



Oslo

The City of Oslo

# United Nations Global Compact

Communication on Engagement  
2019-2020

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**“Transforming Oslo into a zero-emission city in just one decade is a major challenge. Although we have already come a long way with technology and policy measures, the transition to a zero-emission city calls for both societal changes and new technological solutions.”**

*Climate Strategy for Oslo towards 2030*

# Summary

This Communication on Engagement describes the actions that the City of Oslo has taken to support the UN Global Compact and the Ten Principles on human rights, labour rights, environment and anti-corruption. In this report, we emphasise public procurement as our major strategic tool to influence businesses to become more sustainable and responsible. This Communication on Engagement covers a two years period from 2019 - 2020.

**Part I** of this Communication on Engagement contains the *Message from the City Government* with a statement of continued support by the Governing Mayor of the City of Oslo, Raymond Johansen.

**Part II** describes actions the City of Oslo has taken in support of the UN Global Compact. This part covers the chapters *Oslo – a Sustainable City, Sustainable Public Procurement, Human Rights and Labour Rights, Environment and Anti-corruption*.

**Part III** *Measurement of Outcomes* describes our endeavors to measure the outcome of the activities described in Part II.

## ***Supporting the Ten Principles of the UN Global Compact***

The UN Global Compact Ten Principles are at the core of all the actions of the City of Oslo:

### **Human Rights**

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

### **Labour**

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

### **Environment**

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

### **Anti-Corruption**

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

# Part I: Message from the City Government

*To our stakeholders:*

Sustainability is at the core of our city. Therefore, I am pleased to confirm that the City of Oslo reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption.

This is our Communication on Engagement for 2019-2020. In this report, we focus on public procurement as a major strategic tool for sustainability and a contribution to achieving the Sustainability Development Goals (SDGs).

In 2017, we implemented the Oslo Model, our most important measure to prevent work related crime. The City of Oslo will continue to be at the forefront fighting work-related crime, and ensuring decent labour conditions for workers in our domestic and global supply chains. Hence, we will revise The Oslo Model that sets the city's requirements for labour conditions, in the period to come.

Oslo's central climate goal is to reduce greenhouse gas emissions by 95 % by 2030. The European Commission awarded Oslo the prestigious European Green Capital title for 2019, which was a push towards this goal. We can only achieve this if we all, including businesses and inhabitants, work together.

We are also excited that The City of Oslo has established the first pilot of a construction site with only zero emission machinery. The pilot has been a success. We continue to work towards our goal. By 2025, all construction sites commissioned by the city of Oslo are to be zero emission.

The City Council also has high ambitions in the area of sustainable food. For instance we want to reduce the meat consumption in the city by 50 percent and to reduce food waste in own agencies and per capita by 50 percent by 2030.

Oslo is continuously improving its circular systems in order to make the most out of its resources. We wish to promote innovation and new jobs in the circular economy. We will facilitate a more sustainable consumption, where focus will shift from buying new to taking care of the things that are already in use; share, replace, upgrade, renew and repair.

We commit to sharing this Communication on Engagement with our stakeholders. We welcome feedback on its content.

Sincerely yours,

A handwritten signature in blue ink, reading "Raymond Johansen". The signature is stylized and fluid.

**Raymond Johansen**  
Governing Mayor  
September 2021



## Part II: Oslo – a Sustainable City

**The vision for Oslo is a greener, more inclusive and more creative city with room for everyone – a smart city that innovates with the stakeholders' interest in mind.**

Oslo is the capital of Norway and the country's largest city with approximately 697,000 inhabitants. Around 53 000 employees are working for the City of Oslo, delivering daily services to citizens and businesses around the city.

### *European Green Capital 2019*

Being the European Green Capital in 2019 was a great recognition and an opportunity to display Oslo as a truly Green City both in the international context and to Oslo's population. We spent 2019 to spread knowledge, inspire and mobilise our citizens - to ramp up the volume and achieve more results, faster. We invited grass root organisations, the business community and academic institutions to become partners, by participating with events in the official programme. The result was more than 190 partners, and more than 350 events ranging from big conferences for a professional, international audience, to small neighbourhood events for locals. The aim was to engage the entire city.

A comprehensive report from 2020 sums up the different projects and activities that we carried out. Please, visit [greencapital2019.com](https://greencapital2019.com)

### *Sustainable Development Goals*

A large city like Oslo must pay attention to all of the 17 sustainability goals, and Oslo has a broad approach to the work. The vision for Oslo is to be a “greener, warmer and more creative city, with room for everyone”. Both economic, social and environmental sustainability are important elements in Oslo's overarching governing documents and in the political platform for the City Government.

