



Opportunities and approaches for Sustainable Public Procurement

A reference for public procurement practitioners and policy makers



Foreword

As Minister of State with responsibility for public procurement, I welcome the publication of this reference, which outlines the opportunities and possible approaches that can be taken for Sustainable Public Procurement, I know that this reference will be a valuable resource for those involved in public procurement and for those considering utilising public procurement to help implement sustainability policies. Sustainable Public Procurement aims to benefit society and avoid damaging the environment. Promoting procurement practices that are sustainable is one of the targets of United Nations Sustainable Development Goal 12: Ensure sustainable consumption and production patterns.



Leading on sustainability is central to the Programme for Government and a number of key Government strategies and action plans, as well as Ireland's commitment to the achievement of the United Nations Sustainable Development Agenda by 2030.

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Summary

In 2018, the Office of Government Procurement published an Information Note on Social Considerations in Public Procurement. Since then, national, European Union, and international policies have placed far greater emphasis on sustainability — including Sustainable Public Procurement. Information about Sustainable Public Procurement, however, is fragmented. The Office of Government Procurement has, therefore, produced this comprehensive reference resource for Sustainable Public Procurement in Ireland. This reference is intended to be of use to procurement practitioners and budget-holders in the public-sector, as well as to policy developers interested in how public procurement can be used strategically to address key sustainability policy objectives.

This reference initially explains key concepts in Sustainable Public Procurement – including Green, Circular, and Socially Responsible Public Procurement. It provides the national, European Union, and international policy context for Sustainable Public Procurement. It explains how sustainability can be integrated into procurement while aligning with the European Union Procurement Directives. It brings together national, European Union, and international guidance, sustainable procurement criteria, and sustainable procurement tools and case studies. It then shows how sustainable considerations can be integrated into planning procurement, the procurement process itself, and monitoring of and reporting on procurement within public bodies.

This reference is extensively hyperlinked, allowing the reader to obtain more information about areas of interest. As Sustainable Public Procurement is a rapidly developing area, aspects will become out of date. For this reason, we will review and publish an amended, updated, version of this reference annually.

Examples of Sustainable Public Procurement approaches have been provided for indicative purposes only, and the hyperlinks should be followed to appreciate their context. Incorporating sustainability considerations into any procurement should be considered on a case-by-case basis, and public buyers may wish to consider obtaining legal advice.

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As highlighted in Chapter 4 of this reference, extensive national, European Union, and international guidance already exists regarding different aspects of Green, Circular, and Socially Responsible Public Procurement. Some of this is targeted to specific sustainability issues, such as embodied carbon or accessibility; or to specific sectors, such as construction, or textiles, or food and catering. Readers are encouraged to follow the hyperlinks to such guidance, where relevant to their policies, concerns, or areas of procurement. This reference is not intended to act as a replacement to such existing guidance.

Tables in the Appendices are intended to facilitate the reader to rapidly find sections within Chapters 2 (policy) and 4 (guidance) that are relevant to specific sustainability concerns or to specific procurement categories.

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1. Sustainable Public Procurement

1.1 Introduction

Public procurement refers to the process by which public authorities, such as government departments or local authorities, purchase goods, services, or works from economic operators (European Commission: Internal Market, Industry, Entrepreneurship and SMEs).

The United Nations (UN) defines **Sustainable Public Procurement (SPP)** as a 'process whereby public organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life-cycle basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst significantly reducing negative impacts on the environment' (<u>UN Environment 2017</u>). Thus, both environmental and social considerations are included in the term 'sustainable public procurement'. The European Union (EU) also considers that SPP involves including both environmental and social criteria in purchasing decisions (European Commission 2016).

Green Public Procurement (GPP) is defined in the European Commission's Communication (COM (2008) 400) *Public procurement for a better environment* as 'a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured'.

Circular public procurement is described in <u>Public Procurement for a Circular Economy – good practice and guidance</u> as an approach to greening procurement that recognises the role that public authorities can play in supporting the transition towards a circular economy. 'Circular procurement can be defined as the process by which public authorities purchase works, goods or services that seek to contribute to closed energy and material loops within supply chains, whilst minimising, and in the best case avoiding, negative environmental impacts and waste creation across their whole life-cycle.'

Socially Responsible Public Procurement (SRPP) is about achieving positive social outcomes in public procurement contracts (<u>European Commission 2021a</u>). SRPP can be used to, for example:

- Promote fair employment opportunities and social inclusion
- Provide opportunities for development of the social economy and social enterprises
- Ensure compliance with social and labour rights
- Ensure accessibility
- Address ethical trade issues
- Deliver high quality social, health, educational, and cultural services

1.2 The need for a Sustainable Public Procurement reference

In 2018, the Office of Government Procurement published an Information Note – *Incorporating Social Considerations into Public Procurement*. This was developed to advance the use and awareness of strategic procurement such as including environmental or sustainability considerations or ensuring inclusion and access for people with disabilities, or facilitating training for young or disadvantaged people. It particularly focused on the increased opportunities to incorporate social and green considerations into public procurement under the 2014 EU Procurement Directives, and outlined opportunities from planning a procurement through developing specifications, selection criteria, and award criteria, to contract management. It included suggested specifications and criteria, and a detailed case study relating to using procurement to promote the use of compostable rather than disposable plastic materials in catering.

Since 2018, national, EU, and international policies have placed far greater emphasis on sustainability – including SPP. This means that the Information Note – *Incorporating Social Considerations into Public Procurement* no longer provides sufficient information on several aspects of social considerations in public procurement. Moreover, it was written in the context of the new Regulations in 2016 that implemented the 2014 EU Procurement Directives: these Regulations are no

longer new. Finally, national policy is now more clearly aligned to the UN Sustainable Development Goals (SDGs), and therefore it is now appropriate to consider SPP, which addresses all three pillars of sustainable development – social, environmental, and economic – rather than 'social considerations'. This comprehensive reference resource for SPP in Ireland therefore replaces the Information Note – *Incorporating Social Considerations into Public Procurement*. Like that Information Note, it is intended to be of use to procurement practitioners and budget-holders in the public-sector, as well as to policy developers interested in how public procurement can be used strategically to address key sustainability policy objectives.

2. International, European Union, and national policy context for Sustainable Public Procurement

2.1 Introduction

A range of international, European Union (EU), and national policies are directly or indirectly relevant to Sustainable Public Procurement (SPP). These are described in this chapter, in that order. Two tables are provided in <u>Appendix I</u> to assist with finding all the sections (whether national, EU, or international) that mention specific sustainability issues (Table AI.1), or mention procurement of specific types of goods, services, or works (Table AI.2).

2.2 International Policy

2.2.1 International Sustainable Public Procurement policy

In 2002, the Organisation for Economic Co-operation and Development (OECD 2002) adopted a Recommendation of the Council on Improving the Environmental Performance in Public Procurement. OECD countries committed to taking steps 'to ensure the incorporation of environmental criteria into the public procurement of products and services including, where appropriate, environmental impacts throughout the life cycle of products and services, while ensuring that transparency, non-discrimination and competition are preserved'. The same year saw the launch of the Marrakech Task Force on sustainable procurement, with the aim of spreading SPP practices.

Recognising the potential of procurement professionals to send a signal to the economy by demanding more sustainable products, services, and operations, and to encourage sustainable procurement by public authorities, the 10-Year Framework of Programmes on Sustainable Consumption and Production (10YFP12) established a programme on SPP in 2014. The United Nations Environment Programme (UNEP / UN Environment), the International Council for Local Environmental Initiatives (ICLEI) (now 'Local Governments for Sustainability network'), and the Korea Environmental Industry and Technology Institute (KEITI) co-lead and coordinate the programme. The programme's objectives are to:

- Build the case for SPP by improving knowledge on SPP and its effectiveness as a tool to promote sustainable consumption and production, to support greener economies and sustainable development
- Support the implementation of SPP on the ground through increased collaboration and better access to capacity building tools and support through SPP experts

2.2.1.1 Sustainable Development Goals

In 2015, UN Member States adopted the <u>Sustainable Development Goals</u> (SDGs; Figure 2.1), which are a universal call to action to end poverty, protect the planet, and improve the lives and prospects of everyone, everywhere. The <u>2030 Agenda for Sustainable Development</u> sets out a 15-year plan to achieve the Goals. While all the SDGs are of relevance to SPP, the most direct link is with Goal 12: Ensure sustainable consumption and production patterns. This specifically includes a Sustainable Public Procurement target, Target 12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities.

The 10YFP12 Sustainable Public Procurement Programme collaborated with its partners to generate a measurement framework for SDG 12.7. Internationally, sustainable procurement is now seen as critical to meeting the SDGs, especially SDG 12 (UN Environment 2017).

In 2019, the United Nations Environment Assembly adopted Resolution 4/1. Innovative pathways to achieve sustainable consumption and production. This acknowledged the role and ability of Member States to transform markets and promote all pathways to sustainable consumption and production through SPP. It invited all UN Member States to develop SPP policies and update their public procurement legal frameworks in accordance with their commitment to achieving SDG target 12.7.

SDG 12 complements actions required under the <u>United Nations Framework</u>

<u>Convention on Climate Change</u> (UNFCCC), <u>Kyoto Protocol</u>, and <u>Paris Agreement</u> to combat climate change. The <u>Glasgow Climate Pact</u> at the <u>Conference of the Parties</u>

(COP) 26 in November 2021 (COP to the UNFCCC), resolved to pursue efforts to limit the global average temperature increase to 1.5°C above pre-industrial levels. It recognised that this requires rapid, deep and sustained reductions in global greenhouse gas (GHG) emissions, including reducing global carbon dioxide (CO₂) emissions by 45% by 2030 relative to 2010 and to net zero around mid-century, as well as 'deep reductions' in other greenhouse gases.

SDG 12 also complements efforts required to address the global biodiversity crisis (IPBES 2019).



Figure 2.1 The 17 Sustainable Development Goals (SDGs) and SDG wheel icon

Example 2.1

<u>An Post's Sustainable Procurement Policy</u> to 'Promote public procurement practices that are sustainable, in accordance with EU legislation' is aligned with:

- SDG 8 (Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all),
- SDG 12 (Ensure sustainable consumption and production patterns), and
- SDG 13 (Take urgent action to combat climate change and its impacts).

2.2.1.2 One Planet Network

The One Planet Network SPP programme is a voluntary global multi-stakeholder partnership in which various parties – governmental, non-governmental, public and private – agree to work together in a systematic way to promote and accelerate the implementation of SPP globally, as a way to ensure sustainable consumption and production patterns. Its vision is that environmental, economic, and social aspects of sustainability are embedded in public procurement policies, strategies, processes, and practices, while promoting good governance and integrity in public procurement. In December 2020, the programme issued a Call to Action: Public Procurement for a Responsible Recovery from the COVID-19 pandemic. This called upon the global public procurement community to leverage purchasing power to respond and recover responsibly from the COVID-19 pandemic, for example using procurement as an important lever for CO₂ emissions savings by applying Life-Cycle Costing (LCC), shadow pricing, or similar techniques. For construction, it recommends setting the pre-investments for savings at about 1% of the tender budget, to be recovered over the whole lifetime of the structure. In 2021, the programme issued a policy brief on Driving Sustainability through Public Procurement of Infrastructure, with nine key messages, including that social, environmental and macroeconomic aspects of infrastructure projects should be integrated into the entire procurement process, from needs assessment to award criteria and contract execution.

2.2.2 International human rights policy

In 1948, the <u>Universal Declaration of Human Rights</u> set out fundamental human rights to be universally protected. The UN defines human rights as 'rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more. Everyone is entitled to these rights, without discrimination.'

Labour rights are a subset of human rights. The UN defines labour rights as 'the rights of workers, as enshrined in international labour standards drawn up by the International Labour Organization (ILO)'. The ILO's Declaration on Fundamental Principles and Rights at Work commits all its Member States to four categories of principles and rights: freedom of association and the right to collective bargaining; the elimination of forced labour; the abolition of child labour; and the elimination of discrimination in respect of employment and occupation.

The United Nations Guiding Principles on Business and Human Rights (UN Guiding Principles; UNGPs) ask businesses to take adequate measures to identify, prevent, mitigate and account for how they address their impacts on the human rights of people. They assert that when a negative impact does occur, businesses must address that impact and provide remedy, where necessary. The UNGPs have been integrated into the OECD Guidelines for Multinational Enterprises (OECD 2023), the global standard on responsible business conduct. While the recommendations of the Guidelines are non-binding for enterprises, countries adhering to the Guidelines (including Ireland) make a binding commitment to promote and implement them across enterprises operating in or from their territories. OECD Due Diligence Guidance for Responsible Business Conduct (RBC) (OECD 2018) was produced to help businesses integrate expectations of these Guidelines into their management and operations. Adopted by the OECD countries and several other countries in 2018, this is the first government-backed reference on due diligence that applies to all sectors and all businesses. Using risk-based due diligence, businesses can identify, prevent, and mitigate their actual and potential negative impacts, and account for

how they deal with those impacts. The OECD has also developed sector-specific guidance for the mineral, extractive, garment and footwear, agriculture, and financial sectors.

The <u>UN Convention on the Rights of Persons with Disabilities</u> came into force in 2008, intended as an instrument to address human rights, with an explicit social development dimension. It adopts a broad categorisation of persons with disabilities and reaffirms that all persons with all types of disabilities must enjoy all human rights and fundamental freedoms. It identifies areas where adaptations have to be made for persons with disabilities to exercise their rights effectively, and where protection of rights must be reinforced.

