## **NETHERLANDS**

## 1. Country overview

Public procurement in the Netherlands is relatively de-centralised among the central government, the provinces and municipalities. The Ministry of Economic Affairs has the primary responsibility over procurement policy, but various other ministries are involved in strategic public procurement, notably the Ministry of Infrastructure and Environment, which has a leading role on GPP policy. Furthermore, the Public Procurement Expertise Centre (PIANOo), a network of procurement experts, was set up to support contracting authorities with guidance, training and exchange of best practices. PIANOo is well known and active at European level in sharing knowledge and best practice on procurement-related subjects.

The Netherlands is very advanced in strategic public procurement, particularly in GPP. It reached the ambitious targets of a 100% of GPP by 2010 for the central government<sup>5</sup> and subsequently set the target of 100% by 2015 by for public authorities<sup>1</sup>. Efforts in PPI have been ongoing since the mid-2000s, whereas social considerations have been included only more recently as part of the sustainable procurement policy.

## 2. Legal framework of strategic public procurement

The Dutch procurement system is governed by the Public Procurement Decree (PPD) and a legally binding Proportionality Guide. The Proportionality Guide helps contracting authorities in ensuring that requirements in a public contract are proportionate to the object of a given contract. The regulatory framework for GPP is based on a political commitment set out in the parliamentary motion Koopmans/De Krom of 2005, which calls for the "inclusion of sustainability as an important criterion in 100% of government purchases and investments by 2010 at the latest."<sup>2</sup>

Furthermore, the Clean Vehicles Directive (2009/33/EC) was transposed by the Regulation of the Minister of Infrastructure and the Environment on May 23, 2011 laying down rules to promote the purchase of clean and energy efficient vehicles<sup>3</sup>.

Also, the provisions of the Energy Efficiency Directive (2012/27/EU) are entailed in the Amendments to the Act implementing EU directives energy efficiency, the Electricity Act 1998, the Gas Act and the Heat in connection with the implementation of Directive 2012/27/EU on energy efficiency<sup>4</sup>.

#### 3. Policy and institutional framework for GPP, SRPP and PPI

The Netherlands has been developing various policies in the field of strategic public procurement for over a decade and several institutions are involved in the process. The Ministry of Infrastructure and Environment leads the policy on sustainable public procurement. The Department for Public Works within the Ministry of Infrastructure and Environment (Rijkswaterstaat) further takes an important role both in sustainable and innovation procurement, as it has developed its own methodology and policy (see Flagship initiatives box). The Ministry of Social Affairs and Employment as well as the Ministry for Development Cooperation contribute to the development of SRPP. The Ministry of Economic Affairs, in addition to leading overall procurement policy, is active on PPI. The Netherlands Enterprise Agency (RVO) under the Ministry of Economic Affairs also plays a role in procurement for innovation. Not least, PIANOo contributes to strategic public procurement through capacity building activities for contracting authorities, such as running the PIANOo helpdesk, providing guidance, and exchanging good practices.

1

**GPP**. The Netherlands has been at the forefront of GPP policy since 2005, when the political commitment was taken to procure only sustainably by 2010 for central government entities. The initial focus of GPP policy was on the development of a comprehensive library of environmental criteria for initially 80 product groups covering the bulk of government procurement. During the course of policy implementation, the criteria were refined and the product groups reduced to 45 with the greatest environmental impact<sup>5</sup>.

Sustainable procurement is now broadly defined and includes circular purchasing, bio-based procurement, innovation-driven procurement as well as social criteria. The overarching objective can be thus be considered "contributing to the realisation of a sustainable society, where sustainability can be defined as People - Profit - Planet"<sup>21</sup>.

PIANOo provides comprehensive information and tools for the implementation of the sustainability criteria. The product groups are ground into six main clusters, as summarised in Table 1<sup>6</sup>. After a first monitoring exercise of the Dutch GPP programme in 2010, the Sustainable Procurement Advice of 2011 drafted by various procurement stakeholders gave input for a renewed direction of sustainable procurement policy<sup>7</sup>.

The Table 1 below summarises the product groups for which GPP criteria have been developed. The product groups are categorised in seven clusters.

**Table 1: Product groups** 

Product clusters for GPP criteria
<ul> <li>Automation and telecommunications</li> </ul>
Energy
Ground, road and hydraulic engineering
Office buildings
Office facilities and services
Transport

Source: PIANOo website6

The Dutch sustainable procurement policy has set ambitious targets from its onset for all categories of public buyers, as summarised in Table 2 below. However, it must be noted that these targets are currently under discussion. Indications for new targets are presented in PIANOo's Plan for Socially Responsible Procurement 2015-2020<sup>8</sup>.

