



## What is GPP?

Green Public Procurement (GPP) is the 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.

## What is GPP4Growth?

GPP4Growth brings together the experience and practices of nine public bodies from across the EU in a bid to improve those public bodies' capacity to implement policies that promote eco-innovation and green growth through 'Green Public Procurement' (GPP). 14% of the EU's total GDP is consumed by Europe's public authorities. This public expenditure on goods, services and works has a total estimated value of €1.8 trillion annually. This substantial public authority 'purchasing power' can be utilised to stimulate eco-innovation, resource efficiency and green growth by promoting environmentally friendly, resource-efficient goods and services.

## Best practices for the application of GPP in European Union territories



### Executive Summary

Based on an investigation of contemporary case studies of efficient GPP implementation in the GPP4Growth partner regions, this policy brief presents examples of best GPP practices, as well as specific recommendations for the implementation of such best practices across all European Union territories. The purpose is to provide policy makers and stakeholders with a tool to identify possible ways to support an increase of green contracts in their regions.

### The Research

Information on GPP cases were collected with the contribution of all GPP4Growth partners through internal desk based research and through the use of an online survey distributed to the partners. The survey was made up of four sections, which were designed to address the research questions and goals of the good practice guide.

- Case Identity
- Case Description
- Needs, Barriers, Success Factors
- Results & Prospects



In total, 29 case studies were collected from the nine partners and covered examples from the local to the national scale of GPP implementation.

### Issues to be addressed

The study was carried out to address the following issues

- Which have been the most successful GPP approaches in stimulating eco-innovation, resource efficiency and green growth?
- Which are the main drivers and limitations when formulating green criteria in public procurement processes?
- What are the major results from the integration of green award criteria in calls and tenders?
- What lessons can be learned from adopting green practices in public procurement?
- How transferable are those GPP approaches in other EU regions and industries?

## Overview of the Case Studies

The great majority of cases with best practices occurs at the local administration level and refers to green tenders launched by local authorities to address local needs and challenges, such as upgrading municipalities' street lighting, refurbishing public buildings and employing sustainable waste management services. The majority of analysed cases refers to construction and renovation works carried out to promote buildings' energy efficiency (e.g. constructing a nearly-zero energy primary school in Malta). Relevant procured services may include roof sealing and covering, plumbing and electrical works, solar panels, as well as the replacement of old appliances with new energy-efficient ones.

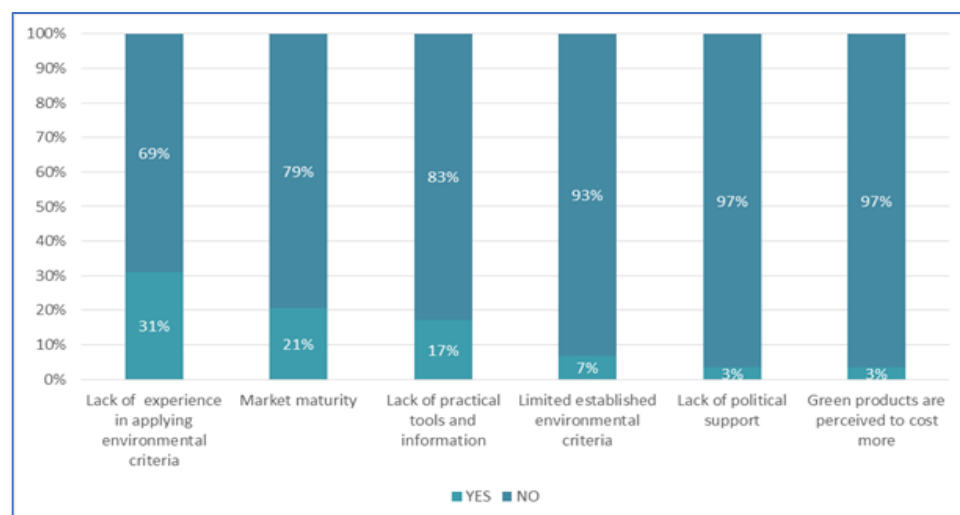
A significant share of cases (i.e. 24%) relates to the integration of energy saving innovative solutions into public infrastructures (e.g. public lighting or educational buildings), followed by green tenders procuring office supplies such as recycled paper and consumables. Waste management services and sustainable transportation are also to the fore of public procurement activities. Finally, transportation represents a sector with a big potential for environmental improvements.

