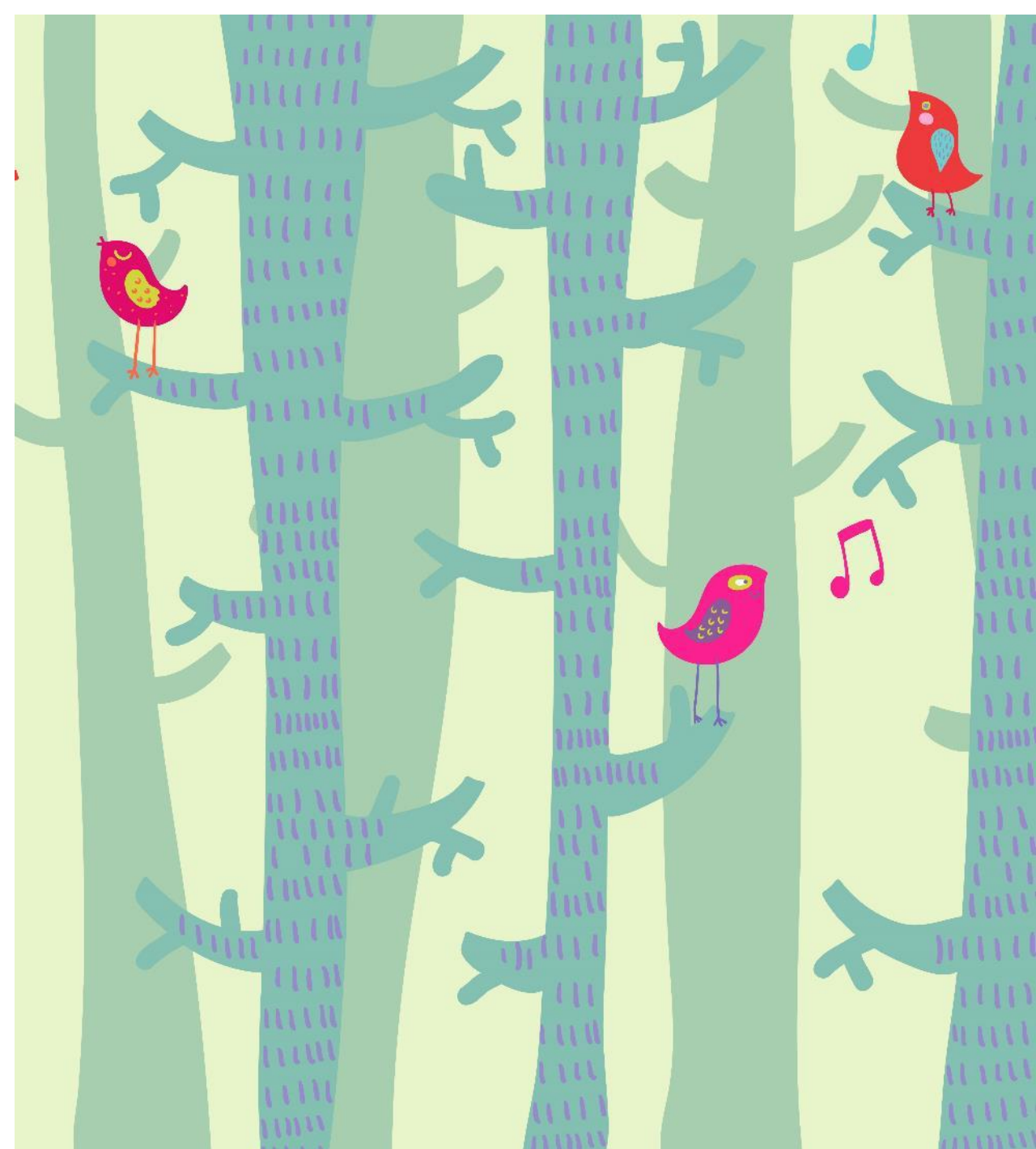


## Sustainability in public sector purchasing

„good practice“ Local authorities Erfurt, Groß Gerau, Mainz & Tübingen





# Does this "lament" sound familiar to you?

Environmental protection, yes. But that is expensive! Who should pay for it? Our administration has no money. Social justice, regionalism? We buy where it's cheap.