The City Government's Department for Finance has the overall responsibility for the work with the sustainability goals in Oslo municipality. This involves contributing to increased awareness, structuring and systematizing the work, and in ensuring coherence between the sustainability goals and overall objectives and planning documents in the municipality. The various sectors and undertakings are responsible for the specific measures and initiatives that will contribute to achieving the individual sustainability goals.

Oslo already has overall plans, initiatives and activities related to all 17 sustainability goals. An important principle for Oslo is to spend time and resources on the work that actually provides sustainable development, and to build on the work that is already in action. We have established a Sustainability Forum for all the city's undertakings and districts. This is a network for sharing knowledge and experience across disciplines and agencies, where we inspire each other to work with sustainability in all of Oslo's tasks.

Going forward, Oslo will work systematically to create better awareness of the three dimensions of sustainability, as well as stimulate the entire municipal organization to work with sustainable solutions. Oslo is working on a Voluntary Local Review that sheds light on the local dimensions of the individual sustainability goals for Oslo, and shows the challenges we have and examples of concrete measures that will contribute to the various sustainability goals.



**Figure 1: United Nations Sustainable Development Goals**



# Sustainable Public Procurement

**Sustainability is at core of the municipality's purpose and activities. As one of Norway's largest public buyers, we can use our buyer power to set a new standard of requirements.**

The City of Oslo spends approximately EUR 3 billion in annual procurements and investments. Our suppliers meet a number of environmental and social criteria and thorough monitoring processes. We are developing our practices in dialogue with our stakeholders, in order to progress and make a difference for the planet and the workers in global supply chains.

## *Committing to Sustainability*

Sustainability is at the core of the central Procurement Strategy (2017). The main objective is that Oslo Municipality shall conduct appropriate and cost-effective procurement processes – providing sound and sustainable solutions in both the short and long term. The Municipality's procurements shall contribute to make Oslo a greener, more socially inclusive and more innovative city, that provides its residents, businesses and industry with solutions and services in line with their present and future needs.

The city council decides and commits to social and environmental criteria used in procurement. The Management



**Figure 2: Systematic approach to Sustainable Procurement**

Instructions for Agencies governs the procurement function of the City of Oslo. In the next period, we will revise the Oslo Model, which include the Social criteria to counteract work-related crime, social dumping and human rights breaches in domestic and international supply chain, to make sure we are upfront in this area.

## *Implementing sustainability*

In compliance with the new regulations on public procurement, which came into force in 2017, the City of Oslo has developed procedures in order to promote respect for human and labour rights, to reduce adverse environmental impacts and to encourage green and innovative solutions.

It is the responsibility of the respective agency's leader to ensure that laws and regulations, including the city's central Procurement Strategy and central

social and environmental criteria, are applied at all levels in the respective agency. The agency's management approves and signs the contract strategies and tender documents, which helps ensure management's commitment to sustainability issues.

We arrange dialogue conferences annually with suppliers regarding the social and environmental criteria suppliers will meet. As the City of Oslo has decentralized procurement functions, the fifty agencies of the City of Oslo have their own systems and procedures for risk assessment, implementation and monitoring. We must still work for better coordination, better information exchange and search for consistent practices towards the supplier market.

### *Assessing risks*

The different agencies in the City of Oslo carry out risk assessments on a number of issues. Risk assessment is crucial in order to apply relevant criteria and to ensure an effective monitoring process. In the preparation phase of the procurement cycle, buyers assess risks for negative social and environmental impact. They repeat the risk assessment regularly throughout the contract period, and document this in the contract strategy for every contract.

We consider services such as construction works and cleaning

services as high risk of work related crime in Norway. We are working in particular to combat social dumping and to increase use of apprentices in our contracts. For goods, we focus on risks of adverse impact on human rights and ILO's core conventions in global supply chains. With regard to environmental aspects, the agencies consider environmental footprint of different alternative products and services as a part of need assessments in the planning phase.

### *Managing risk*

Cease, prevent and mitigate adverse impact is key to improve negative social and environmental issues. Based on the risk identified, we take different measures. We use social and environmental criteria to address the risk of negative impact and we engage in dialogue with suppliers in order to develop the market in a more sustainable direction. However, we also need collaboration with different stakeholders, such as suppliers, networks, expert communities and others, in even greater extent, to find better solutions and an efficient path forward on complex issues. To prevent corruption, illicit work and tax fraud, the agencies follow central instructions adopted by the City Government and monitor compliance with internal rules and national regulations.

# Human Rights and Labour Rights

**The City of Oslo continues to be at the forefront fighting work-related crime, and ensuring decent labour conditions for workers in our domestic and global supply chains.**

More than four years have passed since the City of Oslo adopted the Oslo Model – a comprehensive framework of measures and requirements to help combat social dumping and to promote decent working conditions, using public procurement as a strategic tool. The model is currently under revision.

