

GREEN PUBLIC PROCUREMENT IN THE EU COUNTRIES

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Abstract

Green public procurement is a topic of debate and a very current action in the countries of the European Union. Their implementation is also considered beneficial for a better quality of life but also very expensive and difficult to practically run. As a result, European countries have been involved with different intensity in this process. This paper highlights this involvement from a multiple perspective: Ensuring the strategic context for implementing green public procurement; Presence of the criteria for green public procurement within public procurement documents; Actions to build the capacity to implement the practice of green procurement; Monitoring the results regarding the practice of green procurement, in order to provide a relevant image on the perspective of environmental problems in Europe.

Key words: green public procurement, quality of the environment, sustainability,

1. Introduction

Green Public Procurement (GPP) is a frequently addressed topic in the last 15 years worldwide and, implicitly, in the European Union. Member States are encouraged to promote and practice green public procurement, also known as green procurement. The concept of green public procurement was introduced by the OECD in 2002 and subsequently confirmed by the European Commission and the legislation of the Member States. *Public Procurement for a better Environment Report* defines GPP as "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". Of course, private consumers are also encouraged to focus on green purchases, but considering that European public institutions are an important consumer, with 1.8 trillion euros / year (14% of European GDP), their involvement in a constant process of purchasing goods and services with low environmental impact can decisively influence sustainable development in Europe and stimulate eco-innovation. This approach represents a call to the effort to "adapt ourselves to the limits that nature has". (Williams & Millington, 2004)

European countries react differently to actions meant to support green public procurement, as there are recommended in the European strategic documents, even if the environmental, social, health, economic and political benefits are widely recognized. The reluctance towards green public procurement is justified by the barriers that make it difficult to intensify the process. The obstacles stated by public institutions regarding the GPP implementation, on a large scale are: the ecological products / services are perceived to be expensive; lack of political support; lack of experience in applying green procurement procedures; lack of training, of practical tools and of information; weak cooperation between authorities etc. Among these, the cost level is the most commonly indicated barrier.

The paper presents how EU Member States approach the European Commission's recommendations on green public procurement and the results they have achieved.

2. European actions to sustain GPP

The European Commission has encouraged Member States to behave environmentally responsible and, since 2003, has recommended the elaboration of National Action Plans (NAP) and the implementation of the concrete actions in order to sustain the green public

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procurement process. There are four criteria corresponding to which the progress made by the Member States in the GPP process can be assessed:

➤ 1. Policy framework – Ensuring the strategic context to implement green public procurement – refers to the extent to which, at national level, guidelines have been elaborated and promoted in order to guide the public actions regarding green procurement;

➤ 2. Implementation of the mandatory rules to sustain green public procurement within the public procurement documents - evaluates the extent to which, at national level, public procurement requirements / criteria correspond to the green procurement;

➤ 3. Capacity building – assesses the national interest for developing knowledge and good practices in the field of green procurement;

➤ 4. Monitoring the practice of green public procurement - evaluates the extent to which at the national level there are functional systems to supervise the practices related to public procurement and their results

In order to evaluate the extent to which the EU Member States meet and comply with the European Commission actions to support GPP, there been developed for each action, based on the public data, a series of indexes and an evaluation scale to assess performance. These is presented in the table below.

Table 1. Indexes to assess the extent to which EU states meet European Commission recommendation regarding GPP

Action	Indexes	Values
1. Policy framework	1.1. Presence of a national strategy or of a national action plan in relation to public procurement	- Designed in the first 4 years after EU directives (2003 – 2007) – 5 - Designed between 2008 – 2011 – 4 - Designed between 2012 – 2015 – 3 - Designed between 2016 – 2018 – 2 - No strategy or action plan – 1
	1.2. Presence of an updated national strategy or a national action plan in relation to public procurement	- A previous national strategy updated during 2016 – 2018 – 5 - A previous national strategy updated during 2012 – 2015 – 3 - The national strategy is not updated, - 1
	1.3. Green Public Procurement objectives included in the national action plans	- Green Public Procurement objectives for all public authorities - 5 - Green Public Procurement objectives just for national public authorities – 3 - Green Public Procurement objectives for certain product groups - 1
	1.4. Consistency of the national strategy or of the national action plan on public procurement with COM (2003) 302*	-National documents are in full agreement with COM (2003) 302 – 5 - National documents partly correspond to COM (2003) 302 – 3 - National documents do not correspond to COM (2003) 302 -1
2. Implementation of the mandatory rules to sustain GPP	2.1. The presence of a set of criteria which must be respected in the public procurement process	- National Green Public Procurement criteria are in full agreement with the European criteria -5 - National Green Public Procurement criteria comply to a certain extent with the European criteria - 3 - There are no national Green Public Procurement criteria - 1

