

# Reykjavík, Iceland

## Green cleaning in the City of Reykjavík

The City of Reykjavík has decided to green its cleaning. This involves a reduction in the overall quantity of cleaning chemicals used per m<sup>2</sup> cleaned, and ensuring that those which are used are less harmful to the environment and human health. Reykjavík's Green Cleaning Program aims to ensure that public cleaning contracts are fulfilled in a way which minimizes adverse environmental and human health impacts. Green cleaning is a good example of how local authorities can increase sustainability and simultaneously lower public spending. In two pilot projects, the city included environmental criteria in two tenders for cleaning services. The cleaning costs were cut in half while the market share for ecolabelled cleaning services in Iceland increased substantially.

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### Abstract

The Green Cleaning Program in the City of Reykjavík is a successful procurement program that draws attention to the various benefits of green public procurement. The aim of the program is to obtain environmentally sound cleaning services in the city's operations through the procurement process. One of the goals is that all cleaning service providers have a certified ISO 14001 management system, are Nordic Swan ecolabelled or fulfill comparable criteria. Ensuring such high quality environmental standards is essential for the Green Building Program. The program is underscored by the city's stated environmental commitments, including the 2009 Environmental Action Plan. It builds on a growing knowledge and experience of green procurement throughout the city organizational structures. This innovative approach has been part of two tenders for cleaning services in Reykjavik and this is set to continue. The program has resulted in environmental improvements, considerable cost savings and satisfied employees. However, the most impressive result of the project is its effect on the cleaning service sector in Iceland.

### Sustainable procurement in Iceland

Green public procurement is a theme of increasing importance. It emphasizes how green procurement can support a resource efficient and low-carbon economy. It is in line with Iceland's National Action Plan on green procurement and international strategies, such as the Europe 2020 strategy.

The Green Cleaning Program was also driven by observations, that although there was increased environmental awareness, there was a lagging response from the market. Chemicals in cleaning products and their impact on human health and the environment were a concern. The cleaning service sector in Iceland was aware of this but few companies had taken actions to reduce their environmental impact, partly because of the little choice offered by Iceland's small and isolated economy. Additionally, the small public administration has limited resources and only a relatively small selection of green products and services were available on the local market. However, changes can happen rapidly in small societies when powerful market-based instruments are used. The change will not happen overnight, but through public involvement and strong local government action, environmental efforts can become an attractive proposition in the local economy.



#### Population / Land area

~120,000 (2010)  
275 km<sup>2</sup>

#### Municipal budget

61 billion ISK/  
US\$ 500 million

*Reykjavik joined ICLEI in 2008*

This case study is part of a series of local sustainability case studies compiled as part of ICLEI's preparation for Rio+20.

## Case Study

Photo: © City of Reykjavik



The new office building Hofdatorg, Reykjavik.

### City context

Reykjavik's (Iceland's capital and largest city) commitment to, and experience with, green procurement has been growing steadily. In 2001, green procurement objectives were included in Reykjavik's Local Agenda 21 (LA21) program (currently Local Agenda 21 consists of 9 environmental categories which each have specific objectives and projects). The Environmental Action Plan was also prepared in 2009 which emphasized the role of each city department in terms of setting good examples relating to environmental protection in procurement processes.

It was extremely important to ensure that the new plan was coordinated with national plans in Iceland including the National Action Plan on green procurement, which was adopted in 2009. Since 2003 the city has also been participating in the ongoing national cooperation between ministries and municipalities on enhancing green public procurement. Furthermore, Reykjavik participates in Procura+, the Sustainable Procurement Campaign and hosted, in collaboration with ICLEI, an international conference on green procurement - 'EcoProcura', in 2009.

The City of Reykjavik had the opportunity to set a good example, and to provide a catalyst for improving market share for green products in procurement processes in Iceland. This opportunity, to green the city's operations, arose when the main city departments were relocated to a new building.

