

Green Public Procurement Experience and Lessons Learned in Europe

European Policy Framework

Facts, Figures, Benefits of GPP

Legal Framework

State of Play for GPP in 25 EU Member States

Tendering Procedures

Various levels of environmental soundness

Further information and links

The European Policy Framework

The Renewed EU Sustainable Development Strategy (2006): 7 priority areas

- Climate change and clean energy
- Sustainable transport
- **Sustainable Consumption and Production**
- Public health threats
- Better management of natural resources
- Social inclusion, demography and migration
- Fighting global poverty

Building blocks of the SCP policy


SCP



Thematic Strategy
on Sustainable Use
of Natural Resources

Thematic Strategy
on Waste Prevention
and Recycling


Integrated
Product Policy
(IPP)



Eco- Management
and Audit Scheme
(EMAS)



Eco-Label Scheme



Green Public
Procurement (GPP)



Environmental
Technology Action
Plan (ETAP)

Eco-design of
Energy Using Products
Directive (EuP)



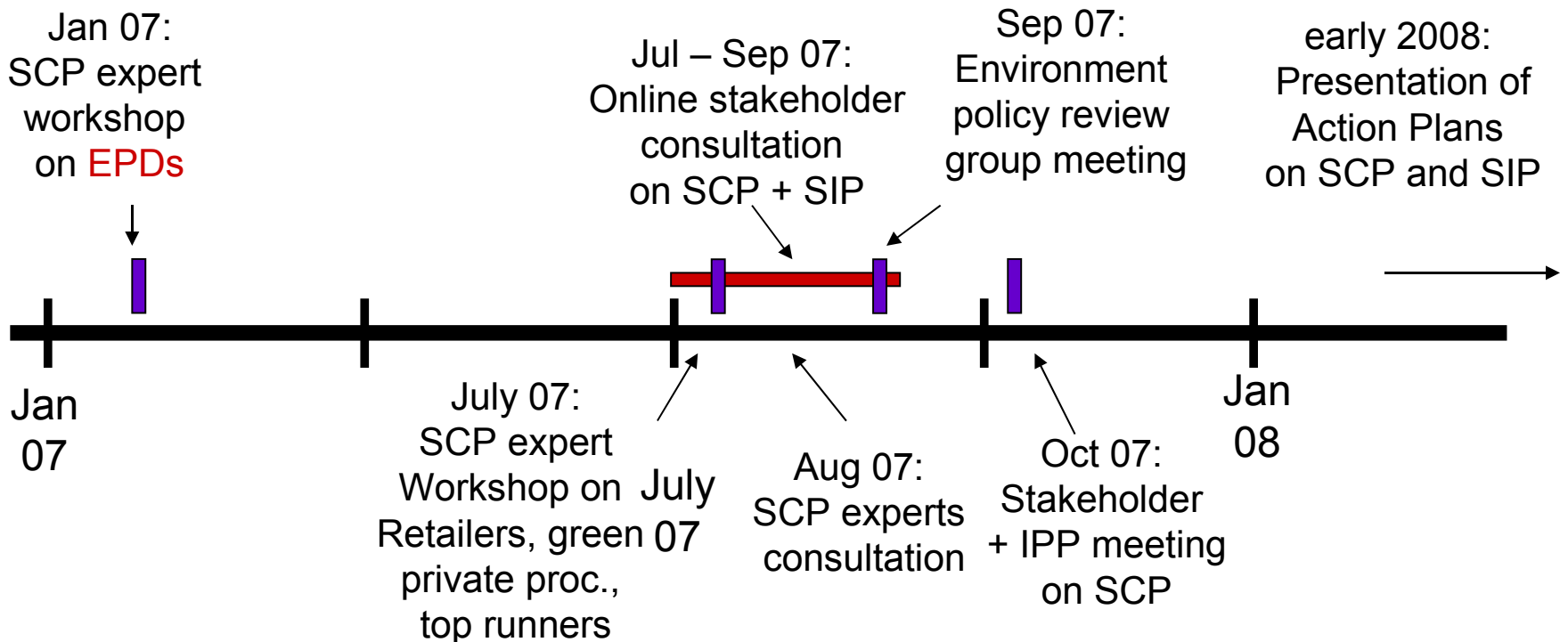
European Compliance
Assistance Programme
– Environment & SMEs

Stakeholder Consultation Process

Means: Online survey, meetings, workshops

External: Public + experts; consumers, companies, organisations

Internal: Commission ISP Group, DG ENV Taskforce on SCP



Key Challenges

- **Leveraging innovation** - Creating a framework (legislation, financing instruments, markets etc) to foster energy and resource efficient products
- **Better products** – Promoting lead markets, creating incentives for frontrunners
- **Leaner and cleaner production** – Assist producers in resource efficiency and recycling
- **Smarter consumption** – Enabling consumers to make better choices, so progress made is not outstripped by total consumption
- **Global markets** – Setting global benchmarks for energy and material efficiency and fostering benchmark technologies