**Table 2: GPP Targets** 

GPP Targets	2010	2015
Central government	100%	100%
Provinces	50%	100%
Municipalities	75%	100%
District waterboards	50%	100%

Source: Ministerie van Infrastructuur en Milieu, Handleiding duurzaam inkopen<sup>9</sup>; OECD (2014) Going Green<sup>1</sup>

**SRPP**. Since 2012, social criteria ('social conditions') have been included as part of the wider sustainable procurement policy. Starting 2013, all tender contracts from the central government that are above EU threshold should include mandatory social conditions. These social conditions are horizontal, meaning that they apply to all product groups. They are divided into "generic" and "additional" social conditions<sup>10</sup>. The generic conditions apply to all product groups, while the additional ones are required only for those products summarised in Table 3.

The core ILO standards, i.e. freedom of association and the right to organise, the abolition of forced and child labour, the elimination of discrimination and respect for

human rights, form the basis for the "generic" social conditions. The "additional" social criteria include working hours, health and safety at the workplace and adequate wage<sup>11</sup>. Furthermore, the Dutch central government is requiring a commitment from suppliers to respect international labour standards, including the abolition of starvation wages and child labour. To honour this commitment, suppliers can take part in a socially responsible supply chain, declare that no issues are foreseen (provided that labour laws are respected in the country in question) or make a "reasonable effort" to make sure that the standards are respected<sup>12</sup>.

Table 3: SRPP product groups

## Product groups subject to "additional" SPRR criteria

- Coffee and tea
- Cocoa
- Textiles
- Flowers

Source: Ministerie van Binnenlandse Zaken en Koninkrijksrelaties<sup>11</sup>

**PPI**. Attention to the topic of innovation procurement started in the mid-2000s with a parliamentary motion calling for an action plan for the government to act as a "launching customer in innovation"<sup>13</sup>. In 2011, a target for innovation-oriented procurement was defined at 2.5% of total procurement budget or approximately EUR 60 billion<sup>14</sup>. The programme Innovation Procurement Urgent was devised in 2013 comprising several tools for achieving the target of innovation-oriented procurement, such as the creation of an online platform for market innovation as well as networking meetings. Notably, the Innovation Procurement Urgent programme foresees the selection of 20 projects concerning at least one stage of procurement within eight flagship themes that have been identified<sup>14</sup>.

The Netherlands started the Small Business Innovation Research (SBIR) programme in 2005, which is run by the RVO. The SBIR programme is based on a longstanding U.S. initiative aimed at fostering procurement-induced innovation. SBIR mainly focuses on SME participation in public procurement in order to address societal challenges with innovative solutions. Starting out with a budget of EUR 1.1 million the programme was continuously expanded reaching EUR 26.3 million in 2010<sup>15</sup>.

Furthermore, Rijkswaterstaat recently introduced its own Strategy for Innovation-oriented purchasing (*Beleidskader innovatiegericht inkopen*), which aims at supporting its programmes and projects with introduction of innovation in the procurement processes by better engaging with market actors, removing existing barriers, and thus contribute to the overall target for innovation procurement<sup>16</sup>.

The Dutch PPI policy sets the following target for expenditure dedicated to innovation out of total procurement expenditure (Table 4).

**Table 4: PPI target** 

#### **PPI Target**

**2.5%** innovation-oriented procurement of total procurement budget

Source: Ministerie van Economische Zaken (2013)<sup>14</sup>

## 4. Practices of strategic public procurement

The practice of strategic public procurement is supported by a number of tools and guidance materials that are available to contracting authorities. The main tool for strategic public procurement in the Netherlands is the vast library of easy-to-use product specific criteria. These criteria have allowed a strong uptake of GPP within few years by virtually all government contracting authorities.

Additionally, PIANOo is specialised in supporting contracting authorities with procurement-related topics including GPP, SRPP and innovation. Among some of the specific support tools and services, PIANOo provides a Helpdesk, a network-site to inform about instruments for GPP, a checklist for procurers, a handbook on GPP, as well as a step-by-step manual on sustainable procurement. A manual on SRPP is available for procurers, too.

