



**Maastricht University**

# Green procurement:

Environmental provisions in the procurement  
Directives

Martin Unfried



# Green procurement:

1. What is “Green” Procurement in the EU?
2. Why “Green” Procurement?
3. Environmental criteria: **What’s in the directives?**
4. Life-cycle costing as a new approach



# Green procurement:

## 1. What is Green Procurement?

- “a process whereby public authorities seek to procure goods, services and works **with a reduced environmental impact throughout their life-cycle**”
- when compared to goods, services and works with the same primary function that would otherwise be procured”.

European Commission



# Green procurement:

## GPP is voluntary...

### **Clean Vehicles Directive** (Directive 2019/1161/EU)

- ... guidance to procure clean and environmentally responsible road vehicles

### **Performance of Buildings Directive revised in 2018 (2018/844/EU)**

- As of 2030, all new buildings in the EU must be zero-emission buildings, while all new public buildings must be zero-emission as of 2027
- at least double renovation rates in the next ten years and make sure renovations lead to higher energy and resource efficiency



# Green procurement:

## Why?

- driver for innovation
- incentives for developing green products and services (construction, transport, etc.)
- cost reduction increased by energy/water efficiency
- Energy security – less dependency on external fossil fuel



## Climate Change Policy - Fit for 55



legislative package

- a 55% cut in greenhouse gas emissions by 2030 compared to 1990 levels
- at least a 40% share of renewable energy consumption
- Increase efficiency (renovation obligation)



# What else?

## Green procurement:

- Buying timber products - fight **against deforestation**)
- Improve the health conditions of workers, users of buildings, etc. by **using non-toxic cleaning products**,
- excluding harmful substances from the list of building materials,
- improving environmental conditions and animal welfare by purchasing organic **food in canteens**.
- supporting the prevention of waste: **“circular economy”**



## Different national strategies Green/sustainable Procurement

### What is needed?

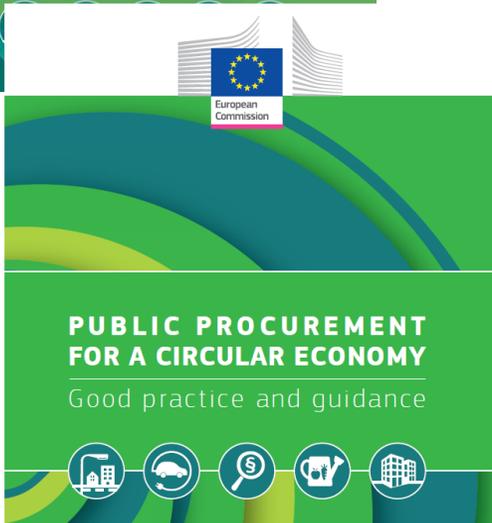
- Political support
- Expertise
- strategic procurement/time planning
- **Dialogue with the market**
- Monitoring procedures (DG ENV)



# New and old documents

Commission Handbook: Buying green! (2016)

Circular Economy, 2017



- Green Public Procurement
- News and Events
- About GPP
- GPP Criteria
- GPP Good Practice
- Legal Framework
- Policy Framework
- GPP Advisory Group
- National Action Plans
- GPP Projects and Toolkit
- FAQs
- Publications
- Studies
- Useful links

## GPP Good Practice

Since January 2010, the European Commission has been promoting good practice experiences on GPP to illustrate how public authorities in Europe have successfully 'greened' a public tender or procurement process. These include the use of life-cycle costing (LCC), circular economy principles, approaches fostering sustainable innovation, among others.

These good practice cases also provide some tips for replicating experiences under the 'lessons learned' sections. Click on the product or service sectors below to access the pool of case studies available.

More good practice cases on green procurement are available in a number of European Commission publications accessible through the publications page of this website.