# We at TEK-SERVICE AG

have been a nationwide technology and service provider for the digitalized purchasing of public administrations since 2000. Industry-specific, contract award compliant business model. Location, development and data management: Germany.

...see it differently. Four practical examples make it clear: The consistent digitalization of processes reduces costs and saves money. Sustainable purchasing "pays off".



# the prerequisite for this

lies in the consistent digitalization of purchasing. This leads to more:



## Transparency

ideally you have knowledge about processes in the operative daily business, your orderers catalogs, conditions, suppliers etc. You have statistics, service descriptions,...



## Control, strategy

Your purchasing department controls the procurement between buyers and the supply chain. Bundling effects lead to tendering & awarding. **Purchasing cooperations** become possible. Aspects of **sustainability, regionality** can be integrated into your purchasing strategy



## Economic efficiency

"The books are right" demonstrably higher profitability through process optimization, price advantages through volume bundling and tenders

# Cities and counties show the way:



## Transparency & control

through digitalization of purchasing



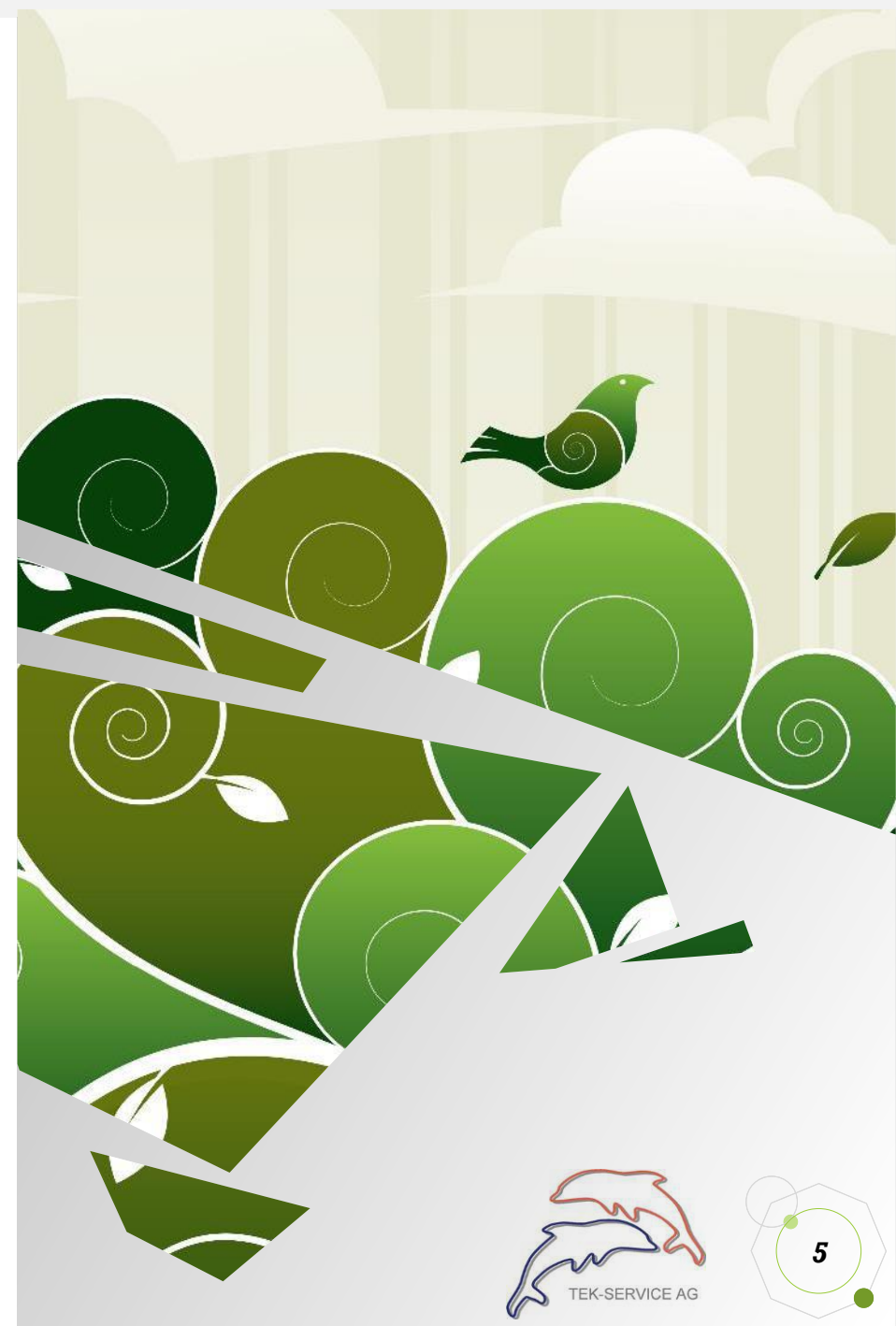
## Sustainability Regionality Cooperation