## *National decent work standards*

Regarding domestic supply chains, the Oslo Model compiles 20 requirements for labour conditions. They apply to high-risk industries, such as construction works and cleaning services.

First, and foremost, all workers shall have wages that, at the minimum, is according to the wages set out in the relevant collective agreements.

Furthermore, the requirements express a clear shift from previously using staffing agencies to recruit short-term workers, to demanding permanent employment for those working for Oslo Municipality. To counteract black economy, and ensure traceability, the

salary payment is to be transferred to the workers personal bank account.

A high-quality work performance is an important element in promoting decent working conditions. Hence, workers with certificate of apprenticeship (or equal standard for foreigners) have to carry out at minimum 50 % of the working hours within the construction work area. This applies to all relevant professional areas.

The Oslo Model requirements is a strategic tool to ensure opportunities for apprentices. It is a demand that there should be a minimum of 10 % apprentices within professional areas, with a future need of skilled workers.

The major tool in implementing and monitoring the requirements is HMSREG. HMSREG is an electronic supplier monitoring system, designed to counteract work-related crime and gives us a unique real time overview of how our suppliers are fulfilling our contract requirements.

HMSREG gives clients and suppliers a basis for a simpler monitoring of compliance with requirements in the Oslo Model, e.g. valid health, safety and environment (HSE) cards (control of identity and legal residence), working hours delivered by apprentices and

skilled workers, restrictions for sub-contracting, pre-approval of suppliers and wages in accordance with national collective agreements.

The City of Oslo has since 2015 cooperated with the Norwegian Tax Authorities. All companies wishing to become suppliers to the City of Oslo must sign a power of attorney, which gives access to key information on the supplier's tax matters. The agreement ensures that our suppliers do not have arrears on tax payments and other relevant fees.

The development of the HMSREG, on-site controls and other contract-monitoring measures provide a high degree of transparency in compliance with the Oslo Model. Nevertheless, there may be things we do not know about our suppliers, which can potentially represent a high risk. We constantly need to develop our quality management system and requirements, in order to keep up with the development.

Therefore, it is very important for the City of Oslo to build networks and share experiences with other public authorities and relevant stakeholders. The City of Oslo facilitates and participates in several networks, and has established contact points in all relevant supervisory bodies, including the Police.

We have also stepped up monitoring and we have become more targeted, at the same time as the measures provide fewer and somewhat less significant findings. This gives us reason to assume that our actions, along with all other similar initiatives - at all levels, have contributed to a change. In 2019 and 2020 the monitoring of wage and working conditions at the construction site has had an increased focus.

More and more suppliers realize that in the end, it is more profitable to be socially responsible. This is a great achievement.

The Oslo model has inspired many other Norwegian municipalities to implement similar measures. It has also spread beyond our national borders. This motivates us to keep up the good work.



**Monitoring safety and working conditions at a construction site in the City of Oslo**  
(Photo: City of Oslo)

### *Workers in global supply chains*

Most of the goods procured by the City of Oslo is part of complex global supply chains, where the risk of violations of human and workers' rights is high. During the Covid-19 pandemic, the risks has been even higher, especially for migrants and other vulnerable groups. Use of social criteria, follow-up and collaboration has been important for mitigating and reducing risk for human and workers' rights for the reporting years.

Already in 2012, promoting human rights and ILO core conventions through the procurements of goods, was decided upon by the Vice mayor for Finance. In the Oslo Model, we have further developed the requirements and revised our social contract clauses for deliveries of goods to the city.

As part of our social criteria in the Oslo Model, our suppliers must perform human rights due diligence and take active measures to promote international human rights and ensure that working conditions in the whole supply chain are at minimum in accordance with the fundamental human rights, the ILO core conventions and relevant national labour regulations in producing countries. We also use social selection criteria in order to ensure that suppliers admitted to the competition are able to fulfil the social contract clauses.

To become a supplier for the City of Oslo, the company must document the quality management and traceability system suitable to verify compliance with social clauses throughout the supply chain. We will revise the Oslo Model, including the social criteria, in the next period to make sure we are upfront in this area.

Because of high risk in many of our procurements, we use social selection criteria and social contract clauses in many of the city's procurements of goods. Social criteria was used in 50 percent of the city's procurement in 2020 (166 of 302) and 60 percent in 2019 (170 of 354). Below follows, a selection of high risk areas where social criteria was set in 2019-2020:

- Work clothes, shoes and protective equipment
- ICT equipment
- Food and drink
- Medical supplies
- Goods in construction

Collaboration is necessary to mitigate and reduce risk of human and worker rights violations in global supply chains. The risk faced is excessively complex for one public buyer or supplier to mitigate alone. Collaboration with suppliers, other public buyers nationally and internationally, as well as other experts and stakeholders, is key to create lasting impact for workers worldwide.

