





Socially Responsible Public Procurement (SRPP)

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SRPP

Definition:

*"Socially responsible public procurement (SRPP) aims to address the impact on society of the goods, services and works purchased by the public sector. It recognises that public buyers are **not just interested in purchasing at the lowest price or best value for money**, but also in ensuring that procurement achieves **social benefits and prevents or mitigates adverse social impacts** during the performance of the contract".*

- Strategic procurement pillars to sustainable, professional PP:
 - Green
 - Circular
 - Procurement of innovation
 - SRPP

Defining strategic procurement objectives

- Political (LT) commitment
- Civil servant support




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Which are the key social and gender issues in SRPP?

- Secure jobs and employment;
- Ensure Fair wages;
- Ensure Safe working conditions;
- Apply Social protection;
- Ensure equality of opportunity and treatment for all women and men;
- Ensure Gender equality and non-discrimination in access to employment;
- Apply Social dialogue;
- Safeguarding of rights at work




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Applying social objectives via Public procurement

- Many ways to include specific social considerations in purchasing decisions:
 - Promoting fair employment opportunities and social inclusion (Employment opportunities, Gender equality, Social participation, Improved diversity policies, Up and reskilling opportunities for workers, ...) → **!!! Compliance with mandatory social and labour rules is not a choice**
 - Providing opportunities for social economy and social enterprises
 - Social economy: encompasses associations, foundations, cooperatives, mutual associations and social enterprises. Social enterprises are organisations that, irrespective of their legal form, combine entrepreneurial activity with a social purpose. Their main aim is to have a social impact, rather than maximise profit for owners or shareholders (https://ec.europa.eu/growth/sectors/social-economy_en.)
 - **Reserved Contracts:** art. 20 and 77 Dir. 2014/24/EU / Art. 38 and 94 Dir. 2014/25/EU
 - **Mandatory use of Lots:** Art. 46 Dir 2014/24/EU / Art. 65 Dir. 2014/25/EU
 - Promoting decent work (ILO) / Ensuring compliance with social and labour rights
 - Accessibility and design for all (UNCRPD)
 - Delivering High quality social, health, education and cultural services
 - Respecting Human rights and addressing ethical trade issues
 - ECJ, C-368/10 Comm. V. Kingdom of the Netherlands: Fair trade considerations can form part of procurement decisions




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Essential elements of a succesfull SRPP

- Putting SRPP on the (official agenda) → Political awareness & support
 - Highlight benefits and opportunities
 - Address challenges and concerns
- Defining Objectives
 - Identifying existing objectives → Needs assessment & Needs statement
 - Mapping procurement policies and activities → Planning procurement
- Stakeholder Consultation
 - Establish the baseline of social procurement → Market dialogue/Consultation
 - Gather feedback and expert insights → Possible use of **Prior Information Notice**
- Assessing Risks, Prioritising Contracts and Setting targets
- Integrating SRPP in Procurement Procedures and Policies
 - Support integration through communication (Procura+ network: <https://procuraplus.org/home/>)
- Monitoring and Reviewing Progress → Improving proposals




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Eu toolkits SRPP

EU Guide on SRPP: <https://ec.europa.eu/docsroom/documents/45767>






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European Commission

Procurement elements of a successful SRPP (1)


- Defining and Challenging Specifications in f (subject matters)

Subject-matter	Applicable rules	Example of SRPP approach
Supply of hospital uniforms (estimated EUR 300,000 value)	Directive 2014/24/EU (fully covered)	<ul style="list-style-type: none"> Exclusion and selection criteria to ensure ethical labour practices along the supply chain Award criteria include a reference to third-party labels certifying ethical production Contract clauses reinforce commitments and allow monitoring of supply chain Technical specifications require accessibility and disability inclusiveness
Care services for vulnerable youth (estimated EUR 1 million value)	Directive 2014/24/EU (light regime)	<ul style="list-style-type: none"> Preliminary market consultation to decide on the most effective way to deliver service Consultation with users and experts to identify needs of users, including on accessibility The contract may be reserved for public service mission organisations (Reserved contracts for social services) Award criteria focus on quality and social inclusion (e.g. prioritizing disability-inclusive characteristics and accessibility elements) Contract clauses may link payment to results, e.g. defined positive outcomes for youth
Public-private partnership (PPP) to develop an urban area including social housing and community services (estimated EUR 25 million value)	Directive 2014/23/EU (Concessions Directive)	<ul style="list-style-type: none"> Selection criteria include experience in delivering previous projects in a socially inclusive manner Technical specifications must include accessibility criteria for all buildings, public areas and amenities Contract clauses include recruitment and training of a certain number of disadvantaged workers

Table 4.1 Examples of SRPP approaches linked to the subject-matter of a contract.




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Central project management agency

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European Commission

Procurement elements of a successful SRPP (2)


- Prospection → Seek to engage the market: Questionnaires, Prior Information Notice (PIN), Gathering, Forward Procurement planning, ...
- Procurement approach
 - Use of lots: support SME's
 - Duration should support depreciation of new systems/methods
 - Choice of framework agreements & contracts
- Exclusion & Selection Criteria
 - Exclusion Grounds

Mandatory exclusion grounds ⁽¹³⁾	Discretionary exclusion grounds ⁽¹⁴⁾
Conviction by final judgment for child labour or other forms of trafficking in human beings.	Breach of obligations relating to the payment of taxes or social security contributions – demonstrated by any appropriate means
	Violation of applicable obligations under the social and environmental clause, i.e. environmental, social and labour law obligations set out in EU, national law, collective agreements or ILO core conventions
Breach of obligations relating to the payment of taxes or social security contributions – established by judicial or administrative decision having final and binding effect.	Grave professional misconduct which renders integrity questionable
	Significant or persistent deficiencies in the performance of a substantive requirement under a prior contract
	Serious misrepresentation or inability to submit supporting documents