through strategic objectives



## In practice

Cities Erfurt, Tübingen, Mainz,  
district administration Groß  
Gerau



# Practice I: State capital Erfurt



## Transparency & control

the purchasing department of the city of Erfurt knows the needs & assortments of its buyers in detail. Tendering & awarding are based on electronic service descriptions based on electronic purchasing.



## Sustainability and regionality

in addition to many other assortments, the purchasing team obliges local bakers to produce handcrafted baked goods, partly in organic quality, from grain from regional farmers and nearby mills.



## Good bread for Erfurt children

Bakery catalogs were transferred to the Erfurt purchasing portal. Customers from kindergarten, daycare centers and schools call up their orders daily at assigned, local bakers.



# State capital Erfurt: about 214 thousand inhabitants





**State capital Erfurt | Denise Böttcher**  
staff | organization: administration | procurement

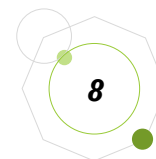
>... "The acceptance of the necessity of electronic purchasing was the biggest hurdle, <

there were many concerns in the administration up to the ranks of the city council".

## Denise Böttcher:

... "in the store system, all previously made allocations of similar requirements are implemented in the form of electronic catalogs. Currently there are 17 catalogs with 3000 listed articles, e.g. of classic office supplies, copy and printer paper, ink/toner, washroom hygiene and cleaning requirements, work and weather protection clothing, as well as baked goods for the municipal day care centers. Further catalogs are linked via different interfaces, which are particularly useful for covering requirements, e.g. for tools, industrial and first aid supplies. The catalogs are used by all organizational units of the administration, as well as by schools and own businesses". Translated with [www.DeepL.com/Translator](http://www.DeepL.com/Translator) (free version)

From „Kleine Kniffe“ edition April 2020





# Practice II: University town Tübingen



## Transparency & control

the purchasing department of the city of Tübingen knows the needs and product ranges of its customers in detail. Tendering & awarding are carried out on the basis of e-service descriptions from e-purchasing in the [purchasing association](#).

TEK-SERVICE AG



## For more **Regionality**

Team Purchasing wins local bookstores for its purchasing strategy.

TEK creates an interface to control all books available in Germany.



## Administration buys books locally

Literature is ordered by employees via the Tübingen purchasing portal and automatically forwarded to local booksellers.



# University town Tübingen: about 92 thousand inhabitants

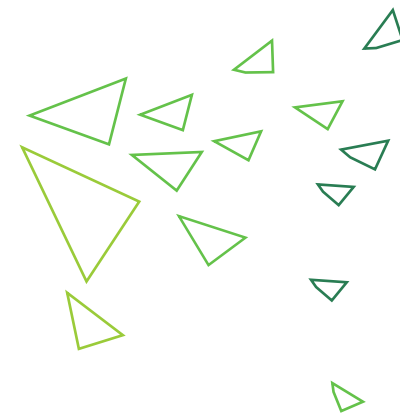




University town Tübingen | Matthias Haag  
Revision department

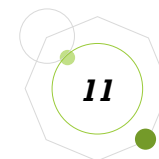
... "e-purchasing has proven to be a pioneer for electronic tendering and for inter-municipal cooperation.

> It also paved the way for electronic billing". <



## Matthias Haag:

... "By knowing every single article via e-purchasing controlled assortments, we are able to qualify and quantify our product range. In the past, this has enabled us to achieve strategic added value. By implementing e-purchasing, the political objectives in the procurement of products can be best implemented with the aspects of sustainability and an environmentally friendly character".



