

Green Public Procurement, challenges in practice, public procurement case studies

Valentina Schippers-Opejko

Coordinator Urban Agenda Partnership on Innovative
and Responsible Public Procurement, Chair Eurocities
Working Group on Public Procurement

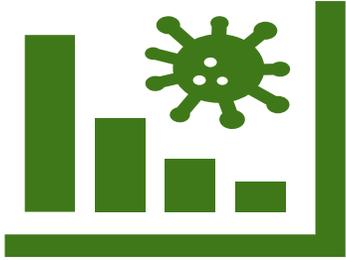


vopejko@haarlem.nl

[Linkedin.com/in/valentinaschippers](https://www.linkedin.com/in/valentinaschippers)

+31-6-46215424

Procurement challenges due to COVID19



The COVID19 pandemic impacted all over the world on:

- procurement of health
- digitalisation
- tourism and travelling
- economic recession

Procurement challenges due to war in Ukraine



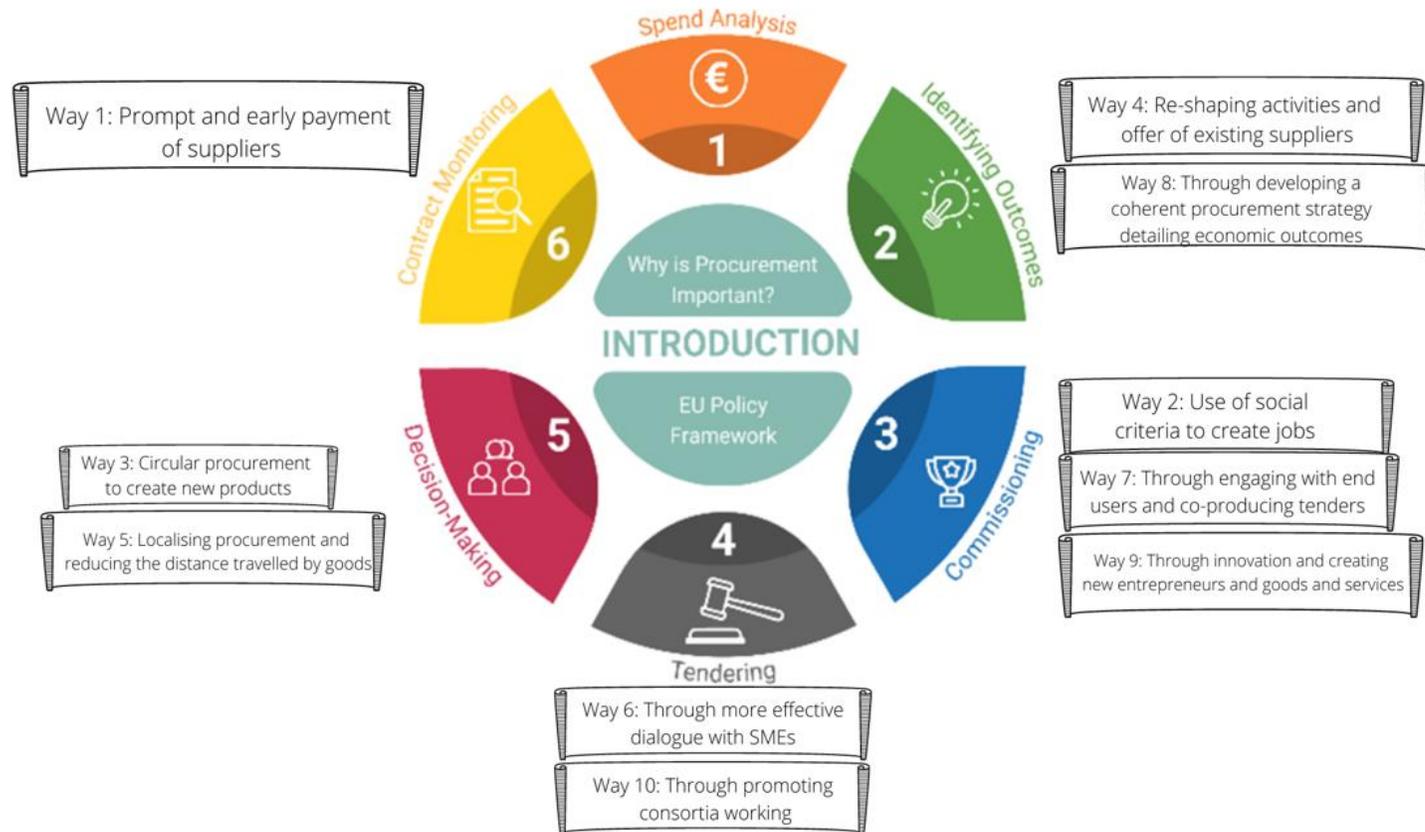
The war in Ukraine impacts cities and countries not only in Europe but all over the world on:

- food price shocks (especially grain)
- energy prices (oil and gas price hikes)
- tourism
- economic recession

The cities and countries also deal with the challenges such as: quick availability of housing and employment for refugees from Ukraine.

Public procurement will need to react to these challenges and crises!

Sustainable Economy Recovery through Public Procurement as a strategic tool



Haarlem - Innovative city

10 "Innovation-friendly buyers" public sector (December 2019):

Top 10 Public organizations that used the most innovation-friendly procurement instruments *

1. Schiphol Netherlands ****

2. Municipality of Haarlem ****

3. Dutch Gasunie ****

4. Port of Rotterdam Authority ****

5. NS Group ****

6. Division of Forensic Care / Custodial Institutions for Youth ***

7. Rijkswaterstaat ***

8. Saxion Foundation ***

9. Foundation for Fundamental Research on Matter (NWO) ***

10. Radboud University Medical Center

Haarlem - winner of the Procura+ Award 2020 in the category 'Procurement Initiative of the Year'



REWARDING SUSTAINABLE AND INNOVATIVE PROCUREMENT

WINNER

HAARLEM THE NETHERLANDS

A cooperative approach to supplier management to achieve a circular and sustainable city



The Procura+ participant [City of Haarlem](#) aims to procure green, fair and circular. The city is also committed to transition into a gas free city with a circular economy in which cooperation between businesses, government, knowledge institutions and citizens ensures effectiveness, innovation and sustainability. Throughout its procurements, the city aims for a cooperative approach with its suppliers, that makes sure suppliers and contractors are aligned with Haarlem's vision of a green and circular city.

Wherever possible, Haarlem opts for functional requirements that allows suppliers to develop their own solutions, while helping Haarlem to achieve its goals. For a recent framework agreement for public space maintenance and construction work execution, after the selection stage, the city asked bidders to submit proof of how they would collaborate with the city and its inhabitants (participation in decision making), how they would implement sustainability and circularity, cost effectiveness and political sensibility.

Haarlem also includes so called social return on investment clauses in all its contracts. The contract partners have the obligation to spend 4% of their yearly revenue on including vulnerable to exclusion groups in their workforce. Among others, Haarlem's initiative has led to decreased traffic congestion, a local hub for raw materials, and increased cooperation with its citizens on major reconstruction works.

Haarlem - Winner Rising Innovation City Award 2022

THE EUROPEAN
CAPITAL OF
INNOVATION
AWARDS **22**

Haarlem

#iCapitalAwards



European
Innovation
Council



WINNER
European
Rising
Innovative
City

Example City of Haarlem: innovative energy contract

Issues as a reason to procure in a different way:

