# UNCLOUDED

Exploring the clear skies of collaborative procurement as a stimulus for sustainability

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# Executive Summary

This report is documenting the research process and the results of our project "Unclouded", part of the brief "Reducing the carbon footprint of procurement services" initiated by the Finnish Ministry of Economic Affairs and Employment (TEM) and the Orchestrating for Systemic Impact research project (ORSI) with the main partner being The Finnish Social Insurance Institution (KELA). The project took place as a part of the Design for Government studio course at Aalto university, in which students partner with state organisations to develop design-oriented solutions for creating change. Our group includes Xinghua Meng, Kalle Kaisko and Michael Buchta from the Creative Sustainability program and Amandine Fong from the Collaborative and Industrial Design program.

In the following pages, we take you through our 14-week research process, which was done in close cooperation with partner organisations, as well as the results of the proposal and the difficulties along the way. We combined desktop research with interviews and the facilitation of a stakeholder workshop with groups working with the same brief. Our insights on the one hand clustered on the communication barriers between Kela and the producers and the complexity and uncertainty of the procurement process. On the other hand, they revolved around the role of transformation agencies, like KEINO, a network-based competence center for Sustainable and Innovative public procurement in Finland.

In order to tackle our findings effectively we have divided our proposal into three phases.

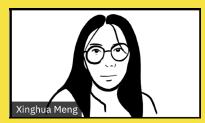
The first one introduces a five-year feedback cycle into procurement and creates concrete incentives through well thought-out criteria in order to create equal ideas and sustainability visions between producers and procurers. In the second stage we argued for an extended procurement phase of the baby box from a one-year to a two-year interval to create more time for procurers to engage in market dialogue and to develop actual procurement content. In the third phase, we proposed a new responsible agency to professionalise sustainable procurement. This new entity could also introduce sustainability criteria, together with tools for more collaboration, into existing procurement communication and planning systems.

Overall, this project aims to increase collaboration and communication, facilitate the implementation of sustainable and innovative criteria, and support and professionalise sustainable procurement and tendering. Our proposal "Unclouded" is based on the case example of the Maternity box procurement but it can be developed to be extended to other procurements and thus, set sustainability and collaboration into the center of public procurement. To set it into our metaphorical setting: we are exploring the clear skies of collaborative procurement as a stimulus for sustainability.









# — Glossary

Hanki Platform for procurement material

and dialogue between

the procurers and producers

Hansel Ltd. Non-profit central procurement unit

of the Finnish Government

**KEINO** Network-based Competence centre

for Sustainable and Innovative

public procurement in Finland

Kela The Social Insurance Institution

of Finland

Motiva Government owned Sustainability

**Development Company** 

Syke Finnish Environment Institute

**TEM** The Ministry of Economic Affairs

and Employment

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# I. Introduction

Each year, Kela, a "government agency that provides basic economic security for everyone in Finland", provides 30 000 maternity packages. The maternity package is a good embodiment of the Finnish welfare state and has been part of Finnish culture since 1949. It covers essential items for welcoming a new member to the family. The selection of companies is done through an open public bidding process and businesses specialized in fashion, health, and care industries are invited to participate. Recently, a report from Finnwatch reprimanded Kela for overlooking responsibility and sustainability in its competitive bidding criteria. Besides, Finland is aiming to be carbon neutral by 2035.

With this in mind, TEM, Kela, and KEINO are willing to develop innovative public procurement and improve productivity, quality, sustainability, and effectiveness of public services.

Part of this ongoing reflection is also the brief that has been addressed in collaboration with the Design for Government course. It set out with the aim to establish a set of sustainability criteria to guide Kela Maternity Package procurement, but also to identify the main processes that should change for public procurers, in order to establish sustainable and innovative public procurement as the norm.

By developing an innovative procurement process focusing on sustainability for the maternity package, the commissioners of this brief aim to set an example of sustainable and innovative public procurement. This comprises the opportunity to extend the improved Sprocesses to other public procurement orders and thus be a lever for sustainable change at a national scale. With its broad order volume, the Finnish state has the potential to become a pioneer for the private sector and to actively influence the development of more sustainable products and services.





<sup>1</sup> https://www.kela.fi/web/en/kelas-operations

# II. Research Methods

# 2.1 Desktop Research

To understand the context of the project and have as comprehensive an overview as possible, we conducted extensive desktop research throughout the project.

We have predominantly reviewed:

- Project brief
- Structure and process of Finnish procurement system
- Existing criteria, strategy and policy documents of Finnish sustainable procurement
- Surveys of maternity box
- Reports and articles from transformation process agencies
- Successful sustainable procurement strategies and tools used in other countries

# 2.2 Roundtable Meeting

In the second week, a roundtable meeting was organised by the Supergroup, consisting of three groups, which was conducted via Microsoft Teams. Different stakeholders were part of the discussion, including members of Kela, TEM, KEINO and Syke. The aim of the roundtable meeting was to get a better understanding of the existing procurement process, its challenges, the role of each stakeholder, their ambition, and the content of the baby box.

