

DOSSIER

Public procurement and sustainable development: a network of experiences in Rhône-Alpes

More and more local authorities are mobilising for sustainable development and wish to commit themselves to concrete actions in this direction. With the new code governing public procurements, local authorities now have diverse possibilities to integrate sustainable development criteria in public procurement (seeking eco-responsible products or services and the introduction of social and environmental clauses).

The introduction of such criteria offers local authorities many advantages:

Bringing visibility to an entire territory. As the fields covered by public procurement are extremely wide, both in terms of supplying services and works, it is easy to rapidly commit an entire territory to sustainable development projects. Energizing the economic fabric. Public procurement represents nearly 15 % of GDP in France. So, including new social and environmental clauses in public procurement can have a significant leverage effect on the

economic fabric. Committing the local authority to a more global sustainable development approach, by drawing in the economic fabric, players and partners in the territory. Since late 2002, a network of local authorities in Rhône-Alpes has formed spontaneously, in order to exchange and find solutions for the integration of sustainable development in public procurement. Led by Rhônalpénergie-Environnement, the network currently brings

together more than 150 local authorities in Rhône-Alpes. It has already contributed to the exchange of numerous specifications and good practices, some of which are illustrated in this dossier. This autumn, during the "2nd public procurement national conference", the network will present the framework deliberation for the promotion of the use of wood.

Municipality of Meylan: integration of criteria relating to sustainable development in buying office supplies

From 2003, in the framework of its procurement policy, the Municipality of Meylan has made sustainable development part of its procurement policy by creating an office supplies market integrating environmental criteria. The first stage for the town's sustainable development department and procurement department was to draw up technical specifications for procurement, mentioning "environmental" clauses in the conditions of execution. The procurement covered by these specifications was broken down into 3 sets: small administrative supplies, paper and computer related consumables. A restricted catalogue of references was defined for each set. In this way, set n°1 contained 250 references, amongst which around 15 "environmental" products were automatically included (recycled envelopes, desk blotters without PVC, CFC-free glue,

etc.). In this set, the municipality also included an environmental option giving candidates the opportunity to supply, in addition to their basic offer, a list of specific unit prices for recycled, solar or rechargeable products replacing their standard products, but no suppliers replied to this option. Following this experience, the municipality of Meylan advocated two other solutions for the integration of environmental criteria: either the creation of a specific set with environmental and ethical requirements (Example: describe the requirements of a label or to product without mentioning it directly), or increasing the number of environmental products listed automatically in the restricted catalogue. Whatever the choice made, it is preferable to ensure the suppliers' ability to respond beforehand, without creating any discrimination between them.

Beyond the identification of "sustainable development" products, accompaniment of buyers in the different departments of a local authority is essential, to ensure that the products are really used.



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The social clause in works projects in the Grenoble conurbation



In March 2002, in the framework of its major works programme (third tramway line, stadium, Minatec research hub, etc.), which generates diversified jobs, "La Métro" (the Grenoble conurbation community), in partnership with the SMTC⁽¹⁾, the préfecture, the consular chambers, the building and public works federation and the trade union and employers organisations, signed a Charter for social insertion and employment through local development. The objective of this Charter is to support those more in need to find a job. This approach is based on article 14 of the new Public Procurements

Code: "the definition of the conditions of execution of a market in the specifications may aim to promote the employment of people in particular social insertion difficulties or to combat unemployment". From now on, in the specifications of their calls for tender, project owners include a social clause, which obliges companies to hire a long-term unemployed person, an unemployed young person or a person receiving social integration minimum income (RMI) on a fixed-term contract with a duration varying according to the value of the public market: 3 months if this one is between € 90,000 and € 200,000, 6 months if it is between € 200,000 and € 500,000, 10 months if it is between € 500,000 and € 1 million, and 12 months if the contract is for more than € 1 million. This particular condition of execution is valid for all public procurement contracts made in the territory of the conurbation. To co-ordinate this action an

"employment scheme" for the conurbation's major works was set up on the initiative of "La Métro" and in partnership with the public employment services and the Isère general council. From 2003 to 2005, this scheme was co-financed by the ESF (European Social Fund). Today, thanks to this scheme, 260 unemployed people have found work for at least six months. Amongst them, 65 % are now employed - half of them on open-ended contracts (CDI). Last November, this success earned the local authority a "Sustainable Development ribbon", awarded by Dexia Crédit local, Committee 21, the association of French mayors, and the association of French large cities.

⁽¹⁾ SMTC : Syndicat Mixte des Transports en Commun - public transport authority.

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EDITORIAL



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Public procurement -
 Sustainable development

There is one figure that everyone agrees on: public procurement represents 15 % of national GDP. This is a considerable mass, which can obviously represent a powerful macro-economic lever. But beyond the equation "More is better", what is the political demand with regard to public procurement? What objectives have been set? How can public procurement contribute to public policies with more solidarity, efficiency and more eco-friendliness?

To put it straight: we find very few examples of public procurement considered as a vector of strategy. There is total confusion between measurement and objective. Focused entirely on GDP, those in charge are relieved to see that the budget is spent and the figure increased without noticing whether there has really been any progress. Moreover, they do not have any real progress indicators. Very often, quantity becomes the goal. Beyond the indigent quantity-based approach, it often transpires that procurement does have a short term vocation of supporting declining economic sectors. Generally, this is too late.

Really, very little is done condering such a powerful lever. 15 % of GDP! How can we finally use public procurement as a tool for progress? How can we give it real meaning. How can we ensure that public procurement serves human development?

