The text in this document is published in the Procurement guide on the municipal intranet.

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Introduction

The environmental requirements in the documents are intended to be viewed as recommendations. Since no two procurements are the same, it may be appropriate to make changes such that the text or requirements are more suitable. The choice of tender procedure may also affect how the requirements should be formulated. The requirements comply with the regulations for public procurements. Nevertheless, it is important to point out that the use of environmental requirements in public procurements can be overruled by the courts.

In both the recommended environmental requirements and the advanced environmental requirements, a combination of award criteria, minimum requirements and contract requirements have been used. The use of environmental properties related to transport as qualification criteria is not recommended.

Recommended environmental requirements for transport
This document contains requirements that can be used in most procurements that include transport. This is the minimum level the municipality’s agencies should apply.

The following areas must be included:

- Requirements regarding vehicles and fuel types.

Advanced requirements (will be launched later)
This document contains advanced requirements that require a bit more from the client and supplier. The following areas must be included:

- Requirements regarding vehicles and fuel types.
- Requirements regarding the use of alternative means of transport (bicycles, public transport, etc.)
- Requirements regarding route optimisation
- Requirements regarding efficient driving (eco-driving)

List of vehicles and evaluation forms
Annexes that must be attached to the tender documentation.

List of vehicles, services procurements: Used for procurements where the size of the vehicles does not matter. The document must be used together with: Evaluation form – list of vehicles, services procurements.

List of vehicles, goods procurements: Used for procurements where the size of the vehicles does matter. The vehicle’s payload is included in the evaluation. The document must be used together with: Evaluation form – list of vehicles, goods procurements.
General information about environmental requirements and weighting

The primary guideline for green procurements in the City of Oslo’s Procurement Strategy is that all planning must be based on zero emissions. This means that assessments associated with which requirements one should specify must be included in the clarification of requirements and formulation of the contract strategy. It is very important that individual procurers have prepared well before they the market dialogue process. This makes it easier to know how high one can aim with respect to the various environmental requirements.

Environmental requirements can be specified in several places in tender documentation. The following ranking can be used to assess how ambitious or strict the requirements should be and the maturity of the suppliers.

<table>
<thead>
<tr>
<th>Level</th>
<th>Requirement type</th>
<th>Document</th>
<th>Maturity of supplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absolute</td>
<td>Qualification requirements</td>
<td>Tender documentation</td>
<td>High</td>
</tr>
<tr>
<td>Absolute</td>
<td>Minimum requirement</td>
<td>Specification of requirements</td>
<td>High</td>
</tr>
<tr>
<td>Strict</td>
<td>Contract requirement</td>
<td>Contract</td>
<td>Normal</td>
</tr>
<tr>
<td>Less strict</td>
<td>Award criteria</td>
<td>Tender documentation</td>
<td>Low</td>
</tr>
</tbody>
</table>

Choosing percentages when using award criteria

Section 7-9 of the Public Procurement Regulation (FOA) states that the environment should be given a weighting of 30% when it is used as an award criteria. The consultation submission below was submitted by the City of Oslo in connection with amendments to the Regulation, and it is sensible to use this as your starting point if you want to deviate from this percentage.

The City of Oslo’s consultation submission:

*The City of Oslo believes that having a starting point for weighting the environment is positive if one is going to use the environment as an award criteria. The municipality supports the idea of a minimum limit of 30% not being an absolute, since a certain amount of flexibility is necessary. For example, circumstances can be envisaged where one employs a combination of different environmental requirements and criteria where an award criteria with weighting of 30% may be disproportionate. At the same time, the City of Oslo believes that the proposed provision should be made somewhat more binding, and proposes that the formulation “…should as a minimum be weighted 30%” be changed to “…must as a general rule be weighted 30%”. The provision would remain flexible, at the same time as it would better underscore that weighty grounds would have to exist to deviate from the 30% limit.*
Environmental requirements regarding transport

Emissions from transport are decidedly the largest source of pollution in Oslo. This applies to both greenhouse gas emissions and local emissions (such as particulate matter and nitrogen oxides). The municipality has set clear objectives of cutting emissions and reducing traffic volumes. This can be realised by transitioning to more climate and eco-friendly vehicles, more efficient transport solutions and more of this transport taking place via bicycle or public transport.

