



# **From sustainable procurement strategy to successful management**



# Stockholm in brief

Municipality

Population: **880,000**

Area: **209 km<sup>2</sup>**

County

Population: **2,100,000**

Area: **6,519 km<sup>2</sup>**

A sustainable,  
growing city



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# The City is estimated to have a yearly purchase spend of på 32-34 bn SEK

## ADMINISTRATIVE BODIES

### COMPANIES<sup>1</sup>



12-14

bn SEK<sup>1</sup>

20

bn SEK



# Strategic goals





# A Stockholm for everyone – Vision 2040

- Stockholm is expanding rapidly. It is estimated that by 2040, the City's population will be close to 1.3 million. The rapid rise in population leads to an increased need for clear long-term missions and targets in the field of public procurement.
- **A Stockholm for everyone – Vision 2040** is the City's target for a socially, financially, economically and democratically sustainable development over the coming decades.
- All City operations should work towards the vision.



# City Council operational goals for 2016

- **A cohesive city** where all children have the same opportunities to achieve proficiency targets, where apartments are available at reasonable rents, the elderly are guaranteed a secure life, and where the importance of equal opportunity as well as gender equality and accessibility are prioritised.
- **A climate-smart city** that prioritises cycling, walking and public transportation. An efficient, climate-smart transportation system is combined with greater consumption of renewable energy. Children are guaranteed a non-toxic environment and more organic food is served at city facilities.
- **A financially sustainable city**, where financial accountability is combined with labour market initiatives, based on easy access to available jobs, education and housing.
- **A democratically sustainable city** that promotes human rights, combats discrimination and guarantees all inhabitants equal rights and opportunities.

# Political goals

**Vision**

**City council general goals –  
prescribed by the yearly budget**

**City council sector specific  
goals – prescribed by the yearly  
budget**

**Programme(s)**

**Indicators (linked to a specifik goal)**

# From goals to practice

## Stockholm Environmental Programme 2016-2019





# Environmental Programme

The Environment Programme focuses on six key priorities:

- Sustainable energy use
  - Environmentally efficient transport
  - Sustainable use of land and water
  - Efficient cycle of resources
  - Non-toxic city
  - A healthy indoor environment
- 
- 30 sub targets and 40 indicators

