

Joint procurement of recycled paper in Spain

Barcelona Regional Council (Diputació de Barcelona) is currently leading a joint procurement (JP) activity within the LEAP project¹ for recycled paper for a number of local authorities in the region. Although the activity is not yet complete, the case study offers an interesting insight into possible approaches for overcoming barriers to setting up JP in countries which are unfamiliar with the concept.

As with the LEAP JP activities in Greece and Portugal (also included in this CD-ROM) it was decided that recycled paper was the ideal product with which to introduce the concept of JP to the country. Requirements do not vary much from authority to authority, and spending is relatively low. It therefore presents a simple product with low financial risk, with which to test JP procedures. The market for high-quality recycled paper is also not as highly developed in these countries as elsewhere in Europe, and as such JP may prove a useful market driver.

Overcoming internal barriers to setting up joint procurement

It has been necessary to overcome a number of substantial barriers in the Diputació in order to undertake a JP activity integrating environmental requirements. One of the main problems is that the Diputació, as in the majority of Catalan and Spanish municipalities **is only just beginning to consider implementing green procurement**, therefore there is a **lack of the necessary awareness, knowledge and skills to introduce green criteria** in procurement activities. Moreover the Diputació **had never undertaken a joint procurement action**. As the process was new it was necessary to evaluate different procedures in order to find the most suitable way for all interested authorities that take part in the JP action to procure together.

More specifically, the following obstacles that have had to be overcome:

- **There is no mandatory regulation** in the regional government to implement green procurement. Consequently it is **difficult to get political and technical commitment** to shift to greener products and services. Moreover, at the moment there is no national regulation to develop green procurement in Spain or in Catalonia. This would be necessary to facilitate political commitment to further develop green public procurement in local authorities.
- As in many authorities, in the Diputació it is usually **the environmental department** promoting the implementation of sustainable public procurement, with those directly responsible for purchasing activity less interested. Moreover the departments responsible for procurement are often averse to changing existing practices, such as long-standing arrangements with local and/or reliable suppliers.
- **The procurement dynamics are difficult to change**. The procurement departments in the Diputació, as in many municipalities, are not used to introducing environmental requirements in the purchase of goods and services, tending to think that green products will be expensive or that they will be worse quality.
- In the Diputació, and in some municipalities contacted for the JP activity, there is **an existing contract** to purchase paper therefore it has been difficult or impossible to take part in the joint procurement.

¹ www.leap-gpp-toolkit.org

- It was the **first time that strong environmental specifications have been introduced** into tender documents. As such technical advice was needed on which requirements to use and how to introduce them in the tender documents.

The main solutions implemented in order to solve the problems encountered are as follows:

- To develop the JP activity the LEAP team in the Environmental Department **mainly worked with technicians that were already aware** of the importance of introducing environmental requirements in purchases. It was realised that it is easier to get environmental technicians involved than procurers, however in the authorities that have more experience introducing green procurement those in charge of procurement were directly interested in taking part in the JP activity.
- The Diputació is starting to implement a **Resources Optimisation Plan** that involves all departments of the government in order to further develop the sustainable use of resources and sustainable procurement.
- Throughout the project the LEAP team has **strengthened the contacts and relationships** between procurement departments and the environmental department the Diputació which has been critical in developing common actions to further implement green procurement. However it was still difficult to participate in a JP for recycled paper for all departments of the Diputació because a) it was not the responsibility of the Environmental Department, and b) the Diputació already has a contract to buy TFC paper that finishes next year. As a solution it was decided that the Environmental Department would directly purchase recycled paper.
- In order to raise the awareness and knowledge of green procurement the LEAP team is holding a series of **seminars** for local municipalities, each of them focussing on a specific product. The first seminar was about recycled paper and was a very useful opportunity for the participants to learn about the environmental specifications for this product and to have more information about the market.
- The environmental purchasing criteria were developed by external experts within the LEAP project, providing European best practice. The tender documents were then revised through different meetings with the municipalities interested in participating.
- The **assessment of the Diputació's legal and administrative advisers** has been crucial in finding the most suitable procedure for carrying out a JP activity with municipalities.