Action	Indexes	Values
	2.2. Product groups for which green public procurement criteria are developed	<ul style="list-style-type: none"> - There are developed Green Public Procurement criteria for more than 15 product groups according to European criteria** - 5 - There are developed Green Public Procurement criteria for 10 -15 product groups - 4 - There are developed Green Public Procurement criteria for 5-10 product groups –3 - There are developed Green Public Procurement criteria for less than 5 product groups – 2 - There are not developed Green Public Procurement criteria or they are under development - 1
	2.3. Mandatory green procurement criteria for public institutions	<ul style="list-style-type: none"> - There is a legal obligation to include green procurement criteria in the procurement documents of the contracting authorities – 5 - There is not a legal obligation but a recommendation to include green procurement criteria in the procurement documents of the contracting authorities –3 - There is not a legal obligation or a recommendation to include green procurement criteria in the procurement documents of the contracting authorities – 1
	2.4. TCO*** (Total Cost of Ownership) or LLC* (Life-cycle costing) tools are developed and/or used to calculate the cost of public procurement	<ul style="list-style-type: none"> - TCO or LCC are calculated in the public procurement documents– 5 - There are used other life cycle assessment costing tools in the public procurement documents – 3 - There are not used TCO, LCC or other life cycle assessment costing tools in the public procurement documents – 1
3. Capacity building	3.1. Workshops, conferences, helpdesks, publications etc. to sustain capacity to implement GPP	<ul style="list-style-type: none"> - At national level, complex and diverse actions (workshops, conferences, publications etc) are organized to build the capacity to implement GPP processes – 5 - At national level, actions with a low level of complexity are organized to build the capacity to implement GPP processes – 3 - No actions are organized or they are accidentally organized in order to build the capacity to to implement GPP processes - 1
	3.2. National and international cooperation to improve the practices of green procurement	<ul style="list-style-type: none"> - There are both international and national cooperation to improve the practices of green procurement – 5 - There is only national cooperation to improve the practices of green

Action	Indexes	Values
		procurement – 3 - There is not cooperation at national or international level to improve the practices of green procurement - 1
4. Monitoring the practice of GPP	4.1. Development of a system for monitoring green public procurement	- There is a complex monitoring system to collect data on the value / on the volume of green public procurement – 5 - There is a limited monitoring system to collect data on green public procurement – 3 - There is not a monitoring system for the green public procurement - 1
	4.2 Regularity of monitoring the green public procurement process	- Monitoring of green public procurement is carried out regularly – 5 - The green public procurement process is carried out but without a certain periodicity – 3 - The green public procurement process is not monitored - 1

* COM (2003) 302 - *Communication from the Commission to the Council and the European Parliament - Integrated Product Policy - Building on Environmental Life-Cycle Thinking*

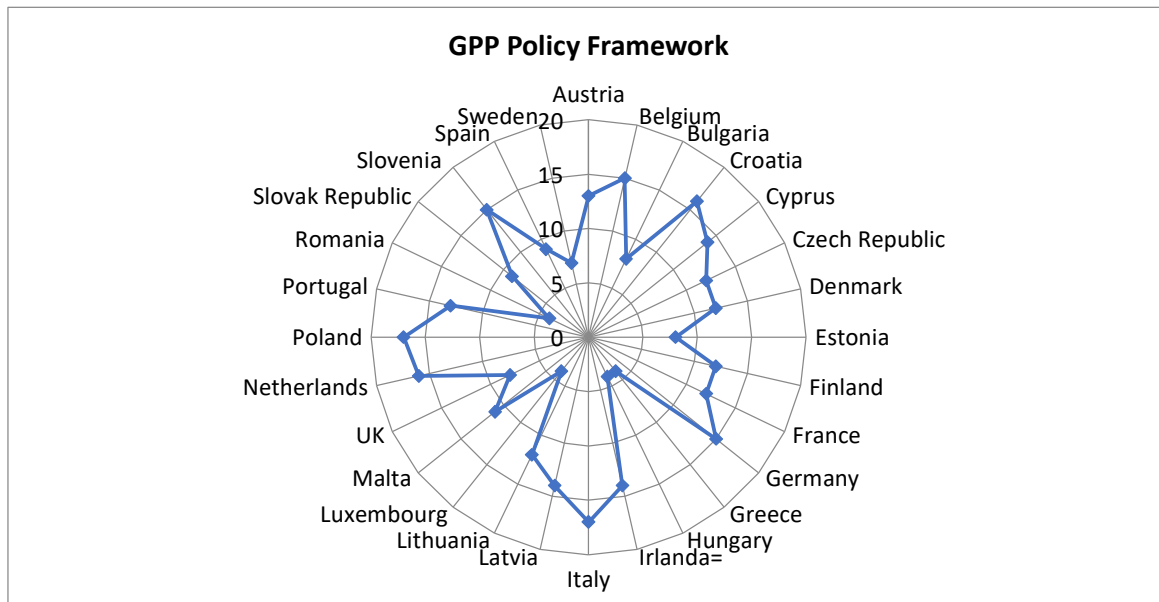
** At European level, have been developed GPP criteria for 21 product groups (transport, gardening services, IT equipment, paper, cleaning products and services, catering products and services, textiles, furniture, construction, etc.)