First of all, it seemed to be one of the first times that the different stakeholders came together. The discussion was dynamic, and all the stakeholders participated actively. One of the main points of discussion was the complexity of the procurement process for the companies and the limitations regarding possible changes due to the existing legislation regarding Kela and public procurement. As equality is one of the core

values of the maternity package, introducing re-used items to the maternity package seems to be challenging. Members of Syke also highlighted the need of assessing the carbon footprint of the different companies participating in the procurement. It is then beneficial to define who will be responsible for calculating the carbon footprint as it can be challenging and time-consuming for the companies.

The roundtable gave us a basic understanding about the concerns of the main stakeholders and the existing system. It also provided us with direction and suggestions for further in-depth research.

### 2.3 Interviews

After the roundtable, we were eager to hear voices from different parties in the procurement process. Together with the two other groups working on the same brief, we conducted 20 in-depth interviews with different stakeholders to get their views on the maternity box procurement process, sustainability criteria and other relevant issues.

#### The people interviewed included:

- Procurers from Kela
- Transformation process agencies (Motiva, Finnwatch, Syke, etc)
- Producers
- Sustainable material suppliers
- End users

The interviews were semi-structured and conducted through online meeting tools such as Zoom or Microsoft Teams. Each interview took approximately 45 minutes, usually involving a host, an interviewee and a note taker. The interviews allowed us to better understand the different actors in the system, as well as their intentions, activities, difficulties they faced, position in the system and their relationships.

# 2.4 System Mapping

Based on our research findings, we created the system map to visualize the maternity box procurement system. It was dynamic and kept changing during the project. With reference to the system map, we sorted out the major players in the procurement process and the connections between them to gain a holistic view. Moreover, as the project progressed, we used the systems map to point out the existing problems more visibly, frame our intervention area and explain the action of our final proposal.

The graphic shown on page 10 is our initial systemmap, in which we use different colors for each type of stakeholder, and use the thickness of the arrows to distinguish the key and minor relationships in the procurement process.

#### **CATWOE Modeling**

We used the CATWOE method (SSM - Soft systems Methodology) "to explore the system through highlighting a root definition, which defines the system that involves converting the inputs into outputs". Based on this model, we focused on defining the five following elements:

- Customer: the target of the product or service
- Actors: persons who will be involved in the situation and who will take part in the solution (employee, stakeholders...)
- Transformation Process: the process that turns the inputs into outputs.
- Owner: the person who has the power to control the system and decide whether it will be implemented or not
- Environmental Constraints: the broader constraints and restrictions that may halt operating the system
- World view: the big picture of the situation (defines the highlighted problem and predicts the wider impact of the solution)

The CATWOE method helped us to structure and analyse the system (in what to include, what to define, what elements we are missing, what complementary research do we need...) and develop our focus. It enabled us to understand each stakeholder's role and visualize the missing connections and areas of possible intervention. From the beginning, our focus was on Kela procurers. As the maternity box is a good embodiment of the Finnish welfare state, it can be used as a case example for sustainable procurement.

<sup>&</sup>lt;sup>2</sup> https://www.designorate.com/catwoe-problem-solving/ons

Thus, we draw our system map with the procurers at the center.

Kela's procurers are in charge of the procurement process and order the products from the producers. They communicate through the platforms provided by Hansel:

- Hilma: a platform for procurement announcement
- Hanki: a platform for tender material and dialogue between the procurers and producers during the call for tender.