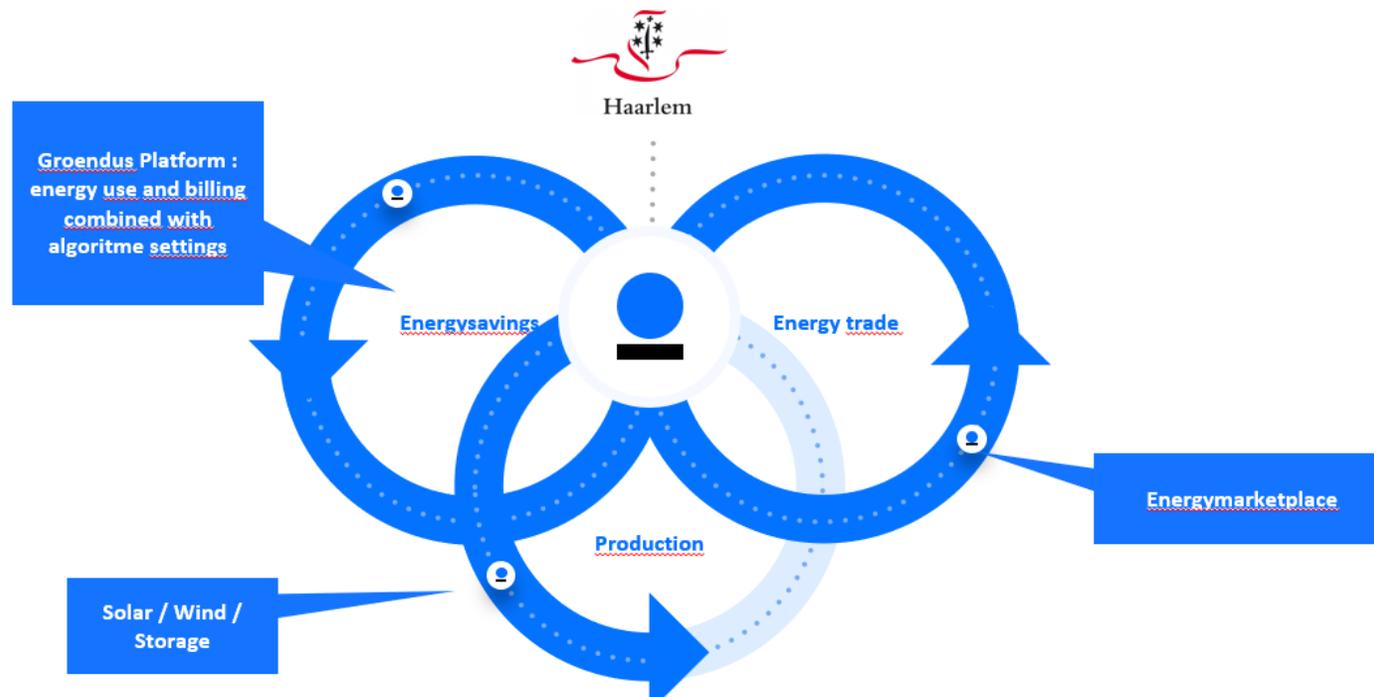
- ▶ Big regulated market;
- ▶ in public opinion sometimes compared as greenwashing.....time and place of production are not in sync with the use: problems like energy congestion are not been tackled and not a direct incentive for building new renewable energy production facilities.
- ▶ No influence on direct production of green energy.

Procure energy as a service and not as a product!

Example City of Haarlem: innovative energy contract

On the way towards 100% renewable energy

Use of smart data-driven technology and advice to 100% clean energie



Example City of Haarlem: innovative energy contract

- Data from smart meters is combined with production
- Forecast of use and production is being used (weather conditions, or specific use case) based on machine learning software
- If there is no match, electricity is procured on the energy spotmarket



■ Match met 400 kWp zon van Waarderpolder

■ Match met 600 kWp wind, 2000 vollasturen

Example City of Haarlem: Sustainable road- and water works

Contract value: € 20 mln./year for a period of 4 years

The implementation of the contract has delivered several beneficial results. Some examples of these solutions are:

- Collaboration with the city and its inhabitants
- Sustainable and circular
- (Cost) Efficient
- Political sensibility and orientated on the effects for the society

Procedure:

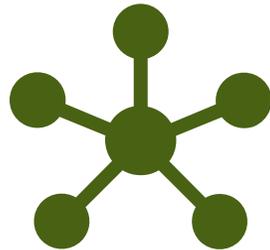
- Restricted procedure (with pre-selection), whereby 100% was purchased on quality with focus is on cooperation with the market parties.
- Information events for market parties during the selection phase as well as during the award phase, mainly explaining the contracts.
- Sustainability accounted for 15% of the quality assessment in the award phase. In addition, sustainability requirements are also included in the contracts.

