

## Framework agreement for zero-emission vehicles

OSLO, NORWAY

### Procurement objectives

Oslo announced an open tender for a framework agreement at the end of 2012 for operational electric service vehicles (small and medium sized cars, medium sized vans and administration services for all our cars, including petrol/diesel cars) for all municipal activities. It also includes services for fleet management.

A framework agreement for Electric Vehicles (EVs) will help the City reach its goal of a fleet based on zero-emission technology by 2015. The Council's ambition is that Oslo will be a leading city in the world when it comes to adopting new environmentally friendly technologies that reduce greenhouse gas emissions and air pollution.

### Background

Leading by example is the overriding principle in Oslo's [Urban Ecology Programme](#), which has eight policy goals. One of these is to establish an eco-efficient transport system. In parallel, the City has six main climate strategies, one of which is the procurement of greener vehicles.

Oslo established a "zero-emission technology" policy for all vehicles utilised by the City by 2015. Electric vehicles (EVs) enjoy free passage and parking within the City's toll ring.



### Criteria used

#### Pre-procurement activities

Although EVs were not new to the municipality, a systematic pilot period took place in March and April 2011 to test the quality of the vehicles for everyday use in Oslo. Four EV's were tested during the period, whereby the vehicles were used 12-15 hours/day by a range of city staff. The City's goal is to be at the forefront of adopting zero-emission technology for its municipal fleet and the experience gained through the pilot project was important for switching to electric vehicles on a large scale. The pilot project was widely publicised in the [press](#). Results were exclusively positive and it was clearly communicated that EVs would be the direction that Oslo would take in the near future. The pilot phase was also an important part of the City's (marketing) strategy. It served both to communicate to the market what is to be expected in the upcoming tender, and also to prepare the City's employees for the next generation of service vehicles. Prior to the preparation of the framework agreement, the City's procurement department entered into dialogue with all its major suppliers, where, amongst other things, the City's zero-emission policy was communicated.

#### Framework agreement

The framework agreement has been made with a single supplier of cars, vans and car administration services. The company is able to supply any make or model from any manufacturer, thus ensuring that Oslo is not tied to a specific manufacturer, and may therefore choose the car that best suits the user's needs. This arrangement enables Oslo to easily switch brand and model in a market where many new models are expected in the next few years.

Under the framework agreement, most vehicles, especially small and medium sized cars, will be replaced with an electric alternative. Users will also be able to access the status of each car through a web tool in order to plan their activities and report on CO2 emissions (a requirement by the local administration). The latter allows staff to keep track of the following online: mileage, consumption (petrol/diesel) and invoices.

**Subject matter:** According to the City Council's decision, all municipal service vehicles are to use zero-emission technologies by 2015. This means that all service vehicles will be replaced by zero-emission models if the option is available to meet business needs.

**Technical specifications:** For fleet management tenders, the contractor must provide training on environmentally-friendly driving.

**Award criteria:** Contracts awarded within the framework contract will be based on the most economically advantageous tender. Vehicles running on different environment adapted fuels (e.g. biogas) are not covered by the framework agreement. That is, it is possible to purchase other types of zero emission based technology without compromising the current framework agreement on EVs.

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### Results

The feedback from the market has been very positive; it is important that the country's largest city goes ahead with a resolution of zero emissions. In practice, a zero-emissions policy means that Oslo will always purchase vehicles which have zero emissions, if possible – and this is not restricted to the current framework agreement.

Oslo is also taking a holistic approach to the larger scale introduction of EVs by also establishing 800 new charging points for public use and 800 charging points reserved for its own service vehicles. These are in addition to the approximately 500 charging points which exist in the city today.

### Environmental impacts

Road transport contributes to 55% of overall direct emissions and is thus the largest source for greenhouse gas emissions in Oslo.

All new cars purchased by the City of Oslo must fulfil stringent environmental requirements. In 2004 the city negotiated framework contracts with three car dealers to deliver vehicles with maximum emissions at least one-quarter lower than the average on the Norwegian market. This measure reduced CO<sub>2</sub> emissions by 690 tonnes over a three year period for a fleet of 600 cars. Stricter procurement criteria were introduced in 2008 with all new cars either being electric vehicles or emitting CO<sub>2</sub> emissions lower than 120g/km.

In terms of the energy source of the electricity used for EVs in Oslo, it all stems from renewable sources, the majority of which is hydropower.

### Lessons learned

- The pre-procurement activities undertaken by Oslo, including the EVs pilot phase proved useful for preparing a sound foundation for the launch of the framework agreement.
- Several cities in Norway have agreements for the purchase of electric vehicles. However, these do not include policies on zero-emissions for transport which has the advantage of having a larger and broader impact, that is, on the entire transport policy of a city.