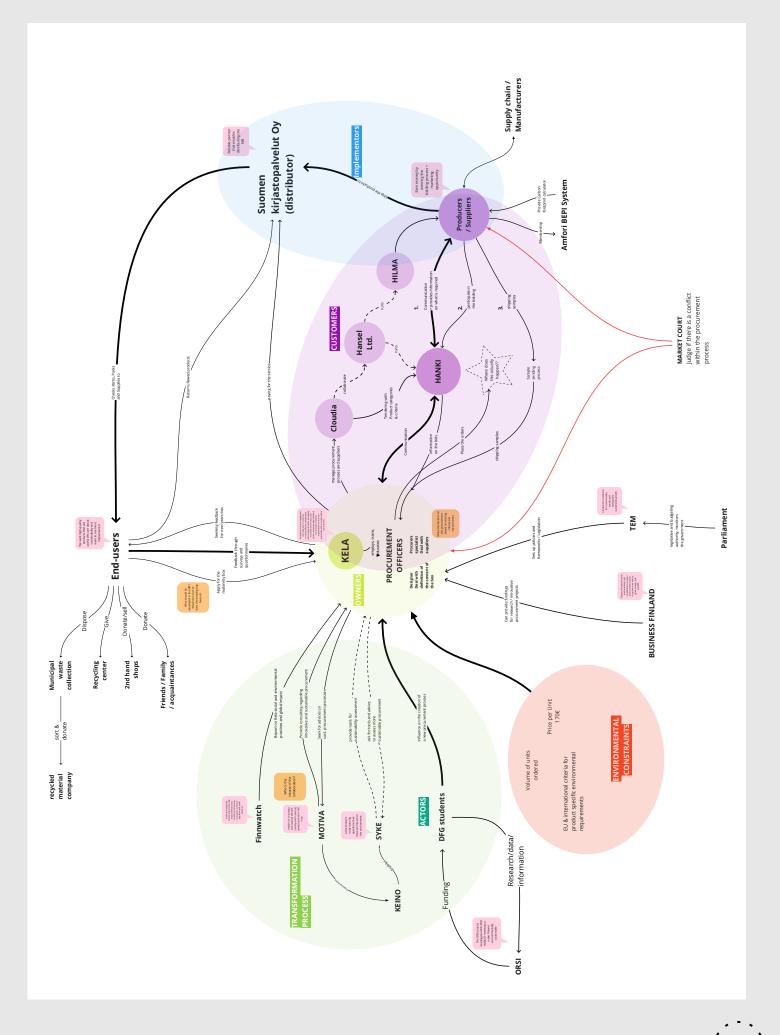
In parallel, Kela can seek sustainable advice from KEINO and get sustainability recommendations from NGOs such as Finnwatch.

TEM sets the policy framework, and the Ministry of Social Affairs and Health the legal framework.

The end-users can claim the maternity grant online through Kela's online customer service. Finally the maternity package is sent to them via Matkahuolto.

# 2.5 Affinity Diagram

After the roundtable and interviews, we used affinity diagrams to clear our minds. It is a tool to organize large amounts of data to their natural relationships. We first drew insights from the notes of the individual interviews. Then we reorganised and combined these insights into a few broad themes, in which our core findings are contained.



# III. Key Findings

Our thorough research enabled us to understand each stakeholder's point of view, their visions, and understanding of what a sustainable maternity package procurement process is, should be, and could be.

After mapping the system and clustering our insights, we had a clearer vision of the existing situation and started to see misalignments.

We realised Kela, the producers, and Keino members had divergent opinions and contradictory statements, which leads to misunderstanding and uncertainty.

We grouped these misalignments under what we like to call "fields of opportunities":

- Kela and Producer communication
- · Procurement criteria
- Procurement process and practicalities
- Motivation and resources
- Sustainability framework

# 3.1 Kela and Producer Communication

"The procurement unit ask feedback to the companies by email but only few reply." (ex-Kela)

"No ongoing dialogue platform for Kela and suppliers yet." (Kela)

"There is a lack of dialogue between Kela and the companies." (Producer)

Our first insight is problems related to a lack of communication during the planning and elaboration of the procurement. Both sides have the desire to communicate but are often hindered in multiple ways. Kela asks for feedback from producers at the athe feedback is conducted by email, and they only get few responses. On the contrary, producers would like more direct dialogue with Kela, such as one-on-one dialogue, but the procurers lack time and resources. While Kela would be willing to organize a common session for the producers, the producers might be hesitant to share insights in front of competitors.

Thus, the lack of communication confuses producers and procurers. This leads to misalignment between them.

# 3.2 Procurement Criteria

"Kela needs to reach out to current providers. What are the top criteria that the suppliers could give out now?" (Transformation process agencies)

"Can't be too radical in the criteria as companies won't be able to follow and might impact consequently the price of the baby box." (Kela)

"Fear of the market court: A barrier for developing innovative solutions and long term collaboration." (Transformation process agencies)

The criteria used currently in the maternity box's procurement do not support sustainable options. At the moment, Kela emphasizes quality over quantity, and, to a certain extent, sustainability. This leads to sustainable options not being selected for the maternity package. Additionally, thanks to our interviews, we realized that procurement criteria are established step by step according to the previous experiences. This way, procurers are assured that companies can fulfill them and avoid any legal repercussions. Criteria are based on past experiences and not on currently available options developed by companies.

Thus, the lack of market dialogue and sustainability vision is limiting the development of sustainability criteria.