Recruiting additional authorities

In order to find municipalities interested in undertaking a JP activity the LEAP team contacted the municipalities that are members of the Network of Towns and Cities towards Sustainability of Catalonia. This is an association of municipalities created in 1997 committed to advance towards sustainable development. At present 220 local authorities make up the network which represents 78% of the population of Catalonia. the Diputació has assumed the role of Technical Secretariat for the Network. In April 2004 the working group on “green purchasing and responsible consumption” (GPP) was set up. It is composed of 25 municipalities and coordinated by a committee of 4 municipalities. The JP activity was first presented to the committee of this working group and later extended to all the members of the Network.

Moreover the LEAP team has held different seminars that addressed green procurement for different types of products. More than 70 municipalities participated in the first seminar in order to discuss environmental requirements and market characteristics for recycled paper.

Joint procurement model followed

The procedure for JP has been **defined and revised through different meetings** with:

- The Diputació's legal advisers
- The committee and municipalities of the GPP workgroup.

The following steps were taken:

Steps	Timeframe
1. Finding municipalities interested in the JP activity	December 2005-June 2006
2. Tender documents: Paper specifications	November 2005-June 2006
3. Market survey	February-May 2006
4. Collaboration agreement	April-July 2006
5. Carrying out Joint Procurement	July-October 2006

1. Finding municipalities interested in the JP activity:

In order to find municipalities interested in the JP activity the LEAP team held a series of meetings with municipalities of the Network of Towns and Cities towards Sustainability and with the Network's working group on GPP.

➤ Meetings with municipalities:

- 12/12/05: First meeting with the committee of the GPP working group.
- Meetings with municipalities of the GPP working group and other municipalities of the Network interested in the JP:
 - ◇ 14/2/06: Presentation of the JP activity, discussing the product to purchase and the JP benefits and procedure.
 - ◇ 29/03/06: Revising and defining the environmental specifications for buying recycled paper and defining the JP procedure. Different possibilities were discussed such as setting up a consortium; tendering together with the Diputació buying on behalf of all municipalities; tendering together with each authority directly buying its products from the supplier.
 - ◇ 3/05/06: Setting the paper quantities to purchase, revising the technical document and the collaboration agreement (see below). Technical support of the secretary of the Network and the head of the administrative department in the Environmental Service of the Diputació.

- ◇ 8/06/06: Final revision of the technical document and of the collaboration agreement. Technical support of experts on green procurement and of the secretary of the Network and the head of the administrative department in the Environmental Service of the Diputació.

- **Mailing:** before and after each meeting held with municipalities, a mail was sent to all the municipalities of the GPP working group and other municipalities of the Network interested on the JP activity, together with the minutes of the meetings and extra information concerning the JP activity and the tender documents that had to be revised and approved. The final email with the final version of the tender documents has been sent to all municipalities of the Network in order to get as many authorities as possible involved in the JP action.
- **Defining the characteristics and interests of each municipality** regarding paper purchasing. A questionnaire was sent to each municipality interested in the JP in order to know the characteristics of the paper that they are currently buying, information about their suppliers and quantities that they would like to purchase with the JP action. Eight municipalities answered the questionnaire.

2. Technical document: Paper specifications

To develop the tender documents the following steps were carried out:

- a. **Receiving the recycled paper criteria** developed within the LEAP project.
- b. **Analysing if the paper** that the Diputació is **currently buying** meets these criteria.
- c. **Using these criteria** as a reference to develop the **technical tender document**.
- d. **Revising** the technical tender document with the Diputació's **legal advisers**.
- e. **Revising** the technical tender document with **municipalities** interested in the JP activity.
- f. **Revising** the technical tender document with **Green Procurement experts**.
- g. **Approving** with municipalities the **final version** of the technical tender document.



2. Technical document: Paper specifications.

MINIMUM REQUIREMENTS

A.1. Material inputs

- At least 80% of the fibre raw material in the paper is recycled fibre

Verification: The tender has to present a certificate to demonstrate that at least 80% of the fibres are recycled. The certificates can be the Blue Angel or equivalent or a self-declaration.

A.2. Bleaching methods

- Paper / fibres must not be bleached using any chlorine substances (TCF (Totally Chlorine Free))

Verification: Documentation/certificate from the manufacturer.

