



Government of the Netherlands

Did you
ever procure
impact?



Procurement with impact

*Strategy for sustainable, social and innovative
commissioning by central government*



Sustainable, social and innovative procurement is the new normal

Procurement with impact: the new standard for the Dutch central government. But what does that mean?

We are facing major challenges. To name only a few: we want to address the consequences of climate change, we want to accelerate the transition to a circular economy, and we want to create job opportunities for people with a disadvantage on the labour market.

We can and want to make a difference with procurement

Dutch central government procurement amounts to over 10 billion euros annually. If we include the other authorities, this amount exceeds 73 billion euros. With this procurement power we can and we want to make a difference.



Take the Logistic Hub, for instance, a central distribution point on the outskirts of The Hague. At this hub, we collect and combine goods from suppliers and use sustainable transport to deliver them to the ministries. This saves 20,000 kilometres in truck journeys every year. And in addition, this initiative creates jobs for people with a disadvantage on the labour market.

Dutch central government is a role model for the rest of the Netherlands. We wish to show that it can be done. That social, innovative and sustainable procurement enables you to contribute to a better climate and the development towards a circular economy and more job opportunities. That requires an effort from all of us: from clients, purchasing officers, the market and all other partners together. Together we can achieve more. Will you join us?

The Minister of the Interior and Kingdom Relations,

Kajsa Ollongren



The State Secretary for Infrastructure and the Environment,

Stientje van Veldhoven-van der Meer



- 1. We achieve impact with procurement
- 2. We stimulate a sustainable, social and innovative economy and society
- 3. We choose and determine ambitions in advance
- 4. We collaborate
- 5. We are accountable for our results and transparent

Core messages

Procurement with impact

What civil servants do is always, directly or indirectly, focussed on having impact on the Netherlands and on the world. That also applies to commissioning and procurement by central government. We ensure careful procurement and we want the best quality for the best price. But first of all, we look at what procurement will achieve. Such as sustainability, innovation and the protection of human rights.

Central government procurement exceeds 10 billion euros annually, and we can and will use this to make a difference. What's more, we are a role model for the rest of the Netherlands. We prove that it can be done.

1. We achieve impact with procurement
2. We stimulate a sustainable, social and innovative economy and society
3. We choose and determine ambitions in advance
4. We collaborate
5. We are accountable for our results and transparent

To make an impact on society through procurement is not new and central government has been achieving sustainable results for quite a while now. However, we see the need and the opportunity to increase this impact. With this procurement strategy we aim to fortify the foundations for this ambition. Using procurement power is not optional, but an explicit task for the policy makers, clients and purchasing officers of the central government.



1. We achieve impact with procurement



2. We stimulate a sustainable, social and innovative economy and society



3. We choose and determine ambitions in advance



4. We collaborate



5. We are accountable for our results and transparent



1 We achieve impact with procurement

The Netherlands are facing major challenges. The government is addressing the challenge of climate change, we want to make our economy more and more circular, create jobs for people with a disadvantage on the labour market and are at the heart of the energy transition. The innovative power of our economy is an important source of smart and sustainable solutions. These are all major and fundamental issues for which we need to pull out all the stops. And that includes central government procurement.

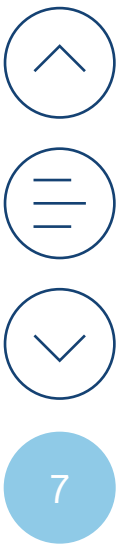


2. We stimulate a sustainable, social and innovative economy and society

3. We choose and determine ambitions in advance

4. We collaborate

5. We are accountable for our results and transparent



The government asks citizens and businesses to help solve the challenges that the Netherlands are confronted with. To face these challenges, the government applies a range of instruments, varying from legislation and subsidies to covenants and collaboration projects. In its own actions, too, central government [1] wants to contribute to the solution of these societal issues and the corresponding transitions. The government regards central government procurement, and the collaboration with its suppliers, as a powerful and strategic instrument. It aims to use the 10 to 12 billion euros that central government annually spends on the procurement of works, goods and services as leverage to achieve societal goals.

Having an impact on society must feature prominently in our objectives.

Achieving societal goals through procurement is not new. The interest in sustainable procurement dates back to 2008. The awareness of this approach has risen sharply in recent years, both nationally and world-wide, and the same is true for the interest in this topic within central government. With this Procurement Strategy the cabinet raises the central government's ambitions in this respect. It also marks a turning point in the approach to procurement within central government. In recent years, a lot of time and energy has been devoted to procurement that is efficient and in accordance with the law. These matters remain important but must be seen in perspective. It is not the main objective of our procurement, but instead we use procurement to achieve impact, make things happen, get results. We aim to maximize the effect on society, deliberately and specifically, by giving this approach pride of place in every procurement project. Adding value to society is not a secondary objective or an afterthought. It is at the heart of our work.

Using procurement for sustainable transition, social goals and innovation is our objective.

1
The Ministry of Defence adopts this national procurement strategy where possible. The specific procurement practise of the Ministry of Defence is not covered by this strategy.



The ambition in this strategy is to use procurement to provide solutions that are beneficial to people, environment and economy (people, planet, prosperity), in the Netherlands and via the production chain also in other parts of the world. In this way the central government implements the cabinet directive agreed in the coalition agreement to use the central government's procurement power to accelerate sustainable transitions, engage vulnerable groups and stimulate innovation. And this is not wishful thinking. It can be done. There is no shortage of examples that show that it is certainly doable to give societal goals an important place in procurement without compromising the quality or increasing the costs.

But while we are focussing on permanent change in the future, we also feel there is an urgent need to get started today. Analysis and planning should not get in the way of concrete action; the examples in this strategy show that we have already made a good start. With this procurement strategy we ensure that new and concrete actions can be added soon.



Case example
Workwear

“The tender has been awarded 100% based on people and planet factors.”

Central government and Biga Group started their collaboration a number of years ago. Returned clothing items and textiles are collected, inspected and sorted, with particular attention for the environment and social entrepreneurship. Thanks to this collaboration, people with a disadvantage on the labour market have a paid job. Lieutenant-colonel Rob van Arnhem (Defence Materiel Organisation) supervised the tender. “The tender has been awarded 100% based on people and planet factors.” Environment, energy and the relationship with the employees played a decisive role in choosing the supplier.” The result: less waste, reduced environmental impact, lower costs and more people at work.