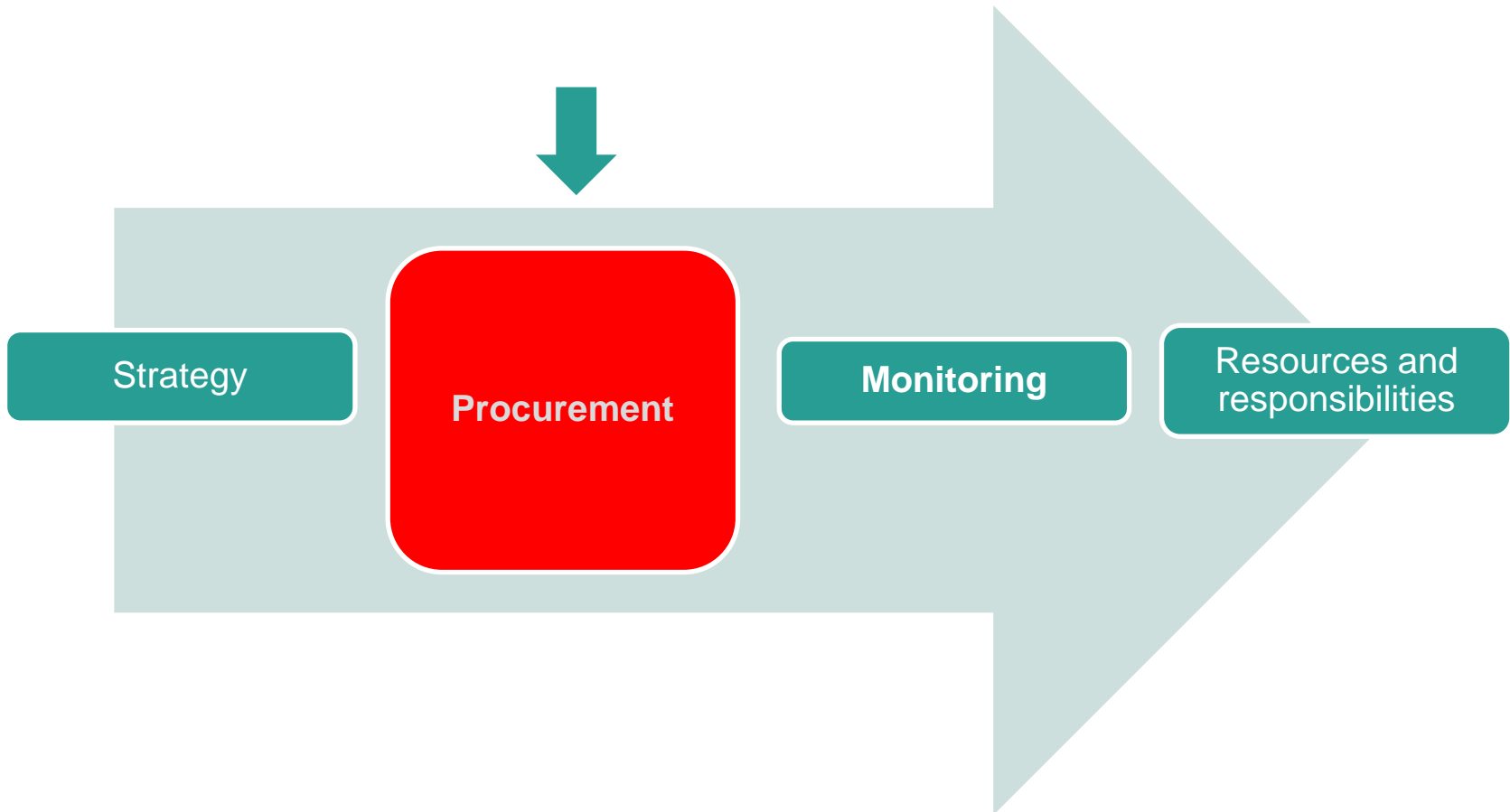
# From goals to practice

New programme for procurement and purchase

*"Public procurement shall develop the city in a sustainable direction"*

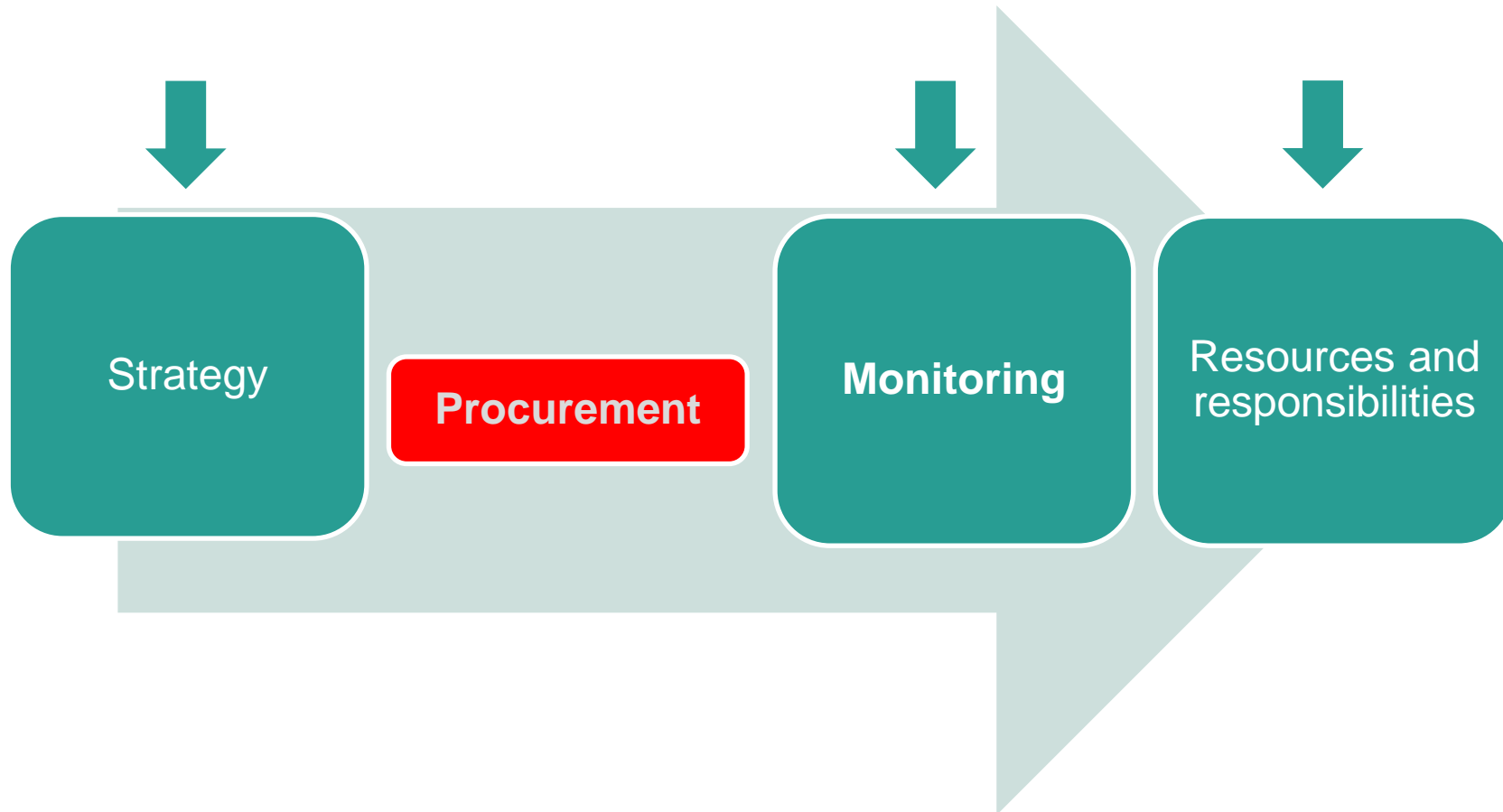


# Previous position outlined





# The new Programme – How is it different from the earlier guidelines?



# Stockholm – an inclusive city ((a city for everyone))

## A united Stockholm

- Good-quality education for everyone
- Social welfare enabling equal opportunities
- Wide range of sports, culture and extracurricular activities
- A living and breathing town where anyone can live

## A climate-smart Stockholm

- Sustainable housing development and dwelling
- Facilitating environmental-friendly living
- Climate-smart transportation
- A clean and attractive urban environment

## An economically sustainable Stockholm

- Unique career opportunities
- Facilitating life-long learning through education
- The world's smartest city
- An attractive choice for companies of a variety of sizes and sectors

## A democratically sustainable Stockholm

- A city based on participatory democracy
- Zero-tolerance toward discrimination
- A safe city
- A city accessible to all
- A role-model employer

## Objectives for the Programme for procurement and purchase

- Decent terms of employment
- Decent working environment
- Strong stand against discrimination
- Inclusive and tolerant labour market
- Employment opportunities

- Environment
- Transport
- Energy consumption
- Chemicals

- Quality
- Business-mindset
- Internal collaboration
- Efficient contract monitoring
- Excellent providers of goods and services
- Facilitating tenders from providers of goods and services
- Innovation

- Human rights (ethical) considerations in goods procurement
- Public insight in the healthcare and education sector
- Providing information when procuring healthcare and education

