

EconomisE



S Y K E  
Suomen ympäristöopisto

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# Green Procurement Protocol - LIFE EconomisE project

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### What is Green Public Procurement (GPP)

Green Public Procurement (GPP) is an important tool to achieve environmental policy goals relating to climate change, resource use and sustainable consumption and production – especially given the importance of public sector spending on goods and services in Europe.

### Green Public Procurement and the LIFE EconomisE project

In the context of the LIFE EconomisE project this particularly applies to the cities and municipalities and their decisions concerning building stock in order to procure goods, services and works with a reduced environmental impact throughout their life-cycle.

The project will promote the aspects of the GPP during various activities, such as for instance the energy agent energy audits in the municipalities and common planning activities towards the reaching energy savings in municipal buildings, as well as during the training events.

### When GPP can be applied

GPP can be applied to contracts both above and below the threshold for application of the Procurement Directives. The **2014 Procurement Directives** enable public authorities to take environmental considerations into account. This applies during pre-procurement, as part of the procurement process itself, and in the performance of the contract. Rules regarding exclusion and selection aim to ensure a minimum level of compliance with environmental law by contractors and sub-contractors. Techniques such as life-cycle costing, specification of sustainable production processes, and use of environmental award criteria are available to help contracting authorities identify environmentally preferable bids.

### Why buy green?

- purchasing goods, services and works with a reduced environmental impact contribute towards local, regional, national and international sustainability goals.

- GPP can be a major driver for innovation, providing industry with real incentives for developing green products and services. This is particularly true in sectors where public purchasers represent a large share of the market (e.g. construction, health services, or transport).
- GPP may also provide financial savings for public authorities – especially if you consider the full life-cycle costs of a contract and not just the purchase price. Purchasing energy-efficient or water-saving products for example, can help to significantly reduce utility bills. Reducing hazardous substances in products can cut disposal costs.
- Authorities who implement GPP will be better equipped to meet evolving environmental challenges, for example to reduce greenhouse gas emissions or move towards a more circular economy.

### The legal framework

The legal framework for public procurement is defined by the provisions of the Treaty on the Functioning of the European Union (hereafter the Treaty) and by the EU Procurement Directives, as interpreted by the European Court of Justice. From an international perspective, the EU is bound by the conditions of the Government Procurement Agreement (GPA) of the World Trade Organisation (WTO), and by bilateral trade agreements. In practice, compliance with these instruments is generally achieved by extending the same rights to operators established in third countries as apply to EU economic operators.

### Examples of green contracts

- Energy efficient computers
- Office furniture from sustainable timber
- Low energy buildings
- Recycled paper
- Cleaning services using ecologically sound products
- Electric, hybrid or low-emission vehicles
- Electricity from renewable energy sources

### The legal framework in the field covered by the LIFE EconomisE project - Directive 2010/31/EU on the energy performance of buildings -recast

On 19 May 2010, a recast of the Energy Performance of Buildings Directive was adopted by the European Parliament and the Council of the European Union in order to strengthen the energy performance requirements and to clarify and streamline some of the provisions from the 2002 Directive it replaces.

Minimum energy performance standards apply to public buildings, these are set at national level based on a common EU methodology. From 1 January 2019, all new buildings occupied and owned by public authorities must be “nearly zero-energy buildings”.

The recast proposal confirms the importance of effective implementation at the Member State level, the importance of Community-wide co-operation and the strong long-term commitment and role of the Commission itself to support such effective implementation.

As the November 2008 Commission Communication for the original proposal states, buildings have significant untapped potential for cost effective energy savings “which, if realized, would mean that in 2020 the EU will consume 11 % less final energy.”

#### Major points of the Recast Directive include:

- As of 31 December 2020, new buildings in the EU will have to consume 'nearly zero-energy'.

- Public authorities that own or occupy a new building should set an example by building, buying or renting such 'nearly zero-energy building' as of 31 December 2018.
- The definition of nearly zero-energy building was agreed as: “nearly zero-energy building means a building that has a very high energy performance, as determined in accordance with Annex I. The nearly zero or very low amount of energy required should be covered to a very significant extent by energy from renewable sources, including energy from renewable sources produced on-site or nearby.”
- Member States shall draw up national plans for increasing the number of nearly zero-energy buildings.
- **The Energy Efficiency Directive also sets mandatory requirements regarding renovation of public buildings and purchase or new rental agreements meeting minimum energy-efficiency standards.**
- Minimum requirements for components are introduced for all replacements and renovations, although for major renovations, the holistic calculation methodology is the preferred method with performance calculations based on component requirements allowed as a complement or alternatively.

### GPP in EU policy

GPP has been endorsed in a number of EU policies and strategies, reflecting its recognised potential to encourage a more sustainable use of natural resources, establish behavioural changes for sustainable consumption and production, and drive innovation. **The Circular Economy Action Plan, adopted in December 2015, highlights GPP as one of the measures necessary to ensure more effective and efficient use of resources.**

### EU GPP criteria

The EU GPP criteria are developed to facilitate the inclusion of green requirements in public tender documents. While the adopted EU GPP criteria aim to reach a good balance between environmental performance, cost considerations, market availability and ease of verification, procuring authorities may choose, according to their needs and ambition level, to include all or only certain requirements in their tender documents.