# 3.3 Procurement process

"One year contract is a benefit for suppliers to follow up on cost changes." (Kela)

Longer contracts? "Yes. Depends on the years, not 5 or 10 but at least 2 years. Would reduce our work by half." (Producer)

"Doing procurement yearly is problematic since it's difficult to get the sustainable fabric in small batches." (Producer)

"Optimal interval for the procurement process is 2-3 years. Doing it every year is more than what's necessary." (Transformation process agencies)

"In principle, it [the yearly procurement process] is a good thing, since it allows Kela to accumulate experience over the years and make changes yearly. Possibility to iterate." (Transformation process agencies)

"We are not sure conducting a market dialogue within this timeframe is doable, but we can try" (Kela - workshop insight)

Another finding was the opposing view regarding the current procurement process and its timeline. According to Kela, the one-year process is used to iterate and update the baby box every year. However, this timeframe is limiting the development of an effective process for several reasons.

Since the maternity box is done annually, the processes overlap at the end and the beginning, as we can see on the timeline. The selection process for the previous year is ongoing while the procurement decision of the maternity box is announced. In October the non-negotiable criteria for the next procurement are published. Based on the existing timeline, procurers have a window of 4 months for direct communication with producers. Unfortunately, this window is happening during the summer holiday season, from June to October. This limits the development of an effective market dialogue.

In addition, the market dialogue should happen 3 months before the announcement of the tender, either in June or July based on the existing timeline.

Suppliers, during our interviews, shared how demanding and short the tendering process is. A longer process would enable them to develop and produce more sustainable options and adapt to the new criteria. However, as producers shared their will for longer contracts, Kela is unsure about the ability of producers to commit to a two-year contract.

Thus, the lack of time and the unclear legal framework hinders communication and collaboration.

# 3.4 Complex Sustainability Framework

"However, these good resources are not necessarily utilized." (Transformation process agencies)

"Lack of resources in terms of time, to do analysis and find solutions that could be implemented into the process." (Transformation process agencies)

"For an average procurer, there's too much to know to be better in sustainable procurement." (Transformation process agencies)

"Due to its complexity, for smaller procurement, sustainability is difficult to take into account. There is a need for clear instructions." (Transformation process agencies)

Based on our interviews with transformative agencies, we realized that KEINO is already providing good resources regarding sustainable practices.

However, sustainability is a complex issue that needs to be analysed and defined in-depth to be tackled effectively.

If there is a good amount of information, it requires time and motivation to be processed. Unfortunately, Kela procurers are busy and lack time. It prevents them from having a clear understanding of the sustainability framework and establishing a vision for a more sustainable procurement process.

Thus, a complex sustainability framework leads to the ineffective articulation of the procurement process.

# 3.5 Motivation and resources

"Currently, the lack of governmental level of political will for the development of the MB is non-existent." (Transformation process agencies)

In addition to time, motivation and resources are crucial. As we mentioned previously, processing the existing information requires time and people. Even though aiming high can be beneficial, it is important to remember the realities and the context that is designed in. In this context, the political will should be taken into consideration as it enables funds and resources.

Thus, to make change happen, the available resources must be matched with motivation and openness for the process.

### IV. Ideation

With the findings from our research, our direction needed to be further defined to develop the proposal. To achieve this, we took several steps to gradually discover our intervention.

#### **Design Drivers**

The first step we made was to list the design drivers based on our identified problem area. The purpose of this was to define the boundaries of the solution space and find the specific level that we want to influence the system. Eventually, we described our design drivers as follows:

- Create comprehensible legal & sustainability frameworks
- Enable active dialogue between Kela and the producers
- Simplify the procurement process
- Re-evaluate the use of sustainability criteria & design for busy procurers
- Create a political will & create within the existing limitations

These design drivers are interlinked and build on each other. Among them, the first three design drivers were considered to be the core design principles, to form the structure of our solution and keep guiding us during the rest of the design process.

#### Frame the Intervention Area

To further define our intervention, we used several tools to narrow down our focus.

From the perspective of the intervention type, we referred to the model of four areas of design in policy (Junginger, 2015) and 'Government as a system' toolkit (Policy Lab, 2020) to figure out at which layer and what kinds of actions we wanted to choose for the proposal.

From the perspective of system structure, we integrated our design drivers into the system map, trying to point out where we wanted to make changes and bring new connections. Ultimately, we located our focus on the relationship between the busy procurer and the confused producer, given that plenty of our insights converge between the two.

From a temporal perspective, we explored the specific changes that might be made to the current timeline at the micro level; at the macro level, we took into account the lag in the system and thus the time span required to introduce the intervention.

#### **Looking into Best Practices**

During the ideation, we also looked at sustainable procurement processes from other countries for inspiration. Our eyes were drawn to the Dutch procurement system PIANOo (PIANOo: Dutch Public Procurement Expertise Centre, 2021) and a so-called CO2 performance ladder (SKAO, 2021) they used. Their practices were particularly enlightening with incorporating a well-structured system and incentives for companies. Also, these examples coincided with our design principles and led us to believe that we were on the right track. Later in the report, this procedure will be better illuminated.