A number of tools and guidance is available to contracting authorities in order to implement SRPP criteria. The Manual for Social Conditions published by the Ministry of the Interior and Kingdom Relations contains practical advice on how to get started with SRPP<sup>10</sup>. Also the "CSR risk check"<sup>17</sup> provides information on social standards of a particular product or region. The "Toolkit for Child-Labour-Free Procurement" supports public bodies in applying social conditions<sup>18</sup>. Moreover, the Manual for Social Conditions encourages contracting authorities to familiarise themselves with risks related to social standards through NGOs or similar sources. The supplier may also be asked to provide a strategy to mitigate risks stemming from non-compliance with social standards<sup>10</sup>.

In the domain of PPI, some specific instruments have been developed, too. "Market innovation" is an online platform aimed at connecting suppliers and contracting authorities. Through this platform the government can indicate its needs to suppliers, while the private sector can showcase its offer. Furthermore, an online Toolkit contains 10 tools for fostering innovation procurement<sup>14</sup>.

In addition to the policy set at government level, the Rijkswaterstaat has developed a notable approach for GPP policy in the construction sector, which is described in detail in the box below.

## Flagship Initiatives

# Rijkswaterstaat: Methodology for assessing sustainability of infrastructure projects<sup>1</sup>

In an effort to maximise the innovation and sustainability character of public procurement of public works, Rijkswaterstaat has developed a methodology that includes performance-based tender and 'Most Economically Advantageous Tender (MEAT)'. In a nutshell, Rijkswaterstaat assesses tenders based on quality and price, whereby quality elements are monetised and subtracted from the quoted price. The tenderer with the resulting 'lowest price' wins the contract.

Two criteria are particularly relevant for sustainability of public works and have been the focus of Rijkswaterstaat, namely CO2 emissions and overall environmental impact. To assess these two factors, two specific tools have been implemented, i.e. the CO2 performance ladder and the software called DuboCalc. The CO2 performance ladder is a certification that bidders can obtain, whereby they commit to take action for reducing their CO2 emissions on a scale of five rungs. Greater ambition in reduction of CO2 emission results in a larger subtraction from the bidder's submitted offer. Similarly, DuboCalc is a tool for calculating the sustainability of materials based on their entire life cycle. DuboCalc generates an Environmental Cost Indicator value, which is monetised according to a formula provided by the tenderer. By using DuboCalc contractors can test alternative designs in order to find the most sustainable option.

## Most commonly used criteria

Strategic policy goals are usually reflected in tender documents using contract specifications, selection and award criteria or functional requirements. The analysis conducted on 2013 TED database in the framework of the current study consisted in identifying strategic public procurement procedures thanks to a key word search within the information provided in contract award notices and contract notices, in particular in the description of the award criteria. The present section aims at highlighting the most

common key terms found during this search as they might correspond to the most frequently used criteria or concepts of strategic public procurement in the Netherlands.

The concepts of sustainability, sustainable development and greening are very widespread among Dutch public policy and public procurement in general and represented 21% of the key word results in the 2013 TED data. References to environmental performance or waste are also quite common. In fact, sustainable procurement has been a priority theme for about a decade in the Netherlands and this is reflected in the TED data analysis.

In terms of concrete criteria, which are usually used by contracting authorities, certifications play an important role in the field of GPP. Indeed, they constitute a practical and easy way to implement GPP and allow for the application of objective and recognised standards at national and international level (e.g. thanks to the ISO standards ISO 140001 and ISO 50001 on environmental and energy management). Incidentally, PIANOo is conducting work on developing a new ISO standard on sustainable public procurement denoting the relevance of such standardised approaches for GPP.

Figure 1: Most common search terms for GPP

Search Term	No.	Share
duurzaam_duurzaamheid_durzaamheid_durzaam	215	21%
prestatie	152	15%
afval	129	13%
groen	82	8%
certificatie_keurmerk	81	8%
CO2_Koolstofdioxide	77	8%
ISO 14001_ISO 50001	68	7%
milieubeheer	57	6%

Source: Analysis of 2013 TED data.

In terms of SRPP, the 2013 TED data analysis reveals a very strong focus on equal opportunity and gender equality with more than half of key words hits in this field. Contracting authorities also seem to pay a particular attention to corporate social responsibility aspects in public procurement and to the integration of the disabled and vulnerable people. Not least, the respect of basic working conditions and social norms is also often mentioned. Given that social clauses are mandatory for contracts above EU thresholds launched by the central government, a higher incidence of key word hits linked to these social conditions could have been expected.