# Practice III: State capital Mainz



## Transparency & control

The purchasing department of the city of Mainz knows the needs and assortments of its customers in detail. Tendering & awarding are carried out on the basis of e-service descriptions from electronic purchasing.



## Sustainable assortments

Employees of the "Sustainable Procurement Working Group" ("AG nachhaltige Beschaffung") systematically qualify product ranges. Labels provided by suppliers are also taken into account.

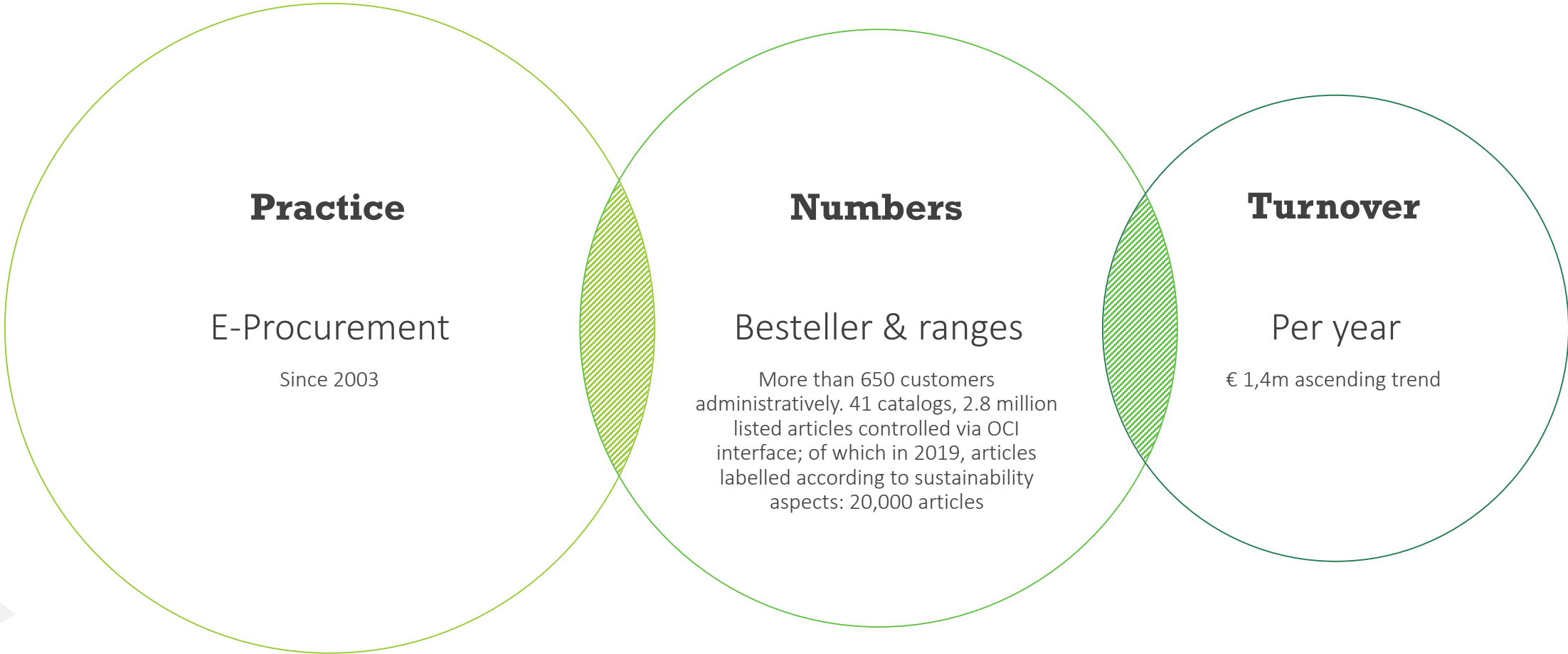


## Labelling of sustainable articles

Sustainably marked articles are easily recognizable by orderers and can be ordered with priority via the purchasing portal. Requests for articles can be forwarded to the supplier at the push of a button around the aspect of sustainability.