We are member of Ethical Trade Norway, a multi-stakeholder initiative, represented by NGOs, Trade Unions, Businesses and the Enterprise Federation of Norway. It is a resource centre and an advocate for ethical trade practices. Through our membership at Ethical Trade Norway, the City of Oslo wishes to signal a strong commitment to work for ethical trade through procurement. We encourage our suppliers and partners to embrace ethical trade.

During 2020, we have been part of Ethical Trade Norway's innovative pilot project ("Bærekraft 17"), with the ambition to provide sustainable and efficient high-quality procurement, which promotes respect for fundamental human rights in risk procurement. The key is to share information and resources to follow up common contract clauses and common suppliers among public buyers. We are part of four categories: «Food and drink»; "Construction"; «Medical equipment and consumables» and «Work wear, protective equipment and health textiles».

The challenges are many and complex. Many of our contracts involve thousands of products manufactured all around the world. It is challenging to get an overview of the complex global supply chains and assess the risks of human rights violations. This work requires specialized knowledge and expertise. It is even harder to secure the right measures for real impact. We believe stakeholder dialogue, engagement and collaboration is key. Hence, we will strengthen collaboration both nationally and internationally in the years to come.

We are eager to share our knowledge and experience on ethical trade, and to work together with other public authorities and businesses in order to strengthen the efforts for better working conditions in global supply chains. Our annual member report to Ethical Trade Norway 2020 is available at [www.etiskhandel.no](http://www.etiskhandel.no).



## Fairtrade-city

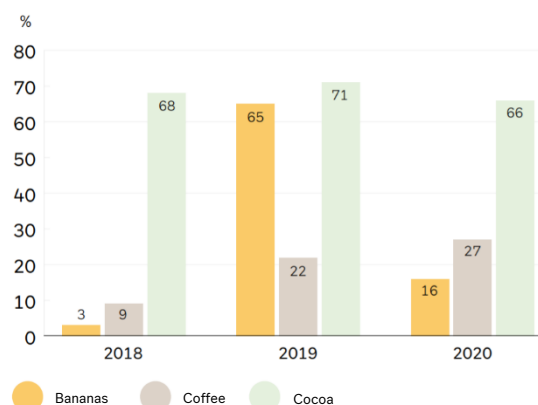
The City of Oslo is a Fairtrade-city. A Steering Committee comprised of representatives from the municipality, business enterprises and NGOs is established and is taking actions to promote fair trade in the central functions of the city, including in procurement, and among the citizens.

In 2019, Category management is used as a tool in the city-wide framework agreements for groceries. The banana campaign, which encourages everyone to buy Fairtrade bananas, is yielding results, and the city buys more Fairtrade coffee. Coffee and bananas are both Fairtrade and organic labelled.

In 2020, the delivery of Fairtrade bananas stopped due to the corona pandemic. People also drank less coffee and cocoa in this period, in general due to home offices and periodically closed service offerings. Despite this, the proportion of Fairtrade coffee increased.

Based on a risk assessment, The Agency for Improvement and Development has provided input to other areas we can work with to

increase the proportion of Fairtrade-certified products in the coming years. One of these products was cotton. The new agreement for laundry services for textiles in the health sector in Oslo municipality, required fair certification and a sustainable standard. The agreement provides for a natural replacement of expired clothes for the new products. Within two years after the start of the contract, at least 50 per cent of the supplier's total stock of work wear must be Fairtrade or Tencel marked. Tencel is a textile fibre extracted from FSC-certified eucalyptus cellulose from sustainable forestry. The fabric is similar to cotton, but is more environmentally friendly.



**Figure 3: Fairtrade certified purchases of coffee, cocoa and bananas for 2019-2020**

**Being a Fairtrade-city, Oslo strives to improve the access to Fairtrade products in our community. This way, consumers in Oslo can easily contribute to better working conditions for farmers and workers in developing countries - every day.**

**- A SMALL CHOICE CAN MAKE A BIG DIFFERENCE!**

# Environment

**Oslo's central climate goal is to reduce greenhouse gas emissions by 95% by 2030. We can only achieve this if we all, including businesses, work together towards the goal.**

## *International Climate Networks*

International cooperation is a key in achieving zero-emission goals. Oslo supports various initiatives addressing climate change, including C40 Cities Climate Leadership Group, Big buyers for climate and environment, the Carbon Neutral Cities Alliance (CNCA) and ICLEI Global Lead Cities on Sustainable Procurement. Together with other cities, we are committed to drive a transition to sustainable consumption and production by implementing sustainable and innovation procurement.