### Green procurement boosts the market for green products and services and cuts public costs

#### Program aims

The city's Procurement Office, with support from the Environmental Department, developed the Green Cleaning Program and is responsible for its implementation. There is strong coordination and collaboration between both departments. The aim of the program is to obtain environmentally sound cleaning for the City of Reykjavik. One of the main goals is that all cleaning services purchased would meet certain environmental criteria.

#### Preparation of the program

Prior to implementation, a market survey was undertaken by the Procurement Office to assess the availability of green alternatives on the market. It was discovered that, at that time, there was just one ecolabelled cleaning service on the market. Therefore, the Procurement Office's implementation team committed that one of the goals is that all cleaning service providers will have a certified ISO 14001 management system, are Nordic Swan eco-labeled, or fulfill comparable criteria. There were two important pilot projects undertaken which was the

beginning of the sustainable procurement process in Iceland:

**Step 1 - New city office building procurement.** In March 2009, the cleaning contract for the new city office building (10,218m<sup>2</sup> floor area) became the first procurement process conducted under the auspices of the Green Cleaning Program.

**Step 2: 63 Kindergartens procurement.** In September 2009, there was a tender process established for the cleaning contracts of 63 kindergartens (30,353m<sup>2</sup> floor area) in the city. Both tendering processes involved:

- Tender documents were prepared by a team of employees from the city's Procurement Office and the Environmental Department.
- A 'needs analysis' was carried out by an external cleaning specialist. It showed that the cleaning times could be reduced by 50 percent and recommended cleaning during office hours aimed at reducing costs and energy use.
- Criteria from Procura+, the Sustainable Procurement Campaign and from the Nordic Swan eco label process were taken into consideration during the tendering process.
- Further criteria taken into consideration include the environmental management measures from the ISO 14001 standard, the use of more environmentally friendly products, reduced cleaning times, cost effectiveness, decreased chemical consumption etc.

In the case of the new city office building, a cleaning service with a Nordic Swan ecolabel license won the contract. This application of tender was successful, due to considerable cost savings, good cleaning quality, decreased chemical consumption, healthier indoor environment and satisfied employees. This successful pilot project encouraged the start of the wider program on green cleaning in the City of Reykjavik. A cleaning service with a Nordic Swan ecolabel also won the contract for the kindergartens.

In conjunction with these steps, procurement processes for smaller projects had to undergo an environmental criterion assessment for cleaning services. Furthermore, the use of green cleaning products, have been given preference when cleaning services are provided by city employees.

## Results

Following, the first two pilot green cleaning procurement projects, the program has been highly successful. The following results have been achieved:

- **The goal of 100 percent green cleaning service is within reach.** The proportion of green cleaning services purchased by the city has increased in value from almost nothing in 2009 to 74 percent in 2011. The Procurement Office expects the goal to be fulfilled by 2013.
- **Costs were cut in half.** Cleaning costs were lowered by 50 percent in both tenders - a total annual saving of US\$770,000.
- **Considerable decrease in chemical consumption.** It is estimated that there has been a 65 percent decrease in chemical consumption in the cleaning of the new office building. This is a result of lower cleaning frequencies and an ecolabelled cleaning service. The decrease in the kindergartens is somewhat lower (33 percent) as the potential for less cleaning frequency was limited.

### 'What is Green Cleaning?

Firstly, public procurement is the purchase by public authorities of goods or services needed to carry out the operations of the authority. This includes the purchase of cleaning products, or cleaning services (if private cleaning companies are employed) for public buildings.

Green cleaning means that cleaning is carried out in a way which minimises negative environmental and human health impacts. In particular, this relates to minimizing the overall quantity of cleaning chemicals used per m<sup>2</sup> cleaned, and ensuring that the cleaning chemicals which are used are less harmful to the environment and human health. In practice this will mean purchasing ecolabelled cleaning products (such as multi-purpose cleaner, window cleaner etc.), making sure staff are trained on the use of the correct dosage, employing chemical saving techniques (such as using micro-fiber cloths), and ensuring an appropriate cleaning needs analysis is carried out so that areas are not "over-cleaned".