Given such a role, public procurement will be assessed in a more subtle manner than simply in terms of the number of euro amount. The indicators can be enriched: job creation, satisfaction of collective needs, contribution to the preservation of the natural heritage, access to public services, level of solidarity, quality of life... And if all our public order responded to all these questions in a positive manner, it would then seem a fair bet that our public procurement contributes to significant improvements of the "Progress Index".

To put the purchasing act in its societal and macro-economic context gives meaning and efficiency when used in the perspective of sustainable development. This implies for public procurement officials to acquire knowledge of partners both upstream and downstream from the purchasing act, placing their public procurement by assessing the different alternatives, applying non-monetary criteria and, thus, asking themselves the right questions.

But this type of dynamic finally authorises all participants, elected officials and technicians, to demand maximum social effectiveness in using the taxes their fellow citizens have given them to bring society forward.

The Bourg-en-Bresse wood heating plant:

a local and sustainable energy

Technical fact-sheet:

Wood boiler output:

4 MW

Annual fuel consumption:

8 000 tonnes of wood

Length of network:

7 km

Backup:

gas cogeneration + heating oil / gas boilers

Accompaniment: RhonAlpénergie-Environnement accompanied Bourg-Habitat throughout the entire project: from the feasibility study to the installation of the plant.

Cost: € 3 million

Subsidies from Rhône-Alpes Region and ADEME: € 864,000



The Bourg-en-Bresse urban heating network serves 3,000 housing units and many other buildings (social centre, retirement homes, shopping centres, school buildings, etc.). In the context of global thinking about better ways of taking the environment into account and the reduction of energy bills for housing, ASSURC (the Bourg-en-Bresse heating network users association) ordered a feasibility study concerning the installation of a wood heating plant.

Wood energy revealed itself to be an innovative solution, both economic for its users and a solution that respects the environment. This choice is in line with the commitment of Bourg-Habitat (social housing office), an ASSURC member, which, since 2002 has pledged to improve the living environment of its tenants and make energy savings.

The wood heating plant was inaugurated on February 17th 2006, under the presidency of Marie-Claude Desfarges. The event drew 400 people – among them 200 pupils from local primary schools and 200 local residents.

Wood energy – an economic eco-friendly solution.

The new installation will enable annual savings of 2.5 million litres of domestic heating oil. This significant saving will be felt in the rent levels. In addition, the Bourg-en-Bresse heating network is subject to greenhouse gas emission quotas, defined in the framework of the PNAQ (national allocation of CO₂ emission quotas). Consuming an annual 8,000 tonnes of untreated wood waste, the wood heating plant avoids the emission of 4,000 tonnes of CO₂.

Energizing the local wood energy industry

Dalkia, the company operating the heating plant, uses local wood fuel. The supply, managed by Enerbois'Coop, is provided by a partnership of eight local suppliers: Organom (the Bourg-en-Bresse mixed syndicate of waste management) supplies ground pallets, Ambronay-based company provides pruned wood and the 8 local sawmills provide bark.

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Address by Marie-Claude Desfarges,

President of Bourg-Habitat

"In 2005, the urban heating network of Bourg-en-Bresse took a step forward. This project, supported by subsidies from the Region and ADEME, uses local wood resources, respects the environment and

clearly meets High Environmental Quality standards. At a time when we are suffering from the effects of the pollution we produce, this proactive approach fits into the perspective of a future showing greater respect for our planet's air: a manner of preserving a precious resource and transmitting it to future generations



From left to right: Roger Léron, President of RhonAlpénergie-Environnement, Jean-Michel Bertrand, M.P. and Mayor of Bourg-en-Bresse, Christophe Feillens, Ain general Council, Marie-Claude Desfarges, President of ASSURC, Pierre-Henri Vray, General Secretary (Préfecture de l'Ain), Mr Fabre, Assistant Director of ADEME and Jean-François Debat, Rhône-Alpes Regional Council.

Isère (38) general council's Agenda 21



In February 2004, Isère general council wanted to reinforce the visibility of its sustainable development approach by undertaking to draw up its local Agenda 21, the first "Departmental" Agenda 21 in Rhône-Alpes. 2005 was devoted to carrying out a **territorial diagnosis**, which enabled the identification of the strengths, weaknesses and particular features of the thirteen territories defined in the framework of the Department's territorialisation policy. In a second phase, started at the end of 2005 and continued in 2006, the general council set up a **consultation process** involving the elected officials, major players and the population of the territory. Altogether, twenty-six public meetings were held between January and May 2006.

In order to involve as many people as possible in this approach, the general council developed an Internet site:

www.isere-agenda21.fr. This site gives access to information on the Department's Agenda 21 and, in particular, offers the possibility of downloading the reports on the public meetings (stakes and action propositions). More generally, the site offers an inexhaustible source of information on sustainable development and Agenda 21s in France. Between May and October 2006, the general council is involved in drawing up **an action plan** based on the propositions and remarks made during the public meetings, as well as the consultation meetings with the different departments, in order to define concrete actions for the future Agenda 21.

Among the priority actions raised by the people of Isère, the following topics have emerged:

- the environment (improvements in the way industrial and agricultural pollution is taken into consideration, as well as better management of energy consumption),
- employment (job creation, support for SMEs and enhancement of the agricultural sector),
- solidarity (housing for all and better consideration of elderly people).

This action plan will be presented to the people of Isère in the Autumn of 2006, in the framework of six public meetings, then it will be submitted to vote by the Departmental Assembly at the end of 2006. The objective is to reach a stage where the Isère Agenda 21 can be published in the first half of 2007. This strategic and operational tool will enable the improvement of the local authority's actions in the field of sustainable development and will restore the democratic links with the people as a whole by encouraging the participation of inhabitants.



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