Green public procurement in Norway
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In august 2013 the experts from the Latvian Training Centre for Local municipalities, Professor Martin Gedrovičs from Riga Technical University, and Jana Simanovska, free-lance consultant, representing society Competence Centre of Ecodesign, visited municipality of Drummen to learn about organisation of green procurement in Norway. The visit took place in scope of the project "Integrating Principles Of Green Public Procurement In The Material And Energy Choices By Using Problem Based Learning" funded by the Nordplus Adult programm via Nordic Council of Ministers. We met representatives of BTV Innkjøp Ole Henrik Fjeld and Espen Hansen Aspas, as well as Cornelius Brockhus, responsible for the procurement of Notodden municipality. BTV Innkjøp is a voluntary association among Buskerud, Telemark and Vestfold county governments in order to organise joint purchases. In the exchange visits also took part the professor Conrad Luttrop from the Swedish Royal Institute of Technology.

The organization of green procurement in Norway
Norway is one of the leading countries in Europe regarding implementation of the green public procurement, in 2009 ca. 70 % of public procurement tenders included environmental requirements. Since the restoration of independence at the beginning of the last century, the Norwegian state and local authorities have recognised importance of public purchases for national economy and therefore focussed attention to promote national choices: public procurement takes about 15% of the gross national product. Nevertheless public procurement in Norway is decentralized. The managing authority - Public Management and eGovernment Agency or abbreviated DIFI (http://anskaffelser.no) – is responsible for procurement policy. DIFI elaborates methodology and guidelines, as well as provides training and advice to procurement specialists. DIFI is responsible for implementation of National action plan for environmentally and socially respnsible procurement, which was adopted in 2007.

Cooperation among municipalities in the procurement
BTV Innkjøp is a voluntary association of municipalities in charge to organize purchases exceeding 100 000 Norwegian kroner (9 000 Ls) and serves three counties - Buskerud, Telemark and Vestfold including more than thirty municipalities. Currently BTV Innkjøp manages 117 framework agreements or so called "umbrella" contracts for a total sum of 660 million kronor (60 million Ls). The representative of BTV Innkjøp Espen Hansen Aspas stresses that their task is to make the best use of taxpayer money and comply with procurement laws. BTV Innkjøp employs 11 people, mainly procurement professionals and lawyers. During elaboration of a new tender, BTV Innkjøp always sets up an advisory group, inviting three to fifteen experts: potential users e.g. recipients of foreseen goods to be tendered, their manufacturers and suppliers. With such approach BTV Innkjøp aims to develop technical specifications and other documents of tender which corresponds to the needs of users and takes in to account “state of the art” on the market e.g. technical capabilities of manufacturers and suppliers of, and of course, for the best price. Documentation is developed by the BTV Innkjøp team and consulted by the advisory group, which meets three to five times. For any tender a market analysis has to be carried out.
Therefore, since the 2010 before the tender announcement BTV Innkjøp calls up for a "market conference among potential suppliers to identify the latest trends and innovations in the field of the intended procurement, including environmental innovations. Suppliers are attending these conferences because it also helps them to prepare a better proposal. Also if tender is above a certain amount an electronic announcement of intended tender is required by law in order to ensure the best transparency and possibility for any interested party to be involved. Therefore a preparation of contract usually requires six months.

Each county tenders also smaller purchases. Also in that case the persons responsible for purchases in counties may turn for an advice to both: BTV Innkjøp and DIFI.

BTV Innkjøp not only arranges tenders, but also monitors if the actual supply complies with the contract. Quality control of actual supply is vital to maintain the good image of the municipality because it reduces attempts of suppliers "to escape" from the strict requirements of the contracts. For all recipients of goods or services the contracts are electronically available, and BTV Innkjøp encourages always compare the real supply with the conditions of contract. Recipient of goods reports to BTV Innkjøp any inconsistencies or ambiguities via electronic contract system. By receiving such notice the BTV Innkjøp examines the report and determines further actions, such as a meeting with the supplier to resolve the inconsistencies, or also penalties according to the conditions of contract can be applied. The experts who followed the performance of the contracts are also involved in the preparation of the new tender in order to take into account the experience and avoid the problems experienced. The observed discrepancies and complaints are documented to use this experience in future procurements. Also, those recipients of goods and services who often complained and reported are invited to the advisory group on the next purchase requirement to improve it.

Procurement association BTV Innkjøp is financed by fees of the served counties, as well as from participation in individual projects. The annual costs of operation of the association are about 4.4 million kroons (0.4 million), which is less than 1 % of the total sum of the current supply contracts tendered by BTV Innkjøp.

**Environmental requirements in public procurement**

The green public procurement means such procurement that takes account environmental requirements at all stages of procurement, thereby promoting environmental technologies and environmentally sound product development. Green procurement also means that the buyer takes into account the impact of a product or service on the environment throughout the whole life cycle from raw material extraction, production, delivery and use of goods, and waste phase.