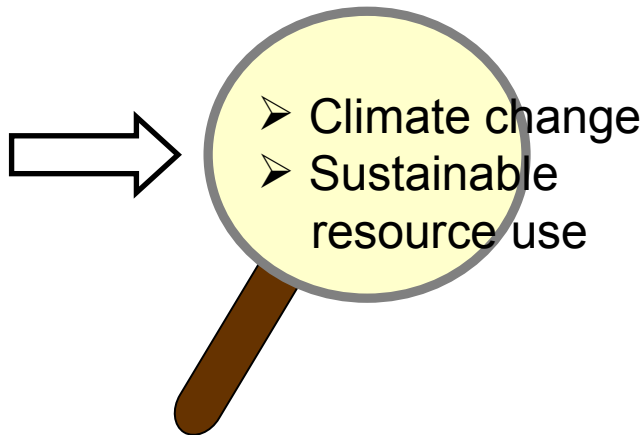
Envisaged Approach

Taking a **product-based** approach

Focusing on **key**
environmental **issues**

Building on **existing**
policy instruments

Contributing to
policy coherence



...in particular those which

- reinforce the EU's competitiveness
- have a clear sustainability focus
- are most suited to address the key challenges

- strengthen existing policies
- develop new policies
- identify gaps
- ensure coherence
- avoid overlaps

Why Green Public Procurement?

- **Set the example – snowball effect**
- **Incentive for Environmental Technologies**
- **Win-wins possible :**
 - **politically => EU citizens greatly value a healthy environment**
 - **financially (when considering LCC)**

Potential environmental benefits of GPP

- Public authorities across the EU demand green electricity
=> saving of 60 million tonnes of CO₂.
- Public authorities across the EU require more energy-efficient computers involving market move
=> saving of 830 000 tonnes of CO₂.
- European public authorities opted for efficient toilets and taps in their buildings, reduce water consumption by 200 million tonnes.

Facts and Figures

- 2002: total EU procurement market was worth € 1.5 trillion (> 16% of EU GDP)
- EU public procurement directives have reduced the prices paid by public authorities for goods and services > 30%.
- Public procurement directives have effectively increased transparency.
- The number of invitations to tender and contract award notices published both doubled between 1995 and 2002.
- Germany and Sweden show a rate of more than 60% of all tender documents analysed including appropriate and legal environmental criteria.

EU Directives on Public Procurement

Two directives aimed at clarifying, simplifying and modernising existing European legislation on PP and clarify LEGAL possibilities for integrating environmental considerations at different stages of a public procurement procedure

Directive 2004/18

coordination of procedures for the award of public works contracts, public supply contracts and public service contracts

Directive 2004/17

coordination of procurement procedures of entities operating in the water, energy, transport and postal services sector

Requirements
(i.e.)

- Clear & transparent criteria
- No use of unlawful selection or award criteria
- No confusion between selection and award criteria

State of Play on GPP in the EU (1)

Drivers for strong GPP in Green-7 (A, DK, F, S, D, NL, UK)

- Strong political drivers, national guidelines and programmes for GPP
- Public information resources via websites and eco-labels
- Use of innovative tools like life cycle thinking and green contract variants in procurement procedures
- Frequent implementation of environmental management systems (EMS) by purchasing authorities

Study (2006) for the European Commission on measuring the level of GPP among EU 25:

(<http://europa.eu.int/comm/environment/gpp/>)

State of Play on GPP in the EU (2)

Perceived Barriers to GPP

- Green products would be more expensive
- Lack of environmental knowledge
- Lack of managerial and political support
- Lack of tools and information
- Lack of training

Study (2006) for the European Commission on measuring the level of GPP among EU 25:
(<http://europa.eu.int/comm/environment/gpp/>)

State of Play on GPP in the EU (3)

Recommendations for strong GPP

- Enable GPP by offering adequate information in the national language.
- Create training programs designed to increase GPP know-how.
- Ensure strong political and managerial support.
- Stimulate the implementation of EMS by purchasing authorities, as this will stimulate and facilitate the uptake of green purchasing practices.
- Perform national benchmarking.
- Develop a national action or implementation plan on GPP that can be easily monitored.

