

Procuring sustainable furniture in Denmark

National Procurement Ltd. (Denmark)

Background

Staten og Kommunernes Indkøbsservice (SKI) (in English - National Procurement Ltd.) is a central procurement organisation that brings together public purchasers and suppliers by establishing large framework contracts and which aims to promote efficient public purchasing in Denmark.

SKI is a public company owned by both the Danish national government and the National Association of Local Authorities in Denmark (KL). Their main aim is to develop better framework agreements and other tools that will improve public procurement among their customers, which include 11,500 institutions, ministries and public agencies across Denmark.¹

In 2013, the Danish government launched a [new joint strategy for smart public procurement](#), which focused on improving public procurement through efficiency, innovation, quality and sustainability. The sustainability aspects were approached by incorporating environmental and energy requirements in order to develop green solutions

The strategy, established by means of a [circular and guidelines on public procurement of sustainable timber](#) issued by the Environment Ministry, included purchasing verifiably sustainable timber for wood-based products, as well as for public construction works and state buildings. The guidelines apply to all ministries and state institutions.

Procurement objectives

In this context and with the goal of establishing a four-year framework contract between more than 60 municipalities and a supplier of sustainable office furniture, a tender was launched in 2012 by SKI, which included strict environmental and quality requirements.

Special attention was paid to the presentation of appropriate documentation for all environmental conditions of production and final products, in order to assure municipalities that the furniture purchased through the joint procurement met the environmental criteria required.

The selection of the supplier was made on the basis of the published criteria in the tender documents and the offers were not open for negotiation. The winning bidder became the exclusive supplier of the joint municipal procurement contract and developed new products that would meet the requirements.

Criteria used

Subject matter of the contract: Framework agreement for the procurement of sustainable furniture

Technical specifications: The following requirements were included to address environmental and occupational health issues:

- Absence of undesirable chemical substances as listed in the "[List of undesirable substances 2009](#)" from the Danish Environmental Protection Agency Furthermore. The products must be free of "Substances of Very High Concern", as defined by the [European Chemicals Agency](#).
- Fulfilment of certain environmental requirements covered by, among others, "[the Nordic \(Swan\)](#)" ecolabel:
 - » Overall requirements for chemicals, e.g. additives in the manufacturing and/or material;
 - » Surface treatment of wood, bamboo and willow, concerning biocides and environmentally harmful chemical



- products and additives;
- » Possibility of separation and recovery of metals. In this context, metals must not be coated with cadmium, nickel, zinc or their compounds. Chrome may only be included in certain products. Exceptionally, chromium, nickel and zinc can be applied to small parts, e.g. screws, bolts or mechanical parts if these parts are subject to great physical wear and tear;
- » Requirements for plastic and rubber, e.g. plastic types and labelling, additives used in plastics and rubber and surface treatments for plastic materials;
- » Fill materials - concerning chemical products and additives used in the production of upholstery, limited use of dyes and requirements for foam;
- » Requirements for textiles, skins and leather, e.g. prohibiting content of halogenated coatings and flame retardants; limiting use of dyes and auxiliary chemicals.

Furniture or furnishings labelled with the Swan ecolabel, or an equivalent means of proof, were accepted as a means for complying with the above requirements.

- Wood and wood-based materials used in goods and supplies must be made of legally harvested timber. Furthermore, at least 70% of the wood must be either recycled or verifiably sustainable timber products, according to the definition of the [Danish Nature Agency](#), which is defined as timber that is "either sustainable produced, recycled, or within specified rules and procedures (e.g. combined with legally harvested timber)".
- Ensure that generated odours do not cause discomfort for the user and meet the requirements of the [Danish Indoor Climate label](#), or equivalent.

Results

From five bidders, the contract was awarded to a single supplier in 2012 for a period of four years. Total expected turnover of this agreement is more than 200 million DKK (approximately 27 million euro) during the four-year agreement. Currently, 67 municipalities are using it and are purchasing mainly office chairs and office desks.

The framework agreement was concluded by SKI in collaboration with KL and has generated savings of up to 26%, compared to current market prices, for the municipalities using it.

Through the framework agreement, municipalities are ensured that the minimum requirements for environmental conditions are met. Furthermore, the supplier was made aware that evidence has to be presented before beginning to deliver on the contract. This avoids possible misunderstandings in the performance of the contract. For this particular framework agreement, some municipalities were involved in previously assessing the quality of the furniture and tests were conducted at the [Danish Technological Institute](#).

Furthermore, the winning supplier affirms that the dialogue with subcontractors in its supply chain has improved through the process of providing documentation for environmental performance.²

Environmental impacts

The main environmental impacts derived from the production of office furniture are the uncontrolled harvest of timber and the use of chemical products of concern, which have severe impacts on the environment and on the indoor climate of buildings/offices impacting on human health.

Design for disassembly has made it easier to recycle and exchange worn-out parts of the product, particularly for metal parts and electrical components, since the supplier can refurbish the materials and reuse them in other products. Metal parts that are worn out are re-melted and recycled and electrical parts are recycled according to the European WEEE regulations. Furthermore, on-site repair works have been procured in order to extend the lifetime of the furniture. A take-back system was not obliged by the contract, but it has been offered in some purchases by the supplier, which makes sure that old furniture is reused, disassembled and recycled, sold or donated.

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By encouraging the procurement of office furniture through this framework agreement, the supplier has developed new products that meet the requested requirements. The use of sustainably harvested and recycled timber, as well as other good practices described above, has been supported.

Lessons learned

One of the main lessons learned through this procurement was the need for closer communication with bidders during the tendering phase. Especially if strict environmental requirements or innovative approaches are requested, a closer follow-up of the problems that bidders usually have while preparing their tenders would have made the process less complicated.

Another lesson learned was the importance of conducting detailed documentation checks from bidders regarding their fulfilment of the tender requirements. This has now become common practice at SKI.

Contact person: Anne Dorthe Baunerhøj, SKI, email: adb@ski.dk

For related information, please see European GPP criteria for [Furniture](#) and the [Technical Background Report](#).

1. http://www.portal-vz.cz/getmedia/77ffba7e-a731-44fd-ac68-e4c94c806f03/1_GP1_Procurement_in_Denmark
2. <http://www.balticgpp.eu/sustainable-furniture>