#### Co-design Workshop

To test our initial ideas, as well as to develop them, nine stakeholders from different parties of the procurement system were invited to the co-design workshop held by the Supergroup. In the meeting we guided participants to discuss the future vision of maternity box, the communication of sustainability to the public and a possible new procurement process timeline. The feedback from the workshops confirmed that our ideas are in line with the demands of the stakeholders. In the meantime, we also gained valuable insights as well as realistic factors that we had not considered, such as the summer holidays in the middle of the open communication period.

"It is a bit hard to do the market dialogue three months beforehand because that would be during the summer but we have talked about making it earlier. During the summer the companies and us at Kela are on vacation." (Kela)

"My message is that there should be enough time allocated to planning the procurement and the procurement process goes more or less automatically based on that." (Transformation process agencies)

"I think for us the timeline for production has been okay, no need to extend it. Nowadays the results are already coming months earlier than in previous years. Some kind of feedback could be very valid. There are only excel sheets and no discussions. ..Other forms of feedback could be better." (Producer)

"One idea could be that Kela could provide some kind of plan like 'plan to implement this sustainability criteria for all products in the next 5 years' so the companies know that if they want to be part of the maternity box in the future they know which way they need to develop their products." (Transformation process agencies)

# V. Intervention Proposal: Unclouded, a Three Phased Solution

Unclouded is exploring the clear skies of collaborative procurement as a stimulus for sustainability. With the following proposal we aim to increase sustainability in public procurement by making the life of busy procurers and confused producers more convenient.

Unclouded is a three-phase intervention with designated desired outcomes for each phase. It is designed so that phases one and two have been planned with the maternity box procurement in the center but especially phase three is relevant for public procurement in Finland in general. Though, this doesn't mean that the principles introduced in phases one and two wouldn't apply to other procurements, just that they have to be adjusted to other processes.

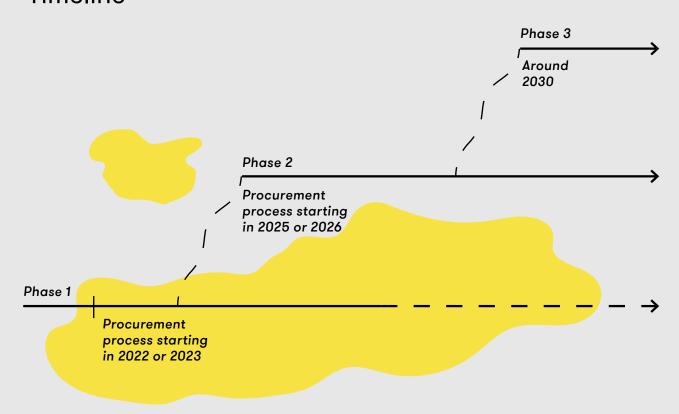
#### 3 Phases of Unclouded Encourage ambitious and Phase 3 fearless sustainable procurement with certainty and simplicity Create time Phase 2 and space for collaboration and communication Enable mutual Phase 1 and clear sustainability visions and expectations

Before taking a closer look at the phases, let's get an overview by looking at the implementation timeline for Unclouded.

Phase one is the most urgent as it lays the groundwork for more sustainable procurement in the future and it is designed for co-creating sustainability visions and expectations. We propose it should be implemented within the next upcoming procurement cycles. Phase two, timeline extension, should be planned carefully and in collaboration with other stakeholders, especially the producers, and we see that it would be possible to implement in the mid-2020s.

The third phase, professionalizing sustainable public procurement, will take some time. The development should be started as soon as possible but the proper elaboration will presumably take a decade.

#### Timeline



# 3.1 Phase 1: Collaborative Process for new Criteria

Phase one is designed to enable mutual and clear sustainability visions and expectations for our two key stakeholders, the busy procurers and confused producers. To achieve this, we have redesigned the selection process for the criteria used in the procurement by creating a virtuous cycle.

