

Advantages and challenges for responsible procurement

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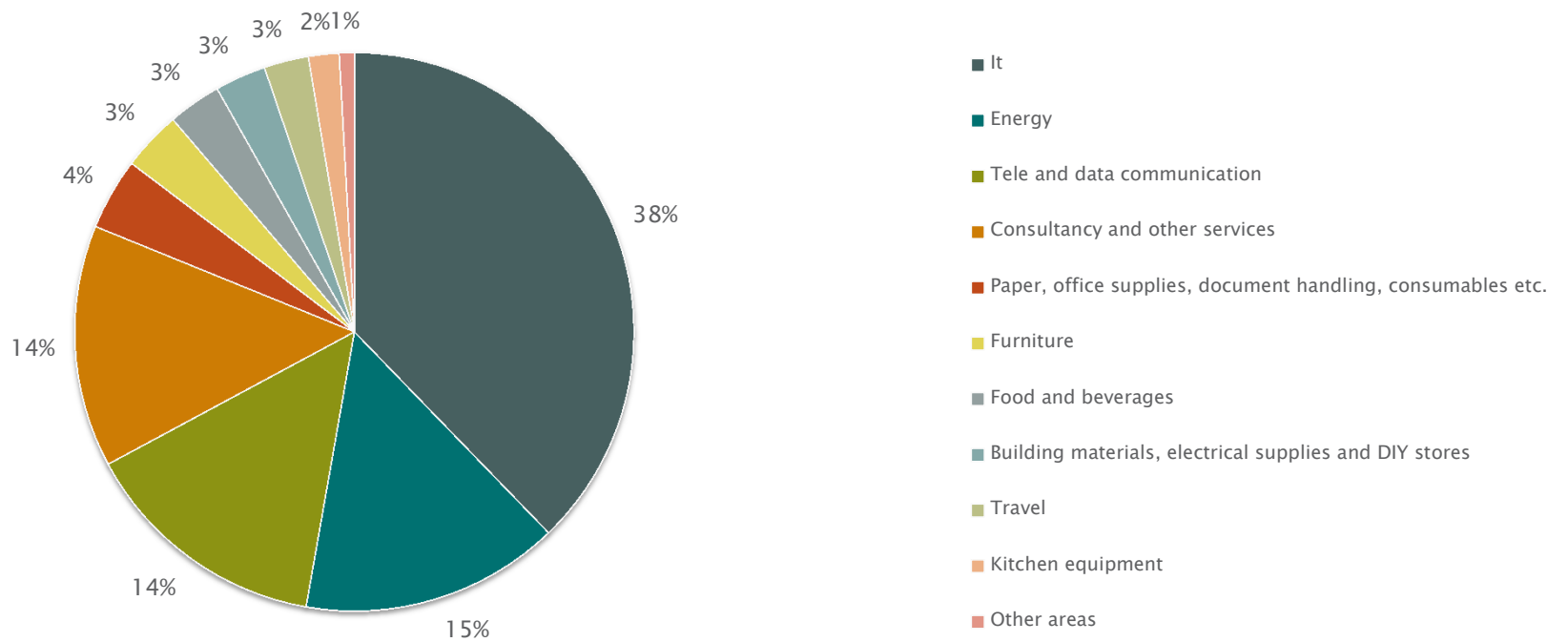
Facts about SKI

- Limited company established in 1994
- **Field of activity**
 - Contributing to greater efficiency in the area of public purchasing by establishing and maintaining attractive framework agreements
- **Business model**

A percentage (typically 1% – but in average around 0.87%) of turnover on contracts from suppliers
- **Number of employees:** 70
- **Number of framework agreements:** app. 50
- **Owners**
 - Ministry of Finance (55%)
 - KL, the National Association of Local Authorities (45%)



SKI's turnover on its framework agreements in 2013



Potential of public procurement

390.000.000 EURO



What is sustainability? CSR-themes – the list is constantly changing



Why does SKI work with responsible procurement?

- Ensure legitimacy – Licence to Operate
- Keeping expectations from the outside world
- Comply with legal requirements
- General strengthening brand image and credibility
- Long-term positive working relationships with customers
- Achieve positive press coverage
- Avoid negative publicity

Who affects SKI to work with CSR?



Examples

Cases in the medias

- The Chinese death granite
- Tropical trees
- Conflict minerals
- Social dumping
- ICT hardware produced in China.