Figure 2: Most common search terms for SRPP

Search Term	No.	Share
gelijke kansen_gelijke kansen_gelijkheid_gelijke behandeling_genderbalans_genderevenwicht	366	61%
maatschappelijk verantwoord_maatschappelijk verantwoordelijkheid	51	8%
Maatschappelijk verantwoord ondernemen	50	8%
werkgelegenheid	35	6%
handicap_achtergesteld_nadeel	28	5%
arbeidsvoorwaarden	16	3%
sociale norm	13	2%

Source: Analysis of 2013 TED data.

The most commonly used key terms for PPI do not provide precise insight on the most widely used criteria. This is partly linked to the fact that the support of innovation through public procurement is not easy to capture. Furthermore, it must be noted that PPI can also be implemented through need assessments and functional requirements, which may not be identified by the key words search. Pilot project and prototype occur relatively frequently (16%), possibly highlighting the relevance of ongoing pilot initiatives in the field of PPI. Also, it should be noted that the competitive dialogue procedure is mentioned explicitly in a notable number of cases.

Figure 3: Most common search terms for PPI

Search Term	No.	Share
innovatie_innovatief_innovatieve oplossing	52	51%
geautomatiseerd_automatisering_levenscycluskosten	25	25%
prototype_proefmodel_pilot_proefproject	14	14%
concurrentiegerichte dialoog	9	9%
onderzoek en ontwikkeling	2	2%

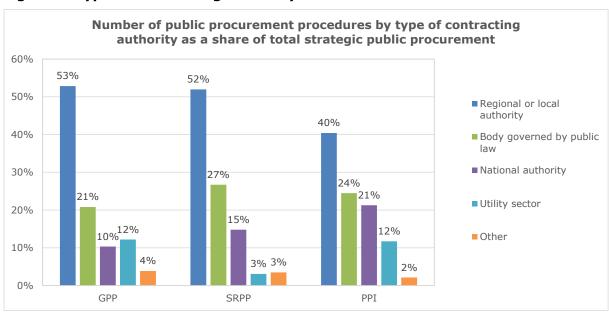
Source: Analysis of 2013 TED data.

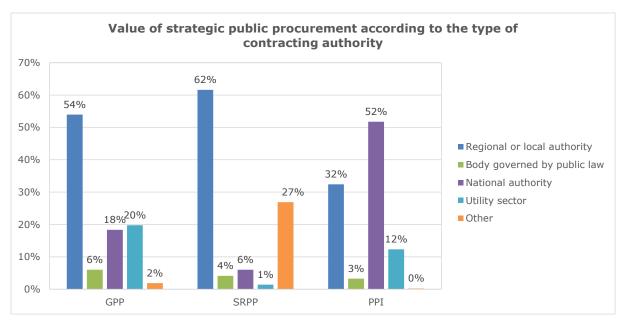
## Type of contracting authorities

According to the 2013 TED analysis, regional and local authorities are clearly leading the field of strategic public procurement in terms of number of strategic procedures carried out. Bodies governed by public law come in second place in all fields of strategic public procurement in terms of number of procedures carried out, but are much less significant in their monetary expenditure of GPP/SRPP/PPI.

Surprisingly, national authorities play a modest role in terms of number of strategic public procurement procedures in all three fields. On the other hand, in monetary terms their role is more significant. Expenditure on GPP by national authorities accounts for close to 18%, while SRPP expenditure only amounts to less than 10%. On the other hand, national authorities carry out the largest share of PPI in monetary terms (52%). Even though overall procurement expenditure is fairly decentralised in the Netherlands, one could have expected a larger share of GPP and SRPP expenditure being carried out by national authorities given their longstanding involvement with GPP and SRPP policies.

Figure 4: Type of Contracting Authority





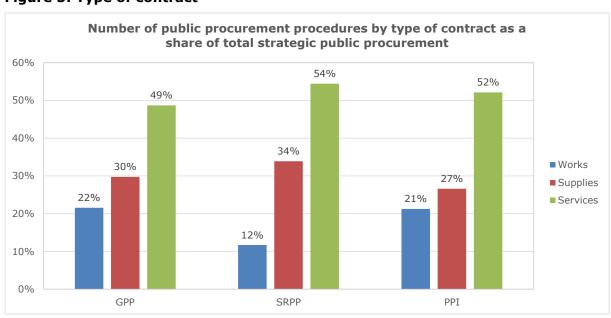
Source: Analysis of 2013 TED data.