[Read the entire article here](#)  (Dutch)



2. We stimulate a sustainable, social and innovative economy and society

3. We choose and determine ambitions in advance

4. We collaborate

5. We are accountable for our results and transparent

2 We stimulate a sustainable, social and innovative economy and society

With its actions, central government wants to add economical, ecological and social value to society and its own organisation. That starts with good commissioning practices and professional procurement, both of which central government actively pursues. We do this, for instance, by making considered procurement decisions and by taking the specific circumstances for a particular market into account for our tenders. Sustainable, social and innovative procurement is the overriding objective here.

Achieving this objective requires a different way of working that is aimed at transition, both within central government and in our partnership with suppliers. Experimenting, exploring and actively looking for sustainable and social alternatives must become the rule, even more than it is today. The focal points for procurement by government organisations are outlined in this chapter.

*Sustainable, social and innovative procurement
are focal points for central government.*

Sustainable: climate-neutral and circular procurement

To combat global warming the government aims to reduce greenhouse gas emissions such as CO₂ to near zero by 2050. The Dutch energy system should therefore be clean, affordable and offer good prospects for new technologies. The climate agreement states that central government contributes to a sustainable transition of the Netherlands through its own procurement and operational management. This includes saving energy, switching to renewable sources and compensating remaining emissions.

*In the past century we have increased the global use of raw materials
by 34 times and the consumption of petroleum by 12 times.*

In addition to the issue of climate change, the global demand for raw materials is growing tremendously. The government recognizes the need to accelerate the development towards a circular economy and believes this offers opportunities for the private sector, employment, the preservation of biodiversity and combating the plastic soup. A circular economy also increases the security of supply in a world where the competition for scarce resources will increase. Consider for instance (critical) raw materials required for the energy transition, such as lithium or cobalt which are being used in the batteries of electric vehicles. An important national objective is to achieve a fully circular economy in 2050 and reduce the use of primary raw materials by 50% by 2030. That is why circular procurement is also an important objective for central government. This is also driven by the ambition to save, starting from 2021 and together with other authorities, one megaton of CO₂ by climate-neutral and circular procurement.

1. We achieve impact with procurement

2. We stimulate a sustainable, social and innovative economy and society



12

Case example
the Logistic Hub The Hague

“Make the inner city emission-free by 2025.”

Central government and the municipality of The Hague have joined forces to put the climate agreement into effect by participating in the Green Deal Zero Emission City Logistics. The objective: An inner city that is emission-free by 2025. In 2017 they decided to start testing the use of a Logistic Hub on the edge of the city. This Hub is a central distribution point where, for example, facility supplies are collected, combined and delivered to the city by sustainable transport. This reduces mileage and increases the use of zero-emission transport, improving the air quality in the city and makes it better accessible. Project manager Hans van der Bijl explains: “The total number of deliveries is reduced by 90%. This results in an annual reduction of truck journeys by 20,000 kilometres. In addition, we used the Logistic Hub to create jobs for people with a disadvantage on the labour market.

[Read the entire article here](#) (Dutch)



3. We choose and determine ambitions in advance

4. We collaborate

5. We are accountable for our results and transparent



Social: use procurement for better jobs, and for the inclusion and protection of vulnerable groups

A transition can only be sustainable if it is not at the expense of anyone. This means that the transition towards a climate-neutral and circular economy requires us to focus equally on social aspects. This includes both social return on investment and the application of international social conditions.

Central government policy is aimed at providing maximum opportunities for people with a disadvantage on the labour market.

We further this objective by either directly employing people with a disadvantage on the labour market, or through the companies we do business with, by applying the [Maatwerk voor Mensen \(Dutch\)](#) approach that aims to ensure social return on investment. Central government also ensures a good social climate for employees in their international supply chains. They have the right to good working conditions. Violations of human rights and pollution must be prevented. To get a better grip on the working conditions in the production chain, central government applies a set of international social conditions. These are mandatory for tenders above the European threshold for high risk [procurement categories \(dutch\)](#). The international social conditions are incorporated in tenders relating to, for instance, IT and workwear. We also apply the code of Responsible Market Conduct. This code is aimed at improving responsible market conduct and preventing excessive market competition in the cleaning, catering, security and furniture moving sectors. A different and less obvious group that requires our attention are the households with high risk and problematic debts. As creditor and client of debt collection services, central government has a special responsibility to prevent unnecessary increase of debts. We are also examining if procurement can be used for other and new topics such as diversity and inclusion. Central government is working towards diversity in the composition of their workforce. An inclusive working environment brings out the best in all (future) employees, irrespective of age, phase of life, time spent in current function, gender or origin. The Ministry of Education, Culture and Science has taken the initiative to explore the possibility of using tenders to give preferential treatment to companies that are committed to the government's objectives regarding diversity and inclusion.



Case example
Maatwerk voor Mensen

“A sustainable job for everyone, even if you have a disadvantage on the labour market.”

A sustainable job for everyone, even if you have a disadvantage on the labour market. This is the objective for central government and suppliers as they jointly take up their responsibility with regard to Social Return On Investment (SROI) by applying the ‘Maatwerk voor Mensen’ approach. In other words, they are not only responsible for the financial returns of the collaboration, but for the social return as well. Within one year, 42 pilot projects were set up. Bart de Jongh, sector manager IT Audit, started one of these pilots. “There is a great shortage on the labour market, but also a large pool of untapped labour potential. It is wonderful that we have succeeded in finding a valuable data analyst at last and were able to give Wolter a one-year contract.”

[Read here how Wolter Kieft found a job as data analyst with the central government Audit Service.](#) [↗ Dutch](#)



Innovative: stimulate innovations through procurement

The Netherlands are good at innovation. We are one of the innovation leaders in the European Union (EU), together with Sweden, Denmark, Finland the UK and Luxembourg, as became apparent from the European Innovation Scoreboard 2018 of the European Commission. The government encourages companies that are developing innovative products, for instance through tax benefits, innovation loans or subsidies. In addition, central government uses procurement to stimulate innovations. By using new procurement methods and putting more focus in our tenders on solutions instead of detailed product or service descriptions, central government creates space for companies to submit innovative ideas. With this approach, central government contributes to the 25 missions defined in the new [Mission-driven Innovation Policy \(Dutch\)](#). Central principles of this new top sector approach are the economic opportunities generated by societal challenges and the ambition to be at the forefront of a number of key technologies. The government has defined these missions in collaboration with top sectors, businesses, knowledge institutes, local authorities and civil society organisations. By adopting these missions as our guideline, we can accelerate the transitions in society. This allows central government to act as launching customer for solutions that may not have a market yet, or in case the market is still small or is growing slowly. Programs with particular focus on this approach are Startup in Residence (SiR), Small Business Renovation Research (SBIR) and the Innovation partnership. The coalition agreement names the SBIR-approach as a promising instrument, for example for the Ministry of Defence or Rijkswaterstaat (part of the Dutch Ministry of Infrastructure and Water Management).

| Central government wants to act as launching customer for new solutions.



