



**Procurement in Municipalities
Focusing on Energy Efficient Solutions**

**D5.3.1:
Successes and failures of each task force intervention**

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Introduction

The overall scope of the PRIMES project is to develop basic skills and provide hands-on support for public purchasing organisations to overcome barriers and implement Green Public Purchasing (GPP) with focus on the municipal sector. This is supplemented with initiating and supporting specific GPP procurements within selected product groups.

PRIMES Task Forces (TF) operate in the countries/regions: Denmark/Zealand, Latvia, Northern Croatia, France/Rhône-Alpes, South East of Sweden and Italy/Liguria to fulfil such objectives. A key project goal is to generate a total of 114 specific GPP interventions in these target regions along with capacity building of local authorities and related stakeholders.

The present project deliverable D5.3.1 draws up the successes and failures of the interventions that the Task Forces have experienced since the project start in November 2013 until September 2015.

Main findings of the Task Forces

Task force Denmark/Zealand



- Overall: A success factor across the interventions is that the TF has supported a holistic planning which has helped to make the procurements more sustainable and put them in a broader city perspective (incl. linkage to Covenant of Mayors) than would otherwise have happened
- Public lighting: In cooperation with the innovative DOLL Centre the TF has helped to build capacities integrating both sustainable energy practice and user comfort in the design of projects, recognizing that using LED is yet a relatively new technology
- Building retrofit: In relation to four ongoing interventions the TF has convinced city administrators and some local citizens about the benefits of converting the heating system to a collective heating system based on renewable energy instead of a conventional fossil fuel based solution. In one of the cases the TF helped to bundle energy savings measures so these were not limited to low hanging fruits.
- Sustainable transport: TF has put lots of efforts into one ongoing intervention comprising the purchase of electric vehicles (EV) into the municipal fleet of Holbæk Municipality, Ringsted Municipality and Region Zealand linking up to a regional tender cooperation. However, it is yet a challenge to gain the necessary political commitment to ensure a broad implementation in the organisations, mainly due to barriers in terms of making EV competitive with regard to economy and operation.

- White goods:
In this ongoing intervention the TF has had success in pointing out potentials of renewing the existing procurement framework for white goods, as this product category is under rapid development regarding energy labelling and performance. Furthermore the aim is to implement TCO considerations in the framework in order to ensure that the products to be chosen are the best available through the whole lifetime.
- General products and Health Care Equipment:
In these upcoming interventions the TF has so far been able to put GPP on the procurement agenda in the regional authority, but is yet struggling to break through at a higher administrative level in order to turn the assistance into a specific tender process.

Task force Latvia



- Overall the biggest success has concerned two procurements in Carnikava and Liepaja municipalities, which have decided to make deep renovation in municipal buildings and make it not as standard procurement, but as green public procurement.
- A promising upcoming intervention relates to new low floor tram procurement in the municipality of Daugavpils. It is scheduled to be an ambitious procurement requiring compliance with EU procurement rules and high investments. The TF team coordinates this effort with its twinning partner Ministry of Environmental Protection and Regional development (MoEPRD).
- Of failures are reported two procurements for the same municipality, which unfortunately finished without any result. It appears as if lack of qualified criteria (too much criteria was inserted) led to a situation where the suppliers were not able to offer a price affordable for the municipality.
- Another obstacle is that the five municipalities that agreed to undertake GPP activity as part of PRIMES (signed Memorandum of Understanding) are reluctant to act on GPP implementation. To change the attitude MoEPRD has sent out Letters as reminders to all 5 pilot-municipalities highlighting their commitment, including the approved National GPP promotion plan 2015-2017.

Task force Northern Croatia



- **Overall:** Services that have been mostly appreciated by the municipalities are: trainings, individual meetings and support for municipalities, preparation of technical specifications, active advice during entire procurement process, informative support on co-financing opportunities in GPP and support in applying for co-financing. Raising awareness, capacity building and making municipalities interested in GPP is basic and most important success.
- **Green electricity:** The TF has succeeded in helping to put in place the first joint procurement of electricity for City of Koprivnica in year 2014, covering public lighting and six public institutions. As procurement process was done without any supplier's complaint and the TF intervention was evaluated as very successful. In 2015 the City decided to proceed with procurement of green energy for municipality building, street lighting and nine public institutions (instead of 6). A failure of that intervention was it did not take action early enough to prepare yearly procurement plan to purchase electricity for two years period.
- **Solar thermal systems:** The TF team convinced decision makers in City of Koprivnica (as procurer for public institutions kindergarten and centre for rehabilitation) and the public hospital about the benefits of procurement and implementation of solar thermal system. This led to procurements of three solar thermal systems, where the TF assisted on gaining finance and to prepare tender and technical specification. All steps from suggestion of solar thermal system as a subject of procurement to signing a contract with supplier were successful.
- **Windows replacement:** Replacement of windows with more efficient ones was done for a public hospital and a primary school. TF has encouraged and supported decision makers and procurement staff for windows replacement as well as helping to prepare tender and technical specification. An extra successful element of the intervention was preparation of application for co-financing for hospital which was approved by Environmental protection and energy efficiency Fund. Only what can be mentioned as failure is lack of money for windows replacement in whole building (for both beneficiaries).
- **IT equipment:** Success of TF intervention concerns implementation of eco label into the procurement specification. Aiming to buy energy efficient equipment, municipality has inserted Energy Star as selection criteria. After procurement was done supplier has delivered 1 printer, 16 notebooks, 1 desktop computer and 2 photocopiers with Energy Star eco label. The example shows that the Croatian market is able to procure energy efficient IT products.