2.3. European Union Policy

2.3.1 European SPP policy

Purchasing by public bodies represents 14% of the gross domestic product (GDP) of the EU (European Commission 2020). In 2017, the European Commission's Communication Making Public Procurement work in and for Europe presented a public procurement strategy that sets out the overall policy framework and defined clear priorities to improve procurement in practice and support investment within the EU. The Communication states that strategic public procurement should play a bigger role for central and local governments to respond to societal, environmental, and economic objectives, such as the circular economy. In 2020, European Council Conclusions: Public Investment through Public Procurement: Sustainable Recovery and Reboosting of a Resilient EU Economy underlined the role model function of the public sector in meeting the objectives of the 2030 Agenda for Sustainable Development, the European Green Deal and the objective of achieving climate neutrality by 2050, the Circular Economy Action Plan, the EU Biodiversity Strategy for 2030, and the **UN Guiding Principles** on Business and Human Rights. The Conclusions include that public buyers should use their purchasing power strategically to obtain better value for money, and support the transition to a greener, more innovative and circular economy, in particular by investing in sustainable infrastructure, in reusable, recyclable, repairable, and resource efficient products,

and in the renovation of public buildings to improve their sustainability and optimise life-cycle costs. In addition, they emphasise that public purchases can and should be used to support social considerations and the protection of human rights in global supply chains, social inclusion, and fair employment to counter the socio-economic effects of the COVID-19 crisis.

2.3.1.1 EU Green Public Procurement policy

In 2003, the European Commission's <u>Communication on Integrated Product Policy</u> (IPP) encouraged Member States to draw up publicly available National Action Plans (NAPs) for greening their public procurement (Green Public Procurement: GPP), to contain an assessment of the existing situation and ambitious targets for the next three years, specifying what measures would be taken to achieve them. The NAPs are not legally binding. However, they provide political impetus to the process of implementing and raising awareness of greener public procurement. They allow Member States to choose the options that best suit their political framework and situation. <u>National GPP Action Plans (policies and guidelines)</u> contains a comprehensive overview of the status of NAPs in the 27 EU Member States.

In 2008, the European Commission produced a Communication (COM (2008) 400)
Public procurement for a better environment, as part of the Action Plan on
Sustainable Consumption and Production and Sustainable Industrial Policy (SCP / SIP), which establishes a framework for the integrated implementation of a mix of
instruments aimed at improving the energy and environmental performances of
products. The Communication provided guidance on how to reduce the
environmental impact caused by public sector consumption and how to use GPP to
stimulate innovation in environmental technologies, products and services. The
Communication sought to cover all public procurement procedures, above and below
the thresholds defined by the European Procurement Directives (see Chapter 3 of
this reference), and pointed out that common GPP criteria have the advantage of
avoiding market distortions and reduced competition that could arise as a result of
differing national GPP criteria.

GPP is (currently) a voluntary instrument, which means that Member States and public authorities can determine the extent to which they implement it. The EU considers that GPP is an important tool to achieve environmental policy goals relating to climate change, resource use, and sustainable consumption and production (European Commission 2016). By using their purchasing power to choose goods, services, and works with a reduced environmental impact, public bodies can make an important contribution towards local, regional, national, and international sustainability goals. GPP can be a major driver for innovation, providing industry with real incentives for developing green products and services, particularly in sectors where public purchasers represent a large share of the market, for example construction, health services, or transport. GPP may also provide financial savings for public authorities, particularly where the whole life cycle is considered, for example by reducing utility bills or disposal costs.

2.3.2 The European Green Deal

The European Commission announced a <u>European Green Deal</u> in December 2019. It 'aims to transform the EU into a fair and prosperous society, with a modern, resource efficient and competitive economy where there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from resource use'.

The vision of the Green Deal, in addition to making Europe the first climate-neutral continent by 2050, includes safeguarding biodiversity, establishing a circular economy, and eliminating pollution, while boosting the competitiveness of European industry and ensuring a just transition for the regions and workers affected.

2.3.2.1 EU Circular Economy Action Plan

As part of the European Green Deal, the EU adopted a new <u>Circular Economy</u>

<u>Action Plan</u> in 2020, which announced initiatives along the entire life cycle of products, targeting their design, promoting circular economy processes, fostering sustainable consumption, and aiming to ensure that the resources used are kept in the EU economy for as long as possible. The Action Plan has a particular focus on the sectors that use most resources and where there is greatest potential for

circularity, for example electronics and information and communications technology (ICT), batteries and vehicles, packaging, plastics, textiles, construction and buildings, food, and water and nutrients.

As part of this Plan, the Commission will propose minimum mandatory GPP criteria and targets in sectoral legislation and phase-in compulsory reporting to monitor the uptake of GPP. This is in recognition of the limitation of voluntary approaches such as the use of the <u>EU Ecolabel</u> (see <u>Chapter 3</u> of this reference) or <u>EU GPP criteria</u> (see Chapter 4 of this reference) for improving the sustainability of products.

2.3.2.1.1 Built environment

A Renovation Wave for Europe – greening our buildings, creating jobs, improving lives (the Renovation Wave strategy), published in October 2020, aims for significant improvements in energy efficiency in the EU, implemented in line with circular economy principles, notably optimised life-cycle performance, and longer life expectancy of built assets. The objectives are to double, at least, the annual energy renovation rate of residential and non-residential buildings by 2030 and to foster deep energy renovations, resulting in 35 million building units renovated by 2030, and to maintain the increased rate and depth of renovation post-2030 in order to reach EU-wide climate neutrality by 2050. The strategy outlines the key principles for building renovation in Europe:

- Energy efficiency first
- Affordability
- Decarbonisation and integration of renewables
- Life-cycle thinking and circularity
- High health and environmental standards
- Tackling the twin challenges of the green and digital transitions together
- Respect for aesthetics and architectural quality

The <u>Covenant of Mayors</u> supports a coalition of cities ready to commit to ambitious pledges on building renovation. The <u>Big Buyers for Climate and Environment</u> project further fosters collaboration between big public buyers such as cities, regions,

hospitals, central purchasing bodies, and utilities towards piloting and utilising new technologies in areas such as construction sites with zero emissions.

The use of the sustainability assessment and reporting framework <u>Level(s)</u> to integrate life-cycle assessment in public procurement and the EU sustainable finance framework will promote circularity principles throughout the life cycle of buildings.

As part of the revision of the recovery targets for construction and demolition waste, the Commission will pay special attention to insulation materials, which generate a growing waste stream. The Commission will provide a recommendation to promote Building Information Modelling (BIM) in public procurement for construction and provide a methodology to public clients to conduct cost-benefit analysis for the use of BIM in public tenders. Linking core metrics with construction product manufacturers' BIM e-Catalogues assists Life-Cycle Analysis (LCA), and links sustainability information with product data.

The Commission will also develop a unified EU Framework for digital permitting in the built environment and establish a trusted scheme for certifying energy efficiency meters in buildings to measure energy performance improvements.

2.3.2.1.2 Sustainable products

In March 2021, the European Commission launched a public consultation on the <u>Sustainable Products legislative Initiative</u>. This will aim to make products fit for a climate neutral, resource efficient, and circular economy, and reduce waste, and ensure that the performance of frontrunners in sustainability progressively becomes the norm. As part of this initiative, in March 2022 the European Commission adopted its <u>proposal</u> revising and broadening the scope of the <u>Ecodesign Directive</u>.

2.3.2.1.3 Agriculture and the bioeconomy

The European Commission's <u>Farm to Fork Strategy</u> includes a commitment to determine the best way of setting minimum mandatory criteria for sustainable food procurement, to help cities, regions, and public authorities to play their part by

sourcing sustainable food for schools, hospitals, and public institutions, and to boost sustainable farming systems, such as organic farming. In March 2021, the European Commission presented an Action Plan for the development of organic production in the EU. Its aim is to boost the production and consumption of organic products, to reach 25% of agricultural land under organic farming by 2030, and to increase use of organic aquaculture. The Commission has identified a key role for GPP in achieving these targets. The Action Plan envisages promoting EU GPP Criteria for Food and Catering Services drawn up in 2019 (see Chapter 4 of the reference), bringing organic produce into 'minimum mandatory criteria for sustainable food public procurement' as part of the EU's upcoming legal framework for sustainable food, and encouraging EU Member States 'to fix ambitious national targets for organics in GPP'. It also wants to use public procurement to stimulate the use of organic food in public canteens.

The European Commission published a <u>Bioeconomy Strategy</u> in 2012, and a <u>Bioeconomy Action Plan</u> in 2018. Action 11 includes facilitating green procurement for bio-based products by developing labels, an initial European product information list, and specific training for public procurers. The greatest potential to open public procurement to bio-based and nature-based products and services may be in sectors such as construction, food and catering services – including packaging – and bioenergy, according to a survey conducted by the <u>Bioregions Facility</u> in 2021.

2.3.2.1.4 Social economy

The European Commission published a new <u>European Social Economy Action Plan</u> in 2021, in recognition of the importance of this sector in terms of job creation and sustainable development. The Action Plan seeks to boost the contribution of social economy organisations, particularly social enterprises and those operating in the green / circular economy, to foster inclusive and sustainable growth. It will enhance social investment, support social economy actors to start up, scale up, innovate and create jobs.

The <u>Circular Economy Action Plan</u> refers to the potential of the social economy, and plans to further leverage that potential by simultaneously supporting both the green

transition and strengthening social inclusion, notably under the <u>Action Plan to</u> <u>implement the European Pillar of Social Rights</u>.

2.3.2.1.5 Green Industry

In February 2023, the European Commission published a <u>Green Deal Industrial Plan</u>. This includes reference to the role of public procurement to stimulate large-scale demand for net zero products. The Commission proposes defining sustainability characteristics and possible requirements for net zero products, using available legal tools and existing EU standards, and promoting a more predictable and uniform demand for net zero solutions and to allow public authorities to set out ambitious sustainability requirements.

2.3.2.2 EU Fit for 55

To deliver the ambition of the European Green Deal, the European Commission adopted, on 14 July 2021, <u>a package of proposals</u> to make the EU's climate, energy, land use, transport and taxation policies fit for reducing net GHG emissions by at least 55% by 2030, compared to emissions in 1990.

2.3.2.3 EU Climate Law

The first <u>European Climate Law</u>, adopted in July 2021, wrote into law the goal set out in the European Green Deal for Europe's economy and society to become climateneutral by 2050. The law aims to ensure that all EU policies contribute to this goal, and that all sectors of the economy and society play their part. It also sets out the intermediate 2030 target of reducing GHG emissions by at least 55% compared to 1990 emissions.

2.3.3 European human rights and social inclusion policies

The <u>European Convention on Human Rights</u> (ECHR) contains 17 key articles relating to rights and fundamental freedoms that include the right to life, the prohibition of slavery and forced labour, and the right to liberty and security. The <u>EU Action Plan on Human Rights and Democracy 2020-2024</u>, launched in 2020, aims to improve EU leadership on human rights, strengthen partnerships with governments,

businesses and social partners, address accountability gaps and erosion of the rule of law, and identify where new technologies can help improve human rights.

The European Commission has indicated that it will bring forward a <u>sustainable</u> <u>corporate governance</u> proposal to enhance the EU regulatory framework on company law and corporate governance, requiring business enterprises to identify and mitigate environmental, social, and human rights risks across their value chains.

The voluntary <u>European Quality Framework for Social Services</u>, adopted in 2010, defines quality principles for social services, and operational criteria to help with implementation and monitoring. Addressed to both the public buyers in charge of social services, and to service providers and their employees, it states that social services should be available, accessible, affordable, person-centred, comprehensive, continuous, and outcome-oriented (European Commission 2021a).

2.4 National Policy

2.4.1 GPP and SPP policy

<u>Green Tenders – An Action Plan on Green Public Procurement</u>, adopted in 2012, is Ireland's first <u>National Action Plan</u> on GPP. <u>Green Tenders</u> explains that GPP is a tool for sustainable development and 'involves the integration of environmental criteria into public procurement processes. In specifying such criteria, public authorities encourage the spread of environmental technologies and the development of environmentally sound products. Where possible, public procurement policies should encourage the use of all types of environmentally friendly products – energy efficient, water conserving, recyclable, non-toxic, and low in emissions of volatile organic compounds'.

Green Tenders sought to promote life-cycle thinking. LCA enables public procurers and their suppliers to take into account the longer-term environmental impacts associated with purchase and all associated costs, operating costs, and costs associated with the end-of-life of goods and services. Methodologies for LCC take into account the four main cost categories of standard financial costings using

market-based pricing valuations – investment, operational, maintenance and end-of-life / disposal expenses – and in addition aim to include external environmental costs.

Green Tenders prioritised eight product / service groups for GPP in Ireland: construction, energy, transport, food and catering services, cleaning products and services, paper, uniforms and other textiles, and ICT. These groups were chosen according to proportion of public expenditure, scope for environmental improvement, potential impact on suppliers, potential for setting an example to private or corporate consumers, political sensitivity, existence of relevant and easy-to-use criteria, and market availability and economic efficiency.

Ireland's <u>Sustainable Development Goals National Implementation Plan 2018-2020</u> provided a whole-of-government approach to implement the 17 <u>SDGs</u>, and designated the Office of Government Procurement (OGP) as leading on target 12.7, with *Green Tenders* indicated as the relevant national policy. Strategic objectives in Ireland's <u>National Implementation Plan for the Sustainable Development Goals</u> 2022-2024 include embedding the SDG framework into the work of government departments and the work of local authorities.

