

## Austrian framework for alternatively powered vehicles

Federal Procurement Agency, Austria

### Background

Austria's [Federal Procurement Agency](#) (BBG) is the central purchasing body for Austria, and provides holistic purchasing services and innovation procurement support to public authorities in Austria, including ministries, regional and local governments.

BBG's central role is to bundle requirements from across the public sector to obtain better prices and conditions from suppliers, and reduce the costs and legal risks involved in procurement exercises. It achieves this by negotiating framework contracts and making these available to the public sector. In 2017, BBG reported procurements of €1.43 billion and savings of 18% - or €310 million - compared to the cost of individual authorities undertaking separate contracting procedures.



BBG has been proactively monitoring the market for alternatively-fuelled vehicles for several years, and given the fast development of this sector and its potential contribution to achieving emissions reductions, BBG decided in 2016 to pool the needs of the public sector and encourage greater uptake of electric and other alternatively-fuelled vehicles.

### Procurement objectives

The objective of this fleet management framework agreement was to offer a complete range of alternatively powered vehicles, irrespective of brand or model, through customised leasing models for public authorities, which also include maintenance services, tire management and insurance.

BBG initially conducted a needs assessment, which estimated that 1,134 cars could potentially be powered by alternative fuels. To encourage uptake, BBG offered professional consulting services to public authorities (purchasing from the framework contract), where the existing vehicle fleet and the organisational requirements were examined and the optimised drive mix (to understand any driving-range limitations) determined. As the scope of this procurement was not clear at the beginning, a procedure with negotiations was carried out in order to set the framework agreement in place.

## Criteria used

### Subject matter of the contract:

Fleet management for alternatively powered vehicles.

### Technical specifications:

The framework was limited to Battery Electric Vehicles (BEV), Range Extender vehicles (REX), Plug-In Hybrid Electric Vehicles (PHEVs), Hybrid Electric Vehicles (HEV) and Natural Gas Vehicles (NGV).

### Award criteria:

A maximum of 100 points were available, weighted according to:

- Price: 85 points in total
- Quality: 15 points in total

Quality included an assessment of the supervision and service hotline (for example, provision of a helpdesk) concept provided by bidders.

### Contract performance clauses:

Comprehensive fleet management and evaluation was required. The data from the vehicles' operation is regularly examined (for example, the energy consumed per kilometre). In cases where performance deviates from expectations, the fleet manager is obligated to actively approach the contracting authority with suggestions for improvement.

*"If this framework agreement achieves a 100% utilisation rate for electric vehicles (that is, 1,134 vehicles, as estimated in BBG's needs assessment), an annual 450,000 litres of fuel, and 1,200 tonnes of CO<sub>2</sub> could be saved."*

## Results

As this was a negotiated procedure, potential suppliers were asked to submit requests to participate by the 26 July 2016, and invitations to tender were sent to selected candidates by 8 August 2016.

The framework contract commenced on 15 October 2017 and will operate until 14 October 2022.

The contract value is estimated at €42.4 million. In total, two bids were received, due to the required references of completed fleet management cycles being very specific in a 'new' market.

## Environmental impacts

The transition away from fossil-fuel powered vehicles is essential if climate targets are to be met and air pollution improved. If this framework agreement achieves a 100% utilisation rate for electric vehicles (that is, 1,134 vehicles, as estimated in BBG's needs assessment), an annual 450,000 litres of fuel, and 1,200 tonnes of CO<sub>2</sub> could be saved. These savings are based on the use of renewable electricity, which BBG has also already been providing through a different framework agreement for several years now.

As of 21 August 2018, 62 BEV and 11 PHEV/HEV vehicles have been replaced.

### Lessons learned

- The consulting services required in the roll-out of this framework are intensive. Sufficient staff resources to enable the provision of support services to help public authorities' take-up these contracts is essential. It is not enough to simply put a framework contract in place. It also has to be widely used.
- Another major factor in the roll-out of alternatively powered vehicles is the provision of appropriate infrastructure in a timely manner. The availability of the required infrastructure such as electric charging points, is essential to promoting the acceptance of alternatively powered vehicles and increasing the use of this framework contract.

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