- Recycled paper: Through TF intervention technical specification was successfully prepared. 100% recycled paper according to the criteria of the Blue Angel RAL-UZ-14 or equivalent was purchased for public institutions in City of Koprivnica. Procurer was also interested in purchase of coloured recycled paper (as a result of TF interventions in general and high awareness on GPP), but suppliers are not still ready to meet such a requirement.

Task force France/Rhône-Alpes



- Overall: The TF has succeeded in engaging the relevant stakeholders in the Rhône-Alpes region. A key success factor is to obtain at least a principle agreement by elected or management in order to ensure commitment of the technical staff. Moreover, the intervention is to happen early enough so that the GPP proposals can be well integrated. Part of that is to explain the concept of overall cost, incl. taking into account the costs beyond the price alone (running cost, maintenance cost and possibly cost of deconstruction).
- Services that have been mostly appreciated by the partners are: trainings of course (see assessment sheets), but mostly supports to the partners about their real projects (how to manage it internal, preparation of technical specifications or award criteria, concrete support during the procurement process itself,...). One of the main results of trainings is surely increasing awareness about GPP and in this way preparing next procurements.
- Building construction/retrofit: The task force has been working on a school, a social house, a college and two high schools in retrofitting or construction. Among the challenges is to identify project at an appropriate stage (not too late) and to make the TF assistance accepted among the staff involved and to incorporate the GPP suggestions in the financial framework. Another challenge is that these projects are rather complex by incorporating numerous subparts. TF has supported decision makers and procurement staff for outdoor windows and doors replacement, insulation or lighting as well as helping them to prepare tender, writing technical specification or award criteria.
- Vehicles: Opposite to buildings the vehicles procurement only concern one type of procurement and therefore are more manageable. The TF has been involved in three vehicles procurements (electric vehicles and cleaner vehicles), mainly by provision of assistance on emissions standards, noises or recycling.
- Green gas and electricity: The TF faced many barriers in the form of people, not least from the policy level of the municipalities, who were sceptical by biogas,

including how to handle the procurement and end up with a tender to an acceptable price. By answering all the questions and support the projects step by step TF finally succeeded in generating a joint procurement in Bourg en Bresse with a share of 3 % biogas, a very first example of a green gas tender in France thanks to PRIMES. One of the main success factors during TF interventions about energy procurement was also to bring all the municipalities and generally speaking public bodies together around a table to discuss their needs and their problems and to raise their awareness about GPP in preparation to their next procurement.

- Wood chips: In this intervention the TF has had success in pointing out potentials of this procurement so that the city of Aix les Bains in charge of it really want to incorporate the TF's input earlier for the next procurement, for instance in order to insert new environmental specifications more widely.

Task force South East Sweden



- Overall: The successes are information, new knowledge that has been given when the TF invited other public procurers to share experiences and tips from their projects. The web meeting was a successful way to carry out TF interaction, and the fact that the public procurers could discuss with each other and inform about upcoming and ongoing projects were really appreciated. Among specific failures and successes can be mentioned:
- Failures: Borgholm procured a transportation service, transport of food. The first round had higher requirements, tougher criteria's which led to only one tender to a high cost. The procurement was withdrawn, the standard of the requirements and criteria's were lowered, enabling that enough tenders were handed in.
- Failures: The TF supported Växjö municipality to procure transportation of food within a co-distribution of goods system. This system reduces the amount of transportation radically, it opens the possibility to put higher requirements on the trucks and it also creates a more secure environment at e.g. school yards since you can control when the deliveries will come. Unfortunately the lead partner stated that this kind of transportation service could not be included.
- Failures: The TF has followed a procurement for PV-panels that Kalmar municipality has made that is open for other municipalities to suborder from. Unfortunately, the lead partner stated that this kind of products could not be included.
- Success: Region Blekinge divided their vehicle procurement in smaller parts which led to the possibility to specify criteria's for each and every car category.
- Success: The joint procurement for green electricity was a god way of sharing knowledge and expertise within a specific procurement, and the joint effort created a better tender document.

Task force Italy/Liguria



- **Successes:** A main success factor during TF interventions in Municipalities was the possibility to bring all the municipalities together around a table to discuss their needs and their problems. This highlighted that municipalities have many projects for energy saving included in their SEAPs, but lack the skills and the time to implement them.

During these tables Majors had the possibility to learn from other Majors facing similar type of needs and exchange appropriate solutions. In this way municipalities became more confident in GPP and decided to invest time to examine in depth some specific issues. Another success factor was the possibility to give a technical support to municipality that are almost all very small with a part time technical staff.

- **Failures:** Despite the big efforts of the task force and the interest of the Municipalities, some interventions have faced problems and their finalizations have been slowed down. The main reasons are the lack of money, the modification of the municipalities' main objectives and lack of personnel. A main need of the municipalities is to find money rather than motivation for GPP.