### Key Findings

Data analysis highlighted that the lack of experience in applying environmental criteria was the most influential factor in hindering the smooth preparation / implementation of green tenders. Another challenge for public authorities is to evaluate and verify the information/documentation submitted by bidders in response to the defined environmental criteria.

The collected cases also revealed other barriers such as the limited market maturity and the lack of practical tools and information. The literature indicates that there is a great range of factors affecting public authorities to apply green criteria into tendering procedures, ranging from the prevalence of corruption to the availability of an adequately skilled workforce and access to finance. To overcome these challenges, contracting authorities tend to outsource procurement activities by assigning a field expert (e.g. energy agency) to run and administer the entire process.

Figure 1: Factors effecting GPP implementation



### What are the expected benefits from GPP implementation?

Respondents were asked what they felt were the benefits of using GPP (% positive responses)

76% Energy Efficiency and better use of resources

66% Reduction in GHG emissions

48% Financial Savings

24% Provide incentives to industry to innovate

17% Reduction prices for green goods and services

## What are the common issues identified in the case studies?

Following from the case studies of best case practices some problem areas were also identified in relation to implementing GPP;

- **Local authorities are hesitant to implement green procurement due to a perception of high upfront costs.**
- **A change in attitude is necessary to implement green procurement within contracting authorities.**
- **The successful implementation of green procurement practices requires top management support and high political commitment in the government.**
- **Local authorities possess limited resources and feel unable to implement significant changes in their tendering process.**



## Policy Recommendations

1. Create a national/regional action plan to outline key actions and measures to promote green public procurement.
2. Organise training programs to increase procurement officers' capacity to:
  - a. integrate environmental considerations into tender procedures
  - b. administer the entire tendering process
  - c. respond to tenderers' inquiries and verify environmental claims
  - d. evaluate life-cycle costs in tendering and select the most advantageous tender.
3. Raise awareness about the (environmental & financial) benefits of green public procurement across all administrative levels.
4. Refer to EU platforms and tools (e.g. EC helpdesk) to retrieve information on the practical and policy aspects of GPP implementation.
5. Before publishing a call for tenders, contracting authorities should conduct a market analysis to evaluate market trends and identify the availability of environmentally preferable alternatives.
6. Check the availability of green criteria for distinct product and service groups categories.
7. Encourage joint procurement initiatives by collaborating with other public administrations for purchasing goods and services.
8. Employ a comprehensive approach for defining contract's technical requirements based on the following steps:
  - a. Define the subject-matter.
  - b. Assess your actual needs in terms of what your political priorities are (e.g. reduce greenhouse gas emissions or improve air quality) and what you want to achieve by employing a green procurement.
  - c. Develop technical specifications in terms of the environmental performance level of a product, service or work.
  - d. Set award criteria which encourage tenderers to deliver even higher levels of environmental performance.
  - e. Set contract performance clauses which underline the environmental commitments made by contractors, and provide appropriate remedies where they fall short.
  - f. Evaluate lifecycle costs when comparing tenders and reject tenders that fail to comply with technical specifications and national environmental laws.