Requirements regarding transport in tenders have previously largely be specified as minimum Euroclass (Euro emissions standards)requirements. This has been used across various procurement areas. In recent years, requirements have also been introduced for transport in award criteria and as part of the contract management.
Recommended percentage weighting for award criteria

How high the weighting for environment should be, depends on what type of procurement being implemented. Considerations should be made in each instance. In general, the percentage should be set high enough for it to have the desired effect. Lower than 10% is not recommended. For transport services that are critical for society, such as refuse collection and snow clearance, it is very important that a high environment weighting is not set at the expense of quality criteria and the ability of the suppliers to perform.

The table below divides procurements into main areas depending on what type of transport they represent. Each category includes a range of how large the weighting should be. In many procurements, it is also relevant to include other factors under the environment. In these circumstances, sub-criteria are used for these.

One should be cautious about using the environmental properties of transport as an award criterion for services procurements involving small amounts of actual driving. This applies, for example to IT consultants and similar.

<table>
<thead>
<tr>
<th>Recommended percentage weighting of award criteria</th>
<th>Procurement type</th>
<th>Examples of procurement areas</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>30-50%</strong></td>
<td><strong>Procurement of transport services</strong></td>
<td></td>
</tr>
</tbody>
</table>
| The main purpose is to transport people or goods, or perform services that entail a high degree of transport. The value of the contract is mainly related to the transport work. | | Refuse collection  
Passenger transport  
Street cleaning  
Snow clearance  
Courier services  
Removal services |
| **20-50%**                                      | **Goods procurements**  |
| Use of sub-criteria | | Office equipment  
Furniture  
Books  
Equipment  
Foodstuffs |
| - 10-30% weighting of the environmental properties of the goods | | |
| - 10-30% weighting of transport | | |
| **20-50%**                                      | **Combined goods and services procurements**  |
| Use of sub-criteria | | Craftsmen services  
Installation  
Cleaning  
Water coolers and coffee machines  
MF machines |
| - 10-30% weighting of the equipment/products/tools used in the performance of the services | | |
| - 10-30% weighting of transport | | |
| **10-30%**                                      | **Services procurements**  |
| 10-30% weighting of transport | | Craftsmen services  
Consultants  
Corporate health services  
Security services |
Using contract requirements instead of award criteria

It is entirely possible to use requirements regarding transport in the contract instead of using award criteria. The requirements will then be included as part of the normal contract follow-up. The advantage of using contract requirements is that one (hopefully) achieves the desired result during the contract period. It also means that you avoid situations where, for example, the award criteria “quality” suffers at the expense of the award criteria “environment”.

It may also be prudent to stipulate environmental requirements regarding transport in the contract if one is planning to include an escalation path during the contract period, or if it is likely that the technological solutions required will become available during the contract period and that by including these as contractual requirements one is making a positive contribution to realising them. The disadvantage of using contract requirements in relation to transport is that it is difficult to know, with certainty, how far suppliers are willing to go. Experience suggests that contract requirements for the environment are often too “lenient” or not ambitious enough.

It is also worth noting that contract requirements may be perceived as less binding than award criteria. This is due to the fact that when award criteria are used, the suppliers have to present their solution and thus take greater ownership of it. It is also of relevance that the suppliers who lose the tender will be very interested in keeping track of whether the winner actually delivers what they have offered. This binds both the client and the chosen supplier.

The consequences of non-performance should be specified when contract requirements are used. See “Breaches of environmental provisions” in the document “Recommended environmental requirements for transport” for how these can be formulated. It is also important to describe in the contract how the suppliers must document performance of the requirements.