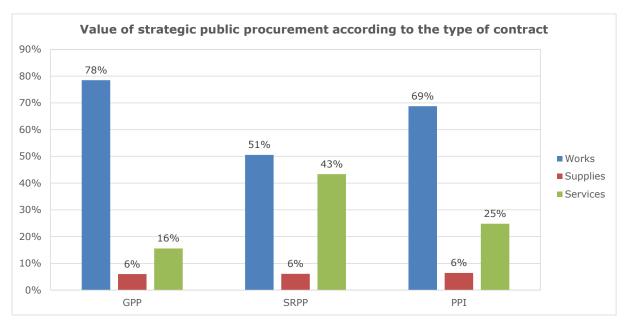
## Type of contract

According to the 2013 TED data analysis, the type of contract most affected by strategic public procurement in the Netherlands relates clearly to services. As per the tendency at EU level, services contracts account for the plurality of contracts in all three categories of strategic public procurement, and works play the smallest role.

However, when it comes to analyse the value of strategic public procurement procedures, works largely dominate the field in GPP, SRPP and PPI. This confirms that works contracts are usually much higher in value as compared to supplies and services, and shows that they are particularly significant in terms of their environmental, social and innovation impact in the Netherlands. Also it reflects the efforts by the Rijkswaterstaat in engraining GPP and PPI in its procurement processes.

Figure 5: Type of contract





Source: Analysis of 2013 TED data.

## Type of procedure

In terms of the type of procedure used, strategic public procurement procedures published in TED in 2013 match the overall tendency in European public procurement, in that a strong majority is being conducted through open procedures. Indeed, they represent the vast majority of procedures used, respectively 76% for GPP, 84% for SRPP, and 70% for PPI. Restricted procedures come second with 22% of GPP procedures, 14% for SRPP and 19% for PPI. In addition, it should be noted that the share of competitive dialogue procedures is slightly higher for PPI representing 6% of procedures.

Number of public procurement procedures by type of procedure as a share of total strategic public procurement 90% 84% 80% 76% 70% Open 70% ■ Negotiated, with 60% publication ■ Negotiated, without 50% publication Restricted 40% ■ Competitive dialogue 30% 22% 19% Accelerated procedures 20% 14% 10% 1% 3% 0%2% 0%1% 0%0% 0%0% 0% GPP SRPP PPI

Figure 6: Type of procedure

Source: Analysis of 2013 TED data.

#### Incidence of EU co-funding

According to the TED data analysis, the vast majority of strategic public procurement launched in 2013 were not co-funded by an EU fund in the Netherlands. Indeed, the share of strategic procurement procedures co-funded by EU funds corresponds to 1% of GPP and 1% of SRPP procedures.

This indicates that there is no relationship between the use of strategic procurement and the involvement of EU funding. However, EU funds might play a role in fostering the uptake of PPI, where the share of EU co-funded procedures is slightly higher (5%).

Number of public procurement procedures co-funded by European Union funds as a share of total strategic public procurement 99% 99% 95% 100% 90% 80% 70% Financed by EU funds 60% ■ Not financed 50% by EU funds 40% 30% 20% 10% 5% 1% 1 % 0% SRPP GPP PPI

Figure 7: Co-funding by EU funds

Source: Analysis of 2013 TED data.

## Main sectors of strategic public procurement

To identify the sectors most affected by strategic public procurement for the purpose of the present study, the TED data has been analysed through two specific fields: the main activity of the contracting authorities and the main business sectors (CPV divisions). However, the detailed analysis of CPV divisions at national level is not presented here due to the lack of country-specific tendencies compared to the trends presented in the core report of the study.

The cross-analysis of GPP, SRPP and PPI procurement procedures with the main activity of the contracting authorities reveals that the leading activity is the one that applies to the vast majority of public bodies, namely "general services". If we do not consider the "other" category which does not allow for a particular analysis, the contracting authorities that mostly use strategic public procurement come from the education sector.

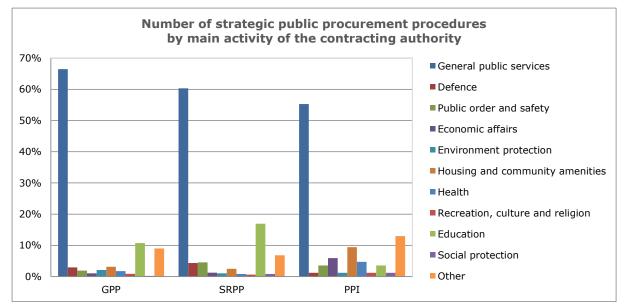


Figure 8: Main activity of the Contracting Authority

Source: Analysis of 2013 TED data.