Case example
Dutch Coastline Challenge

“Innovative care for the coastline through ‘launching customership’”

Launching customership boosts innovation. Eize Drenth (Rijkswaterstaat) set up Innovatie KustlijnZorg (IKZ - Innovation Coastline Care) as part of the Dutch Coastline Challenge (DCC), a partnership of various market players. The objective of DCC is to challenge each other and develop solutions for sustainable care of the coastline and achieve a substantial reduction of CO₂ emissions starting from 2024. The ultimate ambition is to reach zero CO₂ emissions. They asked the market to come up with innovative methods for the sand nourishment projects that keep the coastline intact. Around twenty ideas have been submitted by various companies. This has resulted in several innovation partnerships with the market parties involved. More tenders are to follow, to make the care for the Dutch coastline more sustainable and more efficient.

[Read more here](#)  Dutch



Ways to promote innovation-driven procurement

- The Startup in Residence (SiR) programme focusses on the (continued) development of innovative solutions and gaining experience in collaborating with startups. The Ministries of Justice and Security, the Interior and Kingdom Relations, and Defence are currently working with SiR programmes, and the Ministries of Agriculture, Nature and Food Quality & Economic Affairs and Climate Policy are jointly preparing one.
- Small Business Innovation Research (SBIR) is a phased competition that challenges companies to solve a societal issue. The focus is on research and development of innovative solutions, for which a development budget is available.
- The innovation partnership approach is similar to that of the SBIR but results in actual acquisition of the innovative solution. This is agreed at the start of the development process.
- ‘Challenges’ are being used by various ministries as an instrument to assign pilot projects (a maximum of 20,000 euros) to young, innovative companies. The ministries of the Interior and Kingdom Relations, of Education, Culture and Science, of Infrastructure and Water Management, and of Health, Welfare and Sport have announced such ‘challenges’ on the [Starthubs](#). This platform forms the link between the ministries and the companies.

More information on innovation-driven procurement is available on the website of the [PIANOo Expertise Centre](#) (Dutch). This offers detailed descriptions of the instruments mentioned above. It also contains ample information on other methods and instruments for innovation-driven procurement.

Professionalisation of procurement is a basic requirement

The policies that central government is committed to have been described above. A basic requirement for achieving these objectives is a further professionalisation of procurement. We strengthen expertise through training and a trainee programme for purchasing officers. In addition, as a result of merging the central government procurement points, procurement is now organised more efficiently. Experts on various aspects of procurement have been brought together, such as purchasing officers, procurement lawyers and contract managers. This makes procurement more professional and raises the quality government procurement. The focus on category management means that ministries do not procure products or services by themselves, but do so jointly, coordinated per product group or category. By applying category management and by formulating market visions, central government commits itself to its role as strategic market partner, taking into account both current and future needs for products and services. With this strategy we provide guidance for further professionalisation of procurement, while at the same time professional procurement is a basic requirement for making this strategy a success.

Case example
Startup in Residence

“Startup in Residence takes new ideas a step further!”

The Ministry of Justice and Security organises the second edition of Startup in Residence. Eleven societal issues (‘challenges’) are open for submission of innovative ideas from startups. Ideas that are well received can be developed into a prototype. The startup follows an extensive and diverse five-month programme that includes training and coaching. The startup gets a development budget of a maximum of € 32,000. The startup Assist Jeugdwerk, for instance, developed the app ‘Always-on’ together with ex-prisoners and professionals. This app supports ex-prisoners in organising their lives.

[Read the article about the launch here.](#) 
(Dutch)



3 We choose and determine ambitions in advance

The earlier in the procurement process the impact on society will be addressed, the better. If the client, advised by the purchasing officer, formulates his ambitions and objectives at the start of the procurement process, this increases the chance that they will be addressed in detail in the tender and the commission. This procurement strategy provides guidance by specifying:

- Which objectives we must achieve.
- What generates the greatest impact.
- How we can make the ambition concrete.



Which objectives do we have to achieve?

Central government procurement and commissioning has to contribute to a sustainable, social and innovative economy and society. This ambition is a task for everyone involved with procurement, but what does this mean in concrete terms for procurement projects? The first practical step has been to translate the relevant national policies (as described in chapter two) into objectives for central government, that also act as guidelines for all central government procurement.

Central government aims to achieve the following:

-  be climate-neutral by 2030 (climate topic)
-  a 50% reduction of the use of primary raw materials by 2030 and full circularity by 2050 (circularity topic)
-  stimulate labour inclusion, for instance by the creation of 5,000 participation jobs (social return topic)
-  make international production chains more sustainable by preventing or addressing abuses regarding working conditions, human rights and the environment (international social conditions topic)
-  stimulate innovation, for instance by acting as launching customer (innovation topic)

We use the procurement strategy to flesh out these main objectives, making use of effect and result targets as well as performance objectives. This allows us to monitor more aspects to see which ones are successful and where further efforts are required. It enables us to keep a grip on progress and make adjustments where necessary.

When clients include the ambitions for innovative, social and sustainable procurement of products or services in their tender, they bring these objectives closer to becoming a reality.



The ambition is to achieve effects and results

Specific effect and result targets have been defined for energy, infrastructure, buildings, people, ICT, transport and office facilities and services. For instance, energy savings of 50% in central government office buildings by 2030, a fully zero-emission vehicle fleet by 2028, a CO₂ reduction of 20% per m² of asphalt for all construction and maintenance projects of Rijkswaterstaat, and ten circular operational management categories by 2023. An overview of these result and impact targets is included in Annex 1.

Performance objectives support the ambition

In addition, we apply performance objectives. They ensure that the impact on society is incorporated in the procurement processes from the start. If the result or impact is not achieved, we can adjust the performance. Examples of performance objectives are:

- Using socially responsible procurement criteria for all tenders in 45 relevant product groups (see also the product groups on www.mvicriteria.nl/en).
- The application of requirements or award criteria at significant or ambitious level for 50% of these tenders, starting from 2020. See also the description of the ambition levels below.
- The tenders that are initiated via category management are not only awarded based on price and quality, but also for at least 50% on their impact on society.

What generates the greatest impact?

