



# Implementation of Strategic Public Procurement in the City of Jičín



A contracting authority deciding to introduce sustainable public procurement must first adopt certain related values. This concerns the basic **principles of sustainable public procurement (SPP)**. It should simultaneously, out of the **opportunities** that sustainable public procurement offers, strategically select the ones it shall use in procurement practice. It is then just a matter of **introducing SPP into daily life**. It is also essential to **perform monitoring and evaluation**.

In the Czech Republic in 2018, over CZK 600 billion was invested in implementing public procurement.<sup>1</sup> That is financial power by which contracting authorities may substantially influence the market. The public sector may and should use public procurement strategically, and through it (in compliance with legal regulations), utterly legally support socially meaningful and sustainable values. Public contractors may not only purchase needed goods, services and civil engineering work, but may also take into account the relating social, wider economic and environmental aspects. Through strategic public procurement, contracting authorities may (co)-fulfil objectives that they would be resolving anyway in the framework of other policies applying other means.

One example of good practice in implementing sustainable public procurement is the City of Jičín, which, over the course of two years, has taken this path from scratch to incorporating the SPP concept into the Strategic Development Plan of the city, and implementing the concept "Sustainable Authority".

In 2018, Jičín incorporated SPP into its Public Procurement Directive: *When announcing and awarding above-threshold and below-threshold public contracts or for small-scale public contracts, the contracting authority takes into account the impacts of the given public contract in the relevant area in which it is implemented on society and the economy, while minimizing negative environmental impacts, and in appropriate cases, it implements opportunities under [Government Resolution of the Czech Republic of 24 July 2017 No. 531, on Sustainable Public Procurement and Purchases Made by the Public Administration and Local Authorities](#). All sections and departments of the municipal authority and subordinate organizations are governed by this internal Public Procurement Directive. Relating to this, the*

<sup>1</sup> See the Annual Report on the Status of Public Procurement in the Czech Republic for 2018, [www.mmr.cz](http://www.mmr.cz)

city began to single out small-scale public contracts, where it applied eco-friendly elements, e.g. eco-friendly printing of its newsletter Jičinský zpravodaj on sustainable paper, washing laundry for sports facilities or using eco-friendly dyes on furniture placed in study rooms at the university.



**Typesetting, printing and distribution of the newsletter Jičinský zpravodaj for three years:** an eco-friendly solution held the weight of 15% of the assessment criteria (requirements for paper from sustainable and legal sources, as well as emissions, energy consumption and waste management upon producing the newsletter).



**Washing and ironing laundry including transport of dry and wet laundry, delivery, packaging, binding packages and minor repairs for three centres for the period of four years (2018-2022):** the city utilized preliminary market consultation, and the contracting authority announced in advance seven areas determined for individual consultation (e.g. eco-friendly performance of the public contract, the condition of employing at least 50% of persons with health disabilities in protective workshops), and room was also provided for sharing information from suppliers/contractors.

By taking advantage of preliminary market consultations, Jičín subscribed to a non-discriminating discussion with suppliers/contractors with the aim of ascertaining the true market situation. The city considers this instrument as the first major step towards conceptual and strategic grasping of sustainable public procurement.

The city also streamlined the effectiveness of submitting bids by means of simple bid forms (inspired by the practice of Masaryk University), and not the least of which, it began sending signals to suppliers/contractors that it is not interested in:

- third-world goods manufactured through exploitation of illegal child labour
- services and civil engineering work supplied by companies that fail to uphold occupational safety or do not provide proper wage conditions to their employees
- the lowest bid price if it leads to purchasing low-quality goods

In the ensuing step, the city focused on under-threshold and above-threshold public contracts, where the bid form contains a declaration of socially sustainable public procurement in the area of labour law regulations regarding employment, occupational safety and health and in relation to education (requirements are always specified in the bid form and then in the work contract), as well as a declaration on due and timely performance of financial obligations of the supplier/contractor towards its sub-contractors.