The EU GPP criteria ([http://ec.europa.eu/environment/gpp/eu\\_gpp\\_criteria\\_en.htm#office](http://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm#office)) cover the following fields:

- Cleaning products and services
- Combined Heat and Power (CHP)
- Computer and monitors
- Copying and graphic paper
- Electrical and Electronic Equipment used in the Health Care Sector
- Electricity
- Food and Catering services
- Furniture
- Gardening products and services
- Imaging Equipment
- Indoor lighting
- Office Building Design, Construction and Management
- Road Design, Construction and Maintenance
- Sanitary Tapware
- Street lighting and traffic signals

- Textiles
- Toilets and Urinals
- Transport
- Wall Panels
- Waste Water Infrastructure
- Water-based Heaters

### Useful documents

- Technical background report and final criteria - **Green Public Procurement Criteria for Office Building Design, Construction and Management** (JRC Science for Policy Report, June 2016)

The development of Green Public Procurement (GPP) criteria for the design, construction and management of office buildings is aimed at helping public authorities to ensure that projects are procured and implemented in order to deliver environmental improvements that contribute to European policy objectives for energy and resource efficiency, as well as providing healthy working conditions and reducing life cycle costs. In order to identify the most significant improvement areas for criteria development an analysis has been carried out of the environmental and health impacts of constructing and operating office buildings. The most commonly used procurement processes for office buildings, as well as the actors involved in delivering successful projects, have also been identified and are further addressed in an accompanying GPP guidance document.

Together these two documents aim to provide public authorities with orientation on how to effectively integrate these GPP criteria into the procurement process.

[http://ec.europa.eu/environment/gpp/pdf/report\\_gpp\\_office\\_buildings.pdf](http://ec.europa.eu/environment/gpp/pdf/report_gpp_office_buildings.pdf)

- **NORDIC GUIDELINES –GREEN PUBLIC PROCUREMENT: How to use environmental management systems and ecolabels in EU tenders** (Nordic Council of Ministers, 2017)

The Green Growth Project involves co-operation between Sweden, Finland, Denmark, Norway and Iceland. The project aims to create a common understanding of the implementation of green public procurement policies in practice. The EU Public Procurement Directives (2014) - Directive 2014/24/EU of the European Parliament and of the Council on public procurement and repealing Directive 2004/18/EC ("the Public Sector Directive") provided a welcome opportunity to promote environmental management systems and labelling schemes. The directives have recently been transposed into national legislation in all the Nordic Countries. The Directive 2014/23/EU (Concessions Directive) does not have any specific rules about EMS and labels.

<https://norden.diva-portal.org/smash/get/diva2:1087097/FULLTEXT01.pdf>

### National and local actions

At the national level, most EU Member States have now published GPP or SPP National Action Plans (NAPs) which outline a variety of actions and support measures for green or sustainable public procurement.

Many have set targets for GPP or SPP, either in terms of overall procurement, or for individual product and service groups. A number of countries and regions have also developed GPP or SPP criteria sets. In many cases these are similar to the EU GPP criteria, with adjustments to reflect the particular circumstances or priorities of the authorities developing them. Most of the criteria sets rely upon life-cycle assessment (LCA) data where it is available, together with eco-labels and the evidence which these are based upon.

Individual contracting authorities at the local, regional and national level have also adopted green and sustainable procurement practices. In some cases, their actions have inspired the NAPs, or been taken up as examples in other Member States. Many such examples are featured in this handbook, and more good

practices are continuously being put into place across the EU. A collection of over 100 of these examples can be found at:

[http://ec.europa.eu/environment/gpp/pdf/national\\_gpp\\_strategies\\_en.pdf](http://ec.europa.eu/environment/gpp/pdf/national_gpp_strategies_en.pdf)

#### National Strategy on GPP in Finland

- AUTHORITIES IN CHARGE OF GPP POLICY: Ministry of Environment, Ministry of Finance, Ministry of Employment and Economy
- NATIONAL STRATEGY or ACTION PLAN: Government Decision-In-Principle on the Promotion of Sustainable Environmental and Energy solutions (cleantech solutions) in Public Procurement 13.6.2013
- GPP TARGETS: National level - In all government procurements, the goal is a comprehensive solution, which promotes energy and environmental goals and utilises cleantech solutions in the most economically advantageous way. More detailed targets for different product areas: food and catering, vehicles and transports, construction, energy, services, energy related products.
- MANDATORY RULES ON GPP USE: Government decision in principle, on the promotion of environmental and energy solutions in public procurement, is binding for central government bodies.
- WEBSITE: [www.motivanhankintapalvelu.fi/tietopankki](http://www.motivanhankintapalvelu.fi/tietopankki)

#### Documents, reports and legal acts in Finnish

- Valtioneuvoston periaatepäätös kestävien ympäristö- ja energiaratkaisujen (cleantech ratkaisut) edistämisestä julkisissa hankinnoissa

<http://tem.fi/documents/1410877/2795834/VN+periaatep%C3%A4%C3%A4t%C3%B6s+kest%C3%A4vien+ymp%C3%A4rist%C3%B6+ja+energiaratkaisujen+edist%C3%A4misest%C3%A4+julkisissa+hankinnoissa/4295c1e9-7ff5-4d14-abd9-3e9806ebab16>

- Energiatehokkuus julkisissa hankinnoissa -Työ- ja elinkeino- ministeriön ohjeet/ 01.2016

<http://tem.fi/documents/1410877/2795834/Energiatehokkuus+julkisissa+hankinnoissa/1f3d1ad9-f7a9-4169-95a5-6a96414e9a29>

- Kestävät julkiset hankinnat – nykytila ja kehittämissuunnitelmia – SYKE:n raportti

[https://helda.helsinki.fi/bitstream/handle/10138/228340/SYKEra\\_32\\_2017.pdf?sequence=4](https://helda.helsinki.fi/bitstream/handle/10138/228340/SYKEra_32_2017.pdf?sequence=4)