*** TCO (Total Cost of Ownership)/LCC (Life-cycle costing) – the sum of all the costs generated by the purchase and use of a product during its entire life cycle. These may include: acquisition costs, operational costs, but also savings resulting from reduced energy, water, fuel, maintenance etc.

3. GPP process in the EU member states

The first analyzed criterion, *Policy framework* – refers to the presence of a national strategy or of a national action plan in relation to green public procurement according with European Commission recommendations. The scores of the EU countries according to this criterion are presented in the Chart 1.

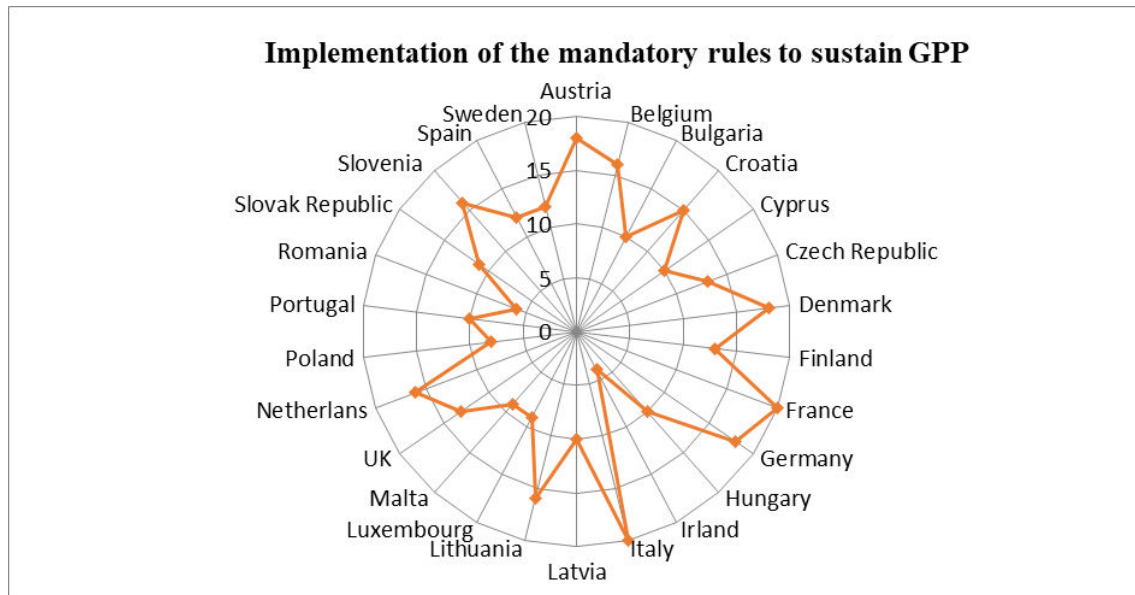
Chart 1. Scores of the EU countries



The highest scores were achieved by Italy, Poland (17 points), Netherlands (16 points), Belgium, Germany, Slovenia (15 points). The highest scores were achieved by Greece, Hungary, Luxembourg, Romania (4 points). The high values achieved for this criterion denote a rapid reaction of the states in order to develop a strategic framework to support green public procurement process, in accordance with the European Union guidelines.