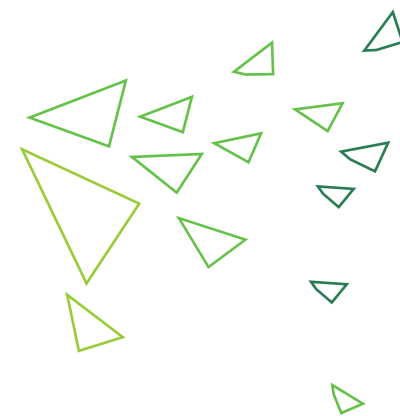
# State capital Mainz: about 219 thousand inhabitants





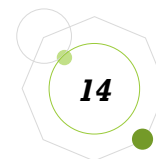
**City Mainz | Christian Schlesinger**  
Manager allocation and purchasing

... "we recognized very early on that digitalized purchasing is the key to e-procurement and management in terms of sustainability."



## Christian Schlesinger:

... "In addition to demonstrable economic added value, it is thanks in particular to the commitment and personal dedication of our "Sustainable Procurement" working group that we are now able to do justice to aspects of environmental protection and social justice on the basis of the digitalization of purchasing and contracting."



# Practice IV: District administration Groß Gerau



## Transparency & Control within the purchasing association

District administration Groß Gerau establishes digital and sustainable purchasing, cooperates with cities and municipalities belonging to the district and periodically publishes invitations to tender for all participants



## Sustainable assortments

The two Purchasing & Sustainability teams systematically qualify product ranges according to sustainability aspects and implement them firmly in the procurement processes of the administration



## Labelling of sustainable articles

Sustainably labelled articles are thus not only available for customers of the district administration, but also for customers of the associated, **district purchasing cooperation**.



# District administration Groß Gerau: about 276 thousand inhabitants



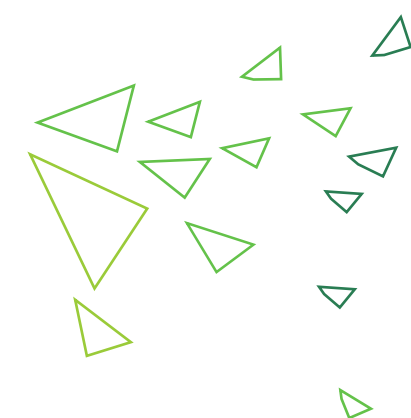




**District administration Groß Gerau | Heike Neger**  
**Department of Control | Intercommunal cooperation**

"In a district administration with 1,200 employees, 16 departments, 45 schools as well as two own companies, paper-based procurement processes generally reach their limits. Even more so:

> as soon as everyone was on the market under their own responsibility, valuable bundling and control effects were lost.“ <



## Heike Neger:

... "With the introduction of electronic purchasing, we knew our product range within a very short time, knew exactly what articles were available, and were able to control, bundle and tender for the entire administration. The result was overwhelming. The household budget could be reduced by € 100.000 after one year of e-purchasing. Our purchasing and sustainability teams have been working closely together for years, so that we can gradually "trim" our product ranges for sustainability. "Our local authorities in our purchasing association also benefit from the positive effects."



# General key figures of economic efficiency: the digitalization of purchasing, allocation and accounting reduces process costs

**103 €**

Costs of one (!) procurement process

*Source: BME-Benchmark 2019 / TOP-Kennzahlen*

**6 weeks**

Time expenditure

Internal administrative time window for "manual" collection and preparation of a bill of quantities in preparation for a tender.