A.3. Other technical specifications

- 1. Whiteness level: ≥ 80 according to ISO 2470 or equivalent
Verification: ISO certificate or equivalent
- 2. Durability > 100 years, according to ISO 9706, DIN 6738 or equivalent (the results of the DIN test must meet LC/LDK 12.80)
Verification: ISO or DIN certificate or equivalent
- 3. Compatibility with machinery: meeting DIN 19309, AFNOR Q11-013 standards or equivalent
Verification: DIN or AFNOR certificate, Blue Angel ecolabel or equivalent

After discussing the interests of each municipality it was decided to buy not only recycled paper but also “totally chlorine free” (TCF) non-recycled paper because some municipalities prefer to change more gradually towards recycled paper. As a result a technical document has been developed that specifies the characteristics for two types of paper that are going to be bought: recycled and non-recycled TCF paper.

3. Market survey

The objective of this phase was **to search together with local authorities’ existing suppliers** for recycled paper, in order to develop a catalogue of suppliers that will be invited to tender. The steps taken were as follows:

- Sending **questionnaires to paper suppliers** in order to know if they can supply recycled paper and to gather information about the environmental characteristics of this product. 10 suppliers were contacted (6 answered).
- Collecting **information about paper purchases and suppliers in the municipalities** interested in the JP activity.

This activity has proved highly useful in obtaining information about the market for recycled paper in Spain, the different kind of paper available, and which meet the environmental requirements specified. Moreover information was gathered about the price that municipalities are currently paying to purchase recycled and non-recycled paper which has been necessary in order to set a maximum price that authorities participating in the JP activity are willing to pay for paper.

4. Collaboration agreement

A **Collaboration Agreement** has been prepared, discussed and approved with all the authorities that are to take part in the JP activity. It is an agreement between the Diputació de Barcelona and the local authorities participating that aims to set the characteristics of the JP

activity as well as to disseminate green public procurement. The agreement will be signed by the delegate president of the Environmental Area of Diputació de Barcelona and by a representative chosen by each municipality (e.g. Councillor, Mayor).

The agreement sets out:

- *Reasons and objectives of the JP activity*
- *Municipalities committed to purchase together*
- *The kind of product to purchase*
- *Procedure for the JP activity (adopting technical specifications, creating an evaluation committee and finally purchasing paper).*

5. Carrying out Joint Procurement

After discussing with legal and administrative advisers different procedures for carrying out a JP activity with different local authorities we decided:

- To **develop a joint tender** that the Diputació will send to the suppliers invited to present their offers.
- To **select a list of suppliers** that could supply quality recycled paper. The suppliers have been selected by all the authorities participating in the JP activity.
- To **invite the suppliers** selected to present their offers. An invitation letter will be send to the suppliers jointly with the technical document.
- To create an **evaluation committee** composed of representatives from each authority in order to carry out the evaluation of the bids received. This evaluation committee will select the most suitable supplier.
- **Each authority will buy the paper individually** from the supplier chosen by the evaluation committee.

Results and benefits

Although the JP activity has not yet been completed, it is very clear that one of the principle benefits of the activity has already been to increase interest in the topic of GPP, by offering potential economic advantages alongside environmental ones.

A number of significant achievements can already be noted:

- Agreement has been reached by the Diputació together with a number of local authorities on environmental specifications for recycled paper and on a technical document to purchase recycled and non-recycled TCF paper.
- Knowledge has increased within the Diputació and the participating authorities about the recycled paper market in Spain as well as about features and types of paper available in the market. With more information about the product and the market it is easier for municipalities to convince politicians and technicians to buy recycled paper.

- A Collaboration Agreement has been signed in order to work together to purchase “greener” products and specifically to develop a joint procurement activity to buy recycled paper.

It is hoped that in carrying out the actual tender, the expected price benefits in getting the best quality product at the best possible price can be realised, which will of course provide a huge boost in convincing authorities to join similar activities in the future.

Future perspectives

In the future the Diputació aims to continue working with municipalities of the Network and specifically with the ones that are members of the GPP working group in order to develop environmental specifications for other products. To do so the Diputació is holding other seminars on GPP that focus on different products: office supplies, certified timber and cleaning services and contracts.

Moreover if a better price is achieved with the current JP activity, local authorities will be more interested to continue purchasing together both because of the price advantages and assistance in developing the tender documents.

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