## *The Climate Strategy for Oslo towards 2030*

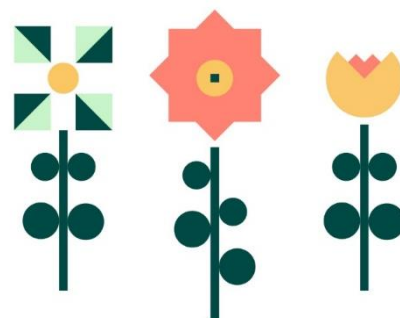
The City Council adopted the climate strategy for Oslo towards 2030 at the start of May 2020 and replaces The Climate and Energy Strategy and The Climate Adaptation Strategy from 2015 and 2016. The main objective remains – for Oslo to have close to zero emissions. The new strategy comprises five targets for Oslo's work on climate change.

The targets in Oslo's new climate strategy cover both what we need to do to cut greenhouse gas emissions and how we should adapt to prepare for future climate change.

## *Green Governance and the Climate Budget*

Oslo has established monitoring and performance evaluation schemes for the targets through a yearly report to the City Council and by strengthening the strategic climate work through integrating climate budgets in the municipal budget process. The climate budget includes a number of measures quantifying emission cuts for all the city's agencies. Through the climate budget, the responsibility for emission cuts is spread across the City Government.

More information on our climate goals, measures and results can be found at <https://www.klimaoslo.no/category/english/>



## *Green Dialogues*

The City's achievement of emission and environmental targets depends on dialogue with the business community, NGOs and citizens. In 2012, the **Business for Climate Network** (Næring for klima) was established. It counts more than one hundred members, both large and small companies.

The network fosters dialogue between businesses and the City, and has minimum two network meetings and meeting with top management annually. The role of business in reaching emission and environmental targets dominates the agenda.

Businesses joining this network commit to assisting Oslo in reaching the goal of cutting their greenhouse gas emissions with 95% in 2030. They do this in three ways: by reducing emissions from their own operations; by influencing their supply chain's emissions; and by making improvements in their own products, reducing the emissions of their customers.

The participants report annually on their contributions to the network. This allows Oslo to track performance, as well as celebrate successes, and motivate businesses to improve further.

Communicating with, and seeking input from, the citizens around the targets and the measures, is a continuous work.

The communication work ranges from campaigns for household waste management, to involvement in the City Ecology Innovation Centre, to the "Adopt a river" programme for schoolchildren.

## *Green Procurement*

A large share of Oslo's GHG emissions originates from production of goods and services procured by the Municipality. Use of comprehensive environmental criteria in public procurement is therefore an important measure to reduce our environmental footprint.

## *Transportation*

The number of people travelling by public transportation, bicycles and on foot is rising – at the expense of car traffic. Oslo has the world's highest proportion of electric cars. We became the "EV Capital of the World", because of targeted green governance. Local and national authorities have made buying and owning electric vehicles very attractive and have thus boosted the private market for zero emission vehicles.

In 2020, almost 63% of new cars sold in Oslo were electric. By 2028, all public transport in Oslo will be emission -free. Read more about how electrification in the transport sector has changed the daily life for private persons and businesses:

[greencapital2019.com/stories-from-oslo](https://greencapital2019.com/stories-from-oslo)

Between November 2016 and June 2019, Oslo was engaged in the BuyZET project on procurement of innovative solutions for zero emission urban delivery of goods and services. BuyZET was an EU Horizon 2020 project coordinated by ICLEI. The main goal of the project was to boost demand for zero emission vehicles (ZEVs) and other zero emission urban delivery solutions on the European market.

The project concept was realised by a set of activities that were applied in the participating cities: Rotterdam, Oslo and Copenhagen, as key project cities, and the Brussels Region, Southampton, Bologna, Bielefeld, Munich, Manchester and Jerusalem as observer cities.

A procurement plan was the final delivery in the project. Oslo's plan included new methods with environmental requirements which are now included in all new tenders.

In 2019, the City Government adopted a strategy with standard requirements for climate friendly transport. The strategy includes environmental criteria, which now apply to vehicles delivering goods, as well as those used by service providers in carrying out those services. From 2025, we will stipulate zero emission and biogas as a minimum requirement in all tenders where we need transport. Results from completed procurement processes show that the market is ready to deliver on our requirements already today, and in many contracts, the share of zero emission vehicles is 100%.

We share our experiences from the BuyZET project and the ongoing work on using transport requirements in tenders are with cities across the Europe and with any other interested parties.