In September 2023, the Department of the Environment, Climate and Communications (DECC) launched a <u>public consultation on a new Green Public Procurement Strategy and Action Plan</u> to replace *Green Tenders*. The new Green Public Procurement Strategy and Action Plan will look to significantly increase implementation of GPP across the public sector.

2.4.2 Climate ambition

2.4.2.1 Climate legislation

The Sustainable Energy Authority of Ireland (SEAI) prepared a useful summary of key legislative and policy obligations on public bodies with respect to energy efficiency and climate action in April 2023 – this is available to all public bodies via Energy Link. The Climate Jargon Buster defines key climate policy terms.

The Climate Action and Low Carbon Development (Amendment) Act 2021 places on a statutory basis a 'national climate objective' to pursue and achieve, no later than 2050, transition to a climate resilient, biodiversity-rich, environmentally-sustainable, and climate-neutral economy. The Act defines a 'climate-neutral economy' as a sustainable economy and society where GHG emissions are balanced or exceeded by the removal of GHG. The climate neutral objective is consistent with EU climate ambition to pursue a net zero target for all GHG, as well as with international obligations under the <u>Paris Agreement</u>. The Act embeds the process of carbon budgeting into law: government is required to adopt a series of economy-wide fiveyear carbon budgets, including sectoral targets for each relevant sector, on a rolling 15-year basis, starting in 2021. The carbon budgets provide for a 51% reduction in GHG emissions by 2030. The Climate Action Plan (see section 2.4.2.2, below), updated annually, details actions for each sector, while a National Long Term Climate Action Strategy will be prepared every five years. Public bodies are obliged to perform their functions as far as is practicable in a manner consistent with national climate plans and strategies, and furthering the achievement of the national climate objective.

The GHG emissions of an organisation are classed as Scope 1, Scope 2, or Scope 3:

- Scope 1: All direct emissions from the activities of an organisation or under its control
- Scope 2: Indirect emissions from electricity purchased and used by an organisation
- Scope 3: All other indirect emissions from an organisation's activities,
 occurring from sources that it does not own or control

2.4.2.2 Climate Action Plan

The Climate Action Plan has both direct and indirect relevance to GPP. Indirectly, targets to reduce CO₂ equivalent emissions from the public sector, and to improve the energy efficiency of public sector buildings, may encourage procurement of more

energy-efficient goods, services, and works. More directly, the Climate Action Plan includes GPP actions.

2.4.2.2.1 Emissions reduction targets in the Climate Action Plan

The GHG emission reduction targets are based on an absolute tonnage of GHG emissions. The definition of public sector body for the purpose of tracking emissions is based on that used in Statutory Instrument (S.I.) No. 426/2014 – European Union (Energy Efficiency) Regulations 2014. This means that all public bodies that report under the Energy Efficiency Monitoring and Reporting (M&R) System are assigned an emissions reduction target.

The public sector emission reduction target is, initially, defined with respect to energy-related emissions:

- Fuel used by buildings, vehicles, and equipment, owned by the organisation (<u>Scope 1</u>), plus
- Electricity used by buildings, vehicles, equipment, and lighting owned by the organisation (<u>Scope 2</u>), plus
- Fuel and electricity used by buildings, vehicles, equipment, and lighting leased by the organisation (<u>Scope 3</u>).

These emissions must be reported annually within the M&R System. Climate Action Plan 2021 explained that the target will be achieved through energy efficiency measures, electrification, and the use of onsite renewables, for example rooftop solar panels or geothermal heat sources. Emissions reductions from purchasing energy from a 'green' energy supplier, or using offsets, *cannot* be used to meet a public sector body's target. The SEAI and Environmental Protection Agency (EPA) published guidelines to help public bodies meet their targets (see Chapter 4 of this reference). If an increase in a public sector body's emissions can be demonstrated to lead to an overall net economy-wide emissions reduction, and is 'additional', for example expanding the public transport fleet removes private vehicles, an 'emissions recognition' can apply, but must be approved *prior* to commencing works or investment.

2.4.2.2.2 GPP actions in the Climate Action Plan

<u>Climate Action Plan 2019</u> required the phased introduction of GPP (Action 148). Interim Climate Actions 2021 included GPP steps in the form of reporting, training and guidance.

Climate Action Plan 2021 referenced the Programme for Government (see below) commitments to developing and implementing a sustainable procurement policy, updating procurement frameworks in line with green procurement practice, and reviewing food procurement policies. It alerted that the government would 'mandate the purchase of zero-emission electric vehicles where available and operationally feasible by end of 2022'. Action 407 of Climate Action Plan 2021 was to 'Publish a Whole-of-Government Circular Economy Strategy and promote the Circular Economy, including focus on awareness raising, Green Public Procurement and international partnerships'. The Whole of Government Circular Economy Strategy was published in December 2021.

Climate Action Plan 2023 considerably increased the emphasis on GPP. Key messages in the Public Sector Leading by Example chapter included that the public sector will procure only zero-emission vehicles from the end of 2022 onwards, where available and practicable, and fully implement GPP. Key performance indicators for 2025 included developing and implementing a new Green Public Procurement Strategy and action plan, based on a review of *Green Tenders* (see section 2.4.1 of this reference, above, for progress against this indicator). A section (10.3.7) specifically on GPP reiterated that Green Tenders will be reviewed and stated that GPP training will be provided for public bodies; that reporting on GPP by government departments will continue, but also that 'we will identify reporting structures and develop reporting guidelines for public bodies in 2023/2024'; and that the Cement Task Force shall prepare a policy to 'facilitate public bodies to incorporate the principle of low carbon construction methods and materials and whole life-cycle analysis approaches in all publicly procured or supported projects. Public bodies' consistency with the policy will be examined under the SEAI reporting framework.' The Industry chapter clarifies that the new Green Public Procurement Strategy and action plan will identify an appropriate monitoring and reporting protocol 'that

includes the monitoring of the implementation of low carbon construction in public tenders and grant schemes'. <u>Climate Action Plan 2024</u> explains that 'Through specification of lower carbon cements in public procurement, the State will aid market development and the supply of lower carbon concrete and/or cement products.'

2.4.2.2.3 Public Sector Climate Action Mandate

Climate Action Plan 2021 introduced the first Climate Action Mandate for all public bodies covered by decarbonisation targets (except for local authorities, commercial semi-state bodies and the school sector, where sector-specific arrangements apply¹). In addition to committing to the above GHG emissions reduction targets, this included a commitment to review any paper-based processes, and evaluate the possibilities for digitisation so it becomes the default approach. Climate Action Plan 2021 committed that the Mandate would be reviewed annually. Using SEAI's Public Sector M&R System, public bodies are to report annually on implementation of the individual Mandate requirements using a 'comply or explain' approach.

The Mandate was reviewed as part of the drafting process for Climate Action Plan 2023. The updated Mandate was included in the Public Sector Chapter in Climate Action Plan 2023. The Climate Action Plan 2023 Mandate added: 'Eliminate paper-based processes as far as is practicable. Where paper must be procured, ensure that recycled paper is the default.' The Mandate in Climate Action Plan 2023 stated that the public sector will not install heating systems that use fossil fuels after 2023 (except in listed circumstances) in new buildings or 'major renovation' retrofit projects. Climate Action Plan 2023 extended the commitment in relation to procurement of zero-emissions vehicles introduced in 2021 to: 'Procure (purchase or lease) only zero-emission vehicles from the end of 2022, enabling Ireland to go beyond the requirements of the EU Directive, amending Directive 2009/33/ EC on the promotion of clean and energy-efficient road transport vehicles (EU Directive 2019/1161, the Clean Vehicle Directive)' (see section 3.2.3.2 of this reference) 'and

¹ Local Authority Climate Action Plans, Climate Action Framework for the Commercial Semi State Sector, and the Schools Sector Climate Action Mandate.

act as an international leader in this area.' An exemption was detailed. 'Public sector procurement contracts for delivery and haulage should specify zero emissions vehicles where possible.' Climate Action Plan 2023 also added further GPP commitments to the Mandate:

'Implement Green Public Procurement (GPP), in line with the EPA Green Public Procurement Guidance and using GPP Criteria Search where appropriate' (see section 4.4.1.1 of this reference). 'All public bodies shall:

- Cease using disposable cups, plates and cutlery from any public sector canteen or closed facility, excluding clinical (i.e., non-canteen healthcare) environments;
- Specify low carbon construction methods and low carbon cement material as far as practicable for directly procured or supported construction projects from 2023.'

Climate Action Plan 2024 added further to the Public Sector Climate Action Mandate. The most relevant additions to procurement are a direction to adhere to the <u>Best Practice Guidelines</u> for the preparation of resource and waste management plans for construction and demolition projects for directly procured or supported construction projects, from 2024, and that all new contract arrangements related to canteen or food services, including events and conferences, are to include measures that are targeted at addressing food waste, with a specific focus on food waste prevention and food waste segregation.

In 2023, DECC published the <u>Public Sector Climate Action Strategy</u>, to provide consistency in climate action across the public service. It includes sections on GPP (including, specifically, procurement of buildings) and sustainable fleet (including sustainable procurement of fleet).

The <u>Climate Action Framework for the Commercial Semi-State Sector</u> includes a commitment to 'circular economy and green procurement'.

In March 2023, the Department of Education published the <u>School Sector Climate</u> <u>Action Mandate</u>, which includes a commitment to implement GPP.

<u>Justice 2021</u> includes an action (action 223) to publish a Justice Climate Policy Statement setting out how the justice sector will reach its ambitious climate and energy efficiency targets, including by the adoption of GPP.

2.4.2.3 Local authority sector

In response to <u>Climate Action Plan 2019</u>, every local authority in Ireland signed a <u>Climate Action Charter</u> in 2019. This recognises the potential for local authorities to provide robust leadership in addressing climate change, locally and regionally. The charter includes commitments relating to GPP, stating that local authorities will:

- 'Ask suppliers as part of the procurement process to provide information on their carbon footprint and on the sustainability practices and steps they plan to reduce its impact', and
- 'Implement green public procurement strategy and procedures across all business areas'.

<u>Delivering Effective Climate Action 2030</u> sets out the local authority sector strategy for delivering on the Climate Action Charter and Climate Action Plan 2019. This includes objectives to:

- Increase the proportion of green procurement to enable measurement,
 management, and reduction of emissions from the production, transportation,
 and disposal of goods and services procured
- Undertake a circular economy strategy, based on analysis of the local priority sectors, material flows, and waste streams, for example municipal and industrial material flows, waste generation, and explore the options for circular procurement
- Support the growth and development of lower carbon enterprises through supplier development programmes that align with green procurement strategies

Separately, each local authority produced a <u>Local Authority Climate Adaptation</u>

<u>Strategy</u> or Action Plan. Some of these include GPP actions, such as to research and implement sustainable procurement guidelines, take on a more robust role in

using green products in implementing adaptation measures, or promote green procurement such that services, goods, and works procured contribute to and support climate action objectives. Under the <u>Climate Action and Low Carbon</u>

<u>Development</u> (Amendment) Act 2021, every local authority will produce five-year climate action plans that specify *both* the mitigation measures and the adaptation measures that the local authority will adopt to address climate change.

Twenty-one local authorities in Ireland have signed up to the Covenant of Mayors.

2.4.2.4 Housing sector

Housing for All was published just before Climate Action Plan 2021. Chapter 5 addresses environmental sustainability of the housing system. This chapter mentions that all of the new homes built during the lifetime of this Plan will be built to Nearly Zero Energy Building (nZEB) standards, and that the Land Development Agency is leading the implementation of several pilot projects related to the re-use of existing buildings, sustainable use of construction materials and district heating, in line with Climate Action Plan 2021. The chapter further states that the 'public sector will continue to provide exemplar projects to help with the capacity building process through public tenders for innovations such as rapid delivery housing and design and development of low-carbon buildings and will support enterprises to reduce cost of materials in construction.' Actions include:

- Action 23.5: Enhance holistic construction product assessment processes for the residential sector to facilitate certification of modern methods of construction and the introduction of sustainable construction products and oversight of onsite installation, including through expanding the successful National Standards Authority of Ireland (NSAI) Agrément approach
- Action 23.9: Promote a culture of compliant, good quality sustainable innovation in residential construction through development of Modern Methods of Construction (MMC), including establishment of a demonstration park for MMCs

2.4.2.5 Architecture

Places for People – the National Policy on Architecture was published in 2022. It includes several references to the role of public procurement and under the sections on 'Procurement and tendering' states that 'The policy promotes consideration of the full life cycle of building – taking a long term view on the comparative costs of design and development, operation, maintenance, demolition and disposal, embodied carbon and the value of the building or place to the communities it serves. It prioritises quality architectural design for long-term value (social, environmental and economic outcomes)'.

2.4.2.6 Circular 20/2019

To address Action 148 in <u>Climate Action Plan 2019</u>, in October 2019 the OGP published <u>Circular 20/2019</u>: <u>Promoting the use of Environmental and Social</u>

Considerations in Public Procurement. Under the Circular:

- Each contracting authority to each line department should state how it intends to incorporate green considerations in its Corporate Procurement Plan (see <u>Chapter 5</u> of this reference)
- Departments are instructed to consider using green criteria in procurement, where defined and measurable criteria exist (see Chapter 4 of this reference)
- Public bodies are encouraged to engage with the OGP to use frameworks that include relevant social and environmental considerations
- Reporting of GPP was introduced (see Chapter 7 of this reference)

2.4.2.7 Circular economy

Efforts to reduce GHG emissions interact with those to address waste and move towards a more circular economy. For example, in line with Climate Action Plan 2019, in 2019 DECC required public bodies to discontinue the purchase of Single Use Plastics (SUPs).

