



# PROCUREMENT EXCELLENCE NETWORK

Partners for **Public Good**

→ INNOVATOR INTERVIEW



## Leadership in Sustainable Procurement: Lessons from Oslo and Copenhagen

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Government leaders across the globe are leveraging procurement and contracting to address pressing challenges such as climate change, public health, and food waste. In this Innovator Interview, we sat down with local government changemakers in Norway and Denmark to discuss the ways that procurement can help tackle their communities' long-term goals.

Collectively, the interviewees agreed that **procurement is a tool that can influence markets, set standards, and support community progress toward values-driven strategic objectives**. Oslo and Copenhagen are focused on environmental sustainability, including

lowering greenhouse gas emissions and reducing food waste, but the tools described are useful no matter the policy goal. Throughout the conversation, the interviewees discussed **best practices for stakeholder management, the importance of engaged political leadership, and the benefits of transparency and collaboration** with the vendor community.

The principles of procurement excellence transcend differences in nationality, governance, and location. With this combined Innovator Interview, we hope that you will draw both inspiration and actionable insights from these procurement leaders' experiences.



## Interview With:

**Philip Mortensen** • Senior Advisor, Climate Agency, Oslo, Norway

**Geir Rossebø** • Team Leader, Agency for Improvement and Development, Oslo, Norway

## How did your efforts to implement sustainable purchasing in Oslo get started?

**Philip:** In 2015, the City of Oslo set a target to reach net zero for direct greenhouse gas emissions by 2030. After setting that target, we started to use procurement to help the city meet its goal.

The City of Oslo has roughly a 20% market share of the construction industry, with an investment budget of €1–2 billion each year. We build a lot: nursing homes, schools, roads, and all kinds of infrastructure. So, we've put a lot of emphasis on using the power we have in the market to promote the transition to a carbon-free future, particularly in the construction sector.

“ Historically, we procured for the best value at the lowest price. **Today, we use procurements to meet social and sustainability goals.** ”

**Geir:** Historically, we procured for the best value at the lowest price. Today, we use procurements to meet social and sustainability goals. It's been a rapid change, which you can see in our workforce. We have nearly doubled our staffing since 2017; at that time, we had 35 people in the department, but realized we needed staffers dedicated to sustainable procurement. Today we have about 70 people, and most of them are working on sustainable procurement.



### Fast Facts:

#### Mayor, City of Oslo:

Anne Lindboe

Population: 700,000.

Oslo has approximately 50,000 city workers

Annual spend:

€3 billion, or \$3.2 billion



### City Achievements:

- 2019 European Green Capital of the Year
- Member, [Global Lead City Network on Sustainable Procurement](#)
- Member, [Procura Plus Network](#)



### Relevant Links:

- Philip Mortensen's [presentation](#) on Oslo's Sustainable Public Procurement
- Geir Rossebø's [presentation](#) on Oslo's Section for Sustainable Procurement at ICLEI – Local Governments for Sustainability
- Methodology for Assessing Procurement Systems (MAPS) [presentation](#) on Sustainable Public Procurement in Norway (2020)



## How do the City of Oslo's policies shape market activities?

**Philip:** We're using procurement to shift toward a zero-emissions future by using our market share as leverage.

In 2016, the mayor invited the construction industry here in Oslo to have a dialogue about how we could move away from fossil fuels. At that time, we wanted to explore if public construction works could be performed with sustainable biofuels. In 2017, it became mandatory for all construction work commissioned by the city to go fossil-free through minimum bidding requirements in all new contracts.

The market soon came back to us, wanting to discuss how we could switch from biofuels to electric machinery. In 2019, in close dialogue with the industry, we proposed a set of common award criteria for zero-emission construction bid tenders. When you're bidding on work for the City of Oslo, you now gain points in the evaluation if you come in with a zero-emission construction bid. In many cases, environmental considerations are given a 30% weighting in the evaluation along with price and quality. This approach provides a strong market incentive.

