



# MODULE 3: APPROACHES TO CLEAN VEHICLE PROCUREMENT





## **3.4: TENDERING FOR CLEAN VEHICLES:**

**SUBJECT MATTER OF THE CONTRACT**

**TECHNICAL SPECIFICATIONS**

**AWARD CRITERIA**

**OTHER PROCUREMENT APPROACHES**



## PROCUREMENT APPROACHES

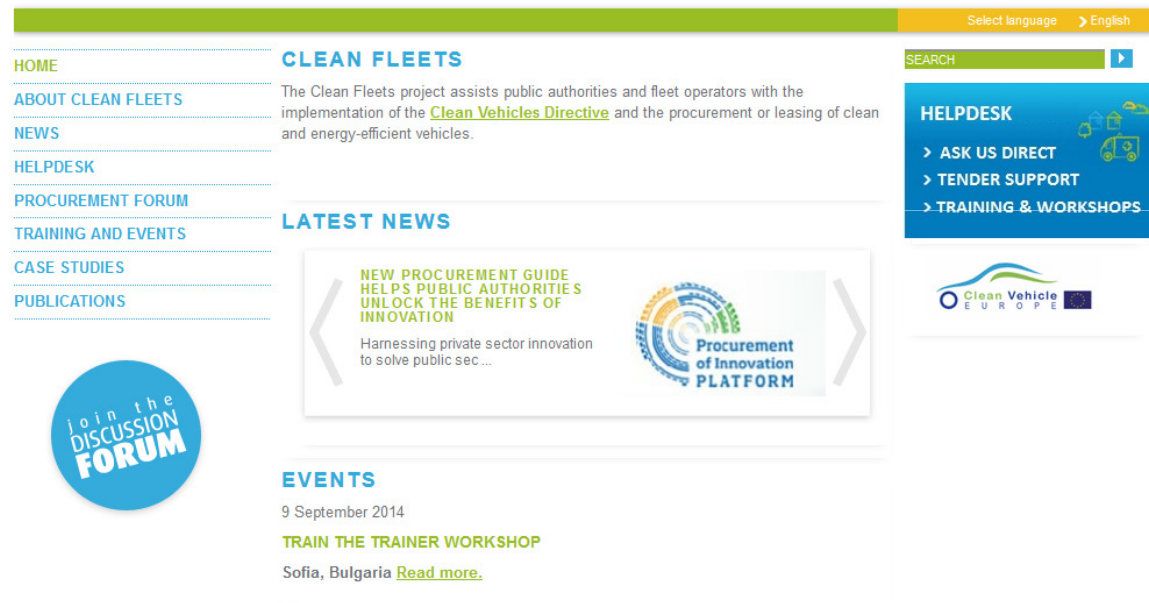
### Stages of the procurement process

- **Better together!**
- Subject matter of the contract
- Technical specifications
- Selection criteria
- Award criteria
- Contract performance clauses
- Other procurement approaches to encourage innovation and clean, energy efficient solutions.



## BETTER TOGETHER!

- Internal consultation
- Passengers
- Helpdesk
- Discussion forum

The screenshot shows the Clean Fleets website with a navigation menu on the left containing: HOME, ABOUT CLEAN FLEETS, NEWS, HELPDESK, PROCUREMENT FORUM, TRAINING AND EVENTS, CASE STUDIES, and PUBLICATIONS. The main content area features a 'CLEAN FLEETS' header, a description of the project, a 'LATEST NEWS' section with a featured article titled 'NEW PROCUREMENT GUIDE HELPS PUBLIC AUTHORITIES UNLOCK THE BENEFITS OF INNOVATION', and an 'EVENTS' section for a 'TRAIN THE TRAINER WORKSHOP' in Sofia, Bulgaria. A right-hand sidebar includes a search bar and a 'HELPDESK' section with links for 'ASK US DIRECT', 'TENDER SUPPORT', and 'TRAINING & WORKSHOPS'. A 'Clean Vehicle EUROPE' logo is also visible.





## PROCUREMENT APPROACHES

### Stages of the procurement process

- Better together!
- **Subject matter of the contract**
- Technical specifications
- Selection criteria
- Award criteria
- Contract performance clauses
- Other procurement approaches to encourage innovation and clean, energy efficient solutions.



## SUBJECT MATTER OF THE CONTRACT

**Examples:**  
Oslo, Norway



**GPP** In practice

### 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.





## PROCUREMENT APPROACHES

### Stages of the procurement process

- Better together!
- Subject matter of the contract
- **Technical specifications**
- Selection criteria
- Award criteria
- Contract performance clauses
- Other procurement approaches to encourage innovation and clean, energy efficient solutions.



