

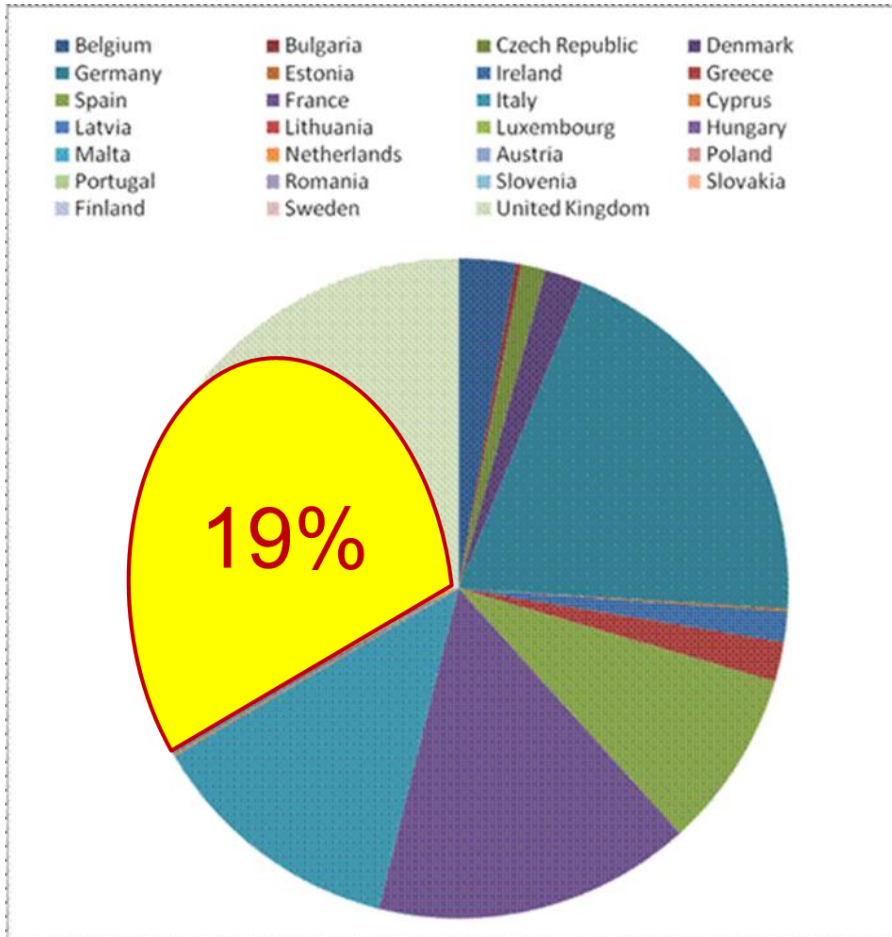
Flemish policy on sustainable public procurement – case city of Ghent

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Content of the presentation

- I. Context
- II. Target
- III. Actionplan(s)
- IV. Challenges
- V. A success story from Ghent

I. Context



With such significant market power, public authorities are not only able to achieve substantial environmental, social and financial improvements but are also able to exercise considerable influence in shifting the whole market towards the supply of more sustainable products and services”

I. Context



In times of crisis
no extra budget + cost savings

Is it possible to
increase sustainable policy
deliverables?

I. Context



I. Context

Government of Flanders:

- Exemplary role Government
- SPP and PPI as a policy instrument for:
 - Reach environmental and social goals
 - Stimulate innovation
 - The promotion of sustainable production and consumption
 - More value for money

II. Target

100% sustainable public procurement in 2020!