Examples of how contract requirements can be formulated:

1. The Supplier must, during the first year of the contract period, switch to sustainable fuels for all vehicles that use fossil fuels.
2. The Supplier must, within six months after the commencement of the contract, use a minimum of two zero-emission vehicles for deliveries under the contract.
Use of alternative means of transport

The municipality has a clear goal of reducing traffic volumes. Therefore, it may be appropriate to use incentives or specify a requirement that regular bicycles, electric bicycles or public transport must be used wherever possible for services procurements. For tasks where a bicycle is not suitable, one could demand the use of electric mopeds or electric motorcycles. For goods procurements, it may be relevant for deliveries to addresses near the city centre to be made using electric cargo bicycles.
<table>
<thead>
<tr>
<th><strong>Glossary</strong></th>
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<tbody>
<tr>
<td><strong>Zero-emission vehicles</strong></td>
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<tr>
<td><strong>Fossil-free vehicles</strong></td>
</tr>
<tr>
<td><strong>Euro Class</strong></td>
</tr>
<tr>
<td><strong>Payload</strong></td>
</tr>
<tr>
<td><strong>Maximum permitted total weight</strong></td>
</tr>
<tr>
<td><strong>Fossil fuels</strong></td>
</tr>
<tr>
<td><strong>Biofuels</strong></td>
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<tr>
<td><strong>Sustainable</strong></td>
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</table>
| biofuels | These prohibit biofuels grown in areas such as rainforests, marshes and other areas with large carbon stores or great biodiversity. The sustainability criteria stipulate that biofuels must reduce emissions by a minimum of 35% compared to fossil fuels when emissions from the entire value chain are included. 

* Sections 3-6 to 3-9 of the Regulations relating to restrictions on the manufacture, import, export, sale and use of chemicals and other products hazardous to health and the environment (Product Regulation). |
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<tbody>
<tr>
<td>Biofuel from palm oil</td>
<td>Palm oil or by-products of palm oil production can be used to produce biofuels. Palm oil production can have a serious negative impact on biodiversity in the countries where it is produced. Therefore, the City of Oslo has decided that this is should not be requested (ref. Procurement Strategy).</td>
</tr>
</tbody>
</table>
| Biogas | Biofuels in gas form, also referred to as biomethane. Biogas is the City of Oslo’s preferred biofuel. This is because the municipality itself is a major producer of biogas and because it is the type of biofuel that provides the highest reduction in greenhouse gas emissions in a life cycle perspective. Biogas is found in compressed (CBG) or liquefied (LBG) form. The latter is still not widespread, but it does provide vehicles with very long ranges. In Norway, biogas has mainly been used for larger vehicles such as buses and refuse trucks.

Biogas and natural gas can be used interchangeably. Natural gas is not desirable since this is a fossil fuel. Nevertheless, the addition of natural is accepted if biogas is not available in the market. |
| Other biofuels | These are defined as biofuels other than biogas. Biodiesel, HVO, bioethanol, etc. are example of biofuels. |
| Alternative means of transport | Defined here as either standard or electric bicycles/cargo bicycles, electric mopeds or electric motorcycles. Also includes public transport. |
| Hub | A hub is a mobile container, or a permanent or temporary address, that acts as a pick-up point for items that are going to be delivered by bicycle. Hubs are primarily located in city centre areas by suppliers themselves. |
Market dialogue

In order to allow precise environmental requirements to be set, it is very important to conduct market dialogue before drawing up tender documentation. Suppliers should be asked about all aspects of the environment that are relevant for the procurement.

Interview guide for transport

- Vehicle fleet’s current composition
  - How many and how high a proportion are zero-emission vehicles?
  - How many and how high a proportion are biogas vehicles?
  - How many and how high proportion are vehicles that use other biofuels?
  - If other biofuels are used – which biofuels are used?
  - How many and how high proportion are Euroclass 6/VI vehicles?

- Strategy and objectives for transitioning to climate-friendly vehicles
  - Is there an overall objective?
  - What does the time frame look like for this transition?

- Use of alternative means of transport for performing tasks
  - To what extent are electric cargo bicycles used for deliveries?
  - To what extent are electric bicycles (or standard bicycles), electric mopeds or motorcycles used for performing tasks?
  - To what extent is public transport used for performing tasks?

- Drivers and energy efficient driving
  - Have the drivers taken courses in energy efficient driving (eco-driving)?
  - If not, are there plans to take such courses?

- Route optimisation and measures aimed at reducing traffic loads
  - Are there systems for route optimisation?
  - If not, are there plans to introduce these?