Table 4.3 Exclusion grounds linked to SRPP




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Procurement elements of a successful SRPP (3)

- Exclusion & Selection Criteria
 - Exclusion Grounds
 - Selection Criteria
 - **Financial standing requirements** (e.g. turnover, profitability) which are limited to what is necessary to ensure that the bidder is capable of delivering the contract and do not restrict participation by social economy organisations, social enterprises, non-profits and community organisations;
 - Criteria requiring demonstrable specific **experience and expertise** of organisations and/or their teams in dealing with social issues relevant to your contract, e.g. accessibility, gender equality and non-discrimination;
 - **Technical capacity** to monitor labour practices along the supply chain, including management systems and partnerships with other organisations;
- Technical specifications (Accessibility Requirements/Collective Agreements)
- Award Procedure
 - Use of procedures allowing negotiation:
 - Competitive Procedure with Negotiation (Negotiated Procedure with publication)
 - Competitive dialogue
 - Innovation partnership

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Gender equality (GE) award criteria


As part of the award criteria for cardiac technicians in Germany, Hannover Medical School assigned the promotion of **GE/gender equality 5 points out of a total of 50 points awarded**. Bidders were requested to submit specific information on the promotion of equal opportunities. The GE criterion is included in 40 tenders/year for products and services.

Award criteria:

- Quality of methodology to ensure that **both women's and men's needs are met** in the delivery of the service.
- Gender balance within the team carrying out the work – **teams with a more equal gender balance will receive more marks.**
- Quality and quantity of **staff training to ensure gender equality** and non-discrimination in the delivery of the contract.

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Directive (EU) 2019/882 Accessibility Act

The European accessibility act covers products and services that have been identified as being **most important for persons with disabilities** while being most likely to have diverging accessibility requirements across EU countries



Focus on digital single market products & services

Obligation for Public authorities to respect the accessibility requirements when purchasing products or services covered by this Directive


Exemption from Directive:

- Micro-entreprises (<10 employees, annual turnover < €2 millions)
- Some services related to urban, suburban and regional transport

Entry into force
28th June 2025

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Directive (EU) 2019/882 Accessibility Act

Products:

- Consumer general purpose computer hardware systems (i.e. **computers, tablets, laptops**) and their operating systems (e.g. **Windows or MacOS**)
- self-service terminals (**ATMs, payment terminals, ticketing machines, check-in machines, etc...**)
- Consumer terminal equipment with interactive capability (**Smartphones, smart TVs,...**)
- **e-readers.**

Services:

- electronic communication services (**telephony services**)
- Services providing access to audio-visual media services (e.g. **websites or apps of TV channels** and video on demand platforms like **Netflix**)
- **Websites, mobile apps, electronic ticketing, real-time travel information of passenger transport services** (except urban, suburban and regional services):
- Interactive self-services terminals except those installed as integrated parts of vehicles
- **Consumer banking services**
- **E-books**
- **E-commerce** (i.e. websites or mobile applications in which companies sell their products or services online)
- **Emergency communication** with the single European emergency number **112**.

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Green public procurement (GPP)



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EU initiative on green public procurement (GPP)

- https://ec.europa.eu/environment/gpp/index_en.htm
- All about sustainable consumption and production
- Development of
 - Toolboxes
 - Selection and awarding criteria
 - Technical specifications
- Latest news
 - 16/02/2022: GPP criteria for road transport



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EU initiative on green public procurement (GPP)

- Importance of strategic view on public procurement
 - Helps integrate sustainability into procurement activities (over longer term), thus providing
 - Clear targets;
 - Responsibilities;
 - Continuous improvement;
- Core GPP:
 - Preliminary activities: building the case, gathering support, ...;
 - Management approach: set scope, strategy, monitoring, ...;




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Benefits of Green public procurement (GPP)

- **Meeting Green policy goals** on climate change, energy efficiency, air quality, ...;
- **Increasing financial efficiency;**
- **Enhancing organisational reputation;**
- **Reducing risk** of non-compliance with legislation
- **Encouraging innovation** and the development of competitive sustainable solutions in the region;




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PPI & PCP





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Use of concepts

- pre-commercial procurements (PCP)
 - when the challenge needs a consequent innovation, and that it's not close to market yet. R&D are still needed to de-risk and to compare and validate the pros and cons of different alternatives.
 - This tool is important to encourage innovation and in the meantime facilitates the orientation towards the development of new solutions corresponding to the needs of the public sector, and by the public sector (**Contracting authority is initiator call for solution**).
- public procurements of innovative solutions (PPI)
 - when the issue needs a solution which is almost or already on the market in small quantity but not fit for large scale deployment yet (**20% threshold**). It doesn't need either new Research and Development (R&D).
 - Therefore, public sector can act as an early adopter for innovative products and services that are new or just arriving on the market and that is helping in launching the product or service. It establishes a buyers group (**Contracting authority is lead buyer**), which will trigger industry to scale up and to offers on the market products which are with desired quality/price ratio, in a defined time.

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ESFIP

- **European Assistance For Innovation Procurement – EAFIP**
- is an initiative financed by the European Commission (DG CONNECT) for providing local assistance to public procurers for starting new innovation procurement and for promoting good practices and reinforcing the evidence base on completed innovation procurements.
- See <https://eafip.eu>




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Thank you for your attention!



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