

Implementing sustainable procurement

Lessons learned from evaluation of action plans Katja Kruit, Lonneke de Graaff





Committed to the Environment

CE Delft

- Independent research and consultancy since 1978
- Transportation, energy and resources
- Combining economics, technology and policy issues
- 60 employees, based in Delft, the Netherlands
- Not-for-profit



Clients

Industries (Small and medium size enterprises, transport, energy and trade associations)



Governments (European Commission, European Parliament, regional and local governments)



NGOs



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- RSP action plans
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RSP action plans

- Manifest MVI:
 - Dutch national agreement to take action on responsible and sustainable procurement (RSP)
 - Commitment to bring RSP up to speed in their organization and set up an action plan
- Manifesto signed by different public actors:
 - 6 ministries, 5 provinces, >80 municipalities, >20 water authorities, and 5 other organizations



Evaluation of action plans

- Assignment by Ministry of Infrastructure and Water Management
- Objective: Help organizations learn from each other in setting up or improving their Action Plan
- Approach
 - Study of 72 action plans
 - Online survey with 79 respondents
 - 12 telephone interviews

Large and small municipalities, provinces, ministries, water authorities, university, ...

This presentation: Lessons learned for **implementation** and **embedding** of sustainable procurement



Conclusions from the evaluation

- Start
 - Whom to involve and how?
- Focus
 - How do organizations determine the ambition (per purchase)?
- Embedding
 - How do organizations embed RSP into the procurement process?
- Continuation
 - How do organisations monitor their results and adjust their plan?





Start

Whom to involve?



- Stakeholder analysis, organisational structure & procurement process
- Commitment on executive level
- Not only the procurement department



Start

How to involve the organization?



"Focus on the people who are enthusiastic and start the process with them." (large municipality)

Budget holders / procurers

- Make contributor to (part of) action plan
- Jointly determine level of ambition
- Convincing: knowledge sessions; answer the "why"-question

Executive level

• Report results



Focus

Making ambitions specific per procurement

- Translation of ambition to specific procurement is not easy!
 - Quality (RSP) vs price
- Tools:
 - Tender calendar
 - RSP in early stage of procurement process
 - Instruments (NL):
 - <u>Ambitieweb;</u>
 - Omgevingswijzer;
 - MVO-risicochecker
 - Market consultation
 - Specific examples of tenders

Dialogue with the market

"A market consultation does not always need an extensive or formal process. After talking to a few important suppliers, you are often a lot wiser." (HVC)



Embedding

Embedding RSP in existing processes

Change management

For years, lowest price was the most important procurement requirement in Rotterdam due to the large cuts that were needed in all areas. Taking into account qualitative aspects in tenders isn't possible with merely process agreements. It is a form of **change management**. All employees now need to change their behavior."

(municipality of Rotterdam)

- Embedding in procurement process and -protocols
- RSP on the regular agenda
- Need to report RSP results to management and executives



Embedding

Awareness and responsibilities

- Awareness of employees
 - Internal communication is key!
- Define responsibilities at all levels
- Free up capacity and budget
 - "You can't just do SRP 'on the side'."

Continuation Monitoring, evaluating and updating

Annual update

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"We see that is necessary to **update the plan annually** because not everything is clear from the start. For example in the area of international social conditions: we didn't know well wat was possible and a lot has changed. (Province of Noord-Holland)

Updating and making adjustments

- Learning process



Key lessons

Start	 SRP and the action plan don't only belong to procurement. Budget holders have a deciding role. Start with who are already motivated
Focus	 Be ambitious enough, but don't make it too big. You still need to be able to make it specific.
Embedding	 Assign budget and capacity. Don't try to do RSP 'on the side'. Integrate SRP in existing processes and structures. Internal communication is essential.
Continuation	• Evaluate regularly (e.g. annually) and adjust plans/goals.
General	 Dare to ask: there is a lot of existing information. The process of making an action plan already leads to results.



Publication (Dutch)

• Publication:

Responsible and sustainble procurement action plans (CE Delft, 2018)

Download via:

https://www.cedelft.eu/en/publications/2 214/socially-responsible-procurementaction-plans-review-and-lessons-learned

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