Country	Key Issues and Lessons Learned
 Latvia	<ul style="list-style-type: none"> <li>- The implementation of green public procurement in low-income municipalities depends to a large extent on EU funds and the availability of funding for these types of activities.</li> <li>- Local authorities are hesitant to implement green procurement due to the high upfront costs.</li> <li>- The inclusion of green criteria into tendering procedures should become a mandatory requirement for all public authorities.</li> <li>- Public authorities should raise awareness about the benefits of green public procurement across all administrative levels.</li> </ul>
 Italy	<ul style="list-style-type: none"> <li>- Decentralised initiatives can act as an example for other regions facing common challenges, whilst triggering policy changes towards greener practices.</li> <li>- GPP policies and criteria can be successfully applied not only when purchasing standardised goods, but also when purchasing complex and customised services such as waste management services.</li> <li>- Joint procurement can be a very useful approach to GPP.</li> </ul>
 Spain	<ul style="list-style-type: none"> <li>- Staff are usually reluctant to implement a more sustainable approach in procurement practices, so, it is necessary to make an additional effort in raising awareness and explaining in detail the advantages of green public procurement.</li> <li>- Spanish cases demonstrate that local authorities often need to collaborate with external experts for the preparation and administration of green tenders, especially in fields where they do not have previous experience or capacity.</li> <li>- A strong political commitment reflected in regional action plans or strategies is a prerequisite for the successful implementation of GPP policies.</li> </ul>
 Belgium	<ul style="list-style-type: none"> <li>- Applying different lots for different qualities of products and services can essentially increase suppliers' participation in tenders, and cut down the costs.</li> <li>- Contracts should include clauses that will describe follow-up actions that are critical for maintaining services viable even beyond contract duration.</li> <li>- Setting up start-up meetings with selected suppliers are strongly encouraged, followed by active management of contracts.</li> <li>- Public authorities should investigate local markets very carefully before drafting the technical specifications and setting the prices for the procured services.</li> </ul>
 Greece	<ul style="list-style-type: none"> <li>- The existence of a unified framework (e.g. action plan) can essentially facilitate the implementation of green tenders.</li> <li>- Procurement officers should investigate the market landscape to identify whether suppliers are able to comply with environmental and sustainability requirements, and determine the available supply.</li> <li>- All procurement procedures should include clear and verifiable environmental criteria for products and services.</li> </ul>
 Malta	<ul style="list-style-type: none"> <li>- Support from "above" is required to change procurement practices.</li> <li>- The introduction of minimum emissions criteria for waste collection and transportation services has prompted more and more suppliers to invest in upgrading their fleets, in order to provide cleaner and more environmentally-friendly waste collection services.</li> </ul>
 Bulgaria	<ul style="list-style-type: none"> <li>- Public authorities can rely on EU regulations to apply environmental requirements for procuring products and services.</li> <li>- Public authorities should ensure high visibility by publicising the call for tenders as broadly as possible, ensuring that enough bids/offers will be submitted</li> </ul>
 Poland	<ul style="list-style-type: none"> <li>- Public authorities should take into account the entire products' life cycle when creating green contracts.</li> <li>- A key barrier to GPP implementation is local authorities' limited financial resources.</li> <li>- There must be a shift from awarding framework agreements to the supplier offering the lowest price towards the most advantageous tender in terms of sustainability and environmental performance.</li> </ul>
 Ireland	<ul style="list-style-type: none"> <li>- Engaging with suppliers early in the research phase of the project gives valuable insights into market trends and product development that may not be publicly known otherwise.</li> <li>- Environmental impacts should be taken into account during the assessment stage.</li> </ul>

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## More Information

This policy brief is provided by Department of Communications, Climate Action and the Environment of the Republic of Ireland / Roinn Cumarsáide, Gníomhaithe ar son na hAeráide agus Comhshaoil, and is based on a research report prepared by Zemgale Planning Region, Latvia, and the GPP4Growth consortium, a GPP4Growth partner. The full report is called 'Good Practice Guide on successful GPP cases' and is available on request.

Visit [www.interregeurope.eu/gpp4growth](http://www.interregeurope.eu/gpp4growth) for more about GPP4Growth.



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