Example City of Haarlem: Sustainable road- and water works: Sustainable and Green aspects



Testing of innovative, sustainable electrical equipment

App for re-use of material



Local hubs help to reduce carbon emissions



Innovative noise control barriers, placed alongside a water pump



Self-sufficient shacks with solar panels

Example City of Haarlem: Sustainable road- and water works: Social aspects

Social Return on Investment:
4% of the total procurement amount is used to create new jobs and internships for people who receive benefits from the municipality.



Example City of Haarlem: Sustainable road- and water works: Involve stakeholders



A new innovative and sustainable cycle path construction on the Rijksweg was developed. Also, a digital communication platform (Houtplein-inbeeld) developed to get stakeholders - **inhabitants and market parties** aligned in the future for creating an innovative and sustainable solution for traffic and safety on Houtplein (one of the main squares in Haarlem).

Example City of Haarlem: Sustainable road- and water works

Selection 1st stage (selection criteria)

Experience
(references,
experience with
contracts,
technical ability)

24 contractors
and 19 engineer
companies

Economical
demands
(insurance,
revenue)

12 contractors
and 6 engineer
companies

Written proposal how
to help Haarlem to
achieve organisational
goals like
(sustainability and
circularity) trough e.g.
innovation

Presentation of
the proposals
and plans

4 contractors
and 2 engineer
companies

Selection 2nd stage (award criteria)

Example City of Haarlem: Sustainable road- and water works

The challenges

Reduce the stress on the inner-city traffic

Empowering people with distance to labour market and reduce social isolation

Measure innovative and sustainable solutions

Empowering local retail

Measure traffic flows in the city

The results

Reduction of the stress on the inner city traffic through bicycles

Jobs for people with distance to labour market and reduction of social isolation through Social Return

Measuring and evaluation system for innovative and sustainable solutions by using KPI's

Monitoring system of the traffic flows in the city

Empowering local retail through technology

Example City of Haarlem: Sustainable road- and water



Lessons learnt

- ▶ Involvement of the market parties should be earlier. The market is able and willing to invest time and energy in delivering innovative and sustainable solutions. Bringing client, engineering company and contractor together would result in smoother performance and better results.
- ▶ It is essential to remain focused on the main goals and not to fall back on old and familiar ways. This requires time, energy and constant evaluation of applied methods.
- ▶ It is difficult, especially in the current market in which prices increase at a very high rate, to quantify the cost benefit obtained from these contracts. Working with different scenario's could help.
- ▶ Capacity and competencies of the procurers are essential. Invest in the competences of the procurement employees.

Examples City of Haarlem:

Koningstein: dismantling instead of demolishing



- Koningstein is a former local government building (offices) of the City of Haarlem.
- The building dates from 1967, asbestos has been found and the building stands in a built environment.
- After a tender, the company was selected for the dismantling of the building because of its circular approach:
 - During the demolition, a recycling container was lifted up by an aerial platform in order to clear the floors of materials in the most efficient way.
 - All eligible useful parts of the building have been removed and reused, such as doors, window frames, kitchens or installations.
 - Some parts of the demolition received extra attention.

Examples City of Haarlem:

*Free energy scan for companies
in the Waarderpolder*



Innovative solutions for challenges of the City of Haarlem!