In response to the EU's Second <u>Circular Economy Action Plan</u>, Ireland adopted a <u>Waste Action Plan for a Circular Economy</u> in September 2020. This commits Ireland to improving waste management, resource efficiency, and development of the

circular economy, via an extensive list of actions and deliverables, including a chapter on GPP. As one of these deliverables, Ireland's first Whole of Government Circular Economy Strategy was published in December 2021. This strategy promotes public sector leadership in adopting circular policies and practices. In a systematic circular economy, waste and resource use are minimised by default, good design preserves product value for as long as possible (durability and options for repair), and a product's parts can be readily used again and again to create further useful products once the original product has reached the end of its life. One of the key objectives of the strategy is that by 2030 Ireland achieves a national circular material use (the percentage of material recovered and fed back into the economy) above the EU average. The strategy states that 'where relevant, all available policy levers, including regulatory, fiscal and procurement decisions, should support Ireland's ambition to achieve a circular economy and its 2030 target, while also considering any negative social or economic impacts'. The strategy explains that GPP policies will support the establishment and / or expansion of markets for circular products and services, and states that Ireland will identify opportunities to participate in and / or lead multinational green procurement initiatives, to leverage greater economies of scale through cooperation than Ireland would be able to achieve as a single small-to-medium sized market.

Under the Circular Economy Strategy, the National Waste Prevention Programme was reconfigured as Ireland's <u>Circular Economy Programme</u> 2021-2027, led by the EPA. This programme prioritises packaging, plastics, textiles, food, water and nutrients, construction and buildings, electronics and ICT, and batteries and vehicles. Applying the waste hierarchy priority order will be central to the programme (Figure 2.2). Under 'Innovation', the programme will include activities to support both purchasers and suppliers to engage with green procurement; and undertake monitoring to report uptake and impact. The <u>National Food Waste Prevention</u> Roadmap 2023-2025 references the European Commission's <u>Farm to Fork Strategy</u>, as well as Ireland's <u>Waste Action Plan for a Circular Economy</u>, *Green Public Procurement: Guidance for the Public Sector* (see <u>section 4.4.1.1</u> of this reference), and the <u>Programme for Government 2020</u> in relation to the role of GPP in preventing food waste. Action 32 is to 'Update Green Public Procurement Policy that includes examining how food waste prevention can be further strengthened in the government

and public sector'. Regional Waste Management Plans all emphasise GPP and have a specific policy to 'contribute to the greening of public procurement in local authorities through the inclusion of resource efficient criteria in all tender processes related to waste plan activities'. The National Hazardous Waste Management Plan 2021-2027 includes a recommendation to use GPP 'to specify products & services that reduce the use of hazardous substances and generation of associated hazardous wastes'.

Ireland's <u>National Policy Statement on the Bioeconomy</u> includes an action to 'Examine how greater primary producer, public and consumer awareness of the bioeconomy and its products could be built up – through knowledge transfer, advisory, sustainable business models, public procurement, consumer awareness campaigns and product labelling initiatives etc.'

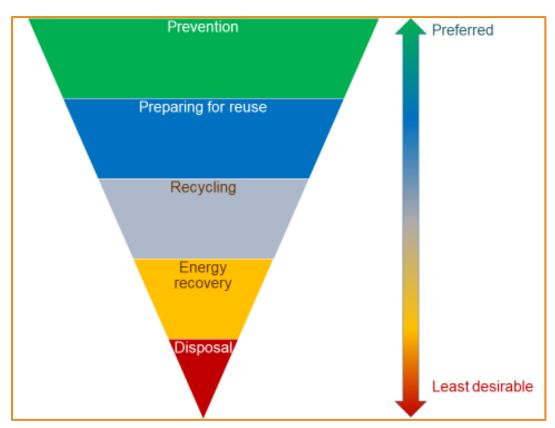


Figure 2.2 The waste hierarchy – where prevention of waste is the preferred option, and disposal is the least desirable option.

2.4.2.8 Programme for Government 2020

The <u>Programme for Government 2020</u>: *Our Shared Future* commits to a 51% reduction in overall GHG emissions for Ireland from 2021 to 2030, and to achieving net zero emissions by 2050, consistent with the <u>Climate Action and Low Carbon</u> <u>Development (Amendment) Act 2021</u>. This commitment is now part of <u>Climate Action</u> Plan 2021.

The Programme for Government commits to updating procurement frameworks in line with GPP practice. It also commits to evaluating and managing the environmental, economic, and social impacts of procurement strategies within the State, and provides more detail compared to Climate Action Plan 2021 regarding the sustainable procurement policy to be developed and implemented during the lifetime of this government.

The Programme further includes commitments to continue to support and train Irish indigenous small and medium enterprises (SMEs), so that they can compete for public procurement contracts in Ireland and abroad; ensure sustainable procurement of social housing; and regarding the nutritional value and sustainability of food available in public sector bodies such as hospitals and schools.

2.4.3 Human rights, equality, and social inclusion

2.4.3.1 Human rights and equality

The first National Plan on Business and Human Rights 2017-2020 set out a series of commitments to begin implementing the UNGPs. An important aspect of a company's responsibility to protect human rights relates to human rights defenders (any person or group of persons working to promote human rights locally, regionally, or internationally). Business enterprises must not inhibit the lawful actions or restrict the freedom of expression, freedom of association, or right to peaceful assembly of a human rights defender. In July 2023, the Department of Foreign Affairs and the Department of Enterprise, Trade and Employment requested submissions from interested stakeholders to inform the development of a second National Plan on Business and Human Rights.

Ireland's <u>National Contact Point</u> for the <u>OECD Guidelines for Multinational</u>
<u>Enterprises</u> is part of the Department of Enterprise, Trade and Employment.

2.4.3.2 Social inclusion

According to the *Roadmap for Social Inclusion 2020–2025*, 'social inclusion is achieved when people have access to sufficient income, resources and services to enable them to play an active part in their communities and participate in activities that are considered the norm for people in society generally.' One of the goals of this Roadmap is to give the opportunity of employment to all people who can work, as a means to improve their well-being. Another is to improve social inclusion of people with disabilities by reducing poverty rates, improving employment outcomes, and delivering better services.

The National Disability Authority (NDA) <u>highlights</u> that accessibility for people with disabilities is a particularly important consideration when a public body is procuring major building works, services, products, buildings, or information that the general public will access; or items with long life spans, such as buildings, trains, and large information technology projects; or where the procurer knows that there is a particular requirement to accommodate customers with disabilities.

2.4.3.3 Social enterprises

Social enterprises are businesses for which the core objective is to achieve a positive social, societal, or environmental impact. Like other businesses, social enterprises trade in goods or services on an ongoing basis. However, any surpluses they generate are re-invested into achieving the intended positive social, societal, or environmental impact. Social enterprises are part of the wider social economy and make a valuable contribution to the social and economic progress of Ireland through the creation of jobs and through the delivery of a broad range of services in areas such as homecare, childcare, employment activation, retail, hospitality and catering, environmental services, and social housing. The overall objective of the first National Social Enterprise Policy for Ireland 2019-2022 was to support social enterprises to grow in scale and impact. One aspect of this was the need for improved access to

markets, including public sector contracts. A new Social Enterprise Policy will be published here in 2023.

Working to Change – social enterprise and employment strategy 2021-2023 sets out the Department of Justice's direction for supporting employment options for people with convictions. Its vision is a whole-systems approach to increasing employment options for people with past convictions that recognises their skills and capabilities, leading to active citizenship, safer communities, fewer victims and supporting a route to desistance. One area addressed by the strategy relates to employment of people with past convictions in social enterprises. The Department of Justice pledged that 10% of all Criminal Justice Sector procurement would include social considerations by the end of the strategy.

In March 2021, the Department of Rural and Community Development <u>published Our Rural Future</u>, the new national Rural Development Policy 2021-2025. This Policy includes a number of measures to support employment and careers in rural areas. One of these (Measure 31) is to expand the use of Socially Responsible Public Procurement (SRPP) contracts, where feasible, which will incentivise the engagement of social enterprises and circular economy. This action is aligned with <u>SDG</u> 8, decent work and economic growth, and SDG 10, reduced inequalities. The policy also highlights the importance of SMEs and social enterprises for the rural economy, and emphasises the broader need for social inclusion and cohesion, referencing several relevant strategies such as the <u>Roadmap for Social Inclusion</u> 2020–2025, the <u>National Disability Inclusion Strategy</u>, and the <u>National Positive</u> <u>Ageing Strategy</u>.

2.4.3.4 Apprenticeships

The Action Plan for Apprenticeships 2021 to 2025 will ensure that Ireland develops a modern apprenticeship system that is reflective of Irish society and supports both learners and employers. Equity of access to apprenticeships will be achieved by creating simplified routes to entry, and improved flexibility within the system. One of the key deliverables is to demonstrate government commitment and leadership through increased availability of apprenticeship opportunities across the public

sector: one of the actions to address this is to explore the potential for the inclusion of an apprenticeship / staff development provision within public sector tendering processes.

2.4.3.5 SME Access

In 2023, the Department of Public Expenditure, National Development Plan (NDP)

Delivery and Reform published <u>Circular 05/2023: Initiatives to assist SMEs in Public</u>

<u>Procurement</u>. To promote SME involvement in public sector procurement, buyers are encouraged to:

- Undertake market consultation prior to tendering in order to better understand the range of goods and services on offer, and the competitive landscape, including the specific capabilities of SMEs
- Subdivide large contracts into lots, where reasonable to do so
- Make greater use of the 'open procedure' in tendering, where appropriate
- Ensure that any selection criteria set for candidates / tenderers are relevant and proportionate to the circumstances of a particular contract
- Set proportional turnover thresholds
- Where possible and appropriate, encourage new and innovative solutions by indicating in tender documents where they are prepared to accept reasonable variants to the specifications
- Consider communicating long term purchasing plans to the market as early as possible by publishing Prior Information Notices (PINs) on eTenders
- Provide appropriate written feedback to companies who have participated in a public procurement competition
- Take into account not just the current but the whole life-cycle costs, where the award of contract is based on the most economically advantageous tender (MEAT) rather than lowest acquisition price
- Only apply insurance levels that are appropriate for the contract in question
- Consider the use of Dynamic Purchasing Systems, which remain open for economic operators to apply for admission following establishment
- Utilise eProcurement solutions
- Ensure tender award notices are completed in a timely manner

 Encourage suppliers to register accurate and detailed business information on eTenders

2.5 Assessing relevant policy to incorporate sustainability into your procurement projects

Which of the policies in this chapter are relevant to your procurement will depend on the nature of your organisation and on what is to be procured (Figure 2.3).

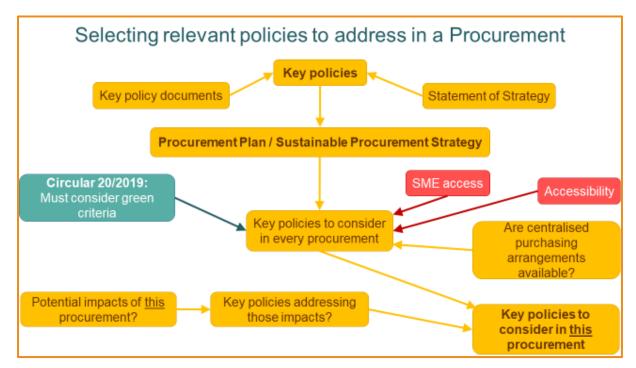


Figure 2.3. Graphical representation of key policy areas to consider to ensure that your procurement project is sustainable.

In developing the Corporate Procurement Plan (see <u>section 5.2.3</u> of this reference) or procurement strategy of an organisation, that organisation's main policies, as outlined in its statement of strategy or other key policy documents, should be considered. Alignment of each procurement with that plan or strategy will then ensure that key sustainability policies for the organisation are taken into account in each procurement. Consider which procurements are likely to lead to the greatest positive impacts, in line with the strategy.

In line with <u>Circular 20/2019</u>, consider the inclusion of green criteria (see <u>Chapter 4</u> of this reference) for every procurement. Where appropriate, also consider whether your procurement could address social aims such as employment and training opportunities for disadvantaged groups, accessibility, or promoting social inclusion and social enterprises. Avoid barriers to participation by the SME sector. Utilise centralised purchasing arrangements, where possible.

Consider the impact of your procurement. If it will result in considerable GHG emissions, consider how to minimise the emissions. If it will affect a community, consider how to incorporate benefits to the community in the procurement. If the procurement is of a short-lived product that will go to landfill and need replacement, consider a more circular approach. Once you have decided that you should focus on reducing emissions, for example, or benefitting a community, or increasing circularity and reducing waste, this chapter provides detail of key international, EU, and national policies in these areas – consult these to refine your approach. Additionally, consult the Contracts / Awards Notice Search in eTenders or Tenders Electronic Daily (TED) to find out if similar requirements have been previously included in other procurements by public sector bodies, and contact the relevant procurement officer to gain insights into the development of these competitions.