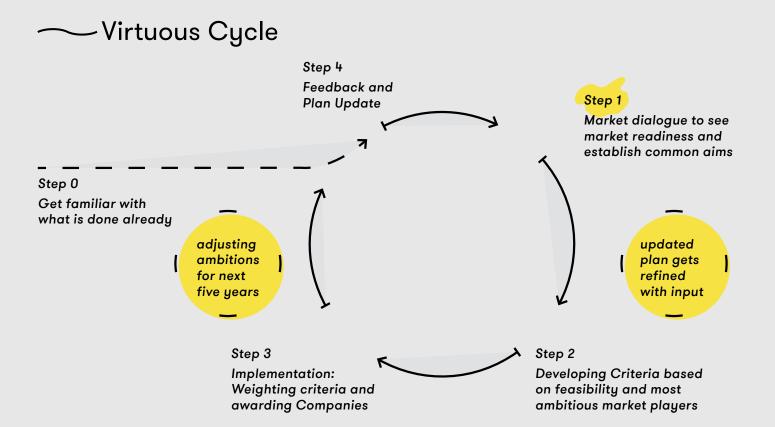
As a step zero and a one-time start-up process, the public procurers ought to create a basic understanding on what kind of solutions and practices are already available in the world of sustainable public procurement. This means, among other things, familiarizing with existing international case examples and best practices. The Dutch, for example, have a great expertise on sustainable public procurement and they are willing to share it, but the European Union also offers resources on it.

The first actual step of the virtuous cycle is expanding the existing understanding through market

dialogue which should happen as part of each procurement cycle. This allows both parties, the procurers and producers, to establish common ground on sustainability aspirations for the maternity box's future.

In the second step, Kela is able to develop and reevaluate the criteria used in the procurement based on feasibility and market ambitiousness. While increasing sustainability is crucial, we understand that Kela's decision making on the criteria is affected by the safety and reliability requirements for the products and producers.

Third step is about implementation. The selected criteria will be implemented into the procurement process and companies will be rewarded accordingly. It would be ideal if Kela could give feedback for the producers as well. Especially the ones that didn't get their products into the box as this would help them to develop and improve their offering in the future.

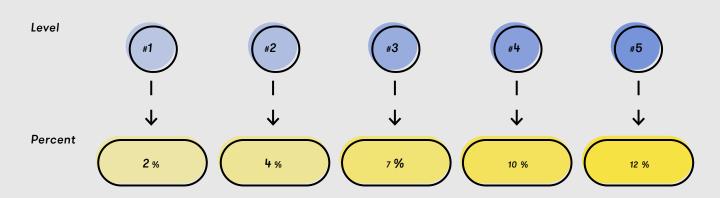


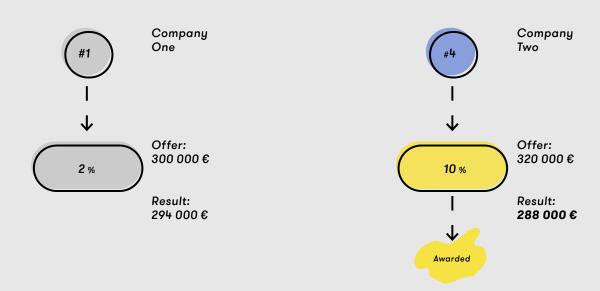
The final, fourth step of the cycle is about collecting feedback from the producers for the criteria and the criteria setting process. This information should be utilized when planning the following procurements.

At the end of the process, Kela is able to publish a five-year plan on how the sustainability ambition for the maternity box will develop. This is done, to guide the producers so that they can adjust their own plans accordingly. The idea is that this plan should be then renewed with each procurement cycle so that producers always have some kind of idea what the following years will look like.

Our virtuous cycle was inspired by an existing example, the CO2 performance ladder and their model for sustainable procurement. The CO2 performance ladder was created by the Dutch railway concern, ProRail, in 2009 but nowadays the system is owned and managed by the Foundation for Climate Friendly Procurement and Business (SKAO). Today, their solution is commonly used all over Dutch public procurement. The CO2 performance ladder aims to create incentives in the procurement criteria for producers to decrease their CO2 emissions and give a competitive advantage to those companies while making public procurement more environmentally friendly. (SKAO: CO2 Performance Ladder, 2021).

# ---Example





The CO2 performance ladder procurement model allows the procurer to set five levels of CO2 ambition which are then matched with incentives like savings in percentages of the contract price, or credits. When entering the tendering, companies must inform the procurer which level of ambition their offering matches. The selected company's level will be included in the contract as a performance requirement. At the end of the contract, companies are required to prove their level of CO2 reductions. (SKAO: CO2 Performance Ladder, 2016).

The procurement process is demonstrated with the hypothetical example in the graphic and table on page 20. In this case, company #2 wins the bidding because even though their original offer price was higher, after applying the preset saving percentages, their total offer price is the lowest one.

The model encourages the procurers to have an active dialogue during the production to learn from the producers how they're able to reduce their CO2 emissions. The procurers might be also able to teach something to the companies and nevertheless, they're learning how to work together. (SKAO: CO2 Performance Ladder, 2016).