- Energy scan worth €375 for free. With this scan, entrepreneurs gain insight into opportunities to save energy and money at their company.
- Implementation of savings measures, advice on sustainable investments, requesting and assessing quotations and the tax options and subsidies.
- Opportunities for energy saving and sustainable energy generation: **savings of 20% are realistic!**

Examples City of Haarlem:

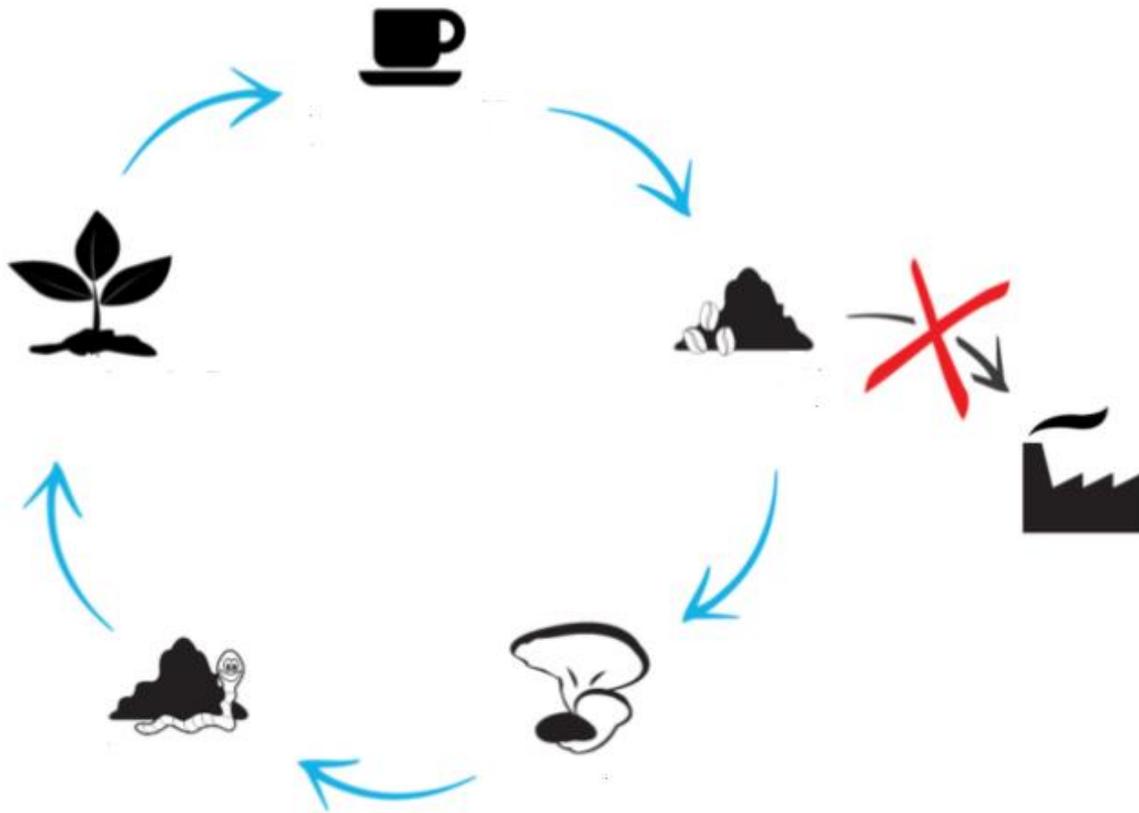
DeZonnet



Innovative heating system in the neighbourhood through ecosystem collaboration between citizens, municipality, university, market parties.

Example City of Haarlem: closing loop with coffee

Circularity through collaboration!



Advantages:

- Waste reduction
- Local Food Production
- Short food chains
- Reduce CO2 emissions and energy consumption
- Protein transition (meat replacement)
- Deployment of people with a distance to the labor market / participation (Social Return)
- Soil improvement



Example City of Haarlem: closing loop with coffee Circularity through collaboration! Innovation Hub.



From shoes waste to new products:

- Waste reduction
- New jobs
- Reduce CO2 emissions
- Re-use and re-design



Example City of Haarlem: closing loop with coffee Circularity through collaboration! Innovation Hub.