These procurement changes have resulted in 77% zero-emission energy use on public construction sites in 2023 across the portfolio of different construction projects commissioned by the city, so we feel we're on track to reach the mayor's 2030 objective. And as of January 1, 2025, zero-emission construction will become a standard minimum requirement in line with the goal we set in 2019. If you want to do work for the City of Oslo, you'll need to be able to provide those services fully emission-free.

**Geir:** When businesses are looking into the future, knowing that they're going to have this strict emissions requirement for all their bids incentivizes them to invest in emission-free technologies now. So, it's important for the city to communicate with the market about our expectations.

**Philip:** It's all about predictability: reinforcing the perception that the city is a reliable partner. Companies can make investments because of the commitment made by the city government, supported by a wide political majority in the city council.



*Electric diggers on a construction site, downtown Oslo. Photo credit: Ellen Omland, City of Oslo*



## How do you balance this new zero-emissions requirement with the risk of losing vendors, decreasing competition, or potentially increasing cost?

**Geir:** Those concerns are important; we do need enough local suppliers who can comply with our stricter requirements! Working together, being transparent, and giving them time to adapt makes it possible. We do see both small and large enterprises still bidding even with these new requirements. Vendors saw early on that this was the direction we were going, took on the challenge, and now they are winning bids. It's interesting to see how fast the market has changed.

**“ We are saying to the market that even if you don't have the lowest price, **you can still win the contract if you have the best environmental performance.** ”**

## How did the city innovate to overcome the challenges it faced in implementing its sustainable procurement policies?

**Geir:** We consulted with potential bidders, current vendors, and industry representatives on our sustainable procurement policies. And we shared some of the evaluation criteria we were considering, as well as proposed language to see if what we were planning would be successful. At a recent meeting with vendors, some of our city leaders were present, so the businesses knew we had political backing. We were able to work collaboratively.

**Philip:** We do have to factor in vendors' need to replace diesel machinery with new equipment and to purchase new battery supplies and other tools to provide energy supply on the construction site. To address that concern, we state in our solicitations that we are prepared to assume part of this extra cost. We are saying to the market that even if you don't have the lowest price, you can still win the contract if you have the best environmental performance. It's a strong incentive for industry.



Emissions-free construction site in the Vålerenga neighborhood of Oslo. Photo credit: Nils Gelting Andresen, City of Oslo



## What has surprised you about this transition to zero-emissions technologies?

**Geir:** It was interesting to see how little of the upfront cost of new machinery gets passed on as higher costs to the city. We looked at the contracts resulting from goods and services solicitations where we demanded zero-emissions solutions, and we couldn't find any significant price increase. We suspect that while electric equipment has a higher upfront cost, looking at the total cost of asset ownership makes the price look more attractive.

**Philip:** An electric power supply often has longer life expectancy compared to diesel machinery with internal combustion engines, which implies reduced maintenance cost and lower total cost of ownership. For many applications, especially smaller equipment, battery electric systems are already competitive, and as the production volumes of heavy-duty equipment increases, we expect costs will continue to fall and the business case for zero emission construction will improve.

## What's next for the City of Oslo?

**Philip:** The public construction works commissioned by the city represent maybe about 20–30% of local market share. What about the 70% or 80% of the rest of the market? We're putting a lot of thought into how to scale our impact.

The urban planning framework for Oslo is currently under revision. The mayor last summer proposed that this framework should include a requirement for at least 50% zero-emission

energy use in all public and private property development from 2025, and 100% by 2030. But there is no tradition in Norway of having the law include this kind of mandatory climate requirement, so there are some concerns at the national level about the legality of this approach. The uncertainty is not favorable for the market. Having such requirements about climate performance would improve predictability for private sector stakeholders, facilitate investment, and accelerate climate transition.

**Geir:** In terms of sustainable procurement, we're always looking forward: what can we do next? We're looking into goods transport, last-mile deliveries, and transport volumes. We are thinking about things like: How can we renovate a building instead of tearing it down and building new? How can we buy fewer goods? How can we start reusing, refurbishing, and repairing? This is where we're going.

**Philip:** We have platforms that make it easy for individuals or households to make more sustainable purchases, but there's no marketplace for institutional customers yet. We'd like to see more of this kind of strategic capacity-building.