Central government procures various products, services and works. This varies from office supplies to roads and office buildings. Sometimes in very large volumes and sometimes in very small volumes. This means there are plenty of opportunities to create an impact, but it also means we have to make the right choices. Otherwise there is a risk that we only take small steps in relatively easy procurement projects. By focussing on high impact procurement packets, we can quickly take major steps. Table 3.1 shows how this works for eight high impact product groups. This table is based on two studies into the impact of procurement and operational management [2] and gives an indication of the impact (5 symbols signifies high impact and 1 indicates low impact). Analyses such as these are used to guide our efforts. Based on the symbols in the table, for instance, we can see that energy procurement is decisive for our climate impact and that workwear scores relatively low in this respect.

Focussing on these high impact product groups does not mean that other product groups or procurement packets are not important. They, too, offer plenty of opportunities for achieving more impact, especially in combination. What is more, we want to support the markets and convince them to become more sustainable, and small procurement projects may also have a considerable impact in this respect, although one that is hard to quantify. However, high impact product groups will get extra attention when we prepare, facilitate, communicate and report on a project.

2

- Report, Impact Rijksinkoop Quick-scan naar de milieu – en sociale impact van de totale Rijksinkoop (Quick-scan into the environmental and social impact of central government procurement), KMPG, April 2019
- Footprint duurzame bedrijfsvoering Rijk (Footprint sustainable operational management in central government), CE Delft, May 2019

Tabel 3.1 Waarmee realiseren we de meeste impact

	CO2-impact	Material consumption (Kt material)	Innovation potential	Development ISV [3]	Jobs potential
Energy procurement					Unknown
Civil and hydraulic engineering					
Buildings and maintenance					
Data Center and ICT hardware					Unknown
Transport		Unknownnn			Unknown
Catering					
Office furnishing					Unknown
Workwear					

3. This is an indication of the development of the relevance of risks in the production chain as compared to MVO Sector Risk Analysis.

Case example
Afsluitdijk

“The ideal testing ground for innovation and sustainability”

The project De Afsluitdijk was awarded the Duurzaamheidsparel this year, an award for sustainable projects. Hans de Kievit, programme manager: “The Afsluitdijk is the ideal testing ground for innovative and sustainable forms of energy. It is a place where wind, sun and water come together. For instance, we generate energy from flowing water, with wind turbines and from the confluence of salt water and fresh water. Together with construction consortium Levvel Rijkswaterstaat is reinforcing part of the Afsluitdijk with over 75,000 concrete elements. These Levvel-blocs require far less concrete than usual, which reduces CO₂ emissions by 56%. Because the pumps that remove the water are deployed only if absolutely necessary, the use of electricity is nearly 10 times lower than expected. The required energy is generated locally with a solar farm near Den Oever. The project also contributes to local employment for people with a disadvantage on the labour market.

[Read more here.](#)  (Dutch)





How we can make the ambition concrete?

Pursuing all objectives at once, but only in part, often leads to disappointing results, both for central government and the private sector. A lot of (unnecessary) effort is put into it, but with little impact. That is why we make the ambitions concrete. For some product groups this process is already well advanced. For product groups where this is not the case, a series of ambition sessions per procurement packet/product group is used to clarify what the ambition is, and which concrete measures can be taken. The results of these sessions are included in sustainable procurement action plans and roadmaps each ministry has created, or in the category plans for the procurement packets. Ambitions are made concrete in a dialogue between clients, purchasing officers and policy-makers/specialist ministries. They make clear where, both within their own ministry and government-wide, specific actions will generate the greatest impact. Rijkswaterstaat has developed an approach, the ambition web, that is an important tool in this process (see the figure on the next page).

The ambition web is basically a simple approach that provides an instant overview of the objectives of an organisation or project/contract. It helps to:

- structure the contract;
- identify the impact;
- make objectives transparent and measurable;
- support the dialogue;
- add focus to the procurement process.

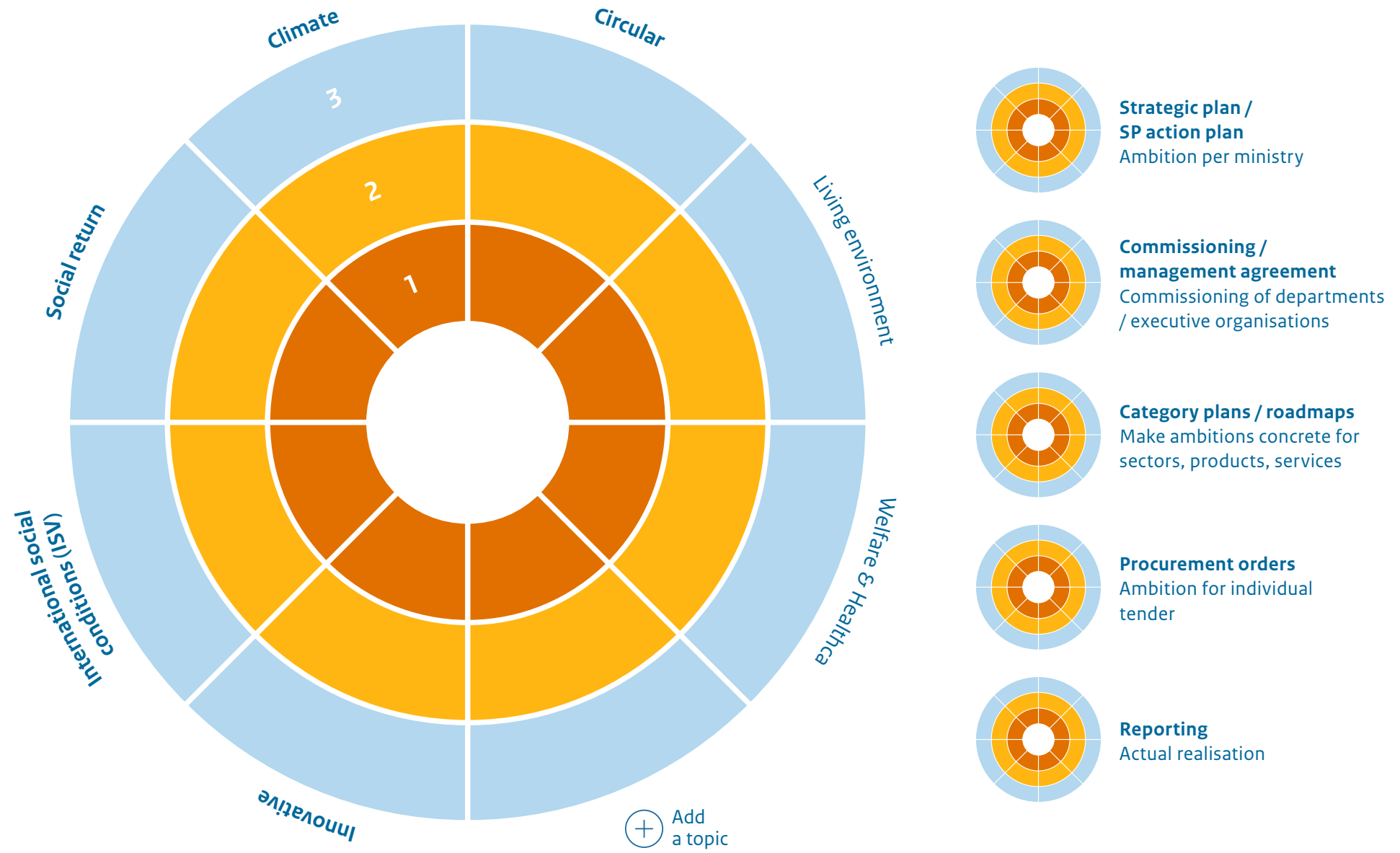
Central government will systematically implement this way of working at all levels within the organisation, including top management. The more insight into the ambition has been provided, the better clients and purchasing officers will be able to make it concrete. In practice, this means that ministerial governing boards include the ambition in a plan and subsequently incorporate it in the internal commissioning to departments and executive organisations. This can, for example, take the form of management agreements, service level agreements, category plans and/or procurement plans per procurement packet, and finally it is included in concrete tender documents and reports.