The second analyzed criterion, *Implementation of the mandatory rules to sustain GPP*, highlights the extent to which GPP requirements are effectively implemented by the contracting authorities in EU countries. The results are presented in the Chart 2.

Chart 2. Scores of the EU countries

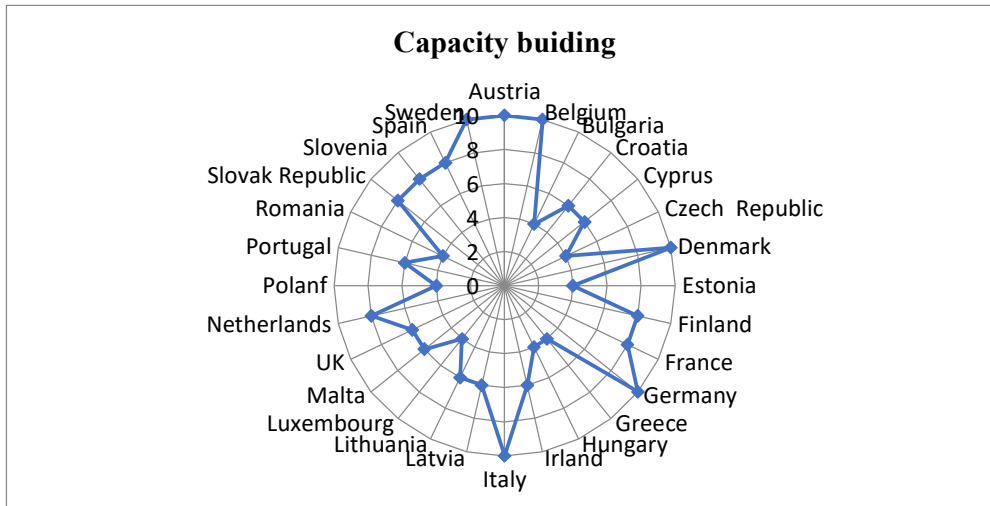


The highest scores were achieved by Italy, France (20 points), Austria, Denmark, Germany (18 points), Belgium Lithuania, Netherlands, Slovenia (16 points), and the lowest scores were achieved by Irland (4 points), Romania (6 points), Poland (8 points). As regarding Estonia and Greece there were not available information to calculate the score. The high values for this criterion denote the concern for establishing concrete, measurable criteria, to assess if the public procurement are ecological or not .

The third criterion, *Capacity building*, assess the interest of the Member States towards the development of the skills and the competencies of human resources involved in the GPP process. The results are presented in the Chart 3.

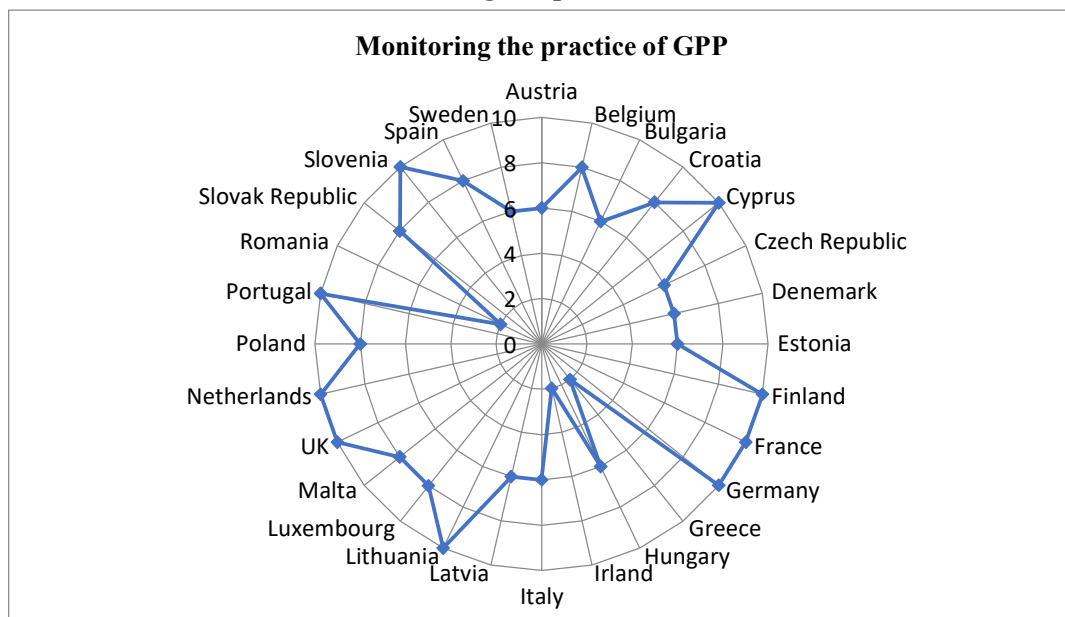
The highest scores were achieved by Austria, Belgium, Denmark, Germany, Italy, Sweden (10 points), and the lowest values were achived by Bulgaria, Czech Republic, Estonia, Greece, Hungary, Luxembourg, Poland, Romania (4 points). The scores obtained under this criterion reflect the interest of the national bodies in organizing events, courses, different forms of cooperation etc that contribute to the development of the human resources capacity to implement and to carry out green public procurement.