3. Sustainable Public Procurement opportunities in the Public Procurement Directives

3.1 Introduction

The public procurement framework provides considerable opportunities to incorporate sustainability into public procurements, as outlined in this chapter. However, this chapter is not intended as legal advice or as a legal interpretation of Irish or European Union (EU) law. Incorporating sustainability considerations into any procurement should be considered on a case-by-case basis, and public buyers may wish to consider obtaining legal advice.

3.2 European Union public procurement framework

3.2.1 EU Treaty

The <u>Treaty on the Functioning of the European Union</u> (TFEU) set out key policies including free movement of goods, the freedom of establishment, and the freedom to provide services. Public procurement procedures of all monetary values must comply with the TFEU principles of value for money, non-discrimination, equal treatment, transparency, proportionality, mutual recognition, and openness to competition (European Commission 2016). These principles ensure a properly functioning internal market.

Internationally, the EU and its member states are bound by the conditions of the <u>Agreement on Government Procurement</u> (GPA) of the World Trade Organisation (WTO), and by bilateral trade agreements. In practice, compliance with these agreements is achieved by extending similar rights to economic operators established in third countries that are signatories to the agreements as apply to EU economic operators.

3.2.2 EU Procurement Directives

In addition to the <u>TFEU</u>, there are three main EU Public Procurement Directives that set minimum harmonised rules for public procurement procedures whose monetary value exceeds certain <u>thresholds</u>. Each of these has been implemented into Irish law by Statutory Instrument (S.I.):

- <u>Directive 2014/24/EU on public procurement</u>, transposed by <u>S.I. No. 284 of</u>
 <u>2016</u> European Union (Award of Public Authority Contracts) Regulations 2016
- <u>Directive 2014/25/EU on procurement by entities operating in the water,</u>
 energy, transport and postal services sectors (Utilities Directive), transposed
 by <u>S.I. No. 286 of 2016</u> European Union (Award of Contracts by Utility
 Undertakings) Regulations 2016
- <u>Directive 2014/23/EU on the award of concession contracts</u>, transposed by <u>S.I. No. 203 of 2017</u> European Union (Award of Concession Contracts) Regulations 2017

Where the monetary value exceeds the relevant EU threshold, the procurement must comply with the relevant Procurement Directive.

3.2.2.1 Environmental and social considerations in EU Procurement Directives

The EU Procurement Directives offer scope for taking account of green and social considerations in public procurement procedures.

3.2.2.1.1 In the definition of the subject-matter of the contract

Public bodies may wish to include green and social considerations in the definition of the subject-matter of their procurements.

Example 3.1

Some examples where the environmental or social considerations are very clear in the title or subject-matter are:

- 'Provision of energy-efficient public lighting in Co. Kerry' (Kerry County Council) (<u>European Commission 2016</u>, page 31)
- 'Implementation of energy-saving measures, modernisation and repair of Gabrovo's street lighting through a contract with guaranteed results' (Municipality of Gabrovo, Bulgaria) (<u>European Commission 2021b</u>, June 2021, Issue 105, Case Study 194, Gabrovo)

It is evident that energy efficiency and energy savings, respectively, are important in the above examples.

3.2.2.1.2 By including green and social considerations in the technical specifications

Public buyers (or utility sector entities) are obliged to provide goods, services, and works that are accessible to all users. Therefore, for all procurement that is intended for use by natural persons, whether general public or staff of the contracting authority, the technical specifications must, except in duly justified cases, be drawn up so as to take into account accessibility criteria for persons with disabilities or design for all users².

It is important to only include essential requirements in the technical specifications, as tenders that do not comply with technical specifications may be rejected. Variants, linked to the subject-matter of the contract, can be used to allow greater flexibility in specifications where needed³. This allows tenderers to submit an alternative solution that meets certain minimum requirements that the contracting authority identified.

² Article 42(1) of Directive 2014/24/EU; Article 60(1) of Directive 2014/25/EU

³ Article 45 of Directive 2014/24/EU; Article 64 of Directive 2014/25/EU

Technical specifications must be clear and verifiable, and must not create unjustified obstacles to competition⁴. A contracting authority should therefore consider how its requirements affect the ability of different economic operators (including, for example, social economy organisations and social enterprises) to compete.

Technical specifications must be linked to the subject-matter of the contract, relating to characteristics of the particular work, supply, or service being purchased – and not to the general capacities or qualities of the operator⁵.

Technical specifications may refer to the specific process or method of production or provision of the requested works, supplies or services, or to a specific process for another stage of its life cycle (European Commission 2021a). This also applies when these elements are not part of the material substance of the procurement, as long as they are linked to the subject-matter of the contract and proportionate to its value and its objectives. This means that it is not necessary for all specifications to relate to factors that are visible or discernible in the final product or service. For example, textiles that are produced using toxic dyes (which present a serious health risk to workers) may be identical to those that are produced more safely, but a contracting authority can require the use of non-toxic dyes in the specific products being purchased. It is not allowed, however, to insist upon a production process which is proprietary or otherwise only available to one supplier – or to suppliers in one country or region – unless such a reference is justified by the exceptional circumstances of the contract and is accompanied by the words 'or equivalent.'

Technical specifications may be formulated by reference to EU, international, or national standards and / or in terms of performance or functionality⁶. When reference to a standard is used, it must be accompanied by the words 'or equivalent'. This

⁴ Article 42(2) of Directive 2014/24/EU; Article 60(2) of Directive 2014/25/EU

⁵ Article 42(1) of <u>Directive 2014/24/EU</u>; Article 60 (1) of <u>Directive 2014/25/EU</u>

⁶ Article 42(3) of Directive 2014/24/EU; Article 60(3) of Directive 2014/25/EU

means that evidence of compliance with an equivalent standard must be accepted. Such evidence may be in the form of a test report or certificate. A tenderer may also seek to rely upon a manufacturer's technical dossier if it is not able to obtain third-party evidence within the relevant time limits for reasons that are not attributable to it. The contracting authority must then determine whether this establishes compliance⁷.

Technical specifications may also refer to appropriate criteria that are defined in labels⁸. It is possible to require a third-party label as a technical specification if it:

- 1. Only concerns criteria that are linked to the subject-matter of the contract
- 2. Is based on objectively verifiable and non-discriminatory criteria
- Is established using an open and transparent procedure in which all relevant stakeholders, including government bodies, consumers, social partners, manufacturers, distributors, and non-governmental organisations may participate
- 4. Is accessible to all interested parties
- 5. Is set by a third party over which the economic operator applying for the label cannot exercise a decisive influence

Most labels conforming to the International Standards Organisation (ISO) Type I classification will meet these conditions, although they may also contain criteria that are not specific to the product or service being purchased, such as general management requirements. In this case, the contracting authority must only refer to the specific label criteria that are linked to the subject-matter and not require the label itself⁹. The <u>EU Ecolabel</u> conforms to the ISO Type I classification, meeting 2-5 above; the contracting authority will need to ensure that it only refers to those criteria linked to the subject-matter (1 above). See the <u>EU Ecolabel Product Catalogue</u> (ECAT) to find products and services with the EU Ecolabel. EU Ecolabel criteria are established through a Commission Decision for a defined product group. To be awarded with the EU Ecolabel, a product (good or service) must comply with all the

⁷ Article 42(5) of Directive 2014/24/EU; Article 60(5) of Directive 2014/25/EU

⁸ Article 43(1) of Directive 2014/24/EU; Article 61(1) of Directive 2014/25/EU

⁹ Article 43(2) of Directive 2014/24/EU; Article 61(2) of Directive 2014/25/EU

requirements set in the Commission Decision. EU Ecolabel licences are granted by EU Ecolabel competent bodies. The <u>competent body</u> in Ireland is the National Standards Authority of Ireland (NSAI). To verify if a product is EU Ecolabel:

- Check that the product is listed in the catalogue of EU Ecolabel certified products on the ECAT website and verify the correspondence of EU Ecolabel license
- In case of any uncertainty, contact the national competent body
- In case of an expired certificate, request an update that demonstrates the validity of the certification
- On-going certification process cannot be considered as a proof of compliance (Kowalska & Donatello 2021)

As with standards (see above), other labels with equivalent requirements – they demonstrate that the same objective criteria are met – must also be accepted. If tenderers can show that they were unable to obtain a label within the relevant time limits for reasons that are not attributable to them, then the contracting authority must consider alternative evidence submitted by them, such as a technical dossier that demonstrates that the label requirements are met.

A test report or certificate from a conformity assessment body can be required to establish that a product meets a particular specification or performance level where appropriate, provided that certificates from equivalent assessment bodies are accepted. As with labels, a technical dossier or other form of proof must be accepted if a tenderer has no access to a test report or certificate within the relevant time limits for reasons not attributable to the tenderer¹⁰. The principles of equal treatment, transparency, and proportionality must still be applied, seeking clarification from tenderers where necessary to ensure that a tender is neither unfairly accepted nor unfairly rejected (European Commission 2016).

¹⁰ Article 44 of <u>Directive 2014/24/EU</u>; Article 62 of <u>Directive 2014/25/EU</u>

Specifications may be based on performance or functional requirements¹¹, for example a specification that a building's indoor environment is maintained in a stated temperature range (rather than specifying the heating system). A performance-based / functional specification describes the desired result / outputs in terms of, for example, quality, quantity, and reliability, including how they will be measured. It does not prescribe the inputs or work method for the tenderer. The tenderer is free to propose the most appropriate solution. To ensure fairness and transparency, the contracting authority must ask the tenderer to indicate how the desired result will be achieved and meet the level of quality specified in the procurement documents.

Example 3.2

The City of Espoo, Finland, has included an accessibility requirement in the technical specifications of its calls for tender for online advisory services to make the content accessible to persons with disabilities or impairments (<u>European Commission 2021a</u>, page 63). The service offered must be accessible and compliant with the A and AA levels of <u>Web Content Accessibility Guidelines</u> (WCAG) 2.0.

3.2.2.1.3. By including green and social considerations in selection criteria

All selection criteria must be related and proportionate to the subject-matter of the contract. The <u>Procurement Directives</u> provide a list of the criteria that can be applied to select economic operators, and the types of evidence that may be requested from them¹². These include:

- Human and technical resources
- Experience and references

¹¹ Article 42(3) of Directive 2014/24/EU; Article 60(3) of Directive 2014/25/EU

¹² Article 58(1) and 60(1) of <u>Directive 2014/24/EU</u>

- Records of contracts carried out can be requested, to assess past
 experience in carrying out contracts with similar environmental
 requirements. Certificates of satisfactory execution and outcome can
 be requested for works contracts. The contracting authority must
 clearly set out what type of information is considered relevant, and how
 it will be evaluated.
- Educational and professional qualifications of staff (if not evaluated as an award criterion¹³)
- Environmental management systems and schemes, for example the EU Eco-Management and Audit Scheme (EMAS), ISO 14001
 - Under the 2014 Directives, contracting authorities may require evidence of the environmental management system (EMS) an operator has in place for any contract, provided this is proportionate and related to the subject-matter¹⁴. Equivalent certificates must be accepted, and as with labels and test reports, other forms of evidence (such as an inhouse system) must be considered where an operator has no access to third-party certification, or no possibility to obtain it within the relevant time limits, for reasons which are not attributable to the operator. An EMS may be used to provide evidence of technical capacity. Alternatively, it may serve as a means of proof of capacity for other selection criteria such as equipment or training (European Commission 2016).
- Supply chain management / tracking systems
 - Selection criteria may include technical capacity to monitor labour practices along the supply chain¹⁵, including management systems and partnerships with other organisations. At the selection stage, contracting authorities may request:
 - An indication of the proportion of the contract that the economic operator intends possibly to subcontract

¹³ Annex XII, Part II(f) of Directive 2014/24/EU

¹⁴ Article 62(2) of Directive 2014/24/EU; Article 81(2) of Directive 2014/25/EU

¹⁵ Annex XII, Part II(d) and (j) of Directive 2014/24/EU

 An indication of the supply chain management and tracking systems that the economic operator will be able to apply when performing the contract

· Samples of products

o If a contract includes the supply of products or materials, a sample (or description or photograph) may be requested at selection stage. Certificates of conformity or quality may also be requested 16. A further option available to contracting authorities is to carry out a check on suppliers' production capacities or service providers' technical capacity, as well as their research facilities and quality control measures 17, if the products or services to be supplied are complex or, exceptionally, are required for a special purpose. Either the contracting authority itself or a competent body in the country where the operator is established may conduct the checks.

Conformity assessment certificates

Contracting authorities are required to accept the European Single Procurement Document (ESPD) as preliminary evidence of compliance with selection (as well as exclusion) criteria¹⁸. Contracting authorities can still request original documents whenever necessary to ensure proper conduct of a procurement procedure, provided that they do not already possess those documents¹⁹. eCertis can be used to identify different certificates used in procurement procedures across the EU.

Where an operator relies on the capacity of another entity (including a parent or subsidiary), that other entity must also demonstrate compliance with the exclusion criteria and any relevant selection criteria applied for the contract²⁰.

¹⁶ Annex XII, Part II(k) of Directive 2014/24/EU

¹⁷ Annex XII, Part II(e) of Directive 2014/24/EU

¹⁸ Article 59 of Directive 2014/24/EU

¹⁹ Article 59(4) and (5) of Directive 2014/24/EU

²⁰ Article 63(1) of Directive 2014/24/EU; Article 79 of Directive 2014/25/EU

3.2.2.1.4. By including green and social considerations in award criteria

The <u>EU Procurement Directives</u> expressly state that environmental and social aspects can be included in award criteria, along with accessibility, design for all users, and trading and its conditions²¹. 'Trading and its conditions' may include fair trade considerations.

