

# GPP4Growth - Policy Brief A3.3 -



### 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 lifecycle 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 ecoinnovation, resource efficiency and green growth by promoting environmentally friendly, resourceefficient goods and services.

Application of
Green Public Procurement
and Monitoring of
Implementation



# **Executive Summary**

This policy brief is based on a report that was prepared and circulated to stakeholders ahead of an international working group meeting which took place from the 11<sup>th</sup> to 13<sup>th</sup> June 2019 in Jelgava, Latvia.

The event in Jelgava was organised to enable GPP4Growth partners to share their experiences of the practical application of Green Public Procurement (GPP), focusing particularly on the aspects of verification and the monitoring of its implementation. The report in question served as a background document to complement and inform the discussions at the event in Jelgava. The report analysed real-life examples of GPP and suggested recommendations and guidelines based on that analysis.

Some of the key topics addressed in the report are summarised here. The 16 recommendations relating to GPP developed in the report are also outlined. These recommendations will be useful to public bodies wishing to develop their own GPP policies and procedures.

### Introduction

In order to contextualise the recommendations that follow in the second half of this brief, the two stages of a GPP process - preparation and implementation – are first addressed, along with how both stages relate to the monitoring of the GPP process.

After this, the types of practical GPP examples that were studied in order to generate the original source report are described.

The recommendations mentioned above are then outlined. They relate to different factors that can influence the successful implementation of GPP.

Finally, some tools and methods which procurers can utilise during the verification and monitoring phases of a GPP process are noted.



## **Preparation and Implementation**

For public bodies procuring more environmentally friendly solutions, the GPP process can be divided into two stages: preparation and implementation. GPP can only be effective if both stages are completed carefully and comprehensively. The key output of the preparation stage is the **GPP tender document** while the guiding tool during the implementation stage is the actual **contract** issued to the successful supplier. As seen in the infographic below, the tender document sets certain conditions and the contract then outlines how those conditions will be verified, monitored and enforced to ensure the success of the GPP process.

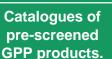
### **Tender**

- Sets the performance commitments such as GPP criteria and technical specification.
- Checks the capacity of each respondent, their relevant previous experience and their performance conformity by using self-declarations, checking qualifications and requiring references.

### Contract

Enforces the bid commitments detailed in the tender by:

- Providing procedures for monitoring the fulfilment of the commitments.
- Detailing the applicable penalties in the case of noncompliance with any of the commitments in the tender.



In Latvia, where use of GPP is mandatory, procurers can purchase certain types of products from a preestablished electronic database of options that already meet GPP requirements. This type of tool simplifies the GPP process and gives broader recognition to suppliers who feature on the database.



Examples of practical applications of GPP from across the EU were used to inform the report ahead of the international working group meeting. These examples of GPP were drawn from several different product and service categories:

Office Paper
Imaging Equipment, Computers & Monitors
Food & Catering Services
Cleaning Products & Services
Indoor Lighting
Road Lighting & Traffic Signals
Insulation to Increase Energy Performance of Office Buildings

For each example, the application of GPP criteria in the initial tender documents and the verification and monitoring of those criteria during the assessment and implementation stage were researched and examined.

Based on this research, a series of 16 recommendations were developed. These recommendations can help to inform the development of practical GPP procedures in GPP4Growth partner countries and beyond.

# environmentally friendly solutions. 1 Legal **Framework** 2 construction works, electric and electronic equipment. 3 4 been selected and included in the tendering documents. 5 Capacity of **Procurers** 6 8 9 10

Recommendations

Strengthen the application of GPP requirements by incorporating GPP criteria, verification and monitoring procedures in a legislative framework.