- BUILDINGS
- CLEANING PRODUCTS AND SERVICES
- COMBINED HEAT & POWER
- COPYING AND GRAPHIC PAPER
- ELECTRICITY
- FOOD AND CATERING SERVICES
- FURNITURE
- GARDENING PRODUCTS AND SERVICES
- INDOOR LIGHTING
- IMPLEMENTING GPP POLICIES

To be notified of new case studies, [subscribe](#) to our GPP News Alert

# The important aspects

## Green procurement:

1. Definition of the subject matter
2. technical specifications
  - the use of **Eco-label specifications**
  - variants
3. Selection of candidates
  - exclusions
  - use of **EMAS/ISO schemes**
4. Award and environmental aspects

## Green procurement:



### **Subject matter:**

“Supply of electricity from renewable energy sources to all public utilities of the city of Avigliana”

*(City of Avigliana, Italy)*

# Green technical Specifications?

## Article 43 'Labels'

### Green procurement:

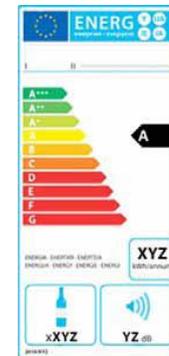
- “Where contracting authorities intend to purchase works, supplies or services with specific environmental, social or other characteristics
- they may, ... **require a specific label** as means of proof that the works, services or supplies correspond to the required characteristics...



# ECO-Label:

European Eco-label (regulation No 1980/2000), more than 300 products (according to product groups)

- national (Blauer Engel,D, Nordic Swan)
- private (e.g. TCO, S, sustainable forestry, etc.)
- organic farming (new logo EU)



# Use of ECO-Label

Green procurement:

## Article 43

“ Contracting authorities requiring a specific label shall accept all labels that confirm that the works, supplies or services meet equivalent label requirements.”

# Technical Specifications – Best Practice

**The City of Kolding, Denmark, applicable criteria from the eco-labels are inserted directly into technical specifications and/or award criteria.**

1. It is stated that a copy of the eco-label certificate is seen as full verification that the criteria are met, but also that alternative documentation will be accepted.
2. cleaning products, copy paper, uniforms, laundry services (for the detergent used), printing services, fleet management...

# Green procurement:

## Performance

Article 42(3) of Directive 2014/24/EU and Article 60(3) of Directive 2014/25/EU

- The directives explicitly allow contracting authorities to apply specifications **based on performance or functional requirements**
- ...outputs in terms of quality, quantity, and reliability...



## Performance – Best Practice

### **Selection criteria “training of cleaning personnel”:**

“The bidder is required to attest

**that all staff involved with the contracted services have received the appropriate and necessary professional training (from a technical, safety and environmental point of view).**

*European Commission, Office of Infrastructure and Logistics, tender for window cleaning services*

# Green procurement:

Under the 2014 directives contracting authorities may require evidence of **the environmental management system ...**

Equivalent certificates must be accepted...

Article 62(2) of Directive 2014/24/EU; Article 81(2) of Directive 2014/25/EU.





## Suitability and EMAS

Case Law: *Evropaïki Dynamiki v European Environment Agency* (Case T-331/06 of 8 July 2010)

- highest marks to a company which had a third-party certified environmental management scheme

Court: While third-party certification cannot generally be required, **it may be treated as strong evidence of a company's environmental standards.**

## Award of the contract

...allocate points during the award stage to recognise environmental performance

Adopting a life-cycle costing approach reveals the true costs of a contract.

Labels and other forms of third-party evidence can help you to assess how well a tender performs against your chosen award criteria, and to verify tenderers' claims.



Life-cycle costing (LCC) means considering **all the costs that will be incurred during the lifetime** of the product, work or service:

- Operating costs, including energy, fuel and water use, spares, and maintenance
- End-of-life costs, such as decommissioning or disposal
- may also include the cost of **externalities...**

# DG Environment Homepage

- News on Life Cycle Costing

• **Vending Machines** [User Guide](#)

• [LCC Tool](#)



• **Imaging Equipment** [User Guide](#)

• [LCC Tool](#)



• **Computers and Monitors** [User Guide](#)

• [LCC Tool](#)



• **Indoor Lighting** [User Guide](#)

• [LCC Tool](#)



• **Outdoor Lighting** [User Guide](#)

• [LCC Tool](#)



External costs?

The costs **for society of specific environmental impacts**, such as those linked to climate change or acidification of soil or water.

