CEPI Open Seminar  
Green Public Procurement  
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“The European Commission’s work on GPP in relation to the forest-based sector”

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Definition of GPP

GPP = procedure beyond mandatory requirements in which environmental considerations are included in public contracts:

• technical specifications
• selection criteria
• award criteria
• contract performance clauses

compliant with public procurement legislation (Dir 2004/18)

Issues: Outcome or Intention? What « level » of « green »? LCA?
Why GPP?

Public procurement = 16 % of EU GDP
=> Greening could have huge benefits for
- Environment
- Economy purchasers - LCC
  Huge market for eco-technologies
- Political - Example setting!
- Forest-based sector: GPP can be influential in steering the market. However, more EU Member States need to introduce green procurement policies and their comparability be addressed as well as the approximation of forest certification as a proxy for legality.

Examples of GPP at work

Construction sector:
French HQE method (« Haute Qualité Environnementale ») =>
  buildings that use less water and energy and require less maintenance

Electrical appliance sector:
EU eco-label for light bulbs prescribes minimum life-span of 10 000 hours = a « green » technical specification
GPP – state of play

National Action Plans
- 8 drafts ➞ Cyprus, Denmark, France, Latvia, Malta, Poland, Sweden, UK
- Work on-going in 15 other Member States

EU targets for GPP
- Renewed Sustainable Development Strategy 2006 sets EU target for 2010
  ➞ average level of GPP should be at current level of best performing states
- EC to develop indicator ➞ "the value of "green" tenders as compared to the total value of public procurement"
- EC to develop methodology for calculating this indicator

GPP – state of play

Commission Communication 2007

GPP training tool-kit by end 2007

Strategic information

Life cycle cost information

Environmental criteria for priority products
GPP – state of play

- Food products - catering services
- Construction work and products
- Cleaning products and service
- Office equipment – ICT- paper
- Transport ….

NB Eco-labelling criteria can be cut/pasted into tender documents

- If established through stakeholder consultation, on scientific basis, non-discriminatory
- If relevant for purchased product

The EU FLEGT Action Plan

The EU FLEGT Action Plan sets out supply- and demand-side measures to combat illegal logging and its associated trade.

- The plan proposes supply-side measures (development co-operation & trade) with wood-producing countries that include:
  - Development co-operation and governance reform
  - Measures to limit illegal timber harvesting & related trade

(These measures would ideally be within Partnership Agreements)

- Demand-side measures include:
  - Green public procurement
  - Private sector initiatives
  - Financing and investment
EU & MS Green Public Procurement Policies (GPPPs) for timber:
Internationally, there is a WTO Government Procurement Agreement, but only 37 signatories and no jurisprudence. The GPA will be revised by the end of 2006; China will join in 2007.
EU PPP Directives were originally designed for other things (fitness for use value for money, fairness etc.) but have had sustainability added during their revision (2004). Even so at EU level there are only very specific circumstances under which sustainability (environmental let alone social criteria) can be invoked; still less legality. So the scope for these is limited: Technical specifications; Selection criteria; Award criteria; Contract performance clauses
We should also recall that: timber products are relatively small parts of the overall markets to which EU PPP Directives apply. Nonetheless, they could be catalytic in encouraging EU private sector contracting authorities, as well as FLEGT VPA partners, to require/produce legal timber.

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Directives, by definition, permit variance at Member State (MS) level and/but leave the Commission with little scope of initiative vis-à-vis co-ordination of national implementing schemes.
Therefore, MS and Commission need to proceed on a voluntary, good-will basis, as indicated inter alia in Key Action 17 of the EU Forest Action Programme, taking into account the needs of other affected parties, viz. EU and other industries.
As a first step, an information exchange meeting between MS GPPP authorities, industries and the Commission was held on 12/10/2006.
This allowed all affected parties (MS and industry) to make clear their positions and views on PPP and so increase each other’s understanding and transparency in the field of GPPP as applied to forest products. It was also possible to have an initial exchange of ideas as to possible solutions areas.

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Now that the Commission services are aware of those positions, views and ideas, they will discuss them both internally (esp. between DGs AGRI, ENV, ENTR, TRADE and MARKT) - helping to form the Commission’s view of this issue, and then together with MS authorities.

Normally, both EC and MS should seek to take into account of the views of stakeholders and other interested parties (ENGOs, consumers, etc.) in trying to identify possible solutions to existing difficulties and to preclude potential ones, bearing in mind both internal market and international trade aspects (in particular FLEGT VPAs).

In this process, further meetings will be held as necessary.

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**EU Action Plan for Forest Law Enforcement, Governance and Trade**

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Merci! Dank U! Thank you!

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