Since 2001 the Norwegian Public Procurement Act requires that the state, counties and local authorities in the planning of any purchase shall consider its impact on the environment and resources. Also, the life-cycle costs and universal design shall be considered. Since 2010th the Public Administration and eGovernment Agency (DIFI) has launched an environmental hub project that unites a number of municipalities in all Norwegian counties and provides the necessary information and knowledge needed to integrate the environmental requirements into public procurement.
The law requires that any procurement takes into account the impact on the environment, but not in all cases the environmental criteria and included in the tender specifications: the environmental requirements can be included also in other stages of the procurement process. There are four options used by BTV Innkjøp for integration of environmental requirements into procurement: during the tendering process, and later, in the terms of the contract and during implementation:

1. By requiring certain qualification of the supplier (e.g. compliance with a standards of environmental management systems)
2. Environmental requirements are included in selection criteria (often they are formulated in the form of the question – e.g. "How will you ensure that the food supply included at least 10 % organic products")
3. Environmental requirements are included in conditions of the contract, for example, the supplier shall contract the waste collection company to deliver used packaging.
4. Framework agreement during the contract period can promote the environmentally sound choices, for example, in the supply catalogues “green” products are specially marked. Often, the supplier can be asked to leave in selected categories only eco-labeled products. Also, the BTV Innkjøp is following the actual supply and regularly praises the “greenest” recipients.

Cornelius Brockhus estimated that in most (80 %) of procurement tenders 40% of the weight is given to price, but 60 % - quality requirements.

In order to set up environmental criteria the BTV Innkjøp uses the criteria of the EC green procurement (criteria: http://ec.europa.eu/environment/gpp/gpp_criteria_en.htm), as well as guidelines from Public Administration and eGovernment agencies (DIFI) and other sources. In the products groups where it is available the BTV Innkjøp uses known eco-labels as the green choice e.g. the Nordic Swan, the EU flower, Debio - Norwegian national scheme, the FairTrade mark and others. A controversial question is regarding use of the self-declarations by the companies for the conformity assessment, because the local professionals often lack the knowledge to evaluate the importance of the criteria and selected methods of verification. Conrad Luttrop, the professor of Swedish Royal Institute of Technology professor, also pointed out that often for highly innovative products eco-labels and relevant criteria have not yet been developed, although these products may be significantly beneficial for the environment. While the eco-label mark may be safe choice, however it would not be appropriate to reduce whole green procurement to eco-labels only, thereby precluding innovative solutions.

It is more difficult to identify specific environmental criteria for the procurement of services, although certain types of services also can have an environmental label. With regard to service providers, often only the competence and qualification is assessed.

Although BTV Innkjøp is responsible only for the major framework agreements e.g. so called "umbrella " contracts but smaller purchases municipalities are tendering themselves, BTV Innkjøp considers that it is their mission to educate procurement specialists of both: local municipalities and independent institutions for green choices. Espen Hansen Aspas stresses "it is essential to build a network of green -minded professionals who could support each other thus preventing the burn-out". Over the
past 10-20 years, the level of environmental awareness in Norway has increased significantly. The officials are very interested in protecting the environment, because it is both: popular as well as the people have a high level of personal responsibility for the environment.

**Electronic procurement systems**

Currently, BTV Innkjøp only accepts electronic documents through e-procurement system. At the beginning during the transition time to an electronic system suppliers had “murmured” for the changes, but later, when they already get used to it, asked “why only now is it in place”? The electronic system is obviously more convenient and saves resources such as paper, postal costs, and also helps to keep the deadlines more accurately since system sends reminders. Use of electronic procurement system also reduces the possibility of errors by providing appropriate document templates. Later, when the contract is signed, the contracts are held in the electronic contract system, providing direct access of recipients of goods to the documentation of contracts and the requirements.

The appropriateness of the current system and regulatory requirements can be illustrated by the fact that very often even for the smaller purchases the procurers use the same standards that the law requires for larger purchases to ensure better use of resources and to avoid mistakes.

*Picture. Parking of city bicycles at Commune of Drammen. For a small fee every resident of the city can subscribe to use of bicycles in the city and after using return them back in the parking place*
Drammen municipality of Drammen promotes the use of cars with electric engines, offering their owners a free charge at the municipal building. Electricity in Norway is considered a green choice because there is a huge proportion of hydropower.

Representative of BTV Innkjøp Espen Hansen Aspas "Our task is to make the best use of our taxpayers money and comply with procurement laws."
Ole Henrik Fjeld (Head of BTV Innkjøp, from left), Cornelius Brockhus (responsible for the procurement of Notodden municipality, right), Conrad Luttrop (professor, Swedish Royal Institute of Technology): “Local governments should not reduce the green procurement on mere choice of eco-labels because it can exclude innovative solutions”

| Nordic Swan, ecolabel owned by Nordic Council of Ministers | European Eco-flower for industrial products and services, ecolabel owned by European Commission | European Eco-leaf for products of biological agriculture, ecolabel owned by European Commission | Debio – ecolabel of Norwegian national scheme | International label for Fair Trade |

*Picture: Labels used by BTV Innkjøp as criteria for green purchase*