1. We achieve impact with procurement

2. We stimulate a sustainable, social and innovative economy and society

3. We choose and determine ambitions in advance

Figuur 3.2 Ambition web procurement strategy



4. We collaborate

5. We are accountable for our results and transparent

Sustainable Procurement (SP) action plans for each ministry

In December 2016 central government signed the Manifest MVI (Sustainable Procurement Manifesto), thereby committing to the development of SP action plans for each ministry. These SP action plans specify which ambitions a ministry has for particular objectives, and which concrete actions they will perform. This includes both ministry-specific procurement (procurement that only concerns that particular ministry) and generic procurement (for the entire central government, for all ministries, carried out by one of the ministries using category management). In their SP action plans the ministries weigh the government-wide objectives against their own objectives. The Ministry of Infrastructure and Water Management, for instance, emphasises promoting the circular economy/the climate objectives, while the Ministry of Social Affairs and Employment might stress the realisation of social return. The ministries update their SP action plans periodically. Ministries that do not yet have an action plan must have one by the end of 2019 at the latest. Ministries that already have an action plan will update their plan in 2020 on the basis of the central government procurement strategy Procurement with Impact.

From exclusion to encouragement and excellence

Using the ambition web enables a client to determine which ambition he or she has with regard to the various topics and objectives in this strategy. The ambition web has 3 ambition levels (see the figure on the next page). This approach also provides room to add other or new topics, such as welfare, living environment and diversity. Diversity is an example of a new topic that the Ministry of Education, Culture and Science is exploring.

Figure 3.3 From excluding to encouraging and excellence

In case of a strong innovation needs,
meaningful impact, high procurement
formula, strong market position

Based on policy ambitions and
a realistic chance of impact

In case of standard
procurement projects,
impact mainly achieved
through uniform application
of requirements



Level 2 Significant
more stringent
requirements and
award criteria

Encourage sustainable
products and services

Level 1 Basic
setting requirements

Exclude non-sustainable
products & services

Level 3 Ambitious
functional and
experimental criteria

New solutions and
innovation



Level 1, basic, allows client and purchasing officer to quickly and easily carry out a sustainable procurement process by setting requirements. These requirements rule out non-sustainable products, services and works and contribute to create broad support for sustainability in the market.

Level 2, significant, entails formulating stricter requirements and challenging the market to improve their sustainability performance by applying performance-related award criteria. This will lengthen the process as it involves an assessment of the tenderers based on the award criteria. The client needs to decide and describe how the award criteria will be assessed.

Level 3, ambitious, goes beyond the ambitions corresponding to level 2. Purchasing officers and clients are expected to show more involvement with the procurement project and the implementation of the contract. The award criteria are more ‘experimental’ and functional in nature. To achieve the lowest possible impact or a positive contribution often requires new solutions and innovation.

4 We collaborate

It is not possible to achieve impact without collaboration. This is true for central government internally, as well as for the collaboration with external partners. The clients within central government, the ministries responsible for the various societal challenges (policy), purchasing officers and the private sector must make a joint effort. For some this will require adopting a new and challenging way of working; until now they mainly engaged with one or two of these partners, or did not yet focus on sustainable, social and innovative growth. That is why we facilitate the transition-driven dialogue and collaboration between parties where necessary. For example, through one or more transition platforms.



Government-wide, we are putting our shoulders to the wheel

Policy-makers, clients and purchasing officers working together

Within central government everyone must put their shoulders to the wheel, whether he is a policy-maker, client or purchasing officer. Together, they must set ambitions and make them a reality. The focus of attention will shift to productive cooperation, aiming at societal impact. The sooner they will get together and discuss this approach, the better, and it is everyone's duty and responsibility to make it a reality. Executives (who set the framework), clients and internal customers must jointly ensure, together with procurement professionals, that sustainable procurement performance in procurement projects improve.

More specifically:

- **The policy departments** provide guidance on the societal goals to be pursued and engage in dialogue with clients and purchasing officers about the way to implement this.
- **The client** is budget holder and indicates which (large) tenders are coming up. He articulates his ambition as soon as possible, during the functional specification phase. He gives the instruction to achieve impact on society through procurement. And last but not least, the client has an important responsibility in monitoring the actual implementation of the contract. He can take that upon himself or do this together with the contract manager.
- **The procurement advisor** supports the budget holder/client in the procurement process. He or she applies the frameworks and shares ideas about ways to set up the procurement project in such a way that it will achieve sustainable, social and innovative results. The purchasing officer encourages the client to pursue sustainable procurement objectives, insofar his tasks will allow him to influence these, and informs the client about the results that were achieved with earlier tenders. He provides the executive and/or clients with monitoring data to show whether or not sustainable procurement aspects have been incorporated in the procurement projects.

**Category plans: joint procurement benefits all**

One of the key roles in procurement is that of category manager. Category managers ensure that many products and services are jointly procured for all ministries. Ministries are no longer procuring certain products or services just for themselves, but do so jointly, coordinated per product group or category. To this end, category managers draw up a category plan that specifies which tenders are coming up, which ambitions are being pursued and any new or expected market developments. Category management also makes it possible to take a product's total life cycle into account and leads to pooling of knowledge of and experience with, for instance, innovative, social and sustainable procurement.