- A strong political signal
- Proceed in 4 consecutive action plans till 2020
(2009-2011, 2012-2014, 2015-2017, 2018-2020)

III. Actionplan on SPP

First (2009-2011) and second action Plan (2012-2014)

- ✓ Political target and support by the management.
- ✓ SPP Task Force
- ✓ Central support centre which provides legal and practical support
- ✓ Central support centre for local authorities
- ✓ Focus on framework contracts
- ✓ Objectives and actions for product groups
- ✓ Guidelines for social considerations + pilot projects
- ✓ Use of LCC
- ✓ SPP as lever for a sustainable materials management
- ✓ Promoting supply management and the reuse of materials
- ✓ Increased communication and awareness raising
- ✓ Monitoring

III. Actionplan on SPP

Objectives and actions for product groups

The following groups are covered:

- Office buildings
- Service vehicles
- Electricity
- Wood
- Paper
- Cleaning products and services
- Office equipment
- Printing
- Hardware
- Furniture
- Food and Catering services
- Textiles
- Gardening services
- Street lighting and traffic signals

III. Actionplan on SPP

New:

- ✓ Raise the maturity standard of the procurement organisation
- ✓ Strategic & sustainable procurement and PPI
 - Making procurement a strategic partner
 - Cost-efficient use of public money
 - Purchasing power as a leverage for sustainability and innovation

IV. Challenges

1. Professionalize the procurement function
2. Develop a SPP strategy and a strategic driven procurement process
3. Start category management & set priorities according to strategic impact
4. Rethink the procurement needs
5. Use TCO & LCC costing models
6. Circular procurement
7. Start with smart SPP pilots
8. Engage your customers & suppliers
9. Measure the impact
10. Train the procurement professionals



IV. Challenges

RETHINK THE PROCUREMENT NEEDS

- What do we really need to buy?
- Analyse the need of the internal customer:
 - Is this a procurement need?
 - Functional needs?
 - Strategic choices ?



IV. Challenges

RETHINK THE PROCUREMENT NEEDS

City Fleet Ghent

- 500 cars
- 80 vans
- 34 busses
- 55 bicycles



Ex. Internal client wants a car
Business as usual = need = car
Smart SPP= need = a mobility solution to get from A to B



IV. Challenges

RETHINK THE PROCUREMENT NEEDS

Facility Company – Government of Flanders

Cost savings - upgrading of existing office furniture



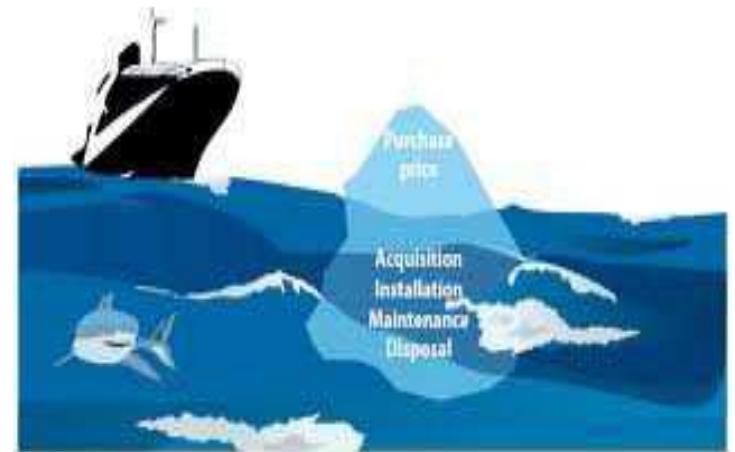
IV. Challenges

USE TCO & LCC COSTING MODELS

Price still plays an important role in public procurement decisions

- TCO or LCC can lead to important cost savings during the lifecycle of a product/service or construction project

TCO = The total cost of owning and operating an asset over its expected period of use, i.e., lifecycle cost.