*According to TEK customers*

**15 €**

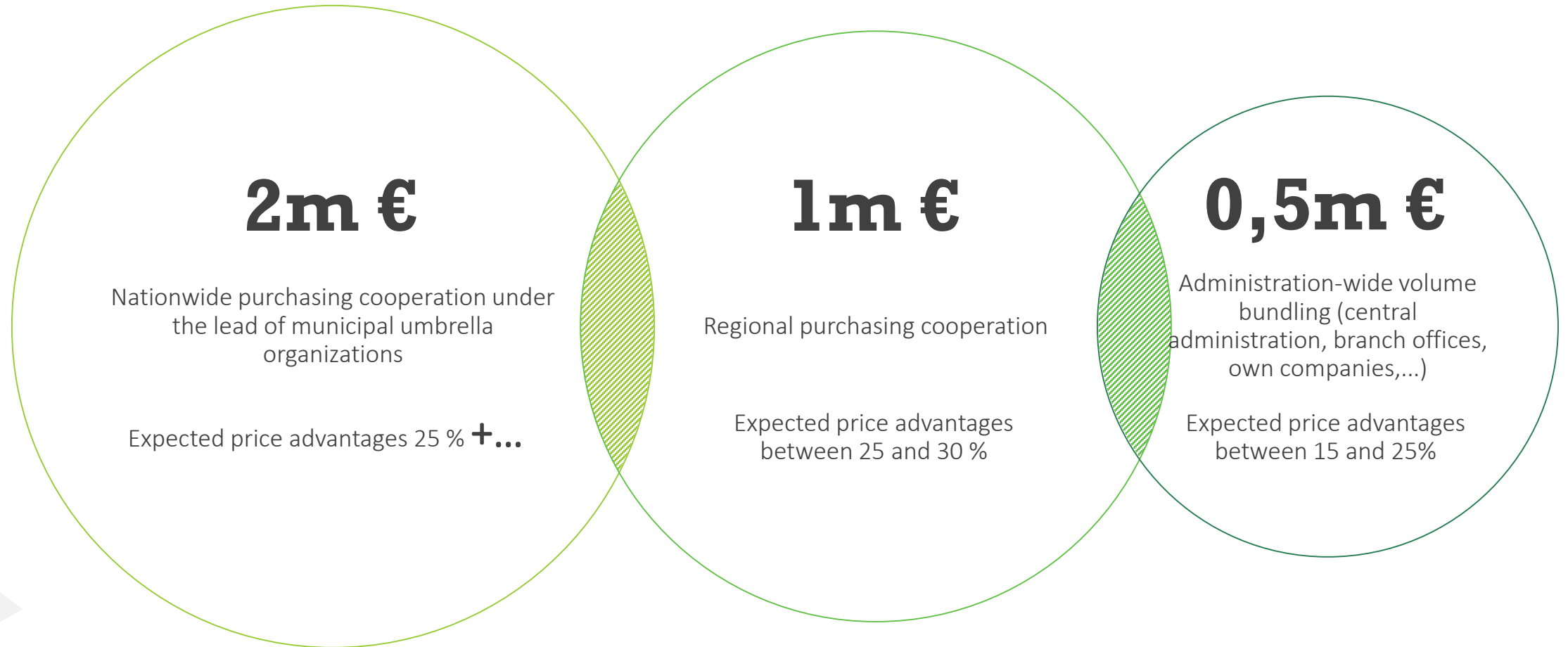
Processing a paper invoice

For each minute of processing time per invoice, 300 minutes of transport and waiting time are opposed.

*Source: Bonpago.de*

# Key figures Price development

the digitization of purchasing and awarding leads to price advantages



# Conclusion: only with digitalized purchasing

you create the conditions for sustainable purchasing:



## Transparency

From the invitation to tender, to purchasing, to accounting



## Control, strategy

Bundling instead of individual procurement, cooperating with other administrations, setting & implementing goals. Be a "persuader", stay "tough"



## Economic efficiency

Bundling, tendering, cooperating with others.  
Digitize processes.  
Achieved profitability (process & price) has a lasting effect, for years!  
Document and communicate success.

# By the way, these are only 4 examples (selection from TEK customers)

In Germany there are among many other administrations & organizations

## Districts

- 294

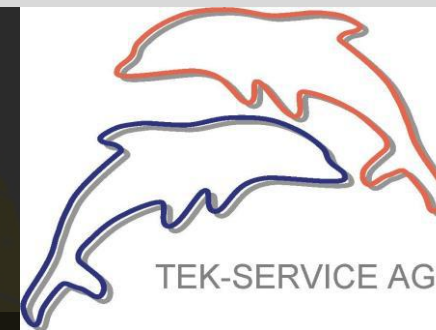
## Cities

- 2054


## Municipalities


- 10795

The potential is enormous. Digitalized  
and sustainable purchasing is  
worthwhile.  
Make it easy!



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[www.tek-service.de](http://www.tek-service.de) 