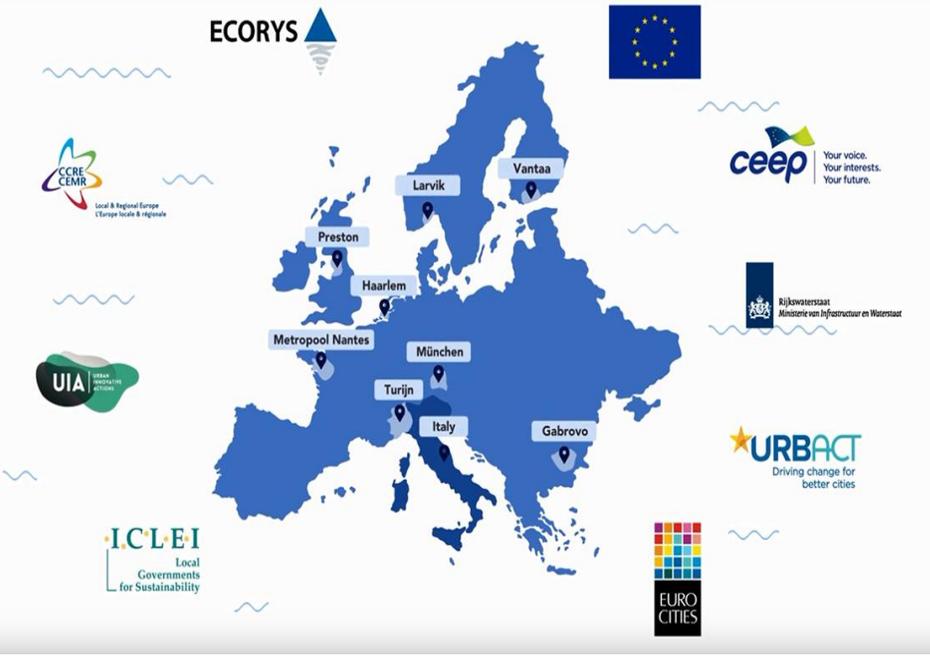


Old waste containers to flower box for the city:

- Re-use of material
- Reduce waste
- Create new jobs
- Reduce CO2 emissions
- Re-design



Members of the Partnership on Innovative and Responsible Public Procurement



↑ was is now →



Collaboration in EU Partnership



Driving innovation and sustainability
economic | environmental | social

Free to use E-learning module and Online Course

E-Learning Innovative and Responsible Public Procurement



Link to the E-Learning module:
[Urban Agenda - Public Procurement \(maester.com\)](https://maester.com/urban-agenda-public-procurement)

Free online Course on Strategic Procurement



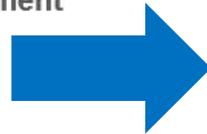
Free Course on Strategic Procurement: [Procurement | URBACT](https://procurement-urbact.eu/)

Would you like receive a newsletter on Strategic Procurement (5 times a year)? Register here: [Procurement sign up form \(sibforms.com\)](https://sibforms.com/procurement-sign-up-form)

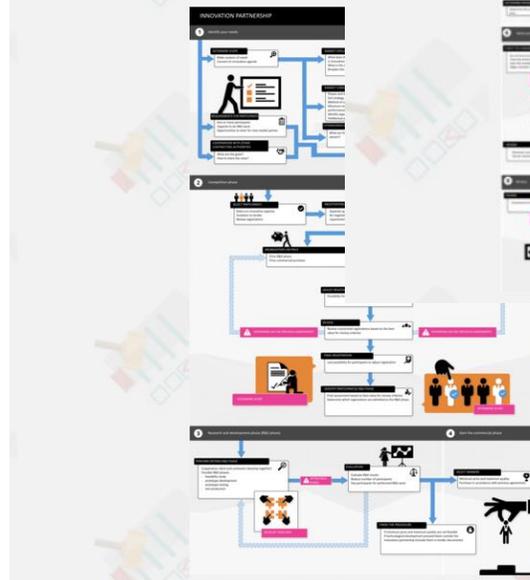
Free to use E-learning module: Legal framework of Innovative Procurement

Link to the E-Learning module:
[Urban Agenda - Public Procurement \(maester.com\)](https://maester.com/urban-agenda-public-procurement)

E-Learning Innovative and Responsible Public Procurement



2.2 Innovation Partnership



1.2 Infographic: Competitive dialogue procedure





Thank you for your attention!

Any questions?