Chart 3. Scores of the EU countries



The fourth criterion, *Monitoring the practice of GPP*, evaluates the extent to which, within EU countries, there are systems and practices for monitoring GPP in order to identify the positive aspects and to integrate them into the procurement process as well as the negative aspects in order to correct them. The results are presented in the Chart 4.

Chart 4. Monitoring the practice of GPP



The highest scores were achieved by Cyprus, Finland, France, Germany, Lithuania, UK, Netherlands, Portugal, Slovenia (10 points), and the lowest scores were achieved by Ireland and Romania (2 points).

Considering the place occupied by each of the countries corresponding of each of the four criteria, three groups of countries can be formed. The scale used to categorize the countries was determined by summing the places occupied by the EU states according to the 4 criteria, as follows: the best score (corresponds to the first place) was 6 points; the lowest score (corresponds to the last place) was 28 points.

- Group A (6 – 13 points): Austria, Belgium, Croatia, Denmark, France, Germany, Italy, Lithuania, Netherlands, Slovenia, Finland;

➤ Group B (14 – 20 points): Cyprus, Czech Republic, Letonia, UK, Poland, Portugal, Slovakia, Spain, Sweden

➤ Group C (21 – 28 points): Bulgaria, Hungary, Ireland, Malta, Romania.

It should be noted that, for three countries: Estonia, Greece, Luxembourg, the existing data were insufficient to integrate them in this analysis.

The scores were compared with the evolution of two indicators defining air pollution, respectively GHG emissions and Exposure to PM 2,5. This comparison was made because the purpose of GPP implementation is to reduce the level of pollution generated by the economic growth. The evolution of the two indicators was analyzed, according to the OECD data, for the period 2010 - 2017 (2010 represents the year in which the implementation of GPP practices within the EU states became effective and extended).

Regarding GHG emissions, the first five countries, from the ones previously grouped, in order of the percentage with which this indicator decreased during 2010 - 2017, are: Malta (-46.77%), Denmark, Finland, UK, Sweden (-24.49%); and with regard to the Exposure to PM 2.5 indicator, the most drastic reductions were registered in: Poland (-2.76%), Czech Republic, Germany, Lithuania, the Netherlands (-19.77%). Thus, the largest reductions in GHG emissions were recorded in 2 countries in group A, 2 countries in group B, 1 country in group C. The largest decreases in Exposure to PM 2.5 were recorded in 3 countries in group A and 2 countries in group B.

The smallest decreases in air pollution were as follows:

- GHG emissions: Portugal (+ 8.89%), Bulgaria (+ 1.67%), Hungary, Poland, Romania (-2.7%),

- Exposure to PM 2,5: Cyprus (-13.5%), Italy, Bulgaria, Croatia, Slovenia (-14.52%).

Thus, the smallest reductions in GHG emissions were recorded in 1 country in group B, 4 countries in group C. The smallest decreases in Exposure to PM 2.5 were recorded in 3 countries in group A, 1 country in group B, 1 country in group C.

Conclusions

GPP implementation in the EU countries is a beneficial process from the perspective of environmental effects. Given that the actual implementation of the process is difficult and costly, this process is not fully implemented in any of the European countries. As a result, no statistically substantiated conclusions can be drawn regarding the correlation between GPP process and overall pollution. However, these correlations can be sensed and highlighted by observations of the evolution of the environmental indicators.

Research in the field of GPP should continue in the direction of identifying measures to facilitate the effective implementation of GPP and to highlight the correlation between them and the quality of life, which could eliminate the apprehensions about the costs incurred by implementation.

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