



Greening purchases by public authorities

In the EU, public authorities purchase 14-16 per cent of gross domestic product. Choosing products, such as office equipment or construction services, which are more environmentally friendly could have clear benefits. A recent study has investigated Green Public Procurement in Denmark, Finland and Sweden, and found that authorities are increasingly making greener purchases.

Green Public Procurement (GPP)¹ is an initiative to help society move towards a sustainable way of living. By including environmental criteria when making purchasing decisions, public authorities can lead the way in choosing greener alternatives and encourage the development of eco-friendly goods and services. For example, 2.8 million computers are purchased each year in the EU. If more energy-efficient versions were purchased, greenhouse gas emissions could be reduced by around 830,000 tonnes. Within the EU, the legal framework² for public procurement sets out how greener considerations can be implemented in public tenders. A 2008 communication³ adopted by the EC proposes that 50 per cent of all tendering procedures in the EU should be green by the year 2010.

The researchers assessed the level of inclusion of environmental criteria in public purchasing using the 'GPP-record' method. This 4-step evaluation included:

- collecting (335) calls for tender for products, services and works in Denmark, Finland and Sweden in 2003 and 2005
- recording the environmental criteria specified in the documents: for example a required product or service might have to fulfil underlying criteria found in EU eco-labels (certificates which officially recognise products as environmentally friendly)
- assessing the greenness of different products or services in tenders based on existing environmental criteria or eco-labels. For example, eco-labels are common for some products, such as paper products. But this is less so for some others, such as insurance services
- statistical analysis was carried out to compare the greenness of the selected tenders, taking into account the variation of the different product or service groups and the relative greenness of these product groups.

Overall, the study suggests that in 2003, the proportion of tenders containing environmental criteria was higher in Sweden and Denmark (60 per cent) compared with Finland (28 per cent). In 2005, this level rose in Sweden to 80 per cent, and in Finland to around 58 per cent, but the level in Denmark remained at 60 per cent. The researchers suggest Denmark already incorporated a high level of green calls in tenders in 2003, and guidelines (for example: www.hymonet.com and www.eku.nu) on using green criteria appear to have been promoted to a greater extent in Sweden and Finland by 2005.

In addition, the study distinguished between 'environmental criteria' and '*well-defined* environmental criteria'. Under the latter, the purchasing authority offers more specific information on how the environmental criteria must be fulfilled and verified. For example, including specific eco-labelling criteria, over a more general statement claiming that 'environmental aspects will be taken into account'. Only 60 per cent, 30 per cent and 40 per cent of tenders in Sweden, Denmark and Finland, respectively, used well-defined criteria in 2005.

A separate study was conducted in 2008 which developed a way of measuring GPP levels. GPP was assessed in seven Member States, including the Nordic countries, considered the best GPP performers in Europe. Of these countries, the UK ranked highest when considering green purchases as a total of procurement value. Austria ranked highest when considering green purchases as a total number of contracts. A means of measuring GPP's CO₂ and financial impact was also developed. To read the study, please see: http://ec.europa.eu/environment/gpp/study_en.htm

1 http://ec.europa.eu/environment/gpp/index_en.htm

2 http://ec.europa.eu/environment/gpp/eu_policy_framework_en.htm

3 <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52008DC0400:EN:NOT>

[Source: Nissinen, A., Parikka-Alhola, K, Rita, H. (2009). Environmental criteria in the public purchases above the EU threshold values by three Nordic countries, 2003 and 2005. *Ecological Economics*. 68:1838-1849.

Contact: ari.nissinen@ymparisto.fi

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