The 16 recommendations outlined below concern several factors that influence GPP: the legal framework surrounding it; the capacity of procurers to implement it; verification and monitoring; the readiness

of the market; and the capacity of suppliers to provide more

Plan regular updates of requirements and criteria for GPP to ensure up-todate technological developments are considered. This is particularly important for the procurement processes related to roads, indoor lighting,

National legislation should define the capabilities and responsibilities of national, industry-specific authorities that would serve procurers as one-stop GPP advisory agencies for specific industries e.g. food, construction, healthcare. These overarching authorities could: enforce GPP requirements; act as unambiguous guides to the GPP process for municipalities and local/regional public authorities; assist in the application of GPP criteria for selection and verification; and provide practical information to procurers such as details of accredited laboratories where sample products can be tested and so on.

Include GPP aspects, targets and provisions in regional/local policy planning documents. Procurers could then refer to the respective document in the case of a dispute with potential suppliers on why particular requirements have

Develop and apply standardised formats in the form of electronic tools and templates that would facilitate straight-forward application of GPP procedures.

Develop harmonised training programs to help with the capacity-building of procurers in the areas of applying GPP criteria, verification and monitoring.

Procurers should allocate staff and funding to prepare GPP tendering documents and to select and monitor successful tenderers during their implementation of the contract e.g. to confirm if the origin of the products delivered corresponds to the specification indicated in the contract.

Municipalities, schools and other public procurers should cooperate around their implementation of GPP practices. This cooperation could include a discussion on their individual needs for different products which may lead to an agreed upon common purchase. Such cooperation may lessen the individual effort required to purchase certain goods and services using GPP practices.

Perform a market analysis on the goods and services available before including many demanding GPP criteria in the tendering documents. A request to potential bidders to present a sample product that meets the required GPP criteria before the final supplier is selected may be helpful.

Where criteria other than just the price are considered in awarding a contract, assign no more than 50% of the overall evaluation score to the price. This will stress the importance of GPP criteria in the evaluation process.

11 Provisions for Verification & Monitoring

Identify and highlight the means of verification and monitoring for every GPP criteria mentioned in the tender and prescribed in the contract, including the procedure in case alternative products/solutions need to be sourced.

12

Organise regular compliance checks with the relevant supplier and involve external expertise in this when necessary.

### Market Readiness

13

Consider the application of harmonised GPP criteria across larger geographic areas to generate large-scale demand in order to encourage and enlarge a market response. Cooperation between countries in geographic regions may be beneficial in this way.

14

Develop a system of rewards and promotion for responsive suppliers and for proactive procurers in the market who are implementing GPP.

# **Capacity** of Suppliers

15

Strengthen communication between procurers and suppliers to specify and clarify requests, discuss possible options and address the need for improvements.

16

Widen the application of supportive tools for GPP procedures and the scope of selection to suppliers that are particularly accessible to SMEs.

# Tools to help with Verification and Monitoring

Verification methods and tools related to the provision of GPP-compliant goods and services may include: checking tags or labels (such as eco-labels which make verification and monitoring relatively easy for the procurer); suppliers' self-declarations along with clearly outlined penalties for misleading self-declarations; traceability documentation; demonstration and/or tests of sample products; conformity checks during the **period of warranty**; proficiency checks with regard to the suppliers' qualifications; and feedback from suppliers and customers.

Recommendations continued...

Across the entire duration of a GPP contract, compliance monitoring may require joint meetings between suppliers and customers to discuss any issues that may arise and to develop actions for improvement.

Where procurers lack the capacity to perform verification and ongoing monitoring in relation to a GPP contract, external experts with particular knowledge and experience may be required to support procurers.

Checklists: There are two short checklists in Section 6 of the source report for this policy brief. These checklists can be used by procurers to guide them through the GPP verification and monitoring processes.

### QUERIES

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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, and is based on a report prepared by the Baltic Environmental Forum - Latvia. The Zemgale Planning Region in Latvia is a GPP4Growth partner. The full report is called 'Application of Green Public Procurement and Monitoring of Implementation -Introductory Report Complementing International Working Group in Jelgava' (May 2019) and is available on request.

Visit www.interregeurope.eu/gpp4growth for more about GPP4Growth.









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