## TECHNICAL SPECIFICATIONS

### Example:

Madrid's public  
transport operator

### CNG and Hybrid buses for Madrid



Image Empresa Municipal de Transporte de Madrid

Madrid's municipal transport company (EMT) currently operates a fleet of around 2000 buses. In response to emissions targets set by the City of Madrid, EMT carried out an open tender procedure for 165 buses stipulating that they must be; Compressed Natural Gas (CNG), CNG-hybrid or electric models

EMT applied the second of three methodologies available under the clean vehicles directive (2009/33/EC), using award criteria to give preference to clean, energy efficient vehicles. Points were given for low fuel consumption, emissions of HC, PM, CO and NOx, noise pollution, in addition to low environmental impact substances and

electronic components.

The company finally purchased 23 CNG-hybrid buses and 142 CNG buses, meaning it now runs one of Europe's largest CNG fleets. EMT advise fellow transport operators to stay abreast of the latest technologies and maintain regular contact with all relevant manufacturers in order to achieve the optimal solution, according to requirements.

Download the full case study [here](#).





## PROCUREMENT APPROACHES

### Stages of the procurement process

- Better together!
- Subject matter of the contract
- Technical specifications
- **Selection criteria**
- Award criteria
- Contract performance clauses
- Other procurement approaches to encourage innovation and clean, energy efficient solutions.



## PROCUREMENT APPROACHES

### Stages of the procurement process

- Better together!
- Subject matter of the contract
- Technical specifications
- Selection criteria
- **Award criteria**
- Contract performance clauses
- Other procurement approaches to encourage innovation and clean, energy efficient solutions.



## AWARD CRITERIA



### Example:

The City of Bremen

#### Monetising emissions for a lease contract in Bremen

Clean Fleets case study

- Low emission vehicles available for all city staff
- CO<sub>2</sub> emissions between 96 & 139 gCO<sub>2</sub>/km
- CVD operational lifetime cost methodology used to monetise emissions



Stadt Bremen

#### Contract tendered

- 2 year framework contract for the lease of approx. 80 vehicles for everyday use in Bremen
- Contract tendered in 2011

Source: [www.clean-fleets.eu](http://www.clean-fleets.eu)



## PROCUREMENT APPROACHES

### Stages of the procurement process

- Better together!
- Subject matter of the contract
- Technical specifications
- Selection criteria
- Award criteria
- **Contract performance clauses**
- Other procurement approaches to encourage innovation and clean, energy efficient solutions.



## PROCUREMENT APPROACHES

### Stages of the procurement process

- Better together!
- Subject matter of the contract
- Technical specifications
- Selection criteria
- Award criteria
- Contract performance clauses
- **Other procurement approaches** to encourage innovation and clean, energy efficient solutions.



## JOINT PROCUREMENT

### Definition:

- Combining the procurement actions of two or more contracting authorities into a single procurement.
  - E.g. one large contracting authority (a city) or central purchasing organisations **buying on behalf of** other organisations as well as themselves
  - E.g. a group of purchasing organisations **liaising** on the procurement process **to buy together**

🔍 European Commission GPP Toolkit: [Module 1](#)



## COOPERATION WITH OTHER BUYING ORGANISATIONS

### Principal advantages:

- Reducing high acquisition costs of vehicles
  - Streamlined administration
  - Bulk purchasing drives down costs
  
- Reducing risks associated with buying new fuel or technology types
  - Pooling expertise
  - Expanding the uptake helps to develop the market e.g. Fuel/spare parts more readily available



## COOPERATION WITH OTHER BUYING ORGANISATIONS

### Examples:

National Swedish  
procurement



### Joint Procurement of EVs and PHEVs in Sweden

Clean Fleets case study

- Buyers' group of 296 organisations
- Energy consumption < 0.37 kWh/km and emissions < 50g CO<sub>2</sub>/km
- 34 tonnes CO<sub>2</sub> saved in first 1.5 years (95% reduction)



**Contract tendered**

- Framework contract for passenger cars and transport vehicles (light duty vans)
- Led by the City of Stockholm and covering 296 organisations (260 public and 36 private bodies). Each organisation committed to a minimum number of purchases.
- 2-year contract with possible 2-year extension, starting Oct 2011
- Estimated purchase volume of 1,250 vehicles per year – 5,000 over 4 years
- The Swedish Energy Agency will fund up to €6,000 for the first 1000 vehicles procured

Source: [www.clean-fleets.eu](http://www.clean-fleets.eu)





## THE MESSAGE TO PROCURERS

A variety and combination of procurement approaches can be used to procure clean vehicles:

- Talk to the market and look at examples of what other authorities have procured – learn from others!
- Address sustainability from the very outset of the procurement, the subject matter is key
- Environmental considerations can also be taken into account at each subsequent stage of procurement