# 5.2 Phase 2: Extending the Timeline

While the first phase is the most urgent one and implementing Unclouded should be started with it, we see that the current procurement timeline doesn't allow to have a time and space for developing the process and having proper market dialogue. Thus, we propose extending the timeline and making the maternity box procurement biennial. This enables us to create time and space for collaboration and communication. The reason why we decided on two years is that sustainable public procurement experts explained in our interviews that two to three years is the optimal procurement cycle: it allows one to keep in touch with the market and at the same time not overburdening oneself with doing the practical work every year.

As we have explained in this report, the window for open discussion is in the middle of the summer holiday season and additionally it is too short and inefficiently utilized. By extending the timeline, procurers can breathe for a couple of months before the next process starts. And when it starts, roughly in December, the procurers have time to plan the next procurement, go through the feedback received and get ready for the market dialogue.

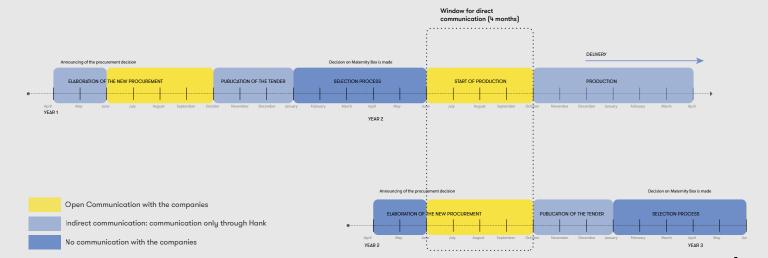
Market dialogue should happen 3-6 months before the non-negotiable criteria for the tendering are published. In the maternity box's case it should then start around April-May. With the existing timeline, this isn't possible because the selection process for the previous year is still ongoing and limits the communication because Kela wants to make sure no one is favored and the procurement is done according to the laws.

Starting the market dialogue in early to mid-spring also allows to have it done before the holiday season starts in mid-June. During the summer Kela can do independent work by developing the criteria with updated information from the producers and then after the holidays, in mid-August, they could have one final revision with the relevant stakeholders.

This timeline extension enables better involvement for transformation agencies, like KEINO, since there's simply more time to discuss with them. Inclusion of other stakeholders, for example, NGOs or ministries, is possible as well. All in all, the less clustered timeline allows better involvement for the stakeholders, starting from the procurers and producers.

With the first two phases, we have created a new, collaborative process for guiding and planning the future of the maternity box, that allows the reduction of CO2 emissions and to increase sustainability in the procurement process. Companies feel like they're included in the procurement planning and they can anticipate what the future of the maternity box will look like and develop their own operations and offering accordingly. Procurers have time, resources and a better understanding to develop the process together with the key stakeholders.

#### Current Timeline



**New Timeline** 

Open Communication with the companies

Indirect communication: communication only through Hank

No communication with the companies

# 5.3 Phase 3: Support and Facilitate

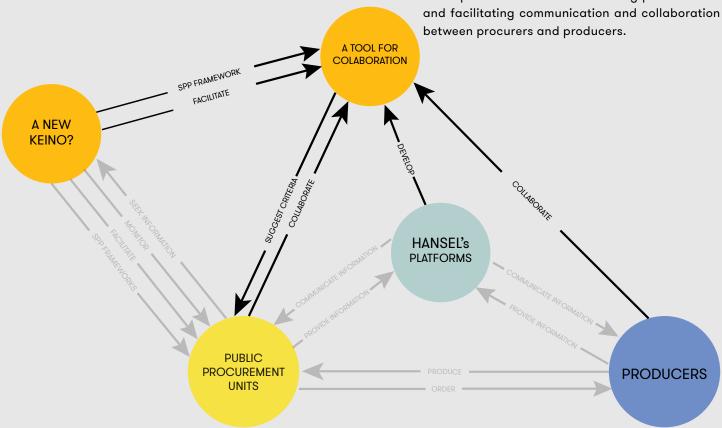
As the most transformative and resourceintensive intervention we want to create a new responsible body to professionalize sustainable procurement and take this task away from the already busy procurers. This entity would also be able to introduce sustainability criteria for all the different procurements and integrate them, along with tools for collaboration, into existing electronic communication and planning systems.

For this, we were especially interested in the current functions of KEINO and how those might be modified for impact. It is an network-based competence center for sustainable and innovative procurement and is formed and sustained by, among others, Motiva and Hansel Ltd.

As for right now the effectiveness is limited as KEl-NO is not directly involved in the procurement process. It is more of an advisory organ with varying staff from which procurers can get advice from and it doesn't fulfill any official roles in the procurement process.

However, there is already valuable joint expertise through the input of the founding members. Motiva, for example, provides expertise in sustainable procurement and procurement criteria, experimentation and scaling. Hansel on the other hand brings in its proficiency in developing procurement to all the necessary functions of KEINO as well as deep knowledge about the tools used for electronic procurement (KEINO, 2019).

