

Evaluation of sustainable procurement 2013

Time period: 1/1/2013 to 12/31/2013

1 General

During 2013, procurement was enhanced internally at Swiss Olympic. According to the management decision of 2.7.2013, the current Procurement team consisting of contact persons in each department was replaced by a system of product managers. At the same time, the order numbers generated in SSAM needed to be urgently transferred to each invoice. The aim was to make the procurement system more efficient, complete and effective.

It was not necessary to adjust existing or draft new guidelines.

2 Overview of procurements (1/1/2013 to 12/31/2013)

2.1 Procurement total in 2013: CHF 1.44 million

Overall, purchases with a total value of a good CHF 1.44 million were effected during the period from 01.01.2013 to 31.12.2013. This is around CHF 0.8 million down on the previous year of 2012, in particular because no Olympic Games were held in 2013.

Almost 40% of the procurement total is generated from clothing/sewn products. 25% of the procurement total is generated from paper products, with a further 19% from branded decoration/event material. The other product categories together make up only 15% of the purchasing total.

2.2 Allocation per partner: 38% of purchases via partners

38% of the procurement total is generated via our partners, with the largest part of the total falling in the category of clothing/sewn products (72% of our clothing is supplied by partners). Just under half of the procurement total from our partners is covered via swap arrangements. No partnerships are in place for the categories of IT Products, PC/Monitors/Printers, Consumables HdS and Refreshments.

In particular for the categories of Branded Decorations/Event Materials, Branded Giveaways as well as the two IT categories, the procurement total is still comparatively high. As of mid-2013, cooperation with a printing company in the Paper Products category was abandoned in favor of a printing pool. Our initial experience has been positive.

2.3 97% of guidelines fulfilled

Guidelines are in place in five of the ten product categories. The current guidelines cover about 60% of the number of purchases and 90% of the procurement total. As a rule, all categories demonstrate a very high degree of guideline fulfillment (total: 97% fulfilled, 2% partially). This is a very pleasing increase on 2012 (73%). This increase is attributed, amongst other factors, to the professionalization of procurement via product managers. The managers acquire more competencies, possess more experience and feel more responsible for the correct implementation of the procurement strategy.

2.4 Partners: 3 out of 5 with complete guideline fulfillment

One-off guidelines valid for the entire contractual period were signed by the partners of Swiss Olympic. If a partner is unable to fulfill the required guidelines at the time of signing the agreement, a transitional period of up to three years is granted.

Five partners currently supply products to which the sustainable procurement strategy applies. Three partners fulfill the guidelines, one is in the process of implementing them, while the guidelines were not yet available when one partner signed the agreement, for which reason they are not yet implemented in the current agreement. However, this agreement will expire at the end of 2014, and a potential extension will include the guidelines as an integral part.

3 Car fleet evaluation

No internal guidelines are in place for the Swiss Olympic car fleet. However, our partner AMAG has integrated stipulations into the agreement that govern the energy label and the CO₂ emissions total.

Within the framework of the sustainable procurement strategy, the car fleet (excluding company management cars) is subjected to analysis. Due to the short period of observation, reliable figures are as yet unavailable.

4 Further work in 2013

In cooperation with an expert from the University of Zurich, sustainable procurement tools are being designed so that they can be recommended to member organizations for adoption. These tools are to be communicated to the organizations as part of a voluntary workshop in summer 2014.

5 Conclusion

During 2013, Swiss Olympic **made purchases with a value of CHF 1.44 million**. Of these, around 85% were for clothing/sewn products, paper products and branded decoration and event material. The current **guidelines cover around 90% of the procurement volume** and Swiss Olympic's three largest product categories mentioned above. The **strategy has met with acceptance by Swiss Olympic's partners**. While two partners do not as yet fulfill the procurement guidelines, they are moving in the right direction. Overall, the **transition to product managers has optimized the system**. Not only has it been possible to significantly increase the percentage of "fulfilled" purchases based on guidelines, it seems that the procurement process has become more efficient and professional overall.

6 Attachment: Tabular overview of purchases per product category

	<u>Total</u> %	<u>Partner</u> %	<u>GL achieved</u> %
Clothing/sewn products	39%	72%	95% (<1%)
Branded decoration/event material	19%	31%	100%
Branded giveaways	5%	18%	100%
Office materials	1%	12%	no GL
IT products	5%	0%	no GL
Paper products	25%	11%	96% (4%)
PC/monitors/printers	3%	0%	100%
Consumables HdS	<1%	0%	no GL
Refreshments	<1%	0%	no GL
Others	4%	4%	no GL
Total	100%	38%	97% (2%)

Total % = procurement total in per cent.

Partner % = proportion of procurement total ordered from a partner in per cent.

GL = Guidelines on sustainable procurement.