We provide insight in the strategy and planning of tenders

The market must be able to anticipate future needs and come up with meaningful ideas with impact. That is why we are transparent. We provide insight by timely informing partners and suppliers about our procurement strategy and planned tenders. Since 2019, planned tenders that fall within category management (government-wide procurement) are announced at an early stage on the Aanbestedingskalender (tender calendar). The category plans are made public as well. This is useful information for both government agencies and suppliers. This way, they are aware at an early stage what the product and service requirements will be and when tenders can be expected. In concrete terms, we provide insight in the strategy and planning by:

- **Sustainable procurement action plans**
In their action plans for sustainable procurement ministries specify their ambitions for particular objectives, and the concrete actions they are taking to make them a reality.
- **Category plans or roadmaps**
A category plan outlines the procurement strategy for one of the approximately 20 government-wide procurement strategies. It not only contains the planned tenders, but also explains how the category puts the SP objectives into practice. For civil and hydraulic engineering and real estate central government does not use category plans but roadmaps with the concrete ambition plotted over time.



- **Sustainable procurement criteria**

The sustainable procurement criteria used by central government are available on www.MVlcriteria.nl/en. This website shows which criteria can be applied for specific product groups.

- **Aanbestedingskalender (tender calendar)**

Central government uses the Aanbestedingskalender to provide an overview of the tenders planned for the coming years.

- **Tenders Electronic Daily**

Tenders that exceed the threshold for European tenders are announced on Tenders Electronic Daily.

We collaborate with other authorities and set an example

We do not embrace innovative, social and sustainable procurement just for the benefit of our own organisation. We are fully aware of the fact that what we demand from others, we must be willing to do ourselves, as central government. And that by doing so, we can help or inspire other authorities to become more sustainable, innovate or improve social conditions. Due to our scale and market position it is often easier for us to experiment with new methods and technologies. We are sharing our experience and approach and will continue to do so in the future. The spin-off from what we do, learn and develop in terms of instruments can be considerable. Through agencies such as PIANOo (the Dutch public procurement expertise centre) we share our practical experience with other authorities and in turn we learn from theirs. For instance, PIANOo makes the central government's SP criteria available, publishes case examples and facilitates exchange of knowledge.

The RIVM, the National Institute for Public Health and the Environment, has calculated that the application of SP criteria by Dutch authorities for 8 product groups has resulted in a reduction of 4.9 megatons of CO₂ in 2015 and 2016 (which is equivalent to the emissions of 600,000 households).

Without experimenting and testing new developments there will be no innovation and no chance to break away from existing patterns. Based on this concern and our leading role we feel it is our task to start procurement pilots in collaboration with other authorities. For instance, through the green deal circular procurement, central government actively collaborates with other authorities and market players to take circular procurement to the next level. In addition, central government will participate in testing grounds, pilots and various partnerships.



We create impact in collaboration with the market

Creating added value to society is not the prerogative of the authorities. Businesses and civilians also do that. And more and more often we see that is no longer possible for either public parties or private parties to solve societal issues on their own. They have become too complex for that. That is why we are joining forces with the market. Good knowledge of the market provides “value for taxpayers’ money”. The dialogue with the market engenders opportunities and ideas, for instance to support SMEs and stimulate innovation, social aspects and sustainability with these companies and in society as a whole. In addition, the dialogue with the market results in a better price-quality ratio. By using performance-based award criteria for procurement projects we make clear what we value especially in what the market has to offer, and, by extension, we show how suppliers can increase their chance of securing the contract. Procurement techniques such as functional specifications also contribute.

By actively collecting knowledge and insights from the market, science and civil society organisations, we find alternative solutions and explore new perspectives.

Market vision

Clients and contractors in construction and infrastructure are working together to create a healthy and sustainable sector. The Market vision was an initiative of Rijkswaterstaat, the Central Government Real Estate Agency and various key players in the sector, e.g. ProRail, Bouwend Nederland, NLingenieurs, the Vereniging van Waterbouwers, MKB Infra, Uneto VNI and Astrin.

They promote an open dialogue about the needs and ambitions throughout the chain of clients, contractors, their suppliers, knowledge institutes and end users. They jointly determine the common objective of a project and choose the best solution. They make room in the contract for innovation and sustainability, but also for risk management measures and the accommodation of setbacks. Read more on the www.marktvisie.nu website (Dutch).

Support, learning by doing

The Netherlands are facing major challenges, and the contribution of central government regarding procurement constitutes a substantial transition. The various collaborating parties must take fundamental steps that lead to structural and permanent change. This is true for both government agencies (that need to become more professional) and market players/suppliers, who sometimes--but often do not yet--have products and services that are produced in a sustainable and socially responsible way. A permanent and profound change such as this one, making procurement with impact on society the new normal, requires transitions with regard to knowledge, innovations, business models and perhaps even the opening of new markets. This requires a high level of support.

A new and yet to be named (transition) platform will therefore:

1. manage on impact and provide insight in the effects (monitoring)
2. ensure communication, information sharing and network development
3. make practical tools and instruments available
4. support projects with means and room to experiment
5. provide hands-on advice

It is not an over-arching platform, but instead focusses especially on intensive cooperation with existing platforms that are also focussed on sustainable, social and innovative transitions. This can be a sectoral or thematic approach, depending on the best way to make a difference. The platform CB23 (Circular Building 23) is a good example. This platform wants to connect parties with circular ambitions across the construction sector and is aiming to establish national, sector-wide agreements on circular construction before 2023. Rijkswaterstaat and the Central Government Real Estate Agency follow up on this initiative, together with De Bouwcampus and NEN.

Shaping transition together requires a shift in the leading principles that guide our thoughts and actions: from profit to impact, from hierarchies to networks, from controlling to co-creation, from routine to experimenting and from standard to tailor-made.

1. We achieve impact with procurement

2. We stimulate a sustainable, social and innovative economy and society

3. We choose and determine ambitions in advance

4. We collaborate

Figure 4.1 Leading transition principles



5. We are accountable for our results and transparent

Case example
Bajesdakrevolutie

“All prison roofs covered with solar panels.”