IV. Challenges

CIRCULAR PROCUREMENT (Nederlands)

Total costs of disposal confidential documents: - € 1.000.000

Substance

- 100% clean white paper
- raw material for new white paper

Offer instead of demand

- our yearly 'production' of white paper is now sold
- guarantee of confidential disposal

Total income on disposal of white paper (same flow): + € 500.000

Earnings: + €
1.500.000

CIRCULAR PROCUREMENT (Netherlands)



Company clothing: destruction of uniforms

2013 - No more burning but fiberization

2014 - Find destination for fibers

2015 - Formulate demands based on destination



A SUCCESS STORY FROM GHENT



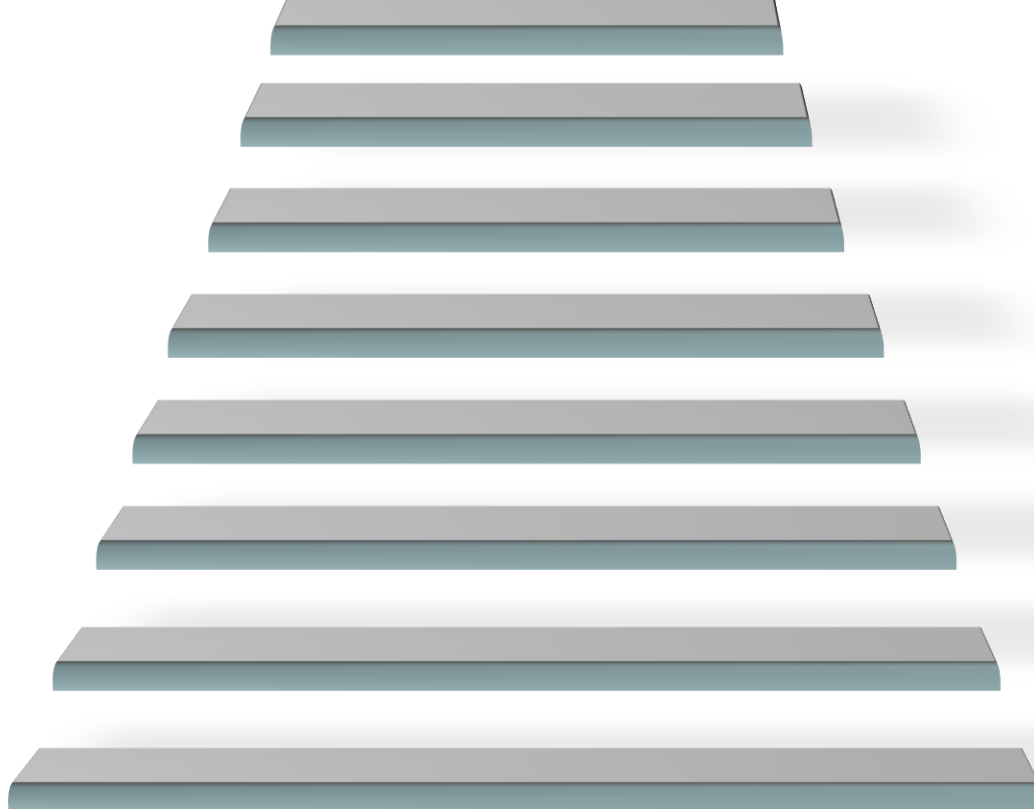
- I. *USE SPEND VOLUME STRATEGICALLY*
- II. *REDUCE TOTAL COST OVER THE LIFE CYCLE*
- III. *REDUCE COSTS of the PROCUREMENT PROCESS*



SUSTAINABLE PROCUREMENT STRATEGY – City of Ghent:

1. Minimizing the environmental footprint throughout the entire lifecycle
2. Encouraging sustainable employment of disadvantaged groups
3. Promoting sustainable innovations
4. Fostering local economic growth with special attention for start-ups and innovative companies
5. Integrating and assuring international labour standards and fair trade principles throughout the supply chain
6. Encouraging sustainable entrepreneurship amongst suppliers
7. Increasing the maturity of the procurement function and striving towards excellence in procurement

http://www.ecoprocura.eu/fileadmin/editor_files/images/Ghent_sustainable_procurement_strategy_and_innovation_charter.pdf



***You don't have to see the whole staircase,
just take the first step.***

Martin Luther King

Contact

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