The same transparency requirements apply to green and social criteria as to other award criteria. They must ensure the possibility of effective competition and allow information submitted by bidders to be verified²², and they must be linked to the subject-matter of the contract.

Cost or price form part of the assessment in any procedure²³, and may be calculated based on life-cycle costs. Life-cycle costing (LCC) means considering all the costs that will be incurred during the lifetime of the product, work or service, to include:

- Purchase price and all associated costs (delivery, installation, insurance, etc.)
- Operating costs, including energy, fuel and water use, spares, and maintenance
- End-of-life costs, such as decommissioning or disposal

LCC may also include the cost of externalities (the costs for society of specific environmental impacts, such as greenhouse gas emissions), where the method used to calculate them:

- Is based on objectively verifiable and non-discriminatory criteria,
- Is accessible to all interested parties, and
- Normally diligent economic operators can provide the data required with reasonable effort²⁴.

²¹ Article 67(2)(a) of Directive <u>2014/24/EU</u>; Article 82(2)(a) of <u>Directive 2014/25/EU</u>; Article 41(2) of <u>Directive 2014/23/EU</u>; Regulation 67(3) of the 2016 Regulations

²² Article 67(4) of <u>Directive 2014/24/EU</u>; Article 82(4) of <u>Directive 2014/25/EU</u>; Article 41(2) of <u>Directive 2014/23/EU</u>

²³ Article 67(2) of Directive 2014/24/EU; Article 82(2) of Directive 2014/25/EU

²⁴ Article 68(2) of Directive 2014/24/EU; Article 83(2) of Directive 2014/25/EU

Where LCC is used, the calculation method and the data to be provided by tenderers must be set out in the procurement documents. While it is possible to develop a bespoke method for calculating LCC that is suitable for a particular contract, this must not unduly favour or disadvantage any operator.

Example 3.3

When the Environment and Resources Authority of Malta procured an 'environmentally and socially friendly' cleaning service at its premises for a period of 36 months, the contract was awarded to the tenderer submitting the offer with the Best Price: Quality Ratio of 40:60 (<u>European Commission 2021c</u>, November 2021, Issue 108, Case Study 199, Malta). Quality aspects included:

- Evidence (National Commission for the Promotion of Equality certification or equivalent) that the bidder is an Equal Opportunities employer in line with the Maltese Equality Mark or equivalent
- Contractor provides insurance cover
- Contractor provides flexi-time
- Contractor provides pay dates schedule
- Valid collective agreement in place
- Quality assurance systems employed by the contractor to ascertain a safe working environment, for example via provision of appropriate signage for wet floors, provision of necessary implements such as gloves

Labels that refer to the environmental characteristics of the product, work, or service being procured may be used to help draft and assess award criteria. The same rules apply to the use of labels as award criteria as apply to their use as <u>technical</u> <u>specifications</u>. Test reports and certificates may be requested under award criteria to demonstrate the environmental performance of products – as above, if bidders have no access to such reports or certificates for reasons that are not attributable to them, then the contracting authority must also consider other evidence such as a technical dossier and decide if this offers adequate proof.

An EMS may serve as evidence when assessing award criteria – but assessment performed at selection criteria stage must not be duplicated at award stage.

3.2.2.1.5 By including green and social considerations in contract performance clauses

Contract performance conditions may include economic, innovation-related, environmental, social, or employment-related considerations²⁵. As with selection and award criteria, there is a requirement for these conditions to be linked to the subject-matter of the contract and included in the contract notice or procurement documents.

Contract clauses may also include the specific commitments made as part of the procurement process, for example enforcing compliance with the environmental performance proposed in the tender and evaluated as part of the award criteria.

3.2.3 Public Procurement Articles in other EU Legislative Acts

The EU's second <u>Circular Economy Action Plan</u> will propose minimum mandatory GPP criteria and targets in sectoral legislation and phase-in compulsory reporting to monitor the uptake of GPP (see <u>section 2.3.2.1</u> of this reference). EU Fit for 55 (see <u>section 2.3.2.2</u> of this reference) proposed a recast Energy Efficiency Directive with a more ambitious, binding, annual target for reducing EU energy use, with the public sector required to renovate 3% of its buildings each year to drive the renovation wave, create jobs, and bring down energy use and costs to the taxpayer. GPP was already addressed in the previous Energy Efficiency Directive, and has been enhanced in the recast Energy Efficiency Directive.

3.2.3.1 Energy Efficiency Directive

<u>Directive EU 2023/1791 on energy efficiency and amending Regulation 2023/955</u> (recast) require (Article 7) contracting authorities and contracting entities to purchase only products, services, buildings and works with a high energy-efficiency

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²⁵ Article 70 of Directive 2014/24/EU; Article 87 of Directive 2014/25/EU

performance, subject to technical feasibility, and to apply the energy efficiency principle when procuring above the EU public procurement thresholds. In September 2021, the European Commission published a recommendation and guidelines on this principle, which means 'to consider, before taking energy planning, policy and investment decisions, whether cost-efficient, technically, economically, and environmentally sound alternative energy efficiency measures could replace in whole or in part the envisaged planning, policy and investment measures, whilst still achieving the objectives of the respective decisions'26. The energy efficiency of such relevant contracts must be made public via Tenders Electronic Daily (TED). Where appropriate, contracting authorities and contracting entities must take into account EU or national GPP criteria. Annex IV sets out the approach that applies to each product / service sector.

Transposition of the recast Directive is required by 11 October 2025. Meanwhile, in Ireland, under the existing Energy Efficiency Regulations (<u>S.I. 426/2014</u>), in central government contracts valued above the EU Public Procurement <u>thresholds</u>:

- Products subject to the <u>Energy Labelling Regulation</u> must belong to the highest energy efficiency class possible to ensure sufficient competition
- Where a product is not subject to the Energy Labelling Regulation, but is covered by an <u>Ecodesign Directive</u>²⁷, it must comply with energy efficiency benchmarks
- Tyres must comply with the highest fuel energy efficiency class (A) as defined in Regulation (EU) 2020/740. The European Commission provides a <u>fuel</u> savings calculator to allow calculation of the fuel, financial, and carbon dioxide (CO₂) emissions savings associated with replacing a lower with a higher energy efficiency class of tyres.

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²⁶ Regulation EU 2018/1999 Article 2 (18)

²⁷ In March 2021, the European Commission launched a public consultation on the <u>Sustainable</u> <u>Products legislative Initiative</u> (SPI). This will aim to make products fit for a climate neutral, resource efficient, and circular economy, and reduce waste and ensure that the performance of frontrunners in sustainability progressively becomes the norm. As part of this initiative, in March 2022 the European Commission adopted its proposal revising and broadening the scope of the Ecodesign Directive.

- In service contracts, any new products purchased by service providers
 partially or wholly for the purpose of providing the service in question must
 comply with the above requirements
- Buildings purchased or leased must comply with certain minimum energy performance requirements

Amendment <u>S.I. 646/2016</u> requires public bodies to procure only equipment that is listed on the Sustainable Energy Authority of Ireland (SEAI) <u>Triple E Register</u> or that satisfies SEAI published energy criteria. The SEAI provides <u>explanations and guidance in relation to the Ecodesign Directive</u>. This Directive sets requirements for nitrogen oxide emission levels, volume for storage water heaters, heat losses from hot water storage tanks, and a range of other criteria. Requirements for space heaters and combination heaters are set out in <u>Regulation (EU) 813/2013</u>, for water heaters in <u>Regulation (EU) 814/2013</u>, and for solid fuel boilers in <u>Regulation (EU) 2015/1189</u>. A range of ecodesign regulations addresses information and communications technology (ICT).

3.2.3.2 Clean Vehicles Directive

The <u>Clean Vehicles Directive</u> (<u>Directive 2019/1161/EU</u>, <u>amending Directive</u> 2009/33/EC) aims to increase the uptake of clean (low- and zero-emission) vehicles in public procurement by setting minimum Member State procurement targets²⁸ and extending the scope. The Directive applies to cars, vans, trucks, and buses (excluding coaches) procured through:

- Purchase, lease, rent or hire-purchase contracts covered by <u>Directive</u>
 2014/24/EU or 2014/25/EU
- Public service contracts for the provision of passenger road transport services (Reg. 1370/2007) valued above €1,000,000
- Service contracts for public road transport services, special-purpose road passenger transport services, non-scheduled passenger transport, refuse collection services, mail and parcel transport and delivery

²⁸ Set out in Table 3 of <u>Directive 2019/1161/EU</u> for light-duty vehicles and Table 4 for trucks and buses

The Directive was transposed into Irish law via S.I. No. 381/2021 – European Communities (Clean and Energy Efficient Road Transport Vehicles) (Amendment)

Regulations 2021 in August 2021. Contracting authorities and contracting entities are required to report relevant procurements annually through SEAI's Monitoring and Reporting System in accordance with Regulation 5(3) of S.I. No.426 of 2014.

In November 2020, the European Commission published a <u>Communication</u> answering frequently asked questions concerning, for example, the definition of 'clean vehicles'; the minimum procurement targets; counting of vehicles; and the use of the <u>TED</u> database under different procurement scenarios, including, for example, retrofitted vehicles or replacement of vehicles in the framework of existing contracts.

4. International, European Union, and national guidance and tools relevant to Sustainable Public Procurement

4.1 Introduction

There is now a wide range of guidance for implementing different aspects of Sustainable Public Procurement (SPP). The United Nations Environment Programme (UNEP) (2018) recommends as an approach to sustainable procurement to 'learn from other guidelines but adapt them to meet the local needs, skills, and traditions'. This chapter summarises international, European Union (EU), national, and other SPP guidance. Hyperlinks allow the reader to investigate areas of relevance to their sector or individual procurement processes in more detail. Two tables are provided in Appendix II to assist with finding all the sections (whether national, EU, or international) that mention specific sustainability issues (Table AII.1), or mention procurement of specific types of goods, services, or works (Table AII.2).

4.2 International guidance

4.2.1 Sustainability and Green Public Procurement

4.2.1.1 ICLEI SPP guidance

ICLEI – Local Governments for Sustainability, founded in 1990 as the International Council for Local Environmental Initiatives, is an international network of local and regional governments committed to sustainable development. Procura+ is a network of European public authorities and regions, coordinated by ICLEI, to connect, exchange, and act on sustainable and innovation procurement. The Procura+

Manual – A Guide to Implementing Sustainable Procurement provides guidance on how to develop a sustainable procurement policy and implement it in practice.

ICLEI also published <u>Life Cycle Costing – State of the Art Report</u>, which explains how to incorporate Life-Cycle Costing (LCC) in procurement, at different stages:

- At the preparatory stage to assess the LCC of the current situation
- Before tendering to roughly assess different proposals to help guide market engagement activities before tendering, or to narrow down the different technological solutions to be considered

- During tendering to compare the Life-Cycle Costs and the anticipated carbon dioxide (CO₂) emissions of different offers, during the evaluation phase
- After tendering: to evaluate and communicate the improvements of the purchased product in comparison to the current / previous situation and / or other products

The report provides websites for a range of LCC tools developed by different organisations internationally.

4.2.1.2 UN sustainability criteria and sustainable procurement examples

The United Nations (UN) Economic Commission for Europe has developed a recommendation regarding <u>Minimal common sustainability criteria for Sustainable</u>

<u>Procurement processes to select Micro, Small and Medium sized Enterprise</u>

<u>suppliers</u>. This includes guidance on developing sustainable 'procurement indicators'.

UN Environment's <u>Global Review of Sustainable Public Procurement 2022</u> includes a case study on development of Green Public Procurement (GPP) criteria in Thailand for cement, thermal insulation, and steel products. The Review offers recommendations for organisations to further integrate sustainability into all aspects of their procurement processes:

- 1. Shift from 'lowest cost procurement' to 'value for money' procurement
- 2. Emphasising training, capacity building and incentives
- 3. Enhance reputation for sustainability
- 4. Advance all aspects of sustainability
- 5. Leverage sustainable procurement to build resilience in the face of crisis
- 6. Integrate sustainable procurement into e-procurement
- 7. Participate in knowledge sharing networks
- 8. Enhance supplier engagement

UN Environment's <u>Building Circularity into Our Economies through Sustainable</u>

<u>Procurement</u>, published in 2019, also offers recommendations:

- Start simple and scale up gradually
- Engage in systemic thinking
- Start with easy wins
- Engage suppliers at an early stage
- Focus on priorities: run a hotspots analysis
- Communicate, share, and access lessons learned

It includes circular procurement case studies relating to infrastructure, cleaning products, paper notebooks, and waste management.

