



Public Procurement as a Policy Tool for Environmental Sustainability and Green Jobs

High potential sectors for Green Jobs

Public authorities
=
“Lead clients”



- Mobility: mass transportation
- Energy I: efficiency in buildings, industry, transport
- Energy II: renewable sources (sun, wind, thermal, water, ...)
- Waste management: reduction, re-use and recycling
- Sustainable agriculture and forestry
- Environmental services

About Green Public Procurement (GPP)

Every year public authorities in Europe spend

17% of the EU GDP approx 2 000 000 0000 €
(and close to 25% in many developing countries)

to buy all sorts of products necessary to provide essential public services (education, health, transport, waste management,.....)

This is **tax payers money** and has huge **buying power** with **impact** on

- **environment**
- **enterprises**
- **jobs**



About Green Public Procurement (GPP)

Benefits of GPP

Reduces the ecological footprint

Creates markets for green products & jobs

Drives eco-innovation and competitiveness

Meets citizens' expectations

Saves money throughout the life-cycle of products/services



Examples of success stories

Stockholm city council

Procurement of the world's first green ambulance through suppliers' engagement

Challenge:

Supplier involvement

Cost implications

Opportunities:

Green innovation

Multiplier effects and new markets



Examples of success stories

Ljubljana Housing Fund

Life cycle costing in social housing renovation

Challenges:

Energy-inefficient social housing

High energy costs for poor people

Lack of expertise in GPP procedures

Difficulty to set criteria / make choice between multi-criteria o

Financial constraints – need to chose the incomplete passive

Opportunities:

Lower CO2 emissions, higher energy efficiency

Lower operational and maintenance costs

Job creation for green building sector and sub-sectors

Stimulation for innovation in the local building sector

Potential for replication in the rest of Slovenia



Examples of success stories

Vienna municipality

13,000 tons of CO₂ emissions and 40 millions € saved through purchase of green electricity, water saving devices in public buildings and organic food!



Examples of success stories

Municipality of Avigliana, Italy

“Buy green award” for tender of cleaning services

Challenge:

- Creating new criteria for tendering including environmental elements, monitoring of quality of service
- Training personnel (health risks, protective equipment, use and dosage)

Opportunities

- Stimulation of demand for green products
- “Premium” to especially innovative/green enterprises

Examples of success stories

France

Sustainable uniform sweaters for the French Navy

Challenges

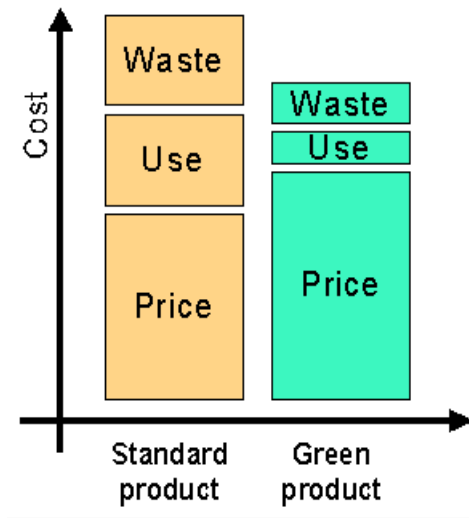
- Health, environmental and social issues around the clothing sector
- Establishment of criteria and sub-criterial: “sustainable development” weighted 20% of the overall score for determining the most economically advantageous bid; toxicity of products and environmental management of the value chain
- Contract condition on compliance by the contractor and subcontractors with 8 core Conventions of the ILO

Opportunities

- Overall expenditure of €170 million for clothing 240,000 people in the Navy each year
- Strong market signal for sustainable clothing producers
- Job creation

Life Cycle Costing (LCC)

- A **methodology** for the systematic economic evaluation of life cycle costs over a period of analysis, as defined in the agreed scope' (BS ISO 15686-5, 3.1.1.8)



- It means comparing not just the initial **purchase price** of a product, but all future costs as well:
 - ✓ **Usage costs** (energy/water consumption, consumables such as ink or paper)
 - ✓ **Maintenance costs**
 - ✓ **Disposal costs/resale value**

Joint Purchasing

- Means consolidating the procurement requirements of two or more CAs
- Only one tender published by a specialised CA on behalf of all other allied CAs
- Benefits:
 - ✓ Lower prices (economies of scale)
 - ✓ Standardisation of green demand
 - ✓ Reduced administrative cost
 - ✓ Best use of available skills and expertise



The EC GPP Common Criteria

Importance of **engaging the market** and ensuring its **readiness** to meet your environmental requirements !



In summary

GPP:



- reduces your ecological footprint
- boost eco-innovation and creates green jobs
- has a policy and legal ground
- does not need environmental expertise
- ...helps saving money with a life-cycle thinking approach!

GPP toolkit:

http://ec.europa.eu/environment/gpp/toolkit_en.htm

More info:

- <http://ec.europa.eu/environment/gpp>
- <http://www.itcilo.org/gpp>

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