Green public procurement of wood-based products

An industry perspective
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An industry perspective

- Green public procurement is a useful tool to prove that the EU pulp and paper industry is the example where competitiveness and sustainability can be combined.
- We provide you with the products you procure.
- The market rules and the customer is always right.
- But governments customers have two roles: the policy maker and the procurement officer. Governments are not a standard customer.
- GPP is developing rapidly and a potential powerful instrument.
- At the end of today we have a number of remarks and questions. The most important ones are the environmental and the legal basis.
Green Public Procurement for paper products is more than forest certification alone!

The different dimensions of GPP

- Policy dimension
- Legal dimension
- Market dimension
- Technical dimension
- The environmental dimension

CEPI: These dimensions need to be addressed together, in an integrated manner. We will address them today – and raise a number of questions.
Policy Dimension

- EU Directive 2004/18/EC
- EU Handbook “Buying Green”
- Forthcoming Communication on GPP in 2007
- National Public Procurement orientations and policies
- The political basis for targeting product groups.

CEPI: Unclarities in the EU legislation and differing national approaches create uncertainty for the economic operators

The legal dimension

Clarity on the legal boundaries? → Interpretation

Directives → Legal requirements → Interpretation

Buying Green → Action plans

EU Strategy and timing
Legal Dimension - questions

- Is it legal to include raw material requirements for paper products?
- Are requirements for forest certification compatible with the EU regulatory context and the Directive on public procurement?
- What are the rules governing the use of ecolabel criteria?
- Is it still Green public procurement to require for social criteria besides environmental criteria?
- Are the national implementation rules compatible with global trade provisions?
- Aren't the national implementation policies resulting in material discrimination?

CEPI: There still is a lot of unclarity and thin ice

Market Dimension

- Can differing approaches give some competitive advantage?
- How can marketing departments adapt if the rules are changing?
- How can the rules of the EU be perceived by international companies?
- Are there internal market issues?
- Are they WTO compatible?

CEPI: Public procurement options have to be assessed against their market implications
The market dimension - A level playing field for our materials in GPP?

End of life
- Wood
- Metals
- Concrete
- Plastics
- Stone
- Energy

Use of product
- ?

Production
- ?
- ?

Raw material extraction
- ?

Technical Dimension

Technical issues of concern for the paper industry:
- Do we need a harmonized set of environmental requirements?
- In case forest certification would be a valid requirement, should we have an harmonized assessment of forest certification schemes?
- How to clarify between recycling and recyclability and recycled content?
- How can the renewability of our products be recognized, compared to other raw materials?
- Are the same requirements applicable to all wood usages in public procurement? What about green energy from biomass?
- Are social criteria’s inclusion complying the Regulations, and, if so, how can they be addressed?

CEPI: We would like to further discuss
The environmental dimension

- What selection criteria are used to select products to be greened for GPP?
- Is it the most environmentally harmful products?
- Is it the most convenient products?
- Is it a combination?
- Is it the materials that have information available?
- Or is it the political priority that selects the products?

CEPI: There should be a logic in priorities!

Today’s programme

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Industry statements and closing remarks

- Today's seminar was about information sharing.
- We have touched upon the different dimensions.
- If we did a good job, you will have more questions than answers to bring home.
- This is a good thing. GPP is an issue and it's developing. It is also a national issue – settled in the different MS.
- As industry we have some closing remarks – food for thought!

The environmental policy

1. We would expect the Commission and MS to start greening public procurement from the perspective of the most environmental harmful products that are being sourced. Is this so?
2. We would expect the Commission and MS to acknowledge and promote renewable products over non-renewable products, as is now the case with energy-policy.
3. We see a need to maintain the level playing field for our materials:
   • The need for equal treatment among the different raw materials/resources.
   • The need for the same sustainability requirements for wood as a source for energy and wood as a source for paper products.
   • The need for equal treatment for paper production for paper coming from countries outside the EU.

4. We see a need for clarity on the legal boundaries of Green Public Procurement on the different legal issues
   • the use of social criteria,
   • Ecolabel schemes,
   • non product related criteria not related to the subject matter of the contract (e.g. forest certification and recycled content).
An EU approach

5. When the legal clarity is there, we see a need for a European approach to Green Public Procurement in the single European Market, above a large number of different national approaches. This applies to both:
   • The need for a balanced, fair and predictable treatment of forest certification schemes based on common EU criteria, in the fair competition we wish for.
   • The need for a European approach, with clear criteria for paper products, allowing for settling the differences between the various ecolabel schemes.

The way forward

1. We ask to acknowledge and promote renewable resources.
2. We ask the MS and the Commission to provide legal clarity.
3. We can provide knowledge and expertise on paper production, products and raw materials.
4. We are and will be involved in the different processes.
5. We are doing our homework on all dimensions.
6. We feel the need to discuss some important issues.
Thank you!