4.2.1.2.1 Electronics

In June 2022, the Sustainable Public Procurement Programme of the One Planet Network (see section 2.2.1.2 of this reference) produced Sustainable Procurement of Electronics: A Progressive Approach to Chemicals of Concern. The aim of the guidance is to inform better specification of chemicals management in tenders for electronics products. It provides recommendations on how best to integrate chemicals management into sustainable procurement at a global level. It addresses the role that sustainable procurement can play in managing chemicals of concern in electronics and electrical equipment procured across the public (and private) sector, during their entire life cycle. It recognises the importance of managing chemicals of concern by demonstrating a clear pathway from initial compliance with existing regulations and multilateral environmental agreements (MEAs) towards a more proactively managed approach to selecting electronic products with reduced environmental impact and shifting towards more sustainable patterns of consumption and production in line with the UN Sustainable development Goal 12 – ensure sustainable consumption and production patterns (see section 2.2.1.1 of this reference). It includes guidelines for adopting a life-cycle approach to the procurement of electronics and identifying and addressing chemicals of concern within the procurement cycle of electronic and electrical equipment through a five step approach. It also provides recommendations for identifying and implementing performance improvement over time, and guidance on procuring specific product examples, through Product Profiles. It addresses both procurers of electronics and of waste management solutions at end-of-life for electronics equipment. It includes sample criteria and how they can be verified, and lists relevant Type I ecolabels. It

points out that both the green and socially responsible aspects of sustainable procurement require management of chemicals of concern from extraction through to disposal. It provides an example of circular public procurement of information and communications technology (ICT) hardware.

4.2.1.3 OECD good GPP practices

Examples of approaches to GPP can be found in <u>Going Green – Best practices for sustainable procurement</u> produced by the Organisation for Economic Cooperation and Development (OECD).

4.2.1.4 Sustainability-related International Standards

In 2017, the International Standards Organisation (ISO) published <u>ISO 20400</u>, Sustainable procurement – Guidance. This is the world's first International Standard for sustainable procurement and aims to help organisations develop and implement sustainable purchasing practices and policies.

The development of an International Energy Management Standard, <u>ISO 50001</u>, has provided some clarification, definition, and standardisation of terms in relation to energy audits (UNEP 2018). ISO 50001, as well as other International Standards such as <u>ISO 14000</u> (Environmental management), is based on the PLAN→DO→CHECK→ACT model for continual improvement. It provides the processes and systems needed to incorporate energy considerations and energy management into daily operations as part of an organisational strategy for improving energy performance. An 'energy review', presented by the ISO 50001 standards, establishes the baseline data on the energy use of the enterprise, building, etc. This review is usually carried out once prior to the development and establishment of the energy management strategy.

4.2.1.5 Sustainable buildings and construction

The UN has produced a <u>Guidance Document on Procuring Sustainable Buildings</u> <u>and Construction</u>, primarily aimed at public procurement officers. This includes all aspects of building design and different types of contracts, as well as a range of detailed case studies. Key recommendations are:

- 1. Consider the whole life cycle of the building to be procured
- 2. Set documented sustainability targets
- 3. Define the financing strategy and type of contract
- 4. Apply sustainability criteria when choosing the designers, contractors, and manufacturers
- 5. Verify that objectives are met in every phase in the process
- 6. Continuous improvement through monitoring, reporting, and verifying
- 7. Keep the process inclusive and transparent
- 8. Influence user behaviour, for example by installing meters
- Leave space for innovation in the process (keep the process performancebased when possible as this makes it possible for market forces to propose sustainable solutions that the client may not have thought of; clearly define the assessment criteria to ensure control over delivery)
- 10. Support collaboration

The International Cost Management Standard (ICMS), formally International Construction Measurement Standards, provides a single methodology for reporting, grouping, and classifying construction project costs. It incorporates LCC in its second edition. The third edition, currently available for public consultation, will extend the ICMS approach to greenhouse gas (GHG) emissions. By providing a common reporting framework for capital costs, life-cycle costs, and GHG emissions, it will allow exploration of their interrelationships, and provide data to assist decisions about the design, construction, operation, and maintenance of the built environment to optimise environmental sustainability.

The <u>Chartered Institution of Building Services Engineers</u> has produced guidance on calculating embodied carbon in buildings: <u>TM65: Embodied carbon in building services: A calculation methodology</u>.

4.2.1.6 Sustainable food

In 2021, the Food and Agriculture Organization of the United Nations (FAO) published *Public food procurement for sustainable food systems and healthy diets*, in two volumes. This includes diverse case studies from around the world. In 2022, the

World Health Organisation (WHO) published <u>How together we can make the world's most healthy and sustainable public food procurement</u>. Designed for procurement officers, this manual provides comprehensive guidance, linked to the Sustainable Development Goals (SDGs), addressing how procurement can simultaneously ensure human health, environmental health, and social responsibility. Examples for a wide range of aspects of catering procurement, such as delivery of food, packaging, food waste, organic food, sustainable soy, and low carbon footprint, are included.

ICLEI has published a Food & Catering Global public procurement factsheet.

4.2.2 Social responsibility

4.2.2.1 ISO 26000

ISO 26000, Guidance on social responsibility, was launched in 2010, following five years of negotiations between international stakeholders representing governments, non-governmental organisations (NGOs), industry, consumer groups, and labour organisations. ISO 26000 is <u>not</u> a management system standard. It cannot be used for certification, because it does not contain requirements. It addresses seven core subjects of social responsibility:

- Human rights
- Labour practices
- The environment
- Fair operating practices
- Consumer issues
- Community involvement and development

4.2.2.2 OECD responsible business conduct

In 2020, the OECD published <u>Integrating Responsible Business Conduct in Public Procurement</u>. This report emphasises how risk-based supply chain due diligence can help public buyers boost Responsible Business Conduct (RBC). International instruments including the UN Guiding Principles on Business and Human Rights and the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work (see <u>section 2.2.2</u> of this reference) recommend that business

should carry out risk-based supply chain due diligence to avoid and address adverse impacts associated with their operations, supply chains, and other business relationships. Given the power of public procurement to act as a lever for change, public bodies can use public procurement to uphold RBC commitments. A risk-based approach can help public procurers identify, prioritise, and address risk in global supply chains to prevent and mitigate adverse impacts and meet broader sustainability goals.

4.2.2.3 Human Rights

The <u>United Nations Guiding Principles on Business and Human Rights</u> (UNGPs) includes guidance regarding state oversight and promotion of human rights in public contracts.

The Thematic Hubs of the <u>International Learning Lab on Public Procurement and Human Rights</u> provide access to a wide range of examples of including different aspects of human rights in public procurement.

4.2.2.3.1 Ethical ICT

A <u>Circular & Fair ICT Pact</u> (CFIT), launched in June 2021, aims to stimulate circularity, fairness, and sustainability in the ICT sector, and intends to facilitate the development of procurement criteria and guidance.

The International Working Group on Ethics in Public Procurement of ICT has produced a <u>follow-up checklist</u> for ethical procurement of ICT. The <u>Final Report</u> of this Working Group provides information on topics such as social labels, as well as case studies from the participants in the Group.

4.2.2.4 Social inclusion

4.2.2.4.1 Accessibility

The Global Initiative for Inclusive ICT (G3ict) has developed <u>a public procurement</u> <u>portal</u> with guidance for procurement of accessible ICT.

4.2.2.4.2 Inclusive public procurement

The United Nations Development Programme launched its <u>Inclusive Public</u>

<u>Procurement Playbook</u> in 2022. This explains that public procurement can be used to promote more opportunities for business enterprises that are 'still at the base of the economic pyramid', for example small business enterprises or enterprises owned by women or minorities. It sets out strategies to guide such an aim, and provides best practice examples.

4.3 European Union guidance

4.3.1 Sustainability and GPP

4.3.1.1 EU GPP guidance

Since 2010, the European Commission has been promoting good GPP experiences to illustrate how public authorities in Europe have successfully 'greened' a public tender or procurement process. These examples include the use of LCC or circular economy principles and approaches fostering sustainable innovation, and can be found via the Commission's GPP Good Practice Library. The European Commission's main GPP guidance document, <u>Buying Green! - A handbook on</u> green public procurement, helps contracting authorities to buy goods and services with a lower environmental impact, outlining the possibilities to pursue GPP under the 2014 EU Procurement Directives. The handbook explains that GPP can be applied to contracts both above and below the threshold for application of the Procurement Directives. Published in 2016, it shows how environmental considerations can be taken into account during pre-procurement, as part of the procurement process itself, and during the performance of the contract. It explains that rules regarding exclusion and selection aim to ensure a minimum level of compliance with environmental law by contractors and sub-contractors, whereas techniques such as LCC, specification of sustainable production processes, and use of environmental award criteria are available to help contracting authorities identify environmentally preferable bids. It also includes useful case studies to illustrate the different opportunities available to incorporate environmental considerations into procurement.

There is an option to sign up for monthly updates (News) regarding GPP via https://green-business.ec.europa.eu/green-public-procurement_en. These updates usually include links to new, detailed, GPP case studies. This site also provides a link to the EU's GPP Helpdesk. Since February 2022, the GPP Helpdesk addresses both green and social aspects of public procurement.

<u>Public Procurement for a Circular Economy – good practice and guidance</u> was published in 2017, providing guidance and examples from across Europe of good practice in employing circular economy principles in public procurement.

4.3.1.2 EU GPP criteria

The <u>EU GPP criteria</u> were developed to facilitate the inclusion of green requirements in public tender documents. While the adopted EU GPP criteria aim to reach a good balance between environmental performance, cost considerations, market availability, and ease of verification, procuring authorities may choose, according to their needs and ambition, to include all or only certain requirements in their tender documents.

The Commission distinguishes between core criteria and comprehensive criteria:

- Core criteria are those suitable for use by any contracting authority across the Member States, and address the key environmental impacts. They are designed for use with minimum additional verification effort or cost increases.
- Comprehensive criteria are for those who wish to purchase the best environmental products available on the market. These may require additional verification effort or some increase in purchase cost compared to competing options fulfilling the same function.

The EU GPP Criteria cover a selection of categories:

- Road transport
- Computers, monitors, tablets and smartphones
- Data centres, server rooms, and cloud services
- Imaging equipment, consumables, and print services
- Food catering services and vending machines
- Public space maintenance
- Cleaning products and services
- Paints, varnishes and road markings
- Road lighting and traffic signals
- Furniture
- Textiles
- Office building design, construction and management
- · Road design, construction and maintenance
- Electrical and electronic equipment used in the health care sector²⁹
- Sanitary tapware²⁹
- Toilets and urinals²⁹
- Waste water infrastructure²⁹
- Water-based heaters²⁹
- Electricity
- Copying and graphic paper²⁹

Oldest

Most recently published / revised

Technical background reports are provided with each set of criteria, in some cases along with procurement practice guidance. There are also several webinars providing information on the use of GPP Criteria for different sectors.

²⁹ The European Commission's Joint Research Centre (JRC) concluded in 2021 that criteria for these product groups are now out of date

As an example, criteria published in 2021 regarding computers, monitors, tablets and smartphones, are divided into four main sections:

- 1. Product lifetime extension
- 2. Energy consumption
- 3. Hazardous substances
- 4. End-of-life management

A fifth section concerns criteria applicable to refurbished / remanufactured equipment.

As another example, in October 2021, the European Commission published revised EU GPP criteria for <u>road transport</u>, updating the previous criteria published in 2019. The revised criteria are fully compliant with the revised Clean Vehicles Directive (see <u>section 3.2.3.2</u> of this reference), and provide contracting authorities with the necessary guidance to procure clean and environmentally responsible road vehicles and services. The criteria address the key environmental impacts during the life cycles of vehicles and related services, paying specific attention to greenhouse gases and air pollutant emissions produced during use and along supply chains (of the energy carriers). They also address environmental impacts related to batteries for electric vehicles and noise emissions produced by vehicles and tyres.

The European Commission has started the revision of the EU GPP criteria for office buildings. The Joint Research Centre (JRC) published a report on EU Green Public Procurement (GPP) criteria for the design, construction, renovation, demolition and management of buildings in 2022. This report effectively replaces the previous EU GPP criteria published by the Commission in 2016 for office buildings and includes consideration of both residential and non-residential buildings. The criteria are presented in the general order of a building life-cycle, regardless of whether the project starts with an existing building, a derelict site or a greenfield site. At the beginning of each criterion there is a note stating which type of project(s) that criterion is suitable for. Criteria are grouped into a number of themes considered as being relevant to GPP. Procuring authorities can therefore decide if they want to focus on one theme in particular or have a broader and more holistic approach. The GPP-relevant themes for buildings are:

Energy consumption and greenhouse gas emissions

- Material circularity
- Efficient use of water resources
- Occupant comfort and wellbeing
- Vulnerability and resilience to climate change
- Life-cycle costing
- Biodiversity

These new proposals apply not only to office buildings, but also to schools and social housing. In principle, the same criteria could also be used in other types of public buildings. By highlighting those criteria that are relevant to leasing and management of existing buildings, the potential impact of these proposed criteria is maximised – since any building owner or prospective tenant could potentially apply them. The criteria are generally aligned with the European framework for sustainable buildings – Level(s), and benchmarks have been set by taking into account relevant Green Building Certification schemes, EU policy such as the sustainable finance taxonomy, and good practice established within Europe in the building sector.

4.3.1.3 EU LCC tools

The European Commission developed <u>LCC tools</u>, to help public procurers make more cost-effective and environmentally sound decisions. Tools are now available for computers and monitors, indoor lighting, outdoor lighting, vending machines and imaging equipment. Detailed user guides accompany the tools. The spreadsheets are designed to be included directly in tender documents, with bidders completing the relevant fields to indicate the energy consumption and other aspects of their products. They can also be used to compare options at the pre-procurement planning stage.