With over 50 buildings, the Dutch Custodial Institutions Agency has a large impact on the environment. Managing Director Operation Annelore Roelofs wanted to reduce this impact by covering all prison roofs with solar panels. Together with the Central Government Real Estate Agency they started the Bajesdakrevolutie (prison roof revolution): placing solar panels on all prison roofs to generate sustainable energy. In the long run, over 30,000 square metres of solar panels will produce 45,000 kWh. The inspiration for this project was found in the education sector: a few years back Roebym Anders launched the Schooldakrevolutie (school roof revolution). Her tips and experience ensured that all prisons now run largely on solar energy. Green energy is purchased to supply for the remaining energy needs. In this way, the Bajesdakrevolutie contributes to the energy transition and at the same time we are reducing our own negative impact.

[Read the entire article](#)  (Dutch)



5 We are accountable for our results and transparent

The success of this procurement strategy will depend on the will and commitment of everyone involved with procurement. This also means that we must all do our part in order to reach the transition objectives that have been set and that we are transparent and accountable for our results.

We manage government-wide and per ministry to achieve our objectives

The transition objectives are not optional: agreements are made government-wide and per ministry about objectives and their realisation. Achieving the transition objectives is a joint responsibility of all ministries. The ‘distribution’ of the objectives over the ministries is coordinated by the secretaries-general. In line with the approach outlined in chapter three, each ministry translates the government-wide transition objectives into objectives per ministry and per organisational unit. By establishing (in the governing board) the objectives and scope, they become part of the planning and control cycle of a ministry and organisational unit. Working towards the achievement of the objectives is being managed through the customary management models and structures within a ministry or organisational unit. Government-wide monitoring tells us whether we are on track to achieve the transition objectives. If not, we will determine the adjustments that should be made.

We provide insight in performance and effects

Every ministry is responsible for their own monitoring and provides insight in their progress towards the agreed objectives. The Ministry of the Interior and Kingdom Relations provides a government-wide perspective by aggregating the data from the various ministries. On the basis of the aggregated information, the meeting of secretaries-general determines whether the combined performance of all ministries adds up to what they aimed to achieve government-wide. The MVI Self Evaluation Tool (MVI-ZET), that all authorities are now starting to adopt, is an important instrument in this process. Over time, the tool will increasingly provide information on the achieved result/effect and also identify best practices. Successful ministries share their knowledge, solutions and other experiences with others, thereby accelerating the transition. The Jaarrapportage Bedrijfsvoering Rijk (annual operational management report) is used to inform the Dutch Parliament about the results. Central government already has a lot of experience with performance monitoring, while effect monitoring is currently being developed and will be added to the available instruments.

1. We achieve impact with procurement

2. We stimulate a sustainable, social and innovative economy and society

3. We choose and determine ambitions in advance

4. We collaborate

5. We are accountable for our results and transparent

The Ministry of Infrastructure and Water Management uses the [CO2 Performance Ladder](#) (Dutch) to gain insight in their own CO2 emissions and those of their partners in the chain. The ladder supports a structured approach towards climate neutral operational management and implementation. To provide transparency about the results regarding climate, circular economy and other sustainable topics, the Ministry of Infrastructure and Water Management annually reports on the progress in a [Sustainability report](#) (Dutch) in addition to the regular annual reporting to Parliament.

Research bureau Metabolic has been asked to advise on monitoring. Part of their recommendations have already been implemented. The column ‘Development path’ in table 5.1 shows which part has been completed and what monitoring aspects need further development.

In addition, a dashboard is being developed that allows policy-makers, clients and, for instance, contract managers to monitor progress regarding the transition objectives. They can use this information to make adjustments if necessary.

Table 5.1

Metabolic advice steps	Description	Development path
 80/20 study	Show where the largest effects can be achieved with targeted actions, for instance by means of a substance flow analysis with calculated effects for specific topics (such as CO2, materials reduction, land and water usage)	Value retention framework not available (to be developed)
 Basic set of indicators	Determine a basic set of indicators that can be used to aggregate effect calculations.	In development via various ‘climate envelope’ projects climate-neutral procurement (in progress)
 Value retention	Develop a framework of unique indicators, with special reference to the value retention of products at the end of their service life.	Value retention framework not available (to be developed)
 Current situation contract and facility management	Investigate the current practice of contract and facility management to identify opportunities to reveal the actual effect.	In development through various ‘climate envelope’ projects for climate-neutral procurement (in progress)

Annex

The objectives that drive central government commissioning and procurement have been defined in this annex. The figure on the next page contains a brief and schematic overview of the objectives. This is followed by the exact wording of the objectives. Based on these objectives and the ambition web instrument central government puts the ambition for commissioning and procurement in concrete terms.

1. We achieve impact with procurement

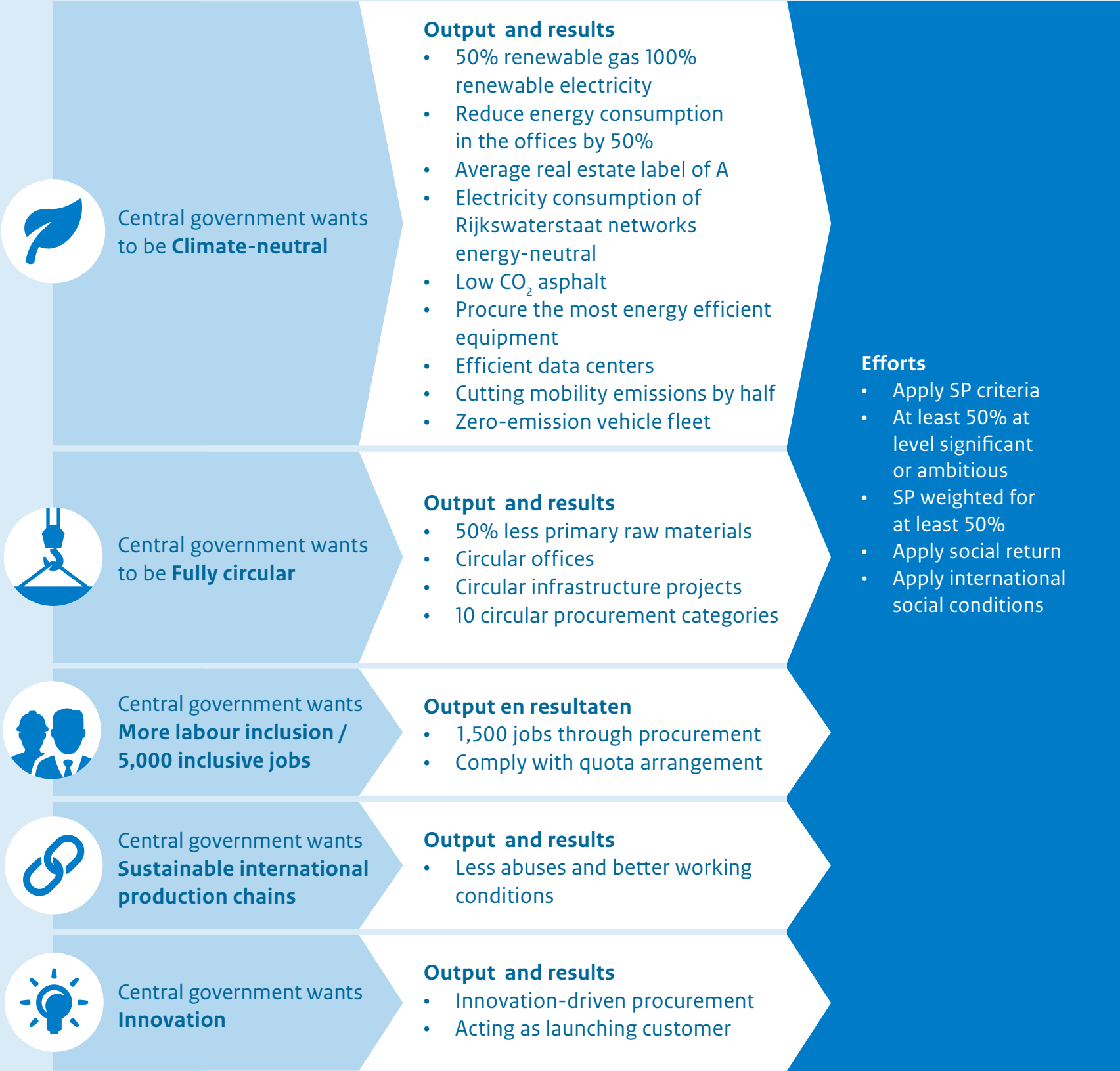
2. We stimulate a sustainable, social and innovative economy and society

