



Procurement of vehicles

Älmhult municipality

- Lower carbon foot print
- Reduced CO₂-emissions
- Higher demand for renewable fuel

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Standard product /
conventional tender

- Fossil fuel vehicles
- Replacement of older
renewable fuel
vehicles

GPP (PRIMES) tender

- More efficient cars
- Vehicles with lower
CO₂-emissions
- Renewable fuel
vehicles

Results

- CO₂-savings
- Higher demand for RES
- Less use of energy

Introduction to case

1.1 PITCH-TALK – SUMMARY

In this case, older cars are replaced by a modern car pool, which is fulfilling the latest environmental requirements. Älmhult municipality has an environmental strategy and SEAP for sustainable development in a realistic pace. The vehicles are an important part of reducing the CO₂-emissions. For several years, older fossil fueled cars have been replaced with newer and more efficient cars. In the beginning, some new cars, fueled by ethanol, were purchased. After a period of time, the municipality switched to biogas driven vehicles. At the same time, IKEA was involved in the project, and a local tank station for biogas was established.

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1.2 CASE CONTENT AND ISSUE

- In Älmhult, a political decision (by the [municipal executive board](#) to adopt the energy and climate strategy 2011-2020) dictate that biogas and electricity should fuel all municipality owned vehicles. To achieve this objective, the municipality decided to procure a car pool, which is to be used by the internal staff during daytime and by the public in the evenings and weekends.
- The supplier of the car pool is responsible for matching the number of cars to the day-to-day demand, using data from the booking system. The supplier will also update the fleet with new environmental friendly cars, when they become available on the market.

1.3 SOLUTIONS APPLIED

Calculations of the costs of the existing car fleet were made to compare with the costs of the cars, which should replace them. There were difficulties due to lack of information of how much time the staff used to spend on service, carwash etc.

Tender features

- Subject matter: Environmental friendly car pool open for public in evenings and weekends
- Value of the contract: N/A (estimation value of 5 cars, 100 000 EUR)
- Type of procedure: Open
- Type of contract: Service contract, cars in car pool with price for time and km (including all other car costs and a functioning booking system).
- Nature of contract: Direct contract direct or framework?
- Division in lots: No
- Other features
 - The contract time is 2 years with an opportunity to prolong with 1+1 year.
 - The tender include delivery and operation of the car pool and the associated booking system
 - The supplier will guarantee that there are vehicles available if the booking is made before 13:00. the day before.
 - The supplier is responsible for matching the number of cars in the car pool, to the demand. The amount can be changed after consultation with the municipality
 - If necessary the municipality can book a car in another city to the same price
 - New cars will fulfill the requirements in the latest definition for environmental cars



Procurement objectives

- Reasons for the public procurer to go for GPP:
 - Älmhult follow national, regional, local climate targets
 - The procurement is in the frame of the SEAPs – part of Covenant of Mayors' obligations
 - There are ambitions to reduce CO₂, save energy and costs
 - Any other objective than energy efficiency/reducing CO₂? – There is an aim to increase the share of cars with lower environmental impact and also adjust the amount of vehicles to the actual needs
- Innovative about this GPP example:
 - It may be innovative to have a car pool that can be adjusted to the number of vehicles needed instead of just leasing cars. It might also be innovative to have a car pool that also can be used by the public outside the normal working day.

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Procurement approach

- The supplier will have to verify that the latest national environmental definition is fulfilled for the cars in the tender.
- Was any previous market consultations done? The market was analyzed to see if there were established suppliers on the market.

Criteria development

- The criteria were developed internally but with inspiration from other good practice examples as well as dialogue and exchange of experiences with the regional network of procurers and other actors such as Energy Agency for Southeast Sweden and County Administrative Board of Kronoberg.

Since there is one supplier of vehicles to the car pool there is a requirement to fulfil the definition of an 'environmental car' (according to the official Swedish governmental definition from 2016), also if there are changes in the definition when new cars are put into the car pool.

Results

The results of the procurement are

- Reduction of CO₂-emissions
 - More fuel efficient cars
- The reduction of CO₂-emissions is calculated from a comparison between the fuel consumption and emissions of five old and five new cars, with consideration to estimated yearly driving distances of 15000 km per year.

	CO ₂ e emissions	Energy consumption
Low Carbon Solution	3154 kg CO₂/year	N/A
Last Tender/or „worst case“	6087 kg CO₂/year	N/A
Total savings	2933 kg CO₂/year	N/A



For the whole contract time of 24, and the maximum prolongation to 48 months, the total savings of 5867 up to 11733 kg CO₂.

Lessons learned

- The competition was limited, one reason could be that the electrical cars was limited to hybrids (political decision).
- It was difficult to find the real costs of the existing cars to have something realistic to compare to the new in the car pool. There were difficulties due to lack of information of how much time the staff used to spend on service, carwash etc.
- This contract is more expensive for a short trip that takes a lot of time compared to previous contracts for renting cars where they have only payed per distance
- So far the municipality is very satisfied with the car pool and the the connected booking system.

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About PRIMES



Across six countries in Europe; Denmark, Sweden, Latvia, Croatia, France and Italy, PRIMES project seeks to help municipalities overcome barriers in GPP processes, many of which lack capacity and knowledge.

PRIMES aims to develop basic skills and provide hands-on support for public purchasing organisations in order to overcome barriers and implement Green Public Purchasing. This will consequently result in energy savings and CO₂ reductions.– www.primes-eu.net

About GPP 2020



GPP 2020 aims to mainstream low-carbon procurement across Europe in support of the EU's goals to achieve a 20% reduction in greenhouse gas emissions, a 20% increase in the share of renewable energy and a 20% increase in energy efficiency by 2020.

To this end, GPP 2020 will implement more than 100 low-carbon tenders, which will directly result in substantial CO₂ savings. Moreover, GPP 2020 is running a capacity building programme that includes trainings and exchange. – www.gpp2020.eu



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