2.CNPJ
4. Address	3.Municipality 5.Phone
6. Representative's name and email	
7.CPF	

Proposed Template for Individual Suppliers

SALE PROJECT – FOODSTUFFS FROM SMALLHOLDER FARMING FOR SCHOOL FEEDING / PNAE				
PROPOSAL FOR PUBLIC CALL Nº--				
I- SUPPLIER DATA				
INDIVIDUAL SUPPLIERS				
1. Name	2. CPF			
3. Address	4. Municipality/State	5. Post Code		
6. DAP Individual	7. Phone number	8. Email		
9. Bank	10. Agency	11. Checking account		

II- PRODUCT LIST						
Product	Unity	Quantity	Acquisition price*		Delivery Schedule	
			Unit	Total		
* Price published in Call n xxx / xxxx (the same that appears in the Public Call).						
OBS						
III – EXECUTIVE ENTITY DATA - PNAE/FNDE/MEC						
Name	CNPJ		Municipality			
Address			Phone			
Name of legal Representative			CPF			
I declare that I am in compliance with the conditions established in this project and that the information above is true to supply conditions.						
Place and Date:	Individual supplier Signature		CPF:			

DECLARATION OF LIABILITY FOR CONTROL OF INDIVIDUAL
SALE LIMIT FOR
COOPERATES /ASSOCIATES (FORMAL GROUPS))

The (formal group name) _____, CNPJ nº _____ DAP Legal Entity no. _____, headquartered at _____, represented in this act by (name of legal representative on the Sale Project) _____, ID no. _____, CPF no. _____, under terms of the Bylaws, DECLARES that it will be responsible for controlling the individual limit of foodstuffs sale from Smallholder Farmers and Rural Smallholder Entrepreneurs that make up the membership of this Entity, which is R\$ 20,000.00 (twenty thousand reais) per DAP/CIVIL YEAR/EXECUTIVE ENTITY in reference to its production, considering provisions of Law No. 11,947 / 2009 and Resolution CD / FNDE no. 26/2013 that govern the Brazilian National School Feeding Program – PNAE and other normative documents, wherever applicable.

(Place), _____/_____/_____

Signature

TEMPLATE OF DECLARATION OF THE SMALLHOLDER FARMER
- PRODUCTION FORMAL GROUPS

STATEMENT OF IN-HOUSE PRODUCTION (PUBLIC CALL No, _____)

I, _____ representative of the Cooperative/Association _____, CNPJ _____, DAP Legal Entity no. _____ declare, for purposes of participation in the Brazilian National School Feeding Program – PNAE, that the foodstuffs listed on the sale project are produced by cooperators/associates who possess a DAP Individual and make up this cooperative/association.

(Place), _____/_____/_____

Signature

TEMPLATE DECLARATION OF SMALLHOLDER FARMER IN-HOUSE
PRODUCTION FOR INFORMAL GROUPS OR INDIVIDUAL SUPPLIERS

STATEMENT OF IN-HOUSE PRODUCTION (PUBLIC CALL No. _____)

I, _____, CPF nº _____ and DAP
Individual nº _____, declare for purposes of participation in the Brazilian National
School Feeding Program – PNAE, that the foodstuffs listed on the sale project in my name come
from my own production.

(Place), ____/____/____

Signature

FNDE



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