## 5. Monitoring and evaluation of strategic public procurement

The Netherlands is currently re-designing its monitoring system after having implemented several approaches, which include a GPP monitoring study in  $2010^{19}$  and various policy evaluations, such as GPP evaluation in  $2013^{21}$  and SRPP evaluation in  $2014^{23}$  as well as an impact assessment of GPP criteria<sup>22</sup>. The central government monitors compliance of strategic public procurement in its own structures by addressing the question of whether the environmental and social criteria are included in tender documents. PPI is also monitored with a written survey to various ministries. In addition to the survey, telephone interviews and a desk research analysis of tender documents is conducted<sup>20</sup>.

At present, the Dutch authorities are developing a benchmark system that is scheduled to be active in summer 2016. The system is developed under the responsibility of the government. The new approach will consist in qualitative questions related to governance, organisation and procedures as well as a quantitative assessment. In terms of quantitative monitoring, the indicators have not been defined yet, but are likely to include impact indicators, e.g. CO2 footprint.

In addition, at local and regional level, there are localised initiatives that look into specific issues such as carbon emissions or energy transition as well as monitoring systems on labour and social returns.

## Monitoring results

The 2013 GPP policy evaluation provides a comprehensive assessment of GPP policy. As part of the evaluation, a number of contracting authorities were surveyed on their GPP practices resulting in the following observations<sup>21</sup>:

- 59% of respondents "always" included minimum GPP criteria
- 31% of respondents included minimum GPP criteria "in portion of procurement"
- 10% of respondents "never" included minimum GPP criteria

The estimation of the magnitude of strategic public procurement based on 2013 TED data confirms that there is a strong take up of strategic public procurement in the Netherlands. According to these results (see table below), GPP represented 25% of procurement procedures published in TED in 2013, SRPP 19% and PPI 4%. In terms of

monetary value, the share of strategic public procurement in total procurement published in TED is even higher: 32% for GPP, 32% for SRPP and 5% for PPI. The development of PPI is indeed more recent and can take diverse forms, which are more difficult to capture through the analysis of contract award notices and contract notices.

Even though lower than the results from national monitoring, the comparatively high levels of GPP uptake estimated by the TED data analysis appears to be consistent with the mandatory character of GPP for the central government as well as the overall tendencies of national monitoring.

Table 5: Estimated magnitude of strategic public procurement based on TED database

	GPP	SRPP	PPI
Share of procurement procedures in number	25%	19%	4%
Share of procurement procedures in value	32%	32%	5%

Source: Analysis of 2013 TED data.

## Key findings of policy evaluations

Strategic public procurement in the Netherlands is evaluated regularly, typically by external contractors. The evaluation reports are published online. Sustainable procurement has been evaluated most frequently, with evaluations published every two years in 2007, 2009, 2011 and 2013.

Notably, the 2013 evaluation commissioned by the Ministry of Infrastructure and Environment finds that the overall sustainable procurement policy is effective given that criteria are widely applied by contracting authorities and awareness has been raised over the course of the years. On the other hand, it is noted that there are no clear policy objectives since there have been many changes to the policy over the course of its implementation. According to the evaluation, demand for sustainable goods increased, yet GPP policy could be more ambitious in some areas in order to provide a greater market incentive for sustainable products. The effects on innovation of the GPP policy are not clear and cannot be assessed conclusively. Another positive outcome of the Dutch GPP policy is the international recognition in the field of sustainable procurement<sup>21</sup>.

In 2013, the National Institute for Public Health and Environment conducted an analysis of the impacts of environmental criteria concluding that overall criteria have a positive effect, yet this is true only for a limited number of them. The analysis is based on the comparison between procurement based on the Dutch GPP criteria vs. the offer on the market taking into account the government's market power. The environmental impacts considered are fourfold: avoidance of CO2 emissions; energy savings; avoidance of emissions of harmful substances; avoided use of resources. The study finds that CO2 emissions and emissions of other toxic substances have been positively affected by sustainable procurement. CO2 emissions have been mostly reduced by the minimum requirements set out for gas and electricity. On the other hand, about half of available environmental criteria are equally stringent as current industry standards. Thus, it appears that environmental criteria become "obsolete" very quickly and have therefore limited environmental benefits. A move towards award criteria that reward environmental performance is recommended<sup>22</sup>.