## Calculation?

- is based on objectively verifiable and non-discriminatory criteria;
- the data required can be provided with reasonable effort by normally diligent economic operators
-

# Green procurement:

The European Commission's calculator for LCC for vehicle procurement:

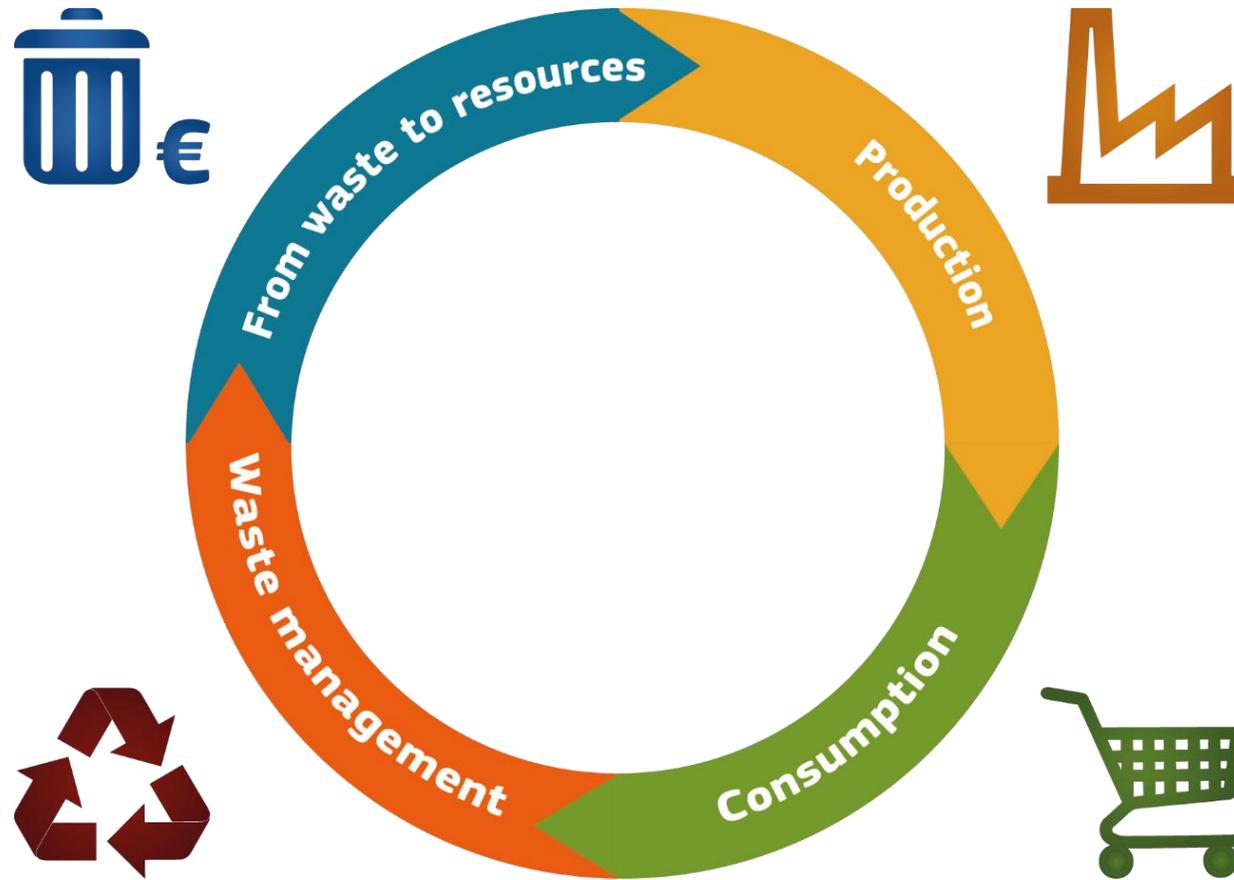
<http://ec.europa.eu/transport/themes/urban/vehicles/directive/>

The screenshot displays the website for the 'Handbook on the external costs of transport', Version 2019, published by the European Commission. The page features the European Commission logo at the top center. Below the title, there is a navigation menu with links for HOME, ABOUT CLEAN FLEETS, NEWS, PROCUREMENT FORUM, TRAINING AND EVENTS, CASE STUDIES, and PUBLICATIONS. The main content area is titled 'CLEAN FLEETS' and includes a search bar, a 'Join the DISCUSSION FORUM' button, and several resource tiles: 'Clean Fleets Guide', 'Case Studies', 'Fact Sheets', 'Training Package', 'LCC Tool', and 'Presentations'. The 'LCC Tool' tile prominently features a circular arrow icon and the text 'Life Cycle Costing (LCC) tool'. The bottom of the page shows a browser window with two tabs open, both titled 'Clean\_Fleets\_LCC...xism', and a 'Show all' button.

## Green procurement:

- Directives allow the use of labels, EMAS, life-cycle costing
- A lot of best practice
- Cost reductions possible (Life cycle costing)
- Externalities as a new approach

What is “circular procurement”?



DG ENV