Approaches to sustainable procurement: objectives, illustrative practices and emerging trends – a European perspective

Mark Hidson
Director ICLEI’s Global Sustainable Procurement Centre
Deputy Regional Director, ICLEI
**GPP**: “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”.

**SPP**: “a process whereby public organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life-cycle basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst significantly reducing negative impacts on the environment”.
**Society:** sense of concern over use of natural resources, impact on the environment and society

**Business:** resource security, cost of raw materials, image, new business models, market opportunities

**Public sector:** meet policy and environmental goals, find innovative solutions to meet challenges, cost efficiency agenda...
● Contribution to sustainability goals
● Achieve social goals
● Financial efficiency
● Drive innovation
● Boost supply chain competitiveness
● Demonstrate political commitment
GPP is voluntary with some exceptions:

- Energy Star Regulation (Regulation No 106/2008)
- Clean Vehicles Directive (2009/33/EC)

Political target: 50% of tendering procedures to be green by 2010

GPP National Action Plans
Public Procurement Directives

- Environmental, social and innovation can be taken into account – linked to the subject matter
- Specify production processes e.g. organic, electricity from renewables, chlorine free bleaching
- Rules on the use of LCC
- Use of environmental and social labels
- Social requirements: integration of disadvantaged persons.
- Fair trade principles and labour conditions can be taken into account in the award criteria
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20 years of sustainable procurement at ICLEI

2016 marks twenty years since ICLEI began working on sustainable procurement. In that time, we have seen impressive developments in the field of SPP.
Procura+ is a network of more than 40 European public authorities and regions that connect, exchange and act on sustainable and innovation procurement.
Does it work?
- **City of Barcelona**: 2010 spent €43 million on green products and €92 million on “greened” services (lighting, fountain maintenance). 2013 adopted mandatory green criteria for vehicles, electricity, food and catering services.

- **City of Rome**: 69% of the 144,000 meals served by the city each day contain organic food.

- **Town of Venelles, France (Pop. 8,100)**: A majority of cleaning products purchased are eco-labelled and fully biodegradable.
Furnishing City Hall Venlo

**Technical specifications**: min technical life of 10 years, after all parts must be available in the market for refurbishment. Textiles must not contain chlorinated artificial fibers, halogenated flame retardants, Benzedrine based dyes. Heavy metals concentration limit for pigments, dyes or specific textile fibers

**Award criteria** (MEAT): Quality 10%; C2C 30%; TCO 30%; Aesthetics 30%

**Verification**: A C2C specialist was involved in the assessment body, C2C label or a matrix detailing C2C criteria used

**Contract performance clauses**: deliver a plan with preventive maintenance to be performed yearly, supplier is responsible for all common repair
Cleaning Products and Services for City of Luxembourg

- **Selection criteria**: each bidder has an EMS such as EMAS, ISO14001 or other evidence of equivalent

- **Technical specifications**: list of banned substances, requested to supply samples for testing.

- **Award Criteria (MEAT)**: 85 points price, 15 points environmental criteria. A second list which discouraged the use of certain substances e.g. dyes, colorants, fragrances, bleach and acid.

- **Contract performance clauses**: Required to supply samples of new products introduced. Random testing. Obliged to provide alternative product if not satisfied. Fines if using a banned substances.
Emerging trends
*Linear approach*

- **Buy**
  - Purchase price

- **Use**
  - Usage cost
  - Meeting regulations

- **Dispose**
  - Disposal costs
  - Meeting regulations
Circular approach

- Collection
- Separation
- Energy recovery
- Landfill
- Raw materials
- Materials processing
- Design & Manufacture
- Repair, reuse
- Material recovery
- Public Authority
- Supplier
- Use
- Maintenance
- Delivery

Based on models developed by WRAP and Ellen MacArthur Foundation
E-procurement

- Facilitate and track use of SPP
- Identify contracts with elements of SPP (e.g. through use of keywords or tick boxes)
- Choose from relevant criteria and contract terms
- Evaluate performance against chosen criteria
- Apply life cycle costing
- Generate reports on specific criteria or objectives (e.g. % of contracts including energy-efficiency requirements)

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Professionalization

Better market intelligence
Better use of pre procurement
Market dialogue skills
Involving end users
Better contract management
Innovation Procurement

Create markets for new, energy efficient and low carbon energy technologies and solutions

Stimulate the economy and create jobs
● Life cycle costing
● Joint procurement (cross border)
● Better measurement of impact
● Better verification
● More standardised and better third party information
● Capture end user requirements rather than treating all products and users alike
Mandatory
Policy and legislation is important
Clear and unambiguous rules
Soft support measures are key
Thank you

mark.hidson@iclei.org

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