The 2014 evaluation of social criteria commissioned by the Ministry of the Interior holds that the implementation of SRPP policy is relatively complex and therefore has a negative impact on uptake. Suppliers and contracting authorities are reluctant to get involved and therefore uptake has been limited so far. Also social criteria may play a role during the selection phase of suppliers, but compliance with criteria is rarely checked during contract implementation. Nevertheless, the policy had a positive impact in raising awareness and fostering the uptake of social aspects in procurement<sup>23</sup>.

## 6. Analysis

## Strengths and best practices

One of the main strength of the Dutch approach was the strong commitment at political level that put sustainable procurement as a priority on the agenda. Thanks to this ambition, the Netherlands has positioned itself as a frontrunner in the field of strategic public procurement, and has collected considerable experience and expertise in policy implementation.

In fact, the Dutch policy for sustainable public procurement has undergone significant changes and adjustments over the course of its implementation. Thanks to an iterative approach, the policy could be continuously improved and feedback from stakeholders was taken into account. This approach allowed a strong uptake of GPP within a relatively short period of time. Furthermore, the learning and adaptation process is on-going, as the Netherlands has recently started discussions on its approach to strategic public procurement for the years 2015-2020<sup>8</sup>. Furthermore, attention is paid to practice by implementing pilot projects in specific areas and deriving lessons for wider policymaking. Also, greater consideration of the impacts of strategic public procurement is foreseen in the upcoming approach.

Constructive collaboration with the business sector is a key strength of the Dutch strategic public procurement policy. On the one hand, the policymaking process leaves room to business to voice its opinions and share its expertise, on the other hands business demands ambition from policymakers.

In order to implement strategic public procurement successfully, contracting authorities need to have easy-to-use tools and instruments at their disposal. PIANOo is specialised in supporting contracting authorities with its expertise. Furthermore, other support tools such as the CO2 performance ladder and the software DuboCalc facilitate the implementation of strategic public procurement.

#### Weaknesses and barriers

The Netherlands is in many aspects a frontrunner in strategic public procurement, nevertheless there are areas of improvement.

Its GPP approach currently focuses strongly on criteria, yet this has its limitations. Business has been particularly vocal in expressing these limitations, particularly in the early days of policy development. The Dutch approach can be primarily described as "means-oriented" as opposed to "goal-oriented". It therefore limits the private sector's ability to propose innovative sustainable solutions<sup>5</sup>. Another critical aspect is the low level of ambition with regards to some of the criteria implemented. These tend to be outdated after a short period of time and have thus limited environmental impact.

Another challenge with strategic public procurement is related to the risks arising from the lack of compliance with specific contract requirements. If compliance is not sufficiently monitored, suppliers may have an incentive to promise more than they can actually deliver.

Lastly, in the area of PPI there are barriers related to uncertainties regarding procurement legislation with respect to the engagement with the market. On the one hand, PPI is successful only if the contracting authority engages with market participants; on the other hand, public bodies are often still uncertain regarding the boundaries of market engagement set by procurement rules.

\_

<sup>&</sup>lt;sup>1</sup> OECD (2014) Going Green: Best Practices for Green Procurement

<sup>&</sup>lt;sup>2</sup> Parliamentary Paper 2004-2005 29800-XI no.130.

- <sup>3</sup> Regeling van de Staatssecretaris van Infrastructuur en Milieu van 23 mei 2011, nr. BJZ2011046373, houdende regels ter bevordering van de aanschaf van schone en energiezuinige wegvoertuigen (Regeling bevordering aankoop schone en energiezuinige wegvoertuigen), available at: https://zoek.officielebekendmakingen.nl/stcrt-2011-9372.pdf
- Wijziging van de Wet implementatie EU-richtlijnen energie-efficiëntie, de Elektriciteitswet 1998, de Gaswet en de Warmtewet in verband met de implementatie van richtlijn 2012/27/EU betreffende energie-efficiëntie, Available at: https://www.eerstekamer.nl/behandeling/20140407/voorstel van wet
- <sup>5</sup> Padding, Take (2011), "100%? Six years of sustainable procurement in the Netherlands", available at: https://www.pianoo.nl/sites/default/files/documents/documents/sixyearsofsustainableprocurementinthenetherlands.pdf
- <sup>6</sup> PIANOo website, available at: <a href="https://www.pianoo.nl/themas/maatschappelijk-verantwoord-inkopen-duurzaam-inkopen/productgroepen">https://www.pianoo.nl/themas/maatschappelijk-verantwoord-inkopen-duurzaam-inkopen/productgroepen</a>
- <sup>7</sup> Advies Duurzaam inkopen (2011), available at:
- $\frac{https://www.rijksoverheid.nl/binaries/rijksoverheid/documenten/kamerstukken/2011/06/24/kamerbrief-duurzaam-inkopen-23-6-20112--2/duurzaam-inkopen-brief-23-6-20112-2.pdf$
- <sup>8</sup> PIANOo (2015), *Plan van aanpak maatschappelijk verantwoord inkopen 2015-2020* (Plan for socially responsible procurement 2015-2020) Available at: <a href="https://www.pianoo.nl/sites/default/files/documents/documents/plan-van-aanpak-maatschappelijk-">https://www.pianoo.nl/sites/default/files/documents/documents/plan-van-aanpak-maatschappelijk-</a>
- verantwoord-inkopen-2015-2020-september2015.pdf

