

# XPRESS CASE STUDIES ON BARRIERS TO INVESTMENTS IN RENEWABLE ENERGY SOURCES

## – SWEDEN –

This case is about a university with about 2000 employees located in the southern part of Sweden. They are chosen by convenience sampling for the researchers, by the fact that the procurers have shown interest in the XPRESS project and participated in a workshop, as well as based upon the knowledge that the university is certified according to ISO14001. Furthermore they have recently been involved in procurement for a 700 MSEK campus facility. Their “normal” procurement volume is 60-70 MSEK. Two fulltime purchasers work with procurement. Overall, there is an importance of environmental considerations in Sweden.

They have currently two fulltime staff in the procurement department, which is one staff short. They procure regularly 60-70 MSEK per year (recently they have also put 700 MSEK into new facilities on one campus). They have no sustainable procurement policy or strategy (then not including RES).

### *Analysis of current situation*

#### *a. Sustainability strategies, energy related strategies*

The university has no sustainability or energy related strategies, nor quantitative objectives, even though they have ISO 14001 certification.

The university follows the political agenda decides by politicians and policy makers.

Personally, the purchaser really prefer sustainability projects, but in the situation with one staff short, it takes time and they don't have the possibility to do these kinds of work. The management doesn't show interest in the possibility on sustainability projects and are not aware of their potential impact.

#### *b. PP strategy or regulations & support for SMEs*

A PP strategy has never been discussed. When they are making a contract for e.g. bus travels, they have requirements from “The National Agency for Public Procurement” that are used.

Economic considerations are important in tenders. They usually do not set very hard requirements for environment, if it generates a higher cost in the end.



### c. PP & supplier engagement

This is taken into consideration every time that they are about to start a project or a pilot study. Sometimes they have met a couple of suppliers. For example, for the furniture to the new campus. The public authority has never conducted its own pre-tender supplier/market engagement activities for renewable energy-related purchases. In those cases with the renewable, they use “the National Agency for Public Procurement” guidelines. Those requirements are not very difficult to follow.

### d. PP & SME

There are many wishes to support SMEs, not from management, but from the ones with the needs, the customers (the faculties). They often want small and local suppliers. Maybe it is really the local suppliers they want to use for convenience reasons. They have a lot of suppliers that are SMEs. They won't pay for the travel costs and want physical meetings. Innovative SMEs often have great, innovative and maybe sustainable solutions, but we have no “mandate” to choose those companies. “Even if we see the greatness of them, then they get too expensive. And I might understand and even agree. Without instructions or directions of guidelines how to choose in those situations, it is difficult”.

### *Barriers & Drivers: Identification*

- A lot of procurements are set with un-proportional requirements that can be a barrier for SMEs. Another barrier can be that travel costs must be included in the tender.
- A driver can be that their small procurements sizes help SMEs to participate in tenders, but no number supporting that driver could be declared.
- Lack of managerial support for procurement. A lot of the time it depends on the personal interest from the person that is procuring, who has the need in the university or which institution or which faculty, depending on that.

### *Summary & Discussions*

The procurer has personal interest in sustainable procurement, but no managerial support in doing so. This is the major barrier found in this case. It is also very difficult to conduct sustainable procurement without mandates, strategies or policies.