Sustainability at SKI

Environment & climate

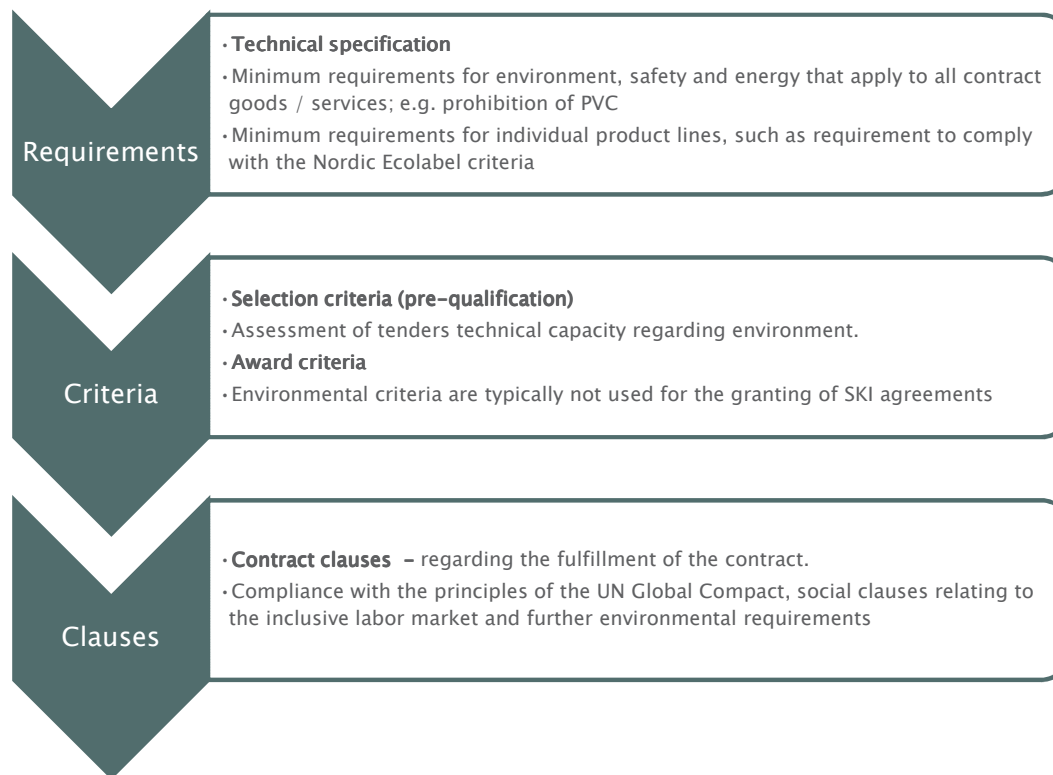
Range of green and energy efficient products on SKI agreements

Social Clauses

Relevant for service contracts – allows customers to require employment on special terms – e.g. job opportunities

UN Global Compact

All SKI suppliers must comply with the principles in UN Global Compact



Examples of SKI's environmental requirements

- Energy consumption / energy efficiency
 - The computers must meet the energy requirements of The Danish Energy Saving Trust's procurement manual

Examples of SKI evaluating on TCO-price

- TCO = Total Cost of Ownership

- TCO price
 - When awarding the Framework Agreement and by direct award and mini-tender the contract shall be evaluated on cost + 3 years of energy bill

SKI's lifecycle cost calculator for computers

Leverandørnavn:									
Producentnavn									
Model for beregning af TCO bærbart type 1									
			Total	Heraf strømforbrug					
Tilstand	Procentvis ande	Effekt (Watt)			Til kundens udfyldelse - medsendes min				
Tændt (for computere: i tomgang/id)	30%				Udfyldes af leverandøren				
Standby/slumre/sleep	10%				Fastlåst				
Slukket	60%								
TCO = B14 + 8760/1000 * (B6 * C6 + B7 * C7 + B8 * C8) * B12 * B			0,00	0,00					
Antal									
El-pris: 1,5 kr. pr. kWh	1,5								
Levetid: 3 år ligger fast	3								
Anskaffelsespris: f.eks 3721 kr									
Total	0,00								

Challenges for responsible procurement

Lack of

- time
- knowledge
- monitoring and evaluation
- economy
 - the expectation of sustainable products and solutions being more expensive than others



SKI 