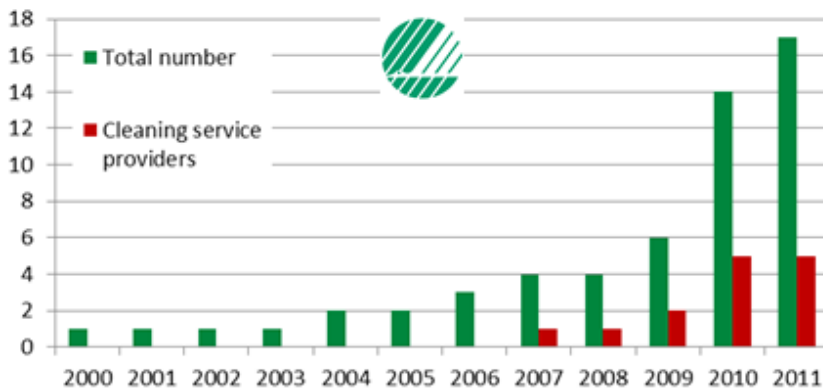
- **Use of ecolabelled cleaning products.** More than 95 percent of the chemicals used in both cleaning services are ecolabelled.
- **Reduced plastics.** Plastic bags used in cleaning the office building reduced by 200 kg/year saving 150,000 ISK (US\$1,300).
- **Healthier working conditions.** Green cleaning avoids the use of harmful chemicals that have a negative impact on human health and the environment.
- **Improved cleaning quality.** The number of complaints declined considerably in the office building.

This is due to the increased quality of the cleaning performed during office hours and the quality requirement associated with the Nordic Swan ecolabel.

- **Ecolabel.** Until the introduction of the Green Cleaning Program, ecolabel compliance was not a criterion in tender documents. With the support of the city's policies and inspired by national and international co-operation, employees have now a greater knowledge and expertise with green procurement criteria and green tendering. Therefore, Ecolabel

compliance is now a key prerequisite in procurement.

- **Market share for ecolabelled cleaning services grew substantially.** The program facilitated a boom in the application for Nordic Swan ecolabeled products. In two years the market share for ecolabelled cleaning services in Iceland grew from less than 10 percent to over 50 percent.
- **Increased availability of green products and services.** The ecolabelling in the cleaning service sector caught the attention of other service sectors, which contributed to a quadrupling in the number of Nordic Swan ecolabel licenses from 2009 to 2011 (see diagram). As a consequence, suppliers have increased their selection of green products.



Number of Nordic Swan ecolabel licenses in Iceland from 2000-2011.

## Lessons learned

**Small ideas are worth trying.** It all started with a small idea regarding the new office building. The environmental and economic benefits of the pilot project triggered a wider program covering all cleaning appliances for the City of Reykjavík. The step-by-step approach gave an opportunity to build up experience and facilitated a market response.

**Bottom-up approach supported by a top-down policy can be a successful combination.** A bottom-up initiative created the impetus for the program and drives its implementation. However, it is well aligned with the city's LA21 ensuring important support from high level officials and politicians.

**Ecolabel compliance as a criterion in tenders can increase market share for green services and products.** Before the program was implemented, few alternatives for green cleaning services were available on the market. Awarding points for compliance with ecolabel criteria challenged the cleaning service providers to green the service. This led to a rapid increase in the supply of green products and services on the market. Given the market expansion, it is now



planned to include this criterion as a technical specification in future tenders.

**Green tenders can cut costs** As illustrated earlier, the two green tenders cut the cleaning costs by 50 percent. The needs analyses played a key role in the cost savings as it highlighted how unnecessary cleaning can often be eliminated. It showed that the cleaning frequency could be lowered considerably without affecting the quality.

