



# CircPro Policy Brief

## SMART CIRCULAR PROCUREMENT (max 4 pages)

### Key drivers at the EU policy level

The European Green Deal<sup>1</sup> is the main policy initiative and growth strategy of the EU. Presented in December 2019, it sets out the overall objective for the EU to become the first climate-neutral continent by 2050, resulting in a cleaner environment, more affordable energy, smarter transport, new jobs and overall better quality of life. The Green Deal emphasises that public authorities, including the EU institutions, should lead by example and ensure that they procure green products and services.<sup>2</sup> It provides an action plan to boost the efficient use of resources by moving to a clean, circular economy, restoring biodiversity and cutting pollution. The action plan outlines investments needed and financing tools available to ensure a just and inclusive transition.

Accelerating the transformational change required by the European Green Deal, the Circular Economy Action Plan of the EU<sup>3</sup> (2020) announces initiatives along the entire life cycle of products. The action plan targets the product design, promotes circular economy processes, fosters sustainable consumption, and aims to prolong the circulation of resources in the EU economy. In addition, the plan presents a set of interrelated initiatives to establish a strong and coherent product policy framework that will support sustainable products, services and business models and transform consumption patterns to minimise waste generation.

The Action Plan presents measures that make sustainable products the norm in the EU and empower consumers and public buyers. The plan focuses on the most resource-intensive sectors with a high potential for circularity, such as electronics and ICT, batteries and vehicles, packaging, plastics, textiles, construction and buildings, food, water and nutrient.

Public authorities' purchasing power represents 14% of EU GDP and can serve as a powerful driver for market demand. To exploit this potential, the Commission has developed **Green Public Procurement (GPP) criteria** to facilitate green requirements in public procurement for more than 20 product groups. These include 'core criteria' suitable for any contracting authority and focused on key environmental issues and 'comprehensive criteria' for procurements with a higher level of ambition.<sup>4</sup>



EUROPEAN  
GREEN DEAL



CIRCULAR  
ECONOMY  
ACTION PLAN



GREEN PUBLIC  
PROCUREMENT

<sup>1</sup> [https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en)

<sup>2</sup> COM/2019/640 final <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1596443911913&uri=CELEX:52019DC0640#document2>

<sup>3</sup> [https://ec.europa.eu/environment/strategy/circular-economy-action-plan\\_en](https://ec.europa.eu/environment/strategy/circular-economy-action-plan_en)

<sup>4</sup> [https://ec.europa.eu/environment/gpp/eu\\_gpp\\_en\\_criteria.htm](https://ec.europa.eu/environment/gpp/eu_gpp_en_criteria.htm)

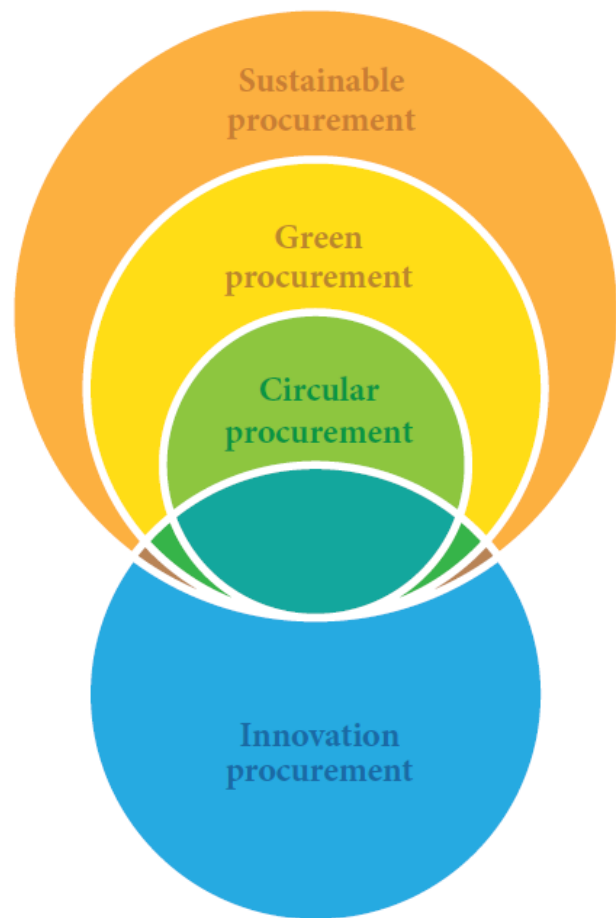


## The essence and importance of circular procurement

In light of finite resource flows, economies will no longer be able to rely on today's wasting linear "take-make-dispose" production and consumption models. A circular economy is an alternative to this model. It aims to keep products and materials in the value chain for a longer period and to recover raw materials after the lifetime of products for their next use.

Circular public procurement is an approach to greening procurement that recognises the public authorities' role in supporting the transition towards a circular economy. Circular procurement can be defined "as the process by which public authorities purchase works, goods or services that seek to contribute to closed energy and material loops within supply chains, whilst minimising, and in the best case avoiding, negative environmental impacts and waste creation across their whole life-cycle."<sup>5</sup>

Circular procurement is part of the broader sustainable procurement concept. Sustainable procurement is recognised as a strategic tool to drive innovation. Green procurement and more narrowly focused circular procurement are part of this wider agenda. Moreover, circular procurement is not only for purchasing products. By procuring innovative solutions, green and circular products, and new business models, it is possible to affect the whole product/service system or supply chain. Thus, circular procurement can be seen as a strategic instrument that plays an essential role in the transition towards the circular economy and a low-carbon future.



