Sustainable procurement of office supplies

In 2008, the City of Ghent put the Ghent 2020 action plan into place, setting the policy scene for concrete actions for a sustainable, inclusive and open society.

Ghent’s sustainable public procurement (SPP) strategy sets the priority on strategic purchasing and places an emphasis on achieving a sustainable return on investment. This focus is in line with the overall strategy of the organisation, with a focus placed on cost-efficiency and sustainability goals such as climate neutrality, sustainable mobility, energy efficiency, social economy, etc. The key objective is to make Ghent a strategically driven procurement organisation based on the principles of total life-cycle cost-efficiency and sustainable supply chain management by 2020.

Addressing supplies of paper and other office materials is one of the City’s recent SPP endeavours. Preparations for a new four year framework contract for paper and office supplies began in February 2013. Preparatory work involved extensive market research (of greener products) and a thorough internal needs analysis to ascertain the broader impacts of the contract on the local administration, and how these could be mitigated to ensure greater returns for the environment and the economy. Finding a new way to reduce CO₂ emissions from transport deliveries by clustering orders was one of the main issues addressed.

Through the new contract (starting end of January 2014), the City’s Purchasing Service acts as a central purchasing body for various municipal departments (human resources, environmental, for example) and for other entities, such as the fire brigade, police service, the public social welfare centre – all are able to order through the framework contract. The larger contract provides additional benefits, such as lower prices and enhanced sustainability aspects.

Criteria used

The tender was split into two Lots: paper and office supplies, so that companies specialised in environmentally friendly paper only could also participate. Bidders were asked to present their products in the form of a catalogue to facilitate ordering.

Sustainability criteria

Some of the green technical specifications included the following:

- Remanufactured toners and cartridges (from original once used cartridges).
- Paper: Preference for 100% post-consumer recycled paper. When not available for a given product, preference was given to a mixture of recycled paper and paper made from fibres from responsibly managed forests, demonstrated on the basis of the FSC, PEFC, or equivalent labels. Unbleached, totally chlorine-free (TCF) or elementary chlorine-free (ECF) paper was also required.
- Exclusion of polyvinyl chloride (PVC), for example, from self-adhesives and transparent folders. For such products it was required that these be produced from polypropylene (PP).
- Preference given to reusable or refillable products.
- Water based inks for markers, for example.

Award criteria

Paper:
Criteria were weighted as follows: Price 80%, quality 15%, and service 5%. Office supplies: Criteria were weighted as follows: Price 35%, quality 30%, sustainability 30% and service 5%.

With regards to paper, sustainability aspects were fully integrated into the technical requirements. The paper offered must be 100% sustainable and therefore additional points were not awarded for sustainability criteria. More points (in this case, 80%) were allocated to the criterion ‘price’. The paper Lot is however 100% sustainable.
In terms of office supplies, sustainability criteria were included in sourcing products where previous market research showed that a green product was in fact available. For all other supplies, preference for a sustainable product was given in the award phase. The office supplies Lot is estimated at being 85% sustainable.

**Sustainable ordering**

One of the most important focuses of the contract was on having CO\textsubscript{2} neutral supplies. The City of Ghent aims for CO\textsubscript{2} neutral transport where possible. For instance, CO\textsubscript{2} neutral transport of catering products (sustainable sandwiches). The market research analysis undertaken for paper and office supplies demonstrated that CO\textsubscript{2} neutral transport is currently not economically justified. The requirement of CO\textsubscript{2} neutral transport would have a disproportionate influence on the price of the products offered. For this reason, once the contract has been awarded, an improvement process will begin between Ghent and the selected supplier to 'green' transportation. Once the contract comes into force, the number of deliveries of office supplies will be reduced by 85%, by reducing ordering and thus delivery frequency from daily to twice a month, or monthly.

Bidders were obliged to provide discounts on price if deliveries were scheduled for once or twice a month instead of daily. On the other hand, an internal awareness programme has been set up to encourage and convince customers (that is, city employees) to reduce their ordering frequency.

**Development of criteria**

The sustainability criteria used by Ghent were developed based on previous consultation with a few sources of GPP criteria: EU GPP criteria for copying and graphic paper; GPP criteria provided through the Dutch Public Procurement Expertise Centre; and the Belgian guide for sustainable procurement. Sustainable contracts and tenders used by other governments, such as the Flemish Government were also consulted.

**Results**

The bidding process closed at the end of September 2013, the contract will be awarded at the end of November and will commence at the end of January 2014. The new contract includes the provision of more than 400 standard products and more than 1,500 additional items to 500 different delivery addresses, representing a yearly spend of €500,000 (excluding VAT). Five offers were submitted for the paper Lot, of which three came from specialised paper companies. Two offers were received for office supplies (the companies also bid for the paper Lot).

Realising CO\textsubscript{2} neutral supplies requires a change in attitudes from customers and users – that is, City employees - of paper and office supplies. This is a change process which will require communication, training and awareness raising actions (such as information on the City’s intranet site, training, etc.) to ensure longer term impacts.

The sustainability aspects of the procurement action had a positive effect on the tendering process. By claiming or preferring sustainable products and methods Ghent created awareness in paper and office supplies around these topics. All participating suppliers met the set requirements and were able to offer at least 90% of the products asked for. Most of the suppliers tried to convince Ghent of their sustainable methods, packaging, transport, products, etc. At times there were a lack of technical requirements specified and Ghent experienced some difficulties assessing the compliance of some products. For example, if the paper was from 100% post-consumer recycled fibres and not only 100% recycled. However, there were generally no problems in assessing the bids received.

As extra points were awarded for green products, good offers of “greener products” were provided. If greener products were more expensive than non-green products, companies were allowed to offer one variant per article. This enabled bidders to offer another, maybe cheaper, product. Separating paper supplies from office supplies resulted in improved prices for Ghent.
Environmental impacts

The most important environmental and social impacts relating to pulp and paper production for paper consumables are the following:

- Forest destruction and loss of biodiversity (e.g. illegal and sustainable logging of forests used to produce virgin paper fibres);
- Water and energy consumption during production (of recycled paper as well as paper produced from virgin fibres);
- Use of chemicals namely chlorine and chlorine substances;
- Optical brightening agents (for whiteness, brightness and shade); and
- Use of other chemical substances (e.g. colorants and dyes)

The most important environmental aspects related to printing consumables and other office stationery are waste from disposal (unless reprocessed or recycled), packaging (plastics), heavy metals (e.g. mercury, cadmium, lead, nickel) and hazardous substances used for the production of toner materials.

Lessons learned

- Reducing emissions through the reduction of delivery frequency.
- Communication towards the customers/employees is important (awareness raising).
- Support ‘from above’ is needed (SPP policy of the City of Ghent).
- Opening contracts up for other entities to participate (better prices, better conditions, etc.) – this is planned for all new contracts.
- Communication with your customers (in this case, City employees) is very important, as they must be convinced of the advantages of sustainable ordering.
- Setting up a start-up meeting with the selected supplier is strongly encouraged, followed by active management of the contract. Ghent will follow up on the latest market developments: products, transport methods, packaging methods, etc. Supplier compliance versus set requirements will be managed through Ghent’s supplier performance management system.
- The use of a central storage and delivery address from which Ghent could more easily influence and adjust the frequency and method of delivery within the city is under consideration for this contract.
- If Ghent’s procurement policy is coherently communicated towards suppliers, they can act as a ‘leading consumer’ and the market should follow.

For more information, please see European GPP criteria for Copying and Graphic Paper and the Technical Background Report. Contact details: Aline De Cokere, City of Ghent, email: Aline.DeCokere@gent.be.