That's what we're trying to aim at now: the synergies between indirect consumption-based emissions and the circular economy. We're trying to develop the procurement framework to prepare the ground for market transformation.



**Interview With:****Betina Bergmann Madsen** • *Children and Youth Department, Municipality of Copenhagen, Denmark*

## How did your work in good food procurement get started?

**Betina:** Copenhagen's focus on food began in 2001, when elected officials mandated that all meals served in public institutions in the city (such as schools, elder care facilities, military barracks, government canteens, etc.) would need to use organic food without adding extra cost. At that time, we didn't use the word sustainability, but this goal required us to make a lot of changes that would today be viewed as part of sustainability efforts including reducing meat and training staff to cook from scratch.

## What challenges has Copenhagen faced as it shifts toward more sustainable food purchasing?

**Betina:** Children traditionally brought food from home for school lunches, but in 2009 the government decided that all children would receive meals in their preschools and daycare centers. We faced a lot of resistance from parents: there were articles in the papers saying, "Oh, you're taking away parents' right to give their children the food they want!" We in procurement realized that if we were going to implement this new requirement, we needed to do it carefully and engage many stakeholders. We talked to

parents, kitchen staff, wholesalers, the chefs who train the school kitchen staff, everyone we could.

Nowadays, about 98% of our daycare institutions have school-provided food. That shows that we have been successful.

## What additional strategies have you used to advance good food procurement?

**Betina:** When I'm planning a procurement for school food, I talk with vendors before I even start thinking about writing the solicitation. I ask about their concerns and what they want to accomplish in the next few years. Then I look into our policy goals as a city. I talk with our kitchen staff and other people like me who write policy. Once I have a draft, I put it out for market consultation, and have a question-and-answer period for anonymous inquiries.

It's a win-win if you can align your city's policy goals with the goals of a contract. For example, imagine you have a wholesaler who doesn't like driving at random all over the city to make deliveries. If you can work with them to plan the most efficient route, the city reduces CO2 emissions, and the vendor reduces both distance traveled and cost. Both parties benefit.

**Good food procurement is a values-oriented approach to food purchasing, incorporating support for environmental sustainability, local economic growth, workers' rights, nutrition and health, and animal welfare.**



**In our research, we have seen that the connection between food and culture is important. For example, parents may be concerned that school food doesn't represent their culture. How have you handled that?**

**Betina:** Well, my focus is systemic change—how can procurement move different levers in the market? Even with a market-level focus, you can still try to incorporate local-level input into the way services are provided. In the case of school lunches, you can have the chef in each school decide what to cook based on their knowledge of the community the school serves. Yes, meals have to fit government guidelines on nutrition, sustainability, emissions reduction, etc., but we balance that by having no central menu planning.

**What advice would you give to global cities working to improve their food purchasing practices?**

**Betina:** Contract management and ongoing engagement with vendors is key. Contract end users, like local schools, are usually only thinking about their own kitchens: they want daily delivery, they want everything they need available on their shelves. But food vendors have a bigger picture, and it's important for procurement staff to listen to their perspective and work collaboratively with them. I want vendors to tell me: What generates food waste? What are they throwing out? Then we can link our big-picture goal of reducing food waste to our contract requirements.



#### Fast Facts:

**Mayor:** Jakob Næsager

**Population:** 660,000

**Public meals served per day:**

~100,000 in Copenhagen.

**Annual spend on food:** 330 million Danish kroner, or \$48.5 million



#### City Achievements:

- Member, [Procura Plus Network](#)
- Winner of Procura+ Sustainable Procurement of the Year 2021



#### Relevant Links:

- Betina Bergmann Madsen's [publication](#) "How together we can make the world's most healthy and sustainable food procurement", written in association with the World Health Organization (WHO)
- The City of Copenhagen's [food strategy](#)
- The City of Copenhagen's [short film](#) on food in schools

**“ Even with a market-level focus, you can still try to **incorporate local-level input into the way services are provided.** ”**



## → School Food Procurement 101

Procuring food for schools can be logistically complex. Some of the concerns Betina describes in this interview, such as managing food inventory and transport, will be familiar to anyone who has handled a contract that involves both a large volume and variety of goods. However, what sets school food procurement apart is the emotional or moral weight involved in feeding a community's children, which drives both a complex regulatory framework and significant community response. School food procurement in the United States involves the interplay of federal, state, and local rules, including requirements that can restrict the vendor pool. These regulations can create a very complex framework for procurement officials.