Study (2006) for the European Commission on measuring the level of GPP among EU 25:
(<http://europa.eu.int/comm/environment/gpp/>)

Further promotion of GPP

CE has published a Handbook on GPP - August 2004 (SEC(2004/1050))



- **Overview of all stages of public procurement procedure and corresponding possibilities for introducing environmental considerations**
- **Many best practice examples**

Green purchasing strategies

Public purchasers are recommended to

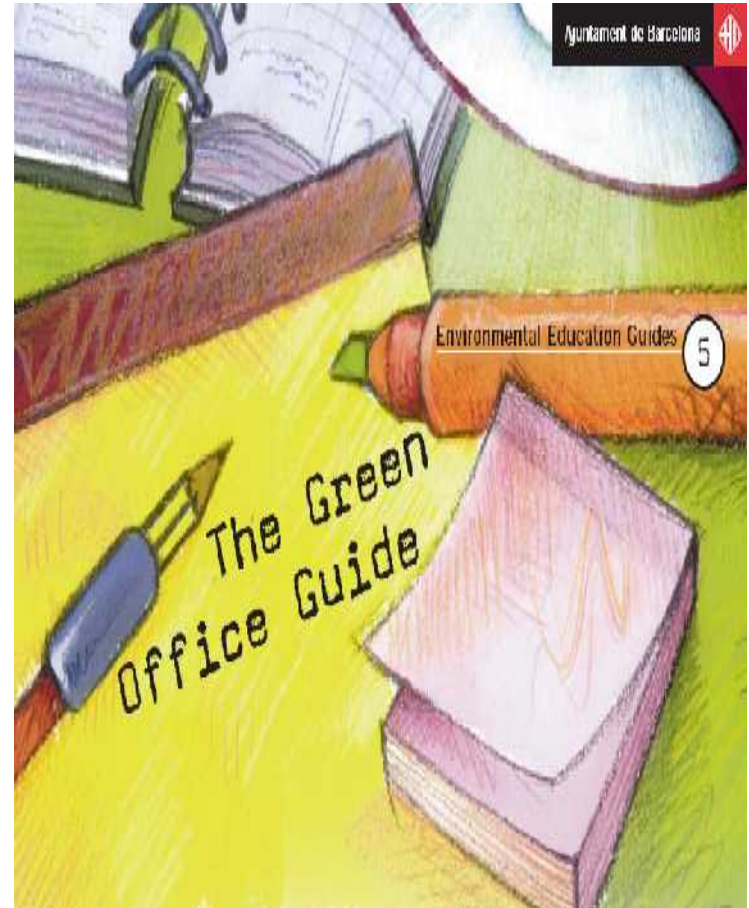
- **Train purchasing staff**
- **Ensure cooperation between purchasing authorities**
- **Set priorities for greening – opt for :**
 - **step-by-step approach (first ecolabeled win-win's, then more complex procedures..)**
 - **Availability of data and cost of environmentally superior alternatives**
 - **focussed approach (energy efficiency, recycled content..)**
- **Make available guidelines, databases, standardised environmental information.**

Some examples

- **Environmental practice guide in Barcelona**

" The Green Office Guide, aimed at the City Council's staff, is designed to be a useful tool to help us to improve our environmental coherence, in terms of the use of paper, office and filing material, computer and office automation material, drinks vending machines, etc.

In it you will find criteria and tips to take into account when acquiring, using and recycling products, that allow us to progress in making our organisation more environmentally friendly."



Some examples

Ministry of Agriculture, Natural Resources and Environment - Environment Service Cyprus

Site promotes products and services which are :

- more energy efficient and in general more economic in their operation.
- either less or preferably not polluting as compared to other products that serve the same purpose.
- durable, easily upgraded and repairable.
- reusable and markets and the infrastructure exist for recycling them at the end of their life.



How to organise a « green » public procurement process?

- **Identify your need = subject matter of contract**
- **Technical specifications**
- **Selection criteria**
- **Award criteria**
- **Contract clauses**

Subject matter

- **i.e. furniture stemming from sustainably harvested woods.**
- **Most transparent way to inform bidders**
- **May be inappropriate if public purchaser lacks knowledge on existence/ availability or cost of « green » alternatives to product/service purchased**

Some examples

- **Food from Organic farming in Ferrara, Italy**
- **After feasibility study=> list of products with equivalent cost => now 50 % of all food offered in public canteens = organic, 80 % of food in nurseries**



Technical specifications

Defined

- **EITHER** by reference to standards
- **OR** by reference to performance based or functional requirements
 - => to allow tenders based on different kind of technical solutions, including environmental requirements

By using performance based specifications, Public authorities can

- **act as launching customers and support diffusion of recently developed Environmental Technologies and Environmental Processes and**
- **trigger the development of new technologies**

Various levels of environmental soundness (1)

Product „light Green“

Stationery, printed paper, paper for medical equipment, materials for printings, fax and copying machines.