The 2014 Procurement Directives³⁰ (see <u>section 3.2.2</u> of this reference) require the procurement documents to set out the calculation method and the data to be provided by tenderers, where LCC is used. Specific rules also apply regarding

³⁰ See Article 68(2) of Directive 2014/24/EU and Article 83(2) of Directive 2014/25/EU

methods for assigning costs to environmental externalities, to ensure that these methods are fair and transparent. By applying LCC, public purchasers take into account the costs of resource use, maintenance, and disposal that are not reflected in the purchase price. Often this will lead to 'win-win' situations whereby a greener product, work, or service is also cheaper overall. The main potential for savings over the life cycle of a good, work, or service are:

- Savings on use of energy, water, and fuel
- Savings on maintenance and replacement
- Savings on disposal costs

See <u>SMART SPP</u> and <u>Clean Fleets</u>, below (sections <u>4.3.1.5</u> and <u>4.3.1.7</u>), for more LCC tools. <u>Level(s)</u> provides a Calculation and Assessment Tool to aid sustainability performance assessment in the construction sector.

Information on LCC is included in the <u>EU GPP Criteria</u> guidance for several categories.

4.3.1.4 EU GPP training

The European Commission provides a <u>GPP Training Toolkit</u>, which consists of six independent broader training modules and ten more category-specific operational modules, with PowerPoint presentations (including trainer notes) and accompanying guidance. These modules include case studies for different goods and services.

The EU's ERASMUS + project GREENER produced <u>The GREENER Toolbox</u>, aimed at gathering tools and resources to support the participation of small and medium enterprises (SMEs) in Green and Circular Public Procurement. This includes advice for trainers when providing training in GPP to SMEs.

The Sustainability and Procurement in International, European, and National Systems (SAPIENS) Network offers <u>training</u> to SPP research specialists.

4.3.1.4.1 GPP training for the furniture sector

<u>GPP-FURNITURE</u> is an open learning resource providing online courses about GPP specific to the furniture industry.

4.3.1.4.2 GPP training for the construction sector

<u>Level(s)</u> provides a comprehensive set of online training materials to aid sustainability performance assessment in the construction sector. The EU project <u>GUPP</u> produced <u>training on GPP in construction</u>, freely available via Moodle. This includes modules relating to Level(s) (module 8) and Life-Cycle Assessment (module 9).

4.3.1.5 Low carbon emission technologies

SMART SPP – innovation through sustainable procurement – was a European project that promoted the introduction of new, innovative, low carbon emission technologies and integrated solutions onto the European market using the preprocurement phase. The project produced *Driving energy efficient innovation through procurement – A practical guide for public authorities*, which built on experience from innovative procurement activities undertaken by the SMART SPP project partners. The guide includes examples from across those partners. Each of the public authority partners in the SMART SPP project undertook a procurement action for innovative energy efficient products:

- Kolding (Denmark) light emitting diodes (LEDs) for internal lighting
- Barcelona (Spain) Electric vehicle recharging points; office drinks and snacks vending machines
- Cascais (Portugal) LEDs for street lighting; electric vehicles
- Bromley (UK) LEDs for internal lighting
- ESPO (UK) Voltage optimisation technology

The case studies from these partners provide detail about the complete procurement processes, including lessons learned. An Annex to the case studies provides detail of specifications and award criteria and weightings applied in the different procurements. The focus was to work with the market to obtain sustainable

procurement solutions, and therefore each case study explains approaches taken towards:

- Identifying appropriate product groups
- Setting up a project team
- Defining procurement needs
- Informing the market
- Engaging the market
- Tendering and contracting
- Invitations to tender for complex processes

The project produced a tool for calculating Life-Cycle Costs and CO₂ emissions, along with an accompanying step-by-step user guide: this explains both when and by whom the tool should be used and how to use it. There is also a LCC tool specific for indoor lighting, which is also accompanied by an <u>indoor lighting LCC tool user guide</u>. This indoor lighting LCC tool complements the <u>EU LCC indoor lighting tool</u>. It can be used for situations not considered by the EU LCC indoor lighting tool, such as complex buildings that need more lighting devices, to consider embedded emissions, or to simulate lease situations. It can be used to:

- Assess the total cost of ownership (TCO), life-cycle costs, CO₂ emissions and payback period of a lighting project
- Compare different scenarios or offers for purchasing or leasing contracts
- Assess the current situation and thus determine potential financial impacts of innovative alternative solutions

The tool can be used (by choosing the appropriate option in the 'LCC input results' sheet):

- For acquisition or lease contracts
- With or without maintenance contract
- With or without Environmental Product Declaration (EPD) information

Where EPD information is available, CO₂ emissions are calculated from both the operational phase (mainly energy consumption during use) and the embedded emissions caused during production (including raw material extraction),

transportation, installation and disposal, using the Global Warming Potential (GWP) values in the EPD for Production Stage, Construction Process Stage, and End-of-Life Stage. Where EPD information is not available, the tool will only calculate the CO₂ emissions deriving from the operational phase. The costs of the CO₂ emissions are calculated in order to monetise the environmental impact (externalities) by CO₂ emissions. The 'Tender Evaluation' sheet of the tool helps the user to compare the calculations of TCO, LCC and / or CO₂ emissions of the different bidders. Other award criteria, the weighting of each award criteria as defined in the tender specifications, and the points awarded per criterion and offer can be added in this sheet. The user must choose between the TCO or LCC approach in the award criteria, because the same aspects must not be rewarded twice. The user guide provides explanations of the procedure for bidders as well as for contracting authorities.

The SMART SPP <u>case studies</u> include the experience of the different partners in applying this tool to their procurements.

4.3.1.6 Sustainable buildings and construction

The European Joint Research Centre has produced <u>a series of manuals</u> relating to the different indicators in the Level(s) framework.

The European Standard <u>BS EN 15978:2011</u> provides a calculation method for the assessment of the environmental performance of buildings. Part of the EN 15643 family of standards for the sustainability assessment of buildings, it sets out the principles for whole life assessment of the environmental impacts from built projects based on Life-Cycle Analysis (LCA) (Royal Institution of Chartered Surveyors (RICS) 2017).

The Life Level(s) project, which included the Irish Green Building Council (IGBC) as a partner, produced a <u>best practice guide</u> to support incorporating Level(s), LCA, LCC, and Indoor Air Quality (IAQ) into the public procurement process. As well as guidance, this provides best practice case studies, including one from Ireland (p 38): the Grangegorman Development Authority included a requirement that the winning

design for the FOCAS Research Institute must demonstrate how the building would meet an embodied carbon target of 600 kilogramme (kg) CO₂ equivalent (CO₂-eq) / m². The carbon requirement was formulated as described in BS-EN-15978.

The Commission issued <u>guidance on the Energy Efficiency First principle</u> in 2021 to help public authorities properly take into account all costs and wider benefits of the investments in the built environment during procurement *and* in procurement of goods and services.

In 2022, <u>A guide for facilitating the integration of reclaimed building materials in large-scale projects and public tenders</u> was published as part of the project Interreg NWE 739: Facilitating the Circulation of Reclaimed Building Elements (FCRBE).

4.3.1.7 Vehicles

<u>Clean Fleets</u> was a European project that worked with public authorities across Europe to implement the Clean Vehicle Directive (see <u>section 3.2.3.2</u> of this reference) and buy cleaner, greener vehicles. The project produced a <u>guide</u> and <u>LCC tool</u>. The guide provides comparison of different types of fuel and tips as to what to consider in choosing a greener approach to transport. It also details the experience of various European cities (including Dublin), towns, and regions in utilising different fuels and different approaches. While this project produced a very useful body of guidance, tools, and experience, procurers should note that the Clean Vehicles Directive was recast (see <u>section 3.2.3.2</u> of this reference) after the project completed, and ensure they are complying with the latest requirements.

4.3.1.8 Bio-based products

The European Commission has developed <u>Guidance for bio-based products in procurement</u>. This includes material for trainers using information from the guidance, as well as a number of factsheets about bio-based products relevant to gardening and landscaping and construction materials, such as bio-based pots, soil improvers, asphalt additives, and street furniture. These factsheets included suggested criteria for inclusion in procurement, along with suggested methods of verification. They also

explain the environmental benefits of choosing bio-based options, as well as availability of the products.

4.3.1.9 Sustainable cities

The Partnership on Public Procurement has developed a <u>guidance toolkit</u> on how cities can use public procurement strategically to address their social and environmental objectives. Different sections of the toolkit address areas such as developing a procurement strategy, circular procurement, knowledge exchange, the legal framework and measuring the sustainability impacts of procurement spend.

The URBACT Knowledge Hub includes a section on <u>Strategic Public Procurement</u>, which in turn includes an online course that covers the procurement cycle and showcases case studies from diverse cities. In collaboration with the European Institute for Gender Equality (EIGE), four new modules were added in 2022 to help cities implement gender-responsive public procurement at a local level.

4.3.1.10 Further GPP / circular procurement case studies

In addition to the case studies referenced above under EU GPP Guidance, the following websites provide further examples of best practice GPP or circular economy public procurement in Europe:

- The European Circular Economy Stakeholder Platform
- GPP4Growth (which includes four examples from Ireland)
- Big Buyers for Climate and Environment
- <u>Circular Building: 't Centrum</u> describes procurement of a modular building using renewable, reusable, recycled or upcycled materials, so that they stay in the use cycle for as long as possible
- The Interreg North Sea Region project <u>ProCirc</u> provides examples of green procurement of transport, furniture, and floor insulation from public bodies across the region
- The Erasmus project <u>Innovative method of circular economy in public and</u>
 <u>private procurement</u> produced a manual <u>Methodology on Circular Public and</u>
 Private Procurement, which includes several detailed case studies

 <u>Sustainable public procurement of food</u>, compiled by the European Committee of the Regions

4.3.2 Socially Responsible Public Procurement

4.3.2.1 EU Socially Responsible Public Procurement guidance

In 2020, the Executive Agency of Small and Medium-sized Enterprises (EASME) of the European Commission published firstly <u>Buying for social impact – good practice from around the EU</u>, and later <u>Making Socially Responsible Procurement Work – 71 Good Practice Cases</u>. The first has a particular focus on social economy enterprises, providing case studies of successful Socially Responsible Public Procurement (SRPP). The second addresses all aspects of sustainability (social, economic, and environmental) and provides case studies from a range of sectors such as healthcare, ICT, construction, and social services, as well as broader policy or procurement approaches. Case studies include the development and use of the Grangegorman Development Agency Employment Charter.

In 2021, the European Commission produced the second edition of <u>Buying Social</u> – <u>a guide to taking account of social considerations in public procurement</u>. This provides clear and detailed guidance as to how to incorporate social considerations throughout the entire procurement process. It also includes case studies from around Europe – see page 76 for an example from Cork City Council in relation to a procurement approach to improve and co-produce solutions to meet the city's social housing needs. <u>#WeBuySocialEU – FAQ</u> provides brief answers to common questions regarding SRPP. The <u>Buying for Social Impact</u> project resulted in reports and matrices explaining how social considerations have been embedded in the law transposing Directive 24/2014/EU (see <u>section 3.2.2</u> of this reference) in participating countries, including in Ireland.

4.3.2.2 Ethical supply chains

4.3.2.2.1 ICT

The Procura+ Interest Group on Socially Responsible Public Procurement of ICT hardware, coordinated by ICLEI Europe, produced <u>How to procure fair ICT</u> <u>hardware: criteria set for socially responsible public procurement</u>. This highlights particular points to which to pay attention in procurement of ICT:

- Take into account changes in corporate sustainability policies
- Demand decent working conditions
- Recognise that supply chains do not end at the factory
- Transparency can lead to improvement
- Materials responsibly sourced and fairly produced
- Ethical production processes
- Question whether circularity means social

The guidance addresses impacts relating to occupational health and safety violations, employment conditions, and forced labour. It provides suggested

- Selection criteria relating to responsible sourcing practices, supplier risk screening, supplier code of conduct, implementation of codes and policies, and labour and human rights at raw material extraction
- Technical specifications relating to product transparency, conflict minerals requirements, product risk screening, and labour and human rights at raw material extraction
- Award criteria relating to responsible sourcing practices, transparency and systematic work, supplier code of conduct, capacity building, external collaboration, plan for supply chain transparency as well as the scope of the labour and social standards to be observed, and the plausibility of the concept for compliance

For each selection or award criterion or technical specification, verification methods are also suggested.

The guidance also includes the <u>Electronics Watch contract conditions</u>. These are an effective tool for Electronics Watch affiliates to ensure social responsibility in their electronics supply chains (ICLEI Europe & Electronics Watch 2020). They are consistent with Directive 2014/24/EU on public procurement and reflect international guidance for public procurement, business, and human rights, including the <u>United Nations Guiding Principles on Business and Human Rights</u> and the <u>OECD Guidelines on Multinational Enterprises</u>. They require the contractor to perform due diligence to achieve supply chain transparency, collaborate with independent monitors, and remedy breaches of labour rights and safety standards. Affiliates to Electronics Watch incorporate the Electronics Watch contract conditions or equivalent clauses in their ICT hardware contracts. The Electronics Watch contract conditions are publicly available, but to be able to make use of the full power of the contractual obligation they set out, public buyers need to affiliate to Electronics Watch, which can then provide the worker-driven monitoring that is the basis for compliance monitoring to detect possible contract breaches.

4.3.2.2.2 Textiles

As part of an EU <u>Platforma – Local and Regional International Action</u> project, the Association of Flemish Cities and Municipalities (VVSG) and the City of Ghent produced a <u>Toolbox: Socially Responsible Workwear – A guide for public</u> <u>purchasers</u>. This outlines the extent of the supply chain in the textile sector and provides guidance on using purchasing power to aid social responsibility along