## Guideline for the Programme for procurement and purchase

### Appendix 1 – Social sustainability

### Appendix 2 –Environmental sustainability

### Appendix 3 – Innovation

### Appendix 4 – E-commerce

# 2016 guidelines – structure and content (guiding documents but not mandatory)

## Headguideline for the Programme for procurement and purchase

Strategy	Procurement	Monitoring	Resources and responsibilities
<ul style="list-style-type: none"> <li>Resources and planning</li> <li>Procurement strategy</li> <li>Needs analysis</li> <li>Market analysis</li> <li>Defining the subject matter</li> </ul>	<ul style="list-style-type: none"> <li>Requirements for suppliers</li> <li>Technical specifications</li> <li>Award criterias</li> <li>Contract performance clauses</li> <li>Advertising</li> </ul>	<ul style="list-style-type: none"> <li>Contract administration</li> <li>Contract management</li> <li>Follow-up</li> <li>Collaboration</li> <li>Information</li> </ul>	<ul style="list-style-type: none"> <li>Procurement- and purchase officer</li> <li>Procurement- and purchase coordinator</li> <li>Delegation</li> </ul>

**Appendix 1 –  
Social responsibility**

**Appendix 2 –  
Environmental  
responsibility**

**Appendix 3 –  
Innovation**

**Appendix 4 –  
E-commerce**



# Appendix 1-4

Aims to answer four fundamental questions;

- **Why?**
- **When?**
- **How?**
- **How to monitor during the contract period?**

# SKL Kommentus support for follow up of social and ethical criteria collaboration between 84 municipalities

SKI provides:

We receive:



- Annual subscription on audits of high risk procurements
- Access to audit reports and corrective actions

Framework agreement  
on audits

- Access to professional auditors through renewed competition

# Monitoring the objectives



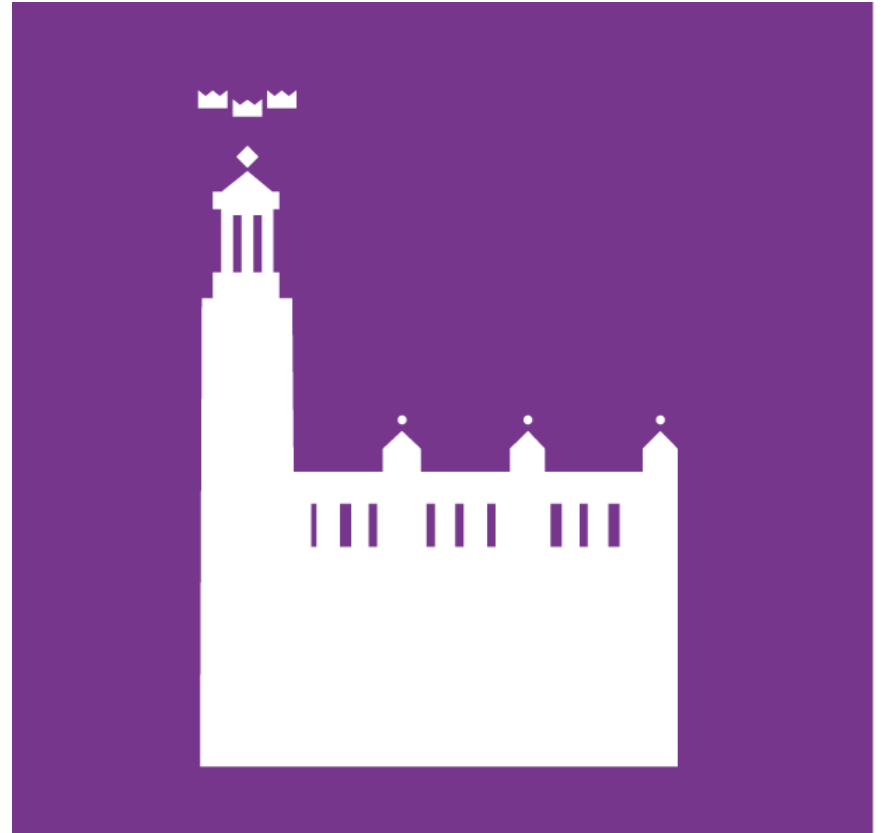
Jyväskylä  
yliopisto



# City Executive Office

Administration by the City Executive Board

The **City Executive Office** assists the City Executive Board in managing and coordinating city operations. The office focuses on overall strategic issues and is responsible for implementation of policy decisions.