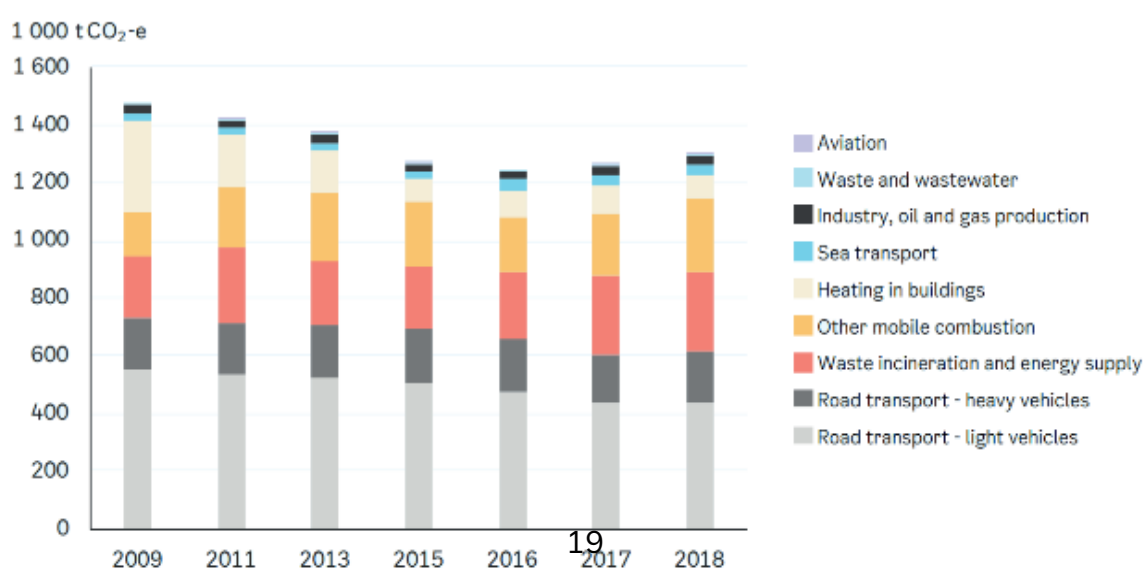


Figure 4: GHG-emissions by sector from 2009 to 2017, City of Oslo

## Resource efficiency

The city of Oslo is continuously improving its circular systems in order to make the most out of its resources. The City Council wishes to promote innovation and new jobs in the circular economy. In 2019, we adopted a strategy for sustainable and circular consumption in Oslo (2019-2030).

The strategy states that the City will facilitate a more sustainable consumption, shifting focus from buying new to taking care of the things that are already in use; share, replace, upgrade, renew and repair.

The strategy emphasizes the importance of reducing material consumption through procurements. E.g. promote needs assessments, prioritize products that have components of recycled material, long lifetimes, warranty schemes, repair options, return schemes and recyclability.

Our Action Plan to Reduce Plastic Pollution in the Oslo Fjord 2019 – 2020 is available in Norwegian and English at [www.klimaoslo.no](http://www.klimaoslo.no), and the new action plan for plastic and urban agriculture 2021-2024 is [available in Norwegian](#).

The City of Oslo plans to phase out the unnecessary use of single-use plastics in our own operations. At the same time, the city authorities are inviting businesses and individuals to participate in a joint initiative.

Targets within this area:

- Reduced material consumption through prioritised products that have components of recycled material, design for long lifetime, warranty schemes, repair options, return schemes and recyclability.
- Continuously assess the possibility of upgrading and repairing before new purchases.
- Facilitate the greatest possible reuse, material recycling, reuse and sharing in all procurements.

Introduce requirements for reduced use of disposable plastic products and plastic packaging in new contracts. The City of Oslo has good experience with the re-use of ICT equipment through a collaboration agreement with a work training company. Since 2016, we reused more than 80 % of collected computers through the agreement. The agreement represents a triple bottom line. It contributes to the environment by keeping resources in the loop and reducing demand for new products, to the society by giving jobs to people falling outside of ordinary work life, and provides functional affordable products to those who need them.

To obtain smarter and reduced use of plastic the City has developed a guide for plastic-smart purchasing focusing on examples concerning single-use plastic and packaging. The City has awarded suppliers for avoiding the use



of unnecessary disposable plastic in catering agreements, as well as for using recycled plastic for example in waste bags.

The City of Oslo is at the forefront of circular use of available resources, like using bio waste and city sewage for biogas production, fuelling city buses and waste trucks. Waste no longer reaches an end, but is a resource to exploit. The core of the waste management system is an extensive system of source separation where the citizens work together with high-tech machinery to ensure high recycling rates.

All waste becomes raw material either in the production of new products such as new plastic products, bio methane, and bio fertiliser or as heat and electrical power. Food waste, garden waste and sewage become biogas, soil-products and bio-fertilisers. Food waste and wastewater contain useful nutrients for agricultural production, and the recycling is important for non-renewable resources such as phosphorus.



