

Workshop

“Sustainable Public Procurement” for SACEP Countries

## How Sustainable Public Procurement is reflected into European policies and regulatory frameworks



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# Size, Definition and Approaches to GPP in the EU

## Size and purchasing capacities in the EU:

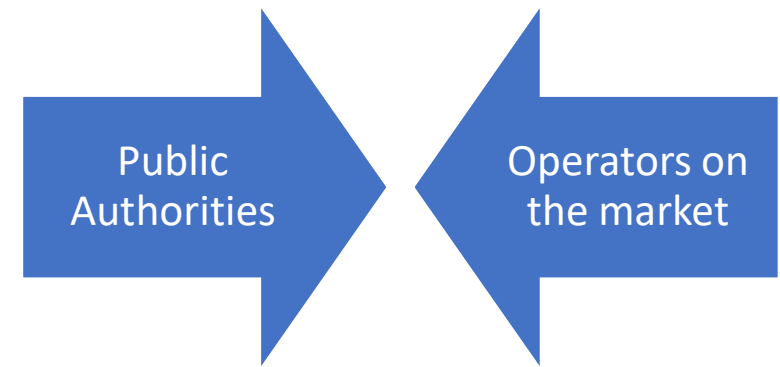
- The EU is composed by **27 Member States**, ca. **280 regions** and **thousands** of provinces and cities
- A **giant potential and leverage effect** in terms of public procurement

## EU DEFINITION OF GPP:

*“A process whereby **public authorities** seek to procure **goods, services and works** with a **reduced environmental impact throughout their life cycle**”*

## TWO MAIN APPROACHES:

- **Core criteria** suitable for any contracting authority across the Member States and address the key environmental impacts.
- **Comprehensive criteria** for organisations wishing to purchase the best environmental products available on the market.



# Timeline, Sectors and Indicators for GPP

## TIMELINE

- **2008 - Communication on “Public procurement for a better environment”**: guidance document with more than **20 common GPP criteria** were set (regularly updated)
- This was supported by a set of EU Directives and Regulations on EE, energy performance in buildings, energy labelling, eco-design ecolabelling, clean vehicles, food and waste, etc.
- The **EU Procurement Directives (2014)** and the **EU public procurement system (April 2016)** provide new opportunities to promote social inclusion through the public procurement process.
- **2017 - Circular Public Procurements**

## SECTORS

- Cleaning products and services
- Computer and monitors
- Office Building Design, Construction and Management
- Electrical and Electronic Equipment used in the Health Care Sector
- Food Catering services
- Vending machines
- Furniture
- Paints, varnishes and road markings
- Textiles
- Road Transport
- Road Design, Construction and Maintenance
- Waste Water Infrastructure
- Water-based Heaters
- Etc.

## INDICATORS

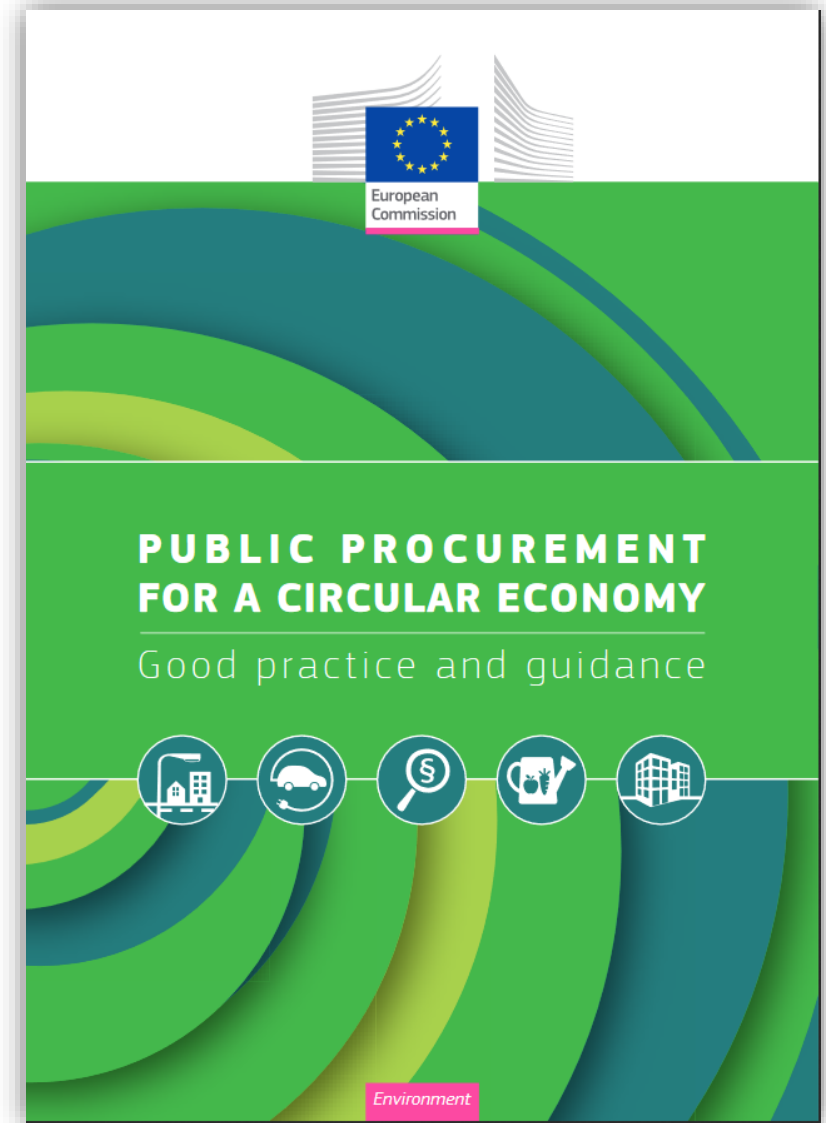
- **Quantitative indicators** to assess the progress of the policy and its impact on the supply side
- **Impact-oriented indicators** allowing assessment of the environmental and financial gains made

