NATIONAL PUBLIC PROCUREMENT AGENCY, SLOVENIA

Procurement objectives

The Public Procurement Agency in Slovenia was established in 2010 and went into operation in January 2011. It is responsible for carrying out joint procurements for Slovenian public authorities for a number of product and service groups. As part of its mandate, the Agency implements GPP criteria in its procurement of electricity, paper, office IT equipment and vehicles.

This builds upon the work done by the Ministry of Public Administration to introduce GPP as part of central purchasing in Slovenia. The Agency currently purchases on behalf of about 130 authorities across the public sector.

Background

Slovenia's National Action Plan on GPP covers the period 2009-2012. It sets a target for 50% of all procurement by central government authorities in eight product groups to include GPP criteria by 2012. For electricity, the target is 100% green procurement, reflecting the availability of hydroelectric and biomass (wood) energy sources. The strategy also includes training on GPP, pilot projects and assisting public authorities in attaining third-party certified environmental management systems.

Criteria used

1. Subject matter of the contract:
Supply of electricity to public authorities for a period of 24 months.

Technical specifications:
At least 30% of the electricity supplied must be produced from renewable sources or cogeneration of heat and electricity with high efficiency (defined as "green electricity").

Award criteria:
Most economically advantageous tender in terms of:

* Price: 96.1 points
* Percentage of green electricity offered above minimum: 3.9 points (Each additional percentage of green electricity above the minimum 30% means 0,15 points)

Verification/Contract performance clauses:
For the purpose of evaluating compliance with the specifications and award criteria regarding the supply of green electricity, a declaration from the supplier is required. Guarantees of Origin will be required 12 months after the entry into force of the contract, to establish that the percentage of green electricity has been delivered.

2. Subject matter of the contract:

Technical specifications: (For all lots except cargo vans)
All vehicles must meet the EURO 5 emissions standard or equivalent. Maximum CO_2 emissions range from 115 g/km for small cars to 180 g/km for mini-buses.

Award criteria:
Most economically advantageous tender in terms of:

* Operational lifetime costs† - 81 points
* Service network – 5 points
* Safety and environmental equipment: 4 points
* Gear shift indicator: 1 point

* Warranty period: 4 points
* Delivery time: 3 points
* Tyre pressure monitor: 2 points

†Operational lifetime costs are calculated applying the following formula:

[Expected lifetime mileage (= 200 000 km) x [(Energy needed per km in MJ x price of Energy per MJ) + (emissions of CO_2 kg/km x 0,03 EUR/kg) + (emissions of NO2 g/km x 0,001 EUR/g) + (particulate matter g/km x 0,087 g/km)]

The energy content of fuels, in accordance with the Clean Vehicles Directive (2009/33/EC) were taken as 36 MJ/litre for diesel and 32 MJ/litre for petrol.

Results

Supply of electricity:
This tender was conducted on behalf of over 120 public authorities. The estimated annual consumption of electricity was about 35.500.000 kWh. All five bidders offered at least the required percentage of "green electricity", two of them offered 60% "green electricity" and one of these two was selected as the winning bidder.

Supply of vehicles:
Applying operational Life-Cycle Costing (LCC) as a part of award criteria on one hand, and setting requirements for maximum levels of CO_2 released on the other, has led contractors to submit offers for vehicles with lower CO_2 emissions. The outcome of taking CO_2 emissions and other pollutants into consideration can be seen by comparing the emissions of the vehicles tendered the previous year. The decrease in emissions varied from 3g/km to 45 g/km per vehicle, depending on the Lot.

Environmental impacts

Electricity generation based on fossil fuels is associated with high CO_2 emissions. The use of renewable energies in the electricity sector is one of the most effective measures for achieving climate protection goals, in addition to reducing electricity consumption levels. Cogeneration (combined heat and power) can also be an environmentally preferable way to deliver electricity, particularly where criteria related to the efficiency of generation are applied. Directive 2004/8/EC and Decision 2007/74/EC provide a common framework for assessing the efficiency of cogeneration.

Road transport vehicles are responsible for 26% of EU final energy consumption and 24% of CO_2 emissions. Urban areas in particular suffer from the resulting local air and noise pollution. It is imperative to further the development and deployment of new and better environmental technologies for public vehicles as part of the solution to these issues. The Clean Vehicles Directive provides a common methodology for taking greenhouse gas emissions and energy consumption into account in the procurement of road transport vehicles. Further information is available from the website of DG Mobility and Transport and the Clean Vehicle Portal.

Lessons learned

When administering contracts, it's necessary to foster competitiveness among contractors to deliver good economic and environmental performance. High priority should be given to surveying the market and ensuring that the procurer has up-to-date information in order to set and achieve appropriate standards.

On 8 December 2011 the Government of the Republic of Slovenia adopted a Decree on Green Public Procurement, which will aid all contracting entities when launching a contract award procedure. The Decree stipulates that for 11 product and service groups, public buyers will have to consider minimum and extra environmental requirements, as well as award criteria. It identifies a number of statements or declarations which can serve as proof of these requirements.