# Monitoring of goals (Continuous monitoring and feedback)

- **Action plan**– The Executive Office carries out an analysis on the basis of the administrations own forecast (*what they intend to do*)
- **Monthly forecasts** – continuous report on the finances and activities.
- **Tertial report 1** – Compilation and analysis administrations forecasts, based on the period from January to April, the budget and operational goals.
- **Tertial report 2** - Compilation and analysis of administrations forecasts, based on the period from January to August, the budget and operational goals.
- **Annual report**- results and activities **results** in relation to the overall objectives (*what they have done*)

# City Audit Office

Performs an annual review by the city's committees and boards.

Initiates investigations on its own initiative



# Tools!



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# Market dialogue

Before launching a procurement procedure, contracting authorities may conduct market consultations with a view to the preparation of the procurement and to inform economic operators of their procurement plans and requirements.

For this purpose, contracting authorities may for example seek or accept advice from independent experts or authorities or from market participants which may be used in the planning and conduct of the procurement procedure, provided that such advice does not have the effect of distorting competition and does not result in a violation of the principles of non-discrimination and transparency. Art 41

# Two methods of dialouge

## RFI Request for information

- A part of the procurement strategy
- Method of dialogue with the market
- Focus on the need rather than the expected solution
- 10 days or more

## External referral of the tender documents

- Announcement in general available database
- Open process towards the suppliers – opportunity to comment
- Positive feedback from the supplier market

# Common grounds with other public authorities

- Ethical considerations/ requirements
  - Common requirements, commercial terms, sanctions fines, etc.
- Stockholm plan to initiate project together with other public authorities in the Stockholm region
  - Towards the supplier market – ” from cost to investment”
  - Using the same requirements creates favorable conditions for our common suppliers



# Category management

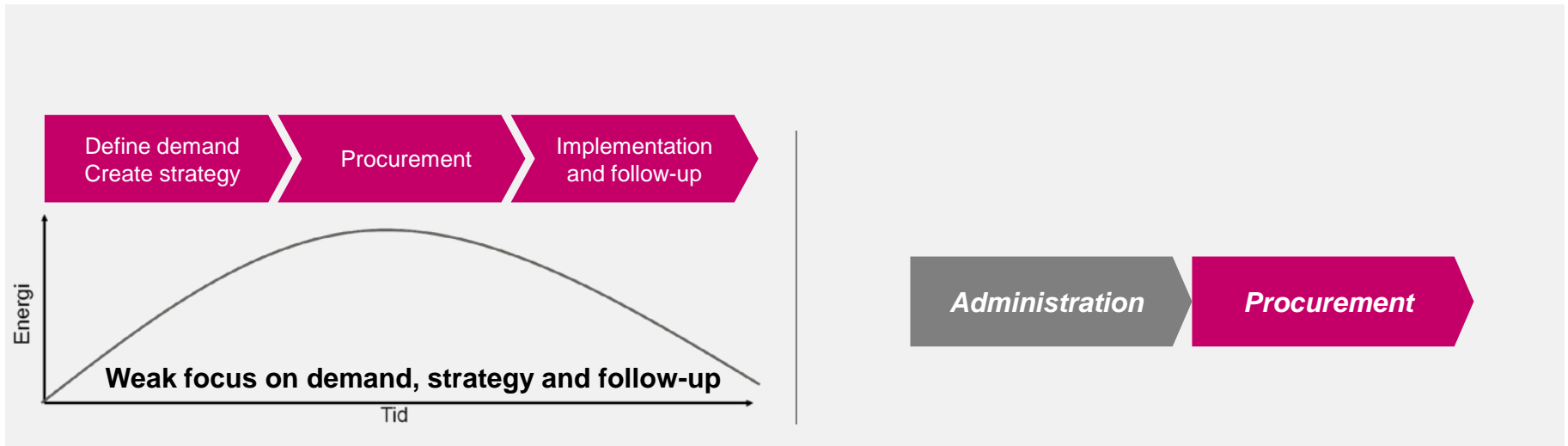
Under construction!



The Capital of Scandinavia



# Key factor to successful procurement and purchase is internal/external target sector involvement in both the pre-procurement and post-procurement stages



# Levelling out the playing field



# Thanks! Kiitos!

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