**"DECLARATION OF SUSTAINABLE PERFORMANCE OF THE PUBLIC CONTRACT**

*The supplier/contractor makes a statutory declaration that if a public procurement contract is concluded with it,*

- *it shall ensure throughout performance of the public contract*
  - a) *performance of the obligations pursuant to legal regulations of the Czech Republic, especially in terms of employment law and employment and occupational safety and health regulations, towards all persons involved in performing the public contract; the supplier/contractor shall also ensure performance of these obligations by its sub-contractors,*
  - b) *due and timely performance of financial obligations towards its sub-contractors*
- *it shall enable guided excursions at the construction site of the work to primary school students (8th-9th grades) with the aim of supporting interest to study/work in technical fields; the maximum possible amount is limited to two excursions over the course of the work in agreed terms, max. number of students 15."*

Similarly, these requirements were brought into the contract for work:

*"The Contractor pledges to the Customer to ensure throughout the performance of the Contract*

- c) *performance of the obligations pursuant to legal regulations of the Czech Republic, especially in terms of employment law and employment and occupational safety and health regulations,*

- d) *towards all persons involved in performing the public contract; the Contractor shall also ensure performance of these obligations by its sub-contractors, due and timely performance of financial obligations towards its sub-contractors.*

*It further undertakes to enable guided **excursions at the construction site of the work to primary school students with the aim of supporting interest to study/work in technical fields**; the maximum possible amount is limited to two excursions over the course of the work in agreed terms, max. number of students 15."*



**Structural modifications and a change in use of the Wallenstein cour d'honneur in the town of Jičín – stage III:** requirements with the aim of supporting interest to study/work in technical fields; the maximum possible amount is limited to two excursions over the course of the work in agreed terms, max. number of students 15.

The city then also incorporated the concept of sustainable public procurement into the [Strategic Development Plan of the City of Jičín](#). The measure *Conceptual Management of Municipal Assets and Sustainable and Strategic Public Procurement Pursuant to Sustainable Development Goals (SDG) 12.7*, focuses on taking into account the impacts of purchases on society and the economy, upon minimizing environmental negative impacts in accordance with the Government Resolution of the Czech Republic of 24 July 2017 No. 531, on Sustainable Public Procurement and Purchases Made by the Public Administration and Local Authorities. The measure is crucial to achieving the vision described in the plan "Jičín is a City for Life", the focus of which is responsible management of municipal assets, and has a link to numerous other topics – e.g. education, sport, culture, social services, transportation, tourism and others.

The city also applies a strategic and conceptual approach by means of the Declaration "Sustainable Authority" adopted by the Mayor and Secretary of the municipal authority. This is not just some theory; the aim of the Declaration is to support, through everyday negotiations of the Municipal Authority of Jičín, the community and the economy, and diminish negative environmental impacts. There are eight areas defined for implementation of a "Sustainable Authority", which work together, blend in together and form a single whole: Office needs, Refreshment/catering, Promotional/advertising objects, Education, Cleaning agents and sanitary products, Informational uniformity, Ecological support through the event "Officials for themselves".

The City of Jičín has subscribed to the concept of SPP even through its Memorandum of Mutual Cooperation with the Ministry of Labour and Social Affairs. The importance and seriousness of this document are underscored by the fact that though it is in the competence of the Jičín Municipal Board to approve this document, the memorandum was also approved by the Jičín Municipal Council as the city's highest body. In the justification it was stated that this document was entirely apolitical, and that the established trend was not a matter of a single election period, but rather a path on which the city had already embarked, and intended to continue in the future in cooperation with the MoLSA.



*"This concerns a very interesting method of public procurement for self-administration of even smaller cities, because it thus can legally draw objectives that each party regularly has in its respective programme – assistance for disadvantaged people on the job market, regard for the environment, and gaining certainty in procuring products that are not burdened by questionable origin,"*

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