3. We choose and determine ambitions in advance

4. We collaborate

5. We are accountable for our results and transparent

Figure Overview of central government objectives



1. We achieve impact with procurement

2. We stimulate a sustainable, social and innovative economy and society

3. We choose and determine ambitions in advance

4. We collaborate

5. We are accountable for our results and transparent

46



What impact do we want to achieve?

- Be climate-neutral by 2030.
- 50% reduction in primary raw materials use by 2030 and full circularity by 2050.
- More labour inclusion and creation of 5,000 jobs for people with a disadvantage on the labour market.
- Sustainable international production chains.
- Stimulate innovation.

Be climate-neutral by 2030

We deliver the following output and results:

Energy

- The consumption of gas by central government has been reduced by 30% in 2030 and at least 50% comes from renewable sources (Climate agreement);
- The electricity used by central government is 100% renewable by 2030 (Climate agreement).

Data Center and ICT hardware

- All hardware, networks, telecom services, telecom equipment and reproduction equipment meet the most recent Energy Star requirements;
- We will procure the most energy-efficient hardware, networks, telecom services and telecom equipment;
- The Data Center Infrastructure Efficiency (the ratio between the energy consumption of the ICT equipment and the total energy consumption of the data center) is at least 50%.

Civil and hydraulic engineering

- The electricity usage of Rijkswaterstaat networks is energy-neutral and infrastructure projects will be climate-neutral by 2030.

- A CO₂ reduction of 20% per m² asphalt for all construction and maintenance projects of Rijkswaterstaat

Buildings and maintenance

- An average of annual energy reduction of 2% for the government buildings. In 2020 the reduction must be 25% compared with 2008;
- By 2030 the energy consumption of government offices is half that of 2008 (Climate agreement);
- By 2023 office building energy labels are at least C, central government aims at label B for its own office buildings;
- Government offices on average have energy label A by 2030 (Climate agreement);

Transport

- Central government has reduced emissions from enterprise mobility by half by 2030 (Climate agreement);
- In 2020 at least 20% of the government's vehicle fleet consists of zero-emission cars and in 2028 the entire fleet will consist entirely of zero-emission vehicles (Climate agreement).

50% reduction in primary raw materials use by 2030 and full circularity by 2050

We deliver the following output and results:

- In 2030 management of the office portfolio will be circular (Climate agreement and government reaction circular economy);
- In 2020 there are six circular operational management categories (office furniture, workwear, paper and printed products, ICT hardware, catering, and waste and raw materials management) (government reaction circular economy);
- In 2023 there are ten circular operational management categories (Climate agreement and government reaction circular economy);
- Infrastructure projects will be circular by 2030

Create 5,000 jobs for people with a disadvantage on the labour market, 1,500 of which through procurement/commissioning

We deliver the following output and results:

Jobs agreement Participatiewet (Law on participation):

- Central government uses procurement to create approximately 1,500 jobs of 25.5 hours per week between 2015 and 2023;

Quota arrangement from 2018:

- Starting from January 2018 central government must comply with the quota arrangement.



Make international production chains more sustainable

We deliver the following output and results:

- Preventing or addressing abuses regarding working conditions, human rights and the environment.

Stimulate innovation

We deliver the following output and results:

- Stimulate innovations through procurement, for instance by acting as launching customer.



We point procurement in the right direction at an early stage by:

- Using socially responsible procurement criteria for all tenders in 45 relevant product groups (see also the product groups on www.mvicriteria.nl/en).
- Applying requirements or award criteria at significant or ambitious level for 50% of these tenders from 2020.
- Always exploring opportunities for innovation.
- Applying social return for appropriate tenders for works and services with a total payroll of at least € 250,000.- (excluding VAT) and a minimum contract period of six months.
- Applying International Social Conditions for tenders that exceed the European thresholds in high risk categories.
- For all tenders that are initiated via category management, the contract is awarded not only on the basis of price and quality, but also for at least 50% on their impact on society.

Procurement with Impact is a publication of the Dutch central government.

**Ministry of the Interior and
Kingdom Relations**

Directorate General Public
Administration/ Department
for Facilities and Procurement
for Central Public Administration
P.O. Box 20011
2500 EA The Hague
The Netherlands

www.rijksoverheid.nl

Editors

Ivo Bonajo
Mandy de Visser

Layout

Ready for take-off

Photography

Remco Zwinkels (case examples Workwear, Logistic Hub),
Bart Hoogveld (case example Maatwerk voor Mensen),
Rob Acket (case examples Afsluitdijk, Bajesdakrevolutie).

Oktober 2019



Denk Doe Duurzaam

• • • *meer voor elkaar*