One of Oslo's electric buses (Photo: Ruter)

## *Green construction*

Through public procurement, The City of Oslo has established the first pilot of a construction site with only zero emission machinery. To initiate market development, a broad dialogue has been organised with stakeholders aiming at developing a market for zero emission construction vehicles and machinery. The pilot has been a success, showing zero emission construction to be possible, with relatively low additional costs.

By 2025, all construction sites commissioned by the city of Oslo are to be zero emission. The city has gained experience from demanding fossil free construction over the past years, and has adopted fossil free as a minimum requirement in all construction procurements. In 2019, the city also adopted standardized award criteria to promote zero emission machinery.

Reducing indirect emissions related to building materials is also an important focus area for the City of Oslo. Several pilots are now testing requirements for recycled as well as low carbon materials. The City Council will soon establish a quantitative target for reducing climate gas emissions related to the use of materials

In 2016, the Scandinavian capital cities Oslo, Stockholm and Copenhagen joined forces and created the Scandinavian Green Public Procurement Alliance (SGPPA). The

purpose was to boost the demand for zero emission non-road mobile machinery. Carbon Neutral City Alliance (CNCA) funded the establishment of the alliance, with GATE21 as facilitator.

SGPPA aims to complete cross-border green procurements between the collaborative cities, with an initial focus on the procurement of zero emission wheel loaders. In May 2019, Copenhagen and Oslo invited suppliers to enter a dynamic purchasing system (DPS).

International demand will result in a greater range of emission free machines, and lower costs. Both the C40, CNCA networks and the Big Buyers Initiative, where Oslo is working on emission-free constructions sites among other issues together with many of the world's largest cities are important part of the solution. Cooperation, like these, will help boost buyer power and encourage the suppliers to develop more and better emission-free solutions.

## *ICLEI Procura+ Seminar 2018*

The City of Oslo and ICLEI, together with the [SPP Regions project](#), collaborated to host the 15th Procura+ Seminar on 21 - 22 March 2018.

The event brought together Procura+ Network participants, practitioners, experts, and policy makers from across Europe. The [programme](#) provided the

chance to explore procurement concepts and issues through the lens of real-life examples and experiences, take part in dynamic and interactive sessions, and build capacity to procure more strategically. Please, visit [www.procuraplus.org](http://www.procuraplus.org)

### *Sustainable food*

The City Council has high ambitions in the area of sustainable food. As part of fulfilling the Sustainable Development Goals, the City of Oslo wants to:

- reduce food waste in own businesses and per capita by 50 percent by 2030
- halve meat consumption in Oslo municipality's canteens and institutions (by the end of 2023)

- always offer a full-fledged vegan alternative
- set requirements for sustainable production and good animal welfare in procurement of meat and animal products
- Increase the consumption of organic food
- promote the use of climate-friendly menus with seasonal produce

In 2021, Oslo municipality established a coordination group across various branches and agencies. The group will be working together to achieve the goals of the city and promote sustainable food.



Kitchen staff at the Agency for Improvement and Development (Photo: City of Oslo)

# Anti-corruption

**The City of Oslo has a number of strategies, measures, and regulations to prevent and fight corruption, including a new program for anti-corruption, adopted in 2020.**

## *Ethical Guidelines*

To make the right choices in our day-to-day work, we are guided by the Ethical guidelines for employees in the City of Oslo. Among many important issues, the guidelines include provisions on anti-corruption, especially with regard to procurement. All new employees signs the guidelines together with their contract. Leaders at all levels must review the ethical rules with their employees once per year. Our Ethical guidelines are available at [www.oslo.kommune.no](http://www.oslo.kommune.no)

## *Networks against Corruption*

The City of Oslo has joined Transparency International Norway (TI-Norway). We have been participating actively in the network. The Office of The Governing Mayor has established an internal network against corruption. The network organises seminars in order to discuss relevant topics and measures to fight corruption.

## *Programs and measures*

In addition, the City of Oslo has developed an anti-corruption program in which anti-corruption in procurement procedures is one of the top topics in the program. The program was presented for the City Council and adopted early 2020

The Oslo Model with its measures against social dumping and corporate crime described previously is also central in fighting corruption. For instance, HMSREG is not only a tool for monitoring manpower in order to capture suspicious activities and prevent illegal work. It also helps to detect tax evasion and other forms of economic fraud.

Moreover, the Oslo Model helps to reveal illegal restrictions of competition, i.e. cooperation between undertakings, or abuse of undertakings dominant position.

## *Legal Taskforce*

The Vice Mayor for Finance has also established a “Legal Team” as an arena for sharing experiences and information on potential risks, especially with regard to the constructions sector. The Legal Team also discusses effective measures to fight social dumping and tax fraud.