That being said, we want to give KEINO a more direct, supportive role to encourage ambitious sustainable procurement with taking on clear roles. We see the potential of it being a permanent expertise centre with full-time staff, still in close contact with and advised by the current KEINO partners. Its tasks can expand to professionalise sustainable procurement and tendering for all government departments with the aim of improving tender criteria, efficiency and compliance. This would include monitoring the actions taken by procurers like Kela, providing frameworks for easily applying sustainable procurement criteria to fitting public orders and facilitating communication and collaboration between procurers and producers.

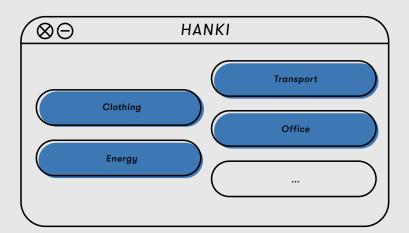


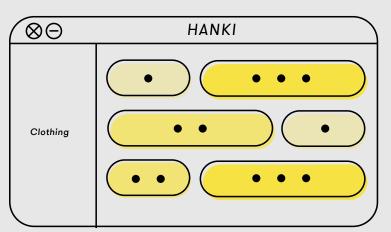
The Dutch procurement system can serve as a reference example. In 2005 they launched "PIANOo" as a knowledge network for government officials in procurement and with similar structures to KEINO today. Since then, it has evolved into an important centre of competence for (sustainable) procurement and is responsible for the dialogue between the private sector and the public authorities (PIANOo: Dutch Public Procurement Expertise Centre, 2021). It also maintains the online tendering system used by all Dutch procurers and a sister site with a database for easy selection of sustainability criteria (MVI criteria, 2021).

Keeping the idea of an accessible database in mind, the new KEINO can work even closer with Hansel to incorporate sustainability criteria into the Hanki ecosystem and to transform it into a tool for collaboration. Hanki could therefore be the place to include sustainability in a way that is easy to overview and understand by both procurers and producers. As a well-structured criteria library, it could establish benchmarks based on the existing European and inter-

national standards. Procurers can have different subject areas to choose from, such as "clothing" or "energy". Within these, all available theme-related criteria can be shown and kept up to date. Additionally, they can be sorted for the level of ambition desired in procurement. Like this, procurement units are able to decide for each new time frame anew which criterias to include. This can then be based on factors like feasibility, aspiration and the market readiness that is assessed in dialogue with qualifying companies.

With this, the procurers would have the advantage to be more certain about what is allowed thanks to shared responsibility. They would get help and a framework to realise new criteria and update their sustainability goals. Our now well-informed producers would be up to date with the requirements and have access to documentation to develop their sustainable practices. Both sides would have an uncomplicated official way of working together, which would additionally relieve them of the fear of possible misconduct in the case of improper communication.





# VI. Conclusion

To conclude, public procurement is a challenging and demanding process, which requires extensive knowledge in different fields (legal, political, and sustainability). Facilitating the work of procurers by creating a simplified sustainability framework and sharing responsibility is key to develop more sustainable and innovative public procurement.

Unclouded aims to increase collaboration and communication, facilitate the implementation of sustainable and innovative criteria, and, last but not least, support and professionalize sustainable procurement and tendering. Additionally, it was designed to be gradually implemented by Kela, as we are aware that the second and third phases require more resources and time to properly be planned and implemented.

To make public procurement more sustainable and Unclouded a successful program in the long term, it should be reviewed and updated every other year according to previous experiences and the development of more sustainable solutions.

Unclouded is a program co-owned by the Government and the new responsible agency replacing Hansel. It provides a structure for support and communication for sustainable procurement practices.



# Our solution is based on the case example of the

maternity box procurement. However, the challenges our study revealed are common challenges to procurement practices in Finland.

Unclouded can be extended to other procurements and thus, set sustainability and collaboration into the center of public procurement.

When reflecting on our work and our process, one of the main challenges we encountered during this project was the timetable of our busy stakeholders. We unfortunately had to conduct our research without being able to interview the current responsible procurer team at Kela, our main user. As a result, we were deprived of essential information that we had to tediously acquire and which was partly withheld from us. We got valuable insights from all of our stakeholders, who we would like to thank again for their participation. However, Kela's procurer's inputs would have helped us to refine in more depth our design proposition.

We also conducted our research with the two other groups and divided the interviews and contacts. This showed us how collaboration among different groups is valuable. It enabled us to divide the workload and not overwhelm our stakeholders.

Finally, we realized the value of physical collaborative working, as we were able to meet outside of Zoom windows in the final weeks of this project.

It especially showed us how valuable time in the team is besides the project work, where you have fun, get to know each other better, and start to care for one another.

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