Technical specifications

Supply of:

Sanitary recycled tissue paper

Recycled Paper: 100 % from waste paper

Elementary Chlorine Free Paper (ECF)

Packaging in recycled cardboard boxes

Recycled envelopes

Liquid paper without trichloroethane

Glue stick without solvents

Environmental Features

Request for reduction/ elimination of hazardous substances and request for recycled packaging material

Various levels of environmental soundness (2)

Product „Light Green“

Photo copier paper

Technical specifications

2. Technical specifications and quantity

Cod.0412 Package of 500 sheets DIN A-4 ecological type (production ECF Elementary Chlorine Free), (...) packaged with recycled cardboard boxes.

Cod. 0413 Package of 500 sheets DIN A-3 ecological type (production ECF Elementary Chlorine Free), (...) packaged with recycled cardboard boxes.

(...)

3. Certifications

When suppliers present their offers, they must submit certificates concerning technical specifications of paper (...).

Environmental Features

Introduction for criteria of packaging

Provision of environmental certificates on the product

Various levels of environmental soundness (3)

Product „Solid Green“

Binders and related accessories. Paper or paperboard registers. Folders. File covers. Filing equipment. Mailroom equipment.

Technical specifications

1. Paper and cardboard: 100% from waste paper (exclusive secondary fibres), marked with the eco-label for environmental protection after RAL UZ 14/56 (German eco-labelling scheme Blaue Engel) or fulfilling the criteria of the eco-label (self-declaration of the bidder).

Contract Clauses

Environmental protection: For the packaging environmentally friendly, recyclable materials have to be used.

Disposal of the packaging: The disposal of the packaging is according to the last publication of the (German) packaging regulation.

Environmental Features

Reference Blaue Engel a recognition of products complying with criteria w/o label.

Environmental Database

- **Basic environmental information – refers to national and EU eco-labels where appropriate**
- **Useful for « starters » - to be complemented**
- **Underlying technical specifications can be used in tender documents**
- **Eco-label can be recognised as a (non-exclusive) proof of compliance with technical specifications**
- **i.e. : European eco-label**
 - mostly for products : refrigerators, copiers, computers, paper.**

Some examples

- **EU eco-label for light bulbs prescribes minimum life-span of 10 000 hours => could be set as a minimal technical specification**



Selection criteria

- **Exclusion - i.e. if conviction for environmental offence**
- **Technical - i.e. specific equipment enabling provision of « green » services/works; certificate of conformity of product to « green » standards**
- **ISO 14001 (or equivalent systems) can be used by bidders to prove compliance with environmental selection criteria**
- **For example : waste management contract requires specific environmental capabilities/equipment => ISO 14001 (or equivalent) statement can prove this**

Award criteria

- **even if no economic advantage as such (i.e. buses/trams with reduced noise)**
- **even if no direct environmental advantage for contracting authority (i.e. wood stemming from sustainably harvest forests)**
- **may relate to « green » production processes => extra points if (part of) supplied electricity stems from renewable energy sources**
- **Life Cycle Cost (Acquisition, Operation and Disposal) to make GPP economically attractive**

Contract clauses

- **i.e. delivery in bulk (not in separate containers) or by railway (better carbon footprint)**
- **i.e. workers having to comply with specific environmental guidelines on the construction site**
- **Non-discriminatory, no disguised technical specifications or selection criteria**

Conclusion

- Good news: Vast experience in almost all EU member states ready to be shared and applied with all stakeholders
- Toolkits, training packages, databases and online services available
- Bad news: no handy recipe for GPP
- GPP is an important instrument for achieving sustainable development
- GPP can pull new environmental technologies into the market place
- EU is committed and will further promote GPP

Further information

- http://ec.europa.eu/environment/gpp/guideline_en.htm
 - http://ec.europa.eu/environment/gpp/product_servicegroups_en.htm
 - http://ec.europa.eu/environment/gpp/studies_en.htm
 - http://ec.europa.eu/environment/gpp/legal_framework_en.htm

 - 'Buy it green'-Network for Sustainable Procurement Professionals in Europe (<http://www.iclei-europe.org/index.php?big-net>);
 - UK Sustainable Procurement Task Force (<http://www.sustainable-development.gov.uk/government/task-forces/procurement/index.htm>)
 - IGPN – The International Green Purchasing Network (<http://www.sustainable-development.gov.uk/government/task-forces/procurement/index.htm>)
 - Procura+ (<http://www.procuraplus.org/>)
- Contact:**
Dipl. Ing. Mikael P. Henzler
Fon: +49 30 - 89 000 68 80
Fax: +49 30 - 89 000 68 10
eMail: henzler@adelphi-consult.com
www.adelphi-consult.com