Participants are The Tax Department of East Norway, Oslo Municipal Treasury, Labour Inspection Authority and different agencies of the City of Oslo (The Agency for Improvement and Development, Municipal Undertaking for Social Housing, Municipal Undertaking for Social Service Buildings, Municipal Undertaking for Educational Buildings and Property, and Agency for Planning and Building Services).

### *Red Flags-list*

The City of Oslo has developed a red flags-list of suppliers who we assess to represent a high risk with regard to non-compliance with contract clauses, especially on social and financial issues. It is advised that the agencies of the city use the list with caution, but are aware of the risks while conducting procurement processes.

### *Collaboration with the regional tax authorities*

In June 2015, the City of Oslo signed a collaboration agreement with the Tax Department of the Eastern Region of Norway. This collaboration is ongoing and has been an important source of information on suppliers who are, or are about to, become contractors of the City of Oslo. Corporate tax

information may indicate potential breaches of laws and regulations, e.g. with regard to wages and working hours.

As most of the corporate tax information is confidential, it was previously difficult for the City of Oslo to get access. With an official authorisation from actual and potential suppliers and sub suppliers, the City of Oslo has, within the framework of the agreement, an access to information, which is a valuable input to our risk assessments of supply chains in services.

### *Specified invoice*

The City of Oslo has introduced a requirement for detailed information on invoices from suppliers, including information on the extent of use of and payments to subcontractors. The information is, in addition to giving relevant information that enables control, also actively used to monitor suspicious contractors.

The Agency for Improvement and Development distribute warnings to all agencies in the city. The warnings serve as the base for further investigations or discussions concerning necessary measures.

## Part III: Measurement of Outcomes

**The City of Oslo is working to ensure that our activities are transparent and beneficial to the city, the region and the international community.**

We are constantly monitoring our efforts and communicating on the challenges and achievements. Contract monitoring is crucial in order to ensure both the right quality and the right price, and at the same time implementing sustainability.

We communicate on measures and results both in internal reporting and in various public reports including this Communication on Engagement.

Reporting on the most important initiatives and results is included in the City Government's annual report available at [www.oslo.kommune.no](http://www.oslo.kommune.no)

### *Sustainable Procurement Indicators*

The City of Oslo continues developing appropriate key performance indicators for the central Procurement Strategy. The KPIs will help us measure our results with regard to economic, environmental and social sustainability in procurement.

Based on the consumption strategy adopted in 2019, the City of Oslo has initiated an R&D collaboration project with several resource institutes to

develop indicators. Indicators will be important to measure progress towards the ambitions in the strategy.

The aim of the project is to develop and test indicators able to describe changes in consumption within areas like food, plastics, building and construction, electronics, furniture and textiles for the City of Oslo.

### *Human and labour rights*

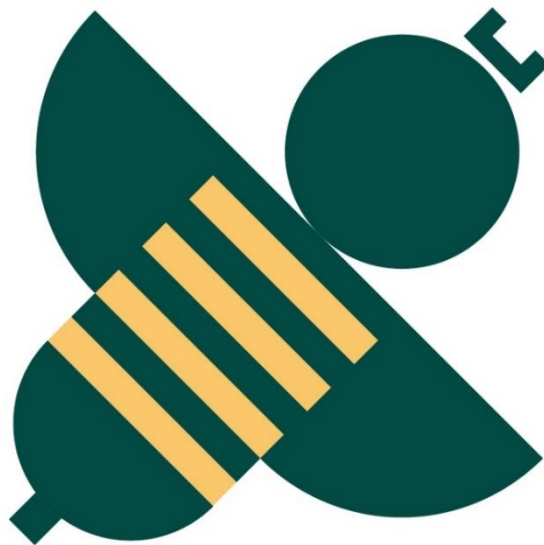
We track where and in what procurements we use which criteria. The City of Oslo uses various methods to monitor compliance with contract clauses, including dialogue meetings with suppliers, self-assessment questionnaires and third-party audits and certifications. However, for social issues, both in domestic and international supply chains, it is difficult to measure actual impact on the ground. Root causes of breaches is often beyond one single supplier, but rather national or global systematic challenges and mechanisms. We will continue to develop methods to track implementation to ensure a positive impact.

### *The Climate budget*

The Climate budget presents and calculates the effect of measures that will help us to reach our target on emission reduction. It shows where



responsibility lies for implementing the measures in the city's entities, and includes requirements for reporting the status of the climate measures in line with the entities' financial reporting. The Climate budget also clarifies which national and regional measures directly contribute to emissions reductions in Oslo. [www.klimaoslo.no](http://www.klimaoslo.no)





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