# Circular Procurement

The first “**EU Action Plan for the Circular Economy**” (2015) indicated first sets of EU GPP Criteria and the role that circular public procurement may play in the achievement of targets set within the SDG-12 on Responsible Consumption and Production.

In **October 2017** the European Commission published the “**Public Procurement for a Circular Economy**” guidance.

Link to the publication: [here](#)



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# Circular Procurement

## Examples from the EU

### Piloting circular procurement in the Netherlands

In 2013, the Dutch Government established the Circular Procurement Green Deal to accelerate the transition to a circular economy. This programme brought together 45 public and private parties, and tasked each of them with carrying out two circular procurement initiatives in order to increase experience, share insights, and create a pool of good practice. Over three years, 80 circular procurement pilots were conducted and their lessons shared. The success of this programme resulted in the Dutch Government placing special emphasis on circular procurement and the consideration of life-cycle costs in its 2016 Roadmap to a Circular Economy. Moreover, it included an aim to raise the proportion of circular procurement to 10% by 2020.<sup>8</sup>

### Creating circular loops through biogas buses

In 2014, the City of Vaasa (in Finland) set out to procure a fleet of 12 buses, which could run fully on biogas recovered from organic waste and waste-water sludge at local treatment plants. Contract performance clauses, which specified a rebate for the supplier if annual consumption was more efficient than estimates, or a refund if less, were also included to incentivise lasting and reliable performance. As well as replacing 280,000 litres of diesel every year, this procurement has created a 'circular loop' for the by-products of local waste, and supports infrastructure development in making biogas available for a further 1,000 cars.<sup>18</sup>

# Circular Procurement

## Examples from the EU

### Using technical specifications and award criteria to require recycled textiles in the Netherlands

In 2017, the Dutch Ministry of Defence procured towels and overalls, with the requirement that the goods contained at least 10% recycled post-consumer textile fibres. The award criteria also recognised and awarded those offers which significantly exceeded the technical specifications (that is, achieved over 30% or 50% recycled content). Contracts were awarded for 100,000 towels and 10,000 cloths with a 36% recycled content; and 53,000 overalls with a 14% recycled content. Taken together, the contracts resulted in savings of 15,252 kg of cotton, 68,880 kg of CO<sub>2</sub>, 23,520 MJ of energy, and over 233 million litres of water.<sup>24</sup>

### Furniture design for disassembly in Denmark

In 2012, Denmark's central procurement agency (SKI) established a four-year framework for sustainable office furniture for more than 60 municipalities. Technical specifications were based on environmental requirements of the Nordic Swan eco-label, and included requirements on the chemicals used in the manufacturing, treatment, coating or dyes used, and the possibility of separation and recovery of materials at end-of-life. Wood and wood-based materials were also required to come from legally harvested timber, and at least 70% of this had to be either recycled or verified as sustainable timber. By using a framework approach, savings of up to 26% compared to market prices were achieved, and the market for sustainable furniture products was enlarged.<sup>25</sup>



# GPP priorities reflected into the EU Green Deal

Main **priority areas** of the Commission:

- **EU Green Deal**
- Digitalization
- Growth and Jobs
- Governance, Peace and Security
- Migration



Electronics and ICT



Batteries and vehicles



Packaging



Plastics

The EU will reinforce its work on GPP by:

- Proposing **minimum mandatory** GPP criteria
- Providing **capacity building** and **TAIEX** opportunities to public authorities
- Revise GPP **toolkit**
- Promoting **Life-Cycle Costing tools**
- Promoting **Innovative Procurement**
- Supporting the creation of **enabling environments** for making more sustainable investments in GPP



Textiles



Construction and buildings



Food, water and nutrients

# How to boost the Regional Dimension of GPP?

## Lessons learnt from the EU – How SACEP may provide a similar support in South-Asia?

- Regular **stakeholders consultations** across countries and beyond national borders
- From **voluntary** to mandatory GPP: progressively integrating **mandatory criteria** for MS
- The EU encouraged MS to draw up **National Action Plans (NAPs)** for greening their public procurement which allowed also for a better regional participation of stakeholders across borders
  - *A common GPP criteria are of a particular benefit to companies operating in more than one State and whose capacity to master differing procurement procedures is limited*
- Funding of **joints projects** among MS (incl. public authorities and stakeholders) to build capacities

<b>National Action Plan or equivalent document adopted</b>	<b>23: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Latvia, Lithuania, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden</b>
<b>No existing NAP</b>	<b>5: Estonia, Greece, Hungary, Luxembourg, Romania</b>





# Thank You

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