  <sup>9</sup> Ministerie van Infrastructuur en Milieu (Ministry of Infrastructure and the Environment) (2011), Handleiding duurzaam inkopen (Guide on sustainable procurement), available at:

  <a href="https://www.pianoo.nl/sites/default/files/documents/documents/handleidingduurzaaminkopen2011.pdf">https://www.pianoo.nl/sites/default/files/documents/documents/handleidingduurzaaminkopen2011.pdf</a>
- Ministerie van Binnenlandse Zaken en Koninkrijksrelaties (Ministry of the Interior and Kingdom Relations),
   Handleiding Sociale Voorwaarden (Manual on Social Conditions).
- <sup>11</sup> Ministerie van Binnenlandse Zaken en Koninkrijksrelaties (Ministry of the Interior and Kingdom Relations), *Factsheet Normen*
- 12 Rijksoverheid, available at:
- http://www.rijksoverheid.nl/onderwerpen/inkopen-door-het-rijk/maatschappelijk-verantwoord-inkopen-door-het-rijk/voldoen-aan-sociale-voorwaarden

  13 PIANOo, Overheid als launching customer Van best practice naar common practice, available at:
- <sup>13</sup> PIANOo, Overheid als launching customer Van best practice naar common practice, available at: <a href="https://www.pianoo.nl/sites/default/files/documents/documents/Overheid%20als%20launching%20customerf~">https://www.pianoo.nl/sites/default/files/documents/documents/Overheid%20als%20launching%20customerf~</a>
  1.pdf
- 1.pdf

  14 Ministerie van Economische Zaken (2013), Plan van aanpak : Programma Inkoop Innovatie Urgent: Een ondernemender houding van de overheid.
- <sup>15</sup> NL Agency, SBIR: The power of public procurement: innovative solutions to societal challenges, available at: <a href="http://www.rvo.nl/sites/default/files/bijlagen/SBIR%20the%20Power%20of%20public%20procurement.pdf">http://www.rvo.nl/sites/default/files/bijlagen/SBIR%20the%20Power%20of%20public%20procurement.pdf</a>
  <sup>16</sup> Rijkswaterstaat (2014), Beleidskader innovatiegericht inkopen.
- 17 MVO Risico Checker website, available at: http://www.mvorisicochecker.nl/nl
- <sup>18</sup> PIANOo website, available at:
- https://www.pianoo.nl/document/9175/toolkit-kinderarbeidvrij-inkopen-door-overheidsinstanties
- <sup>19</sup> KPMG (2011), 'Monitor duurzaam inkopen 2010' (Monitoring of sustainable procurement in 2010), available at: <a href="https://www.pianoo.nl/document/6601/monitor-duurzaam-inkopen-2010">https://www.pianoo.nl/document/6601/monitor-duurzaam-inkopen-2010</a>
- <sup>20</sup> European Research Area and Innovation Committee (ERAC) (2015), ERAC Opinion on Innovation Procurement <sup>21</sup> Ecorys (2013), 'Ex post beleidsevaluatie duurzaam inkopen' (Ex post evaluation report on sustainable procurement)
- procurement). <sup>22</sup> Rijksinstituut voor Volksgezondheid en Milieu, Ministerie van Volksgezondheid, Welzijn en Sport (National Institute for Public Health and Environment, Ministry of Health, Welfare and Sport) (2013), *Milieuwinst van Duurzaam Inkopen Een quich-scan van de minimumeisen* (Environmental benefits of sustainable procurement : Ouich a scan of the minimum requirements).
- <sup>23</sup> Berenschot (2014), Evaluatie Sociale Voorwaarden Rijksinkoopbeleid (Evaluation of Social Policy for Government Purchasing).