For example, our contract end users order food through the wholesaler's website. After we brainstormed solutions with the wholesaler, they added a section of the site where chefs can purchase food that is nearing its expiration date, which would otherwise be thrown out. This has reduced waste. And we have begun having kitchens do quick-turnaround orders for supplies instead of needing to fully stock their own shelves.

People say it's expensive to be sustainable. I think it can be less expensive to be sustainable if you are smart about helping vendors improve.

### What's next for Copenhagen?

**Betina:** My focus now is working with the whole supply chain and with forward procurement planning. Maybe one individual kitchen wants to buy some chicken breasts, but they don't need the whole chicken. If we as a municipality promise to buy the whole chicken, that makes it easier for both the wholesalers and the farmers: if they know we want to buy a certain number of chickens a week, our vendors can plan to produce them for us.



Three school children eating lunch, Copenhagen. Photo credit: City of Copenhagen



I'm also working on how we can create a more safe and resilient food system. If we buy only one type of banana or orange, we are at risk of having a reduced supply if those varieties get a virus. If we are buying halal-slaughtered chicken from South America, that chicken has to be transported a long way. Can we diversify the varieties of fruit we buy? Can we create ways to raise chickens closer to Denmark?

I really do believe in the power of public procurement to create better well-being by changing the market. If one brand of spreadable butter contains 1.5 grams of salt, and the other contains 0.5 grams, I can move the market by deciding to prefer low-salt butter in my

procurement. I bet you that the manufacturer who produces the butter with 1.5 grams of salt will change their recipe after that! It's our responsibility to think about these things as people who work in food procurement.

Copenhagen is a living lab for Denmark; if we can figure out what mechanisms work here, it is scalable. Spreading our innovations further is my goal.

**“ I think it can be **less expensive to be sustainable if you are smart about helping vendors improve.** ”**



Children eating school lunch, Copenhagen. Photo credit: City of Copenhagen





## Geir Rossebø

[LinkedIn](#)

**Geir Rossebø** is Team Leader for Climate & Environment at the Central Procurement Department, Agency for Improvement and Development for the City of Oslo. His field of expertise is zero emission mobility solutions and public procurements. Since 2017, he has been responsible for developing strategies and methods for using environmental criteria and requirements in order to achieve zero emission transport in goods and service contracts in Oslo. Mr. Rossebø holds a Master's in Renewable Energy from the University of Life Science in Norway.



## Philip Mortensen

[LinkedIn](#)

**Philip Mortensen** joined the City of Oslo Climate Agency in 2017 and has been involved in developing the Oslo Climate Strategy and climate budgets. He has contributed to the policy framework for zero emission construction in Oslo. Before joining the City of Oslo, Mortensen worked for over 20 years addressing environmental issues in different ministries and national-level government agencies in Norway. Mr. Mortensen holds a master's degree in economics from the University of Oslo.





# Betina Bergmann Madsen



**Betina Bergmann Madsen** is the chief procurement officer for the municipality of Copenhagen, Denmark. Ms. Madsen works closely with Denmark's Ministry of Food and Ministry of the Environment to implement requirements for green tenders (bids) and is the coordinator of a national public food procurement network. At the regional European Union (EU) level she participates in several projects including building a regional network of public food purchasers. In 2021 she was named a UN Food System Champion in the context of the UN Food Systems Summit and helped form a School Meals Coalition that came out of the summit. She works closely with WHO Europe on guidance for public procurement officers as an author of "How together we can make the world's most healthy and sustainable public food procurement" and was a member of an EU Expert Group developing a legislative framework for the EU Farm to Fork Strategy.

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Partners for Public Good

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