**Involving stakeholders in the preparation phase is important.** In the preparation phase for the tenders the relevant departments and users were engaged in the process. This gave a better picture of the various requirements and ensured that the employees were prepared for the upcoming changes. Additionally, the involvement of the Environmental Department was valuable in developing the criteria.

**International support can boost efforts.** Reykjavik staff had previously attended ICLEI events on sustainable procurement, such as EcoProcura 2006 in Barcelona. The procurement criteria for cleaning products and services developed by ICLEI's Procura+ campaign were used in developing the tender documents for prospective cleaning company bidders. The Procura+ campaign is an initiative designed to help support public authorities in implementing sustainable procurement and help promote their achievements. An interest within the city, in sustainable procurement, has grown and Reykjavik has increasingly played an international role in its procurement activities; hosting ICLEI's EcoProcura conference in 2009 and joining the Procura+ Campaign in 2010.

However, there are also several areas of possible improvement:

**Earlier notice to the market on new environmental criteria would have given a more positive response.** Awarding points for compliance with environment management standards, ecolabels or equivalent certifications, had not been given ample time during the city's procurement process for cleaning services and some bidders complained that the notice given was too short. An earlier notice to the market would have given a more positive response and increased the competition among bidders.

**Reviewing the contractor's environmental performance should be included in contracts.** Regular meetings with the contractor are not sufficient to review environmental performance. However, having a certified environmental management system or ecolabel ensures regular external control and a good environmental and quality performance.

## Replication

Including environmental criteria in a tender for cleaning services is neither unique in an international nor a national context. In this case, what could be replicated is the gradual implementation of the program, a thorough needs analysis and the emphasis on ecolabel compliance in the criteria.

**Gradual implementation.** Gradual implementation is a key principle that can be used for all sustainability projects. Public authorities should encourage actors with good ideas for sustainability to try them out in small-scale projects and assess how they work. If they work well they can be expanded. That could be a more successful and inexpensive approach than starting with an extensive planning process of programs to be implemented.

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**Needs analysis.** A thorough needs analysis is important in every sustainable procurement activity. Analyzing the need with help from a cleaning specialist can easily be replicated and can reduce costs and negative environmental impacts.

**Availability of alternatives.** If there are many green alternatives available on the market, ecolabel compliance or the equivalent can be used as a technical specification. However, in a market with few alternatives, it is effective to include this as an award criterion until the market has responded. The European Ecolabel (The Flower) is not available for cleaning services which might limit replication.

## Budget & finances

The costs of this program included consultant fees for experts participating in the needs

analyses and working hours for the interdepartmental teams that participated in the tender process. Both fell within normal operations and the program did not receive any external funding. The financial gains of the program were extensive and considerably exceeded the costs in financial terms. Additionally, the program reduced chemical consumption, created healthier working conditions and increased market share for green products and services in Iceland.

	Step 1	Step 2
<b>Costs:</b>		
Consultant fees - Needs analysis:	512,850 ISK or 3,109 Euro	100,000 ISK or 606 Euro
Working hours for the interdepartmental teams (rough estimate):	40 hrs	360 hrs
<b>Benefits:</b>		
Cost savings per year:	9,000,000 ISK or 54,575 Euro	80,000,000 ISK or 485,113 Euro
Reduced chemical consumption (rough estimate):	65%, 75 kg/year	33%, 100 kg/year

The financial costs and benefits of the program 'Green Cleaning in the City of Reykjavík'.

## Sources

- Procura+ Sustainable Procurement Campaign: [www.procuraplus.org](http://www.procuraplus.org)
- Nordic Ecolabelling: [www.nordic-ecolabel.org](http://www.nordic-ecolabel.org)
- The Nordic Swan ecolabel criteria for cleaning service: [www.nordic-ecolabel.org/criteria/product-groups](http://www.nordic-ecolabel.org/criteria/product-groups)

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City of Reykjavík

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