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Smart Circular Procurement (CircPro) project aims at promoting the transition to a more circular economy-oriented national and regional decision-making. CircPro's main objective is to improve the targeted policy instruments to incorporate the circular economy principles and criteria. Furthermore, CircPro targets circular procurement from different approaches and complexity, facilitating closed loops and shifting the focus from better quality products to new and innovative products and new business concepts. For further details, see <https://www.interregeurope.eu/circpro/>.



<sup>5</sup> European Commission: Public Procurement for a Circular Economy, October 2017  
[https://ec.europa.eu/environment/gpp/pdf/Public\\_procurement\\_circular\\_economy\\_brochure.pdf](https://ec.europa.eu/environment/gpp/pdf/Public_procurement_circular_economy_brochure.pdf)

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## Green and circular procurement in Greece

Greece has developed the National Action Plan for Green Public Procurement which was first been under public consultation and finally was approved and published on February 8, 2021 (Government Gazette 466 / B / 8-2-2021). With this document the Green Public Procurement (GPP) concept is introduced in Greece.

In Greece GPP criteria and the implementation of EU and national GPP legislation have been promoted to the Purchasing Authorities via centralized public procurement of the National Central Purchasing Bodies. We can find these criteria in Framework Agreements for energy efficient products for all Ministries of the Central Government and also GPP Criteria in unified technical specifications for products (paper, computers, monitors, imaging equipment, office furniture, interior lighting (led lamps), air condition machines). Also, there are important initiatives at regional and local level (Ministries, Regions and Municipalities) that implement GPP as partners in European funded projects.

The development of an Action Plan for GPP was a consequence of:

- the Law 4412/2016: Public Procurement for goods, services and public works – transposition of the EU Directives 2014/24 and 2014/25;
- the Law 4342/2015 for energy efficiency - transposition of the EU Directive 2012/27/EU and
- following a series of basis documents such as Ministerial Decision for the 4<sup>th</sup> National Action Plan for Energy Efficiency, Ministerial Decision for the National Action Plan for Energy and Climate, National Strategy for Circular Economy, National Strategy for Sustainable Growth, National Strategy for Public Procurement and Special legislation for the environmental licensing of public works.

Furthermore, there has been established a special Committee for GPP with the participation of Ministry of Development and Investments, Ministry of Environment and Energy, Ministry of Infrastructure and Transports, Ministry of Health, Ministry of Interior and Hellenic Single Public Procurement Authority – HSPPA.

The Action Plan was formulated taking into account the basic approach that GPP is at the crossroads of the National Strategy for Public Procurement, the National Strategy for the Circular Economy and the National Action Plan for energy saving and energy upgrading of public buildings. Also, the gradual application of environmental criteria in public procurement is expected to contribute in:

- reducing the energy and ecological footprint, contributing to tackle climate change and reduce greenhouse gas emissions,
- reducing the negative impact on the environment,
- the sustainable and more efficient use of natural resources energy,
- promoting innovation and competitiveness,
- saving public resources, taking into account the cost of life cycle,
- stimulating the demand for secondary materials, strengthening the domestic entrepreneurship, environmental technologies, repair services and reuse, as well as the cyclical pattern of production and consumption instead of linear,
- enhancing social awareness on environmental protection issues, and in the reproduction and extension of the procurement model in private sector.

The development of the Greek Action Plan for GPP is based on the following objectives.

1. Establishment and implementation of an elementary level of adoption of green criteria in public procurement of products, services and projects.
2. Gradual increase of GPP during the next three years in certain sectors of goods, services and projects.
3. Wider integration of life cycle cost estimation in public procurement.
4. Dissemination of environmental and economic benefits of GPP.

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5. Raising awareness, building capacity and active participation of stakeholders (contracting authorities and economic operators) in GPP.
  6. Monitoring the achievement and updating the objectives.

The application of the National Action Plan sets as milestones the implementation of communication activities, education / training activities and material, pilot activities, monitoring through an electronic platform, the upgrade and redesign every three years or earlier where necessary. The main categories selected for the implementation of the GPP are:

- Photocopying paper,
- Computers and monitors,
- Imaging equipment,
- Interior lighting – LED lamps,
- Air-conditioning machines,
- Street lighting and traffic lights

as mandatory and

- Furniture,
- Textiles,
- Public space maintenance,
- Waste water infrastructure,
- Electrical and Electronic Equipment used in the Health Care Sector

as non-mandatory.

The main goal is GPP to become to an important factor in promoting innovation, providing real incentives for the development of green products and services. In addition, by adopting GPP, public sector can save a great amount of financial resources especially when considering the life cycle cost of the good, service or project and not just the purchase price.

## **Recommendations for actions and policy measures for enhancing circular procurement in Greece**

This policy brief brings forward the main recommendations to improve the implementation of green and circular procurements in Greece:

- 1) **Efficient use of award criteria selection which described in Greek Legislative Framework for public procurement:** The award criteria should be the most economically advantageous offer based on the value for money, the Life cycle costing of the purchase product, the reference to ecological standards and environmental management systems and utilization of all tender procedures provided by Legislative Framework (open, closed, competitive negotiated procedure, competitive dialogue) and selection of the most appropriate procedure.
- 2) **National campaigns for supporting GPP and CPP:** All bodies from public and private sector – procurers that receive EU and National funds should have a clear view and knowledge on green and circular public procurement. For that, activities such as training programmes, informative events and webinars and education material should be implemented.
- 3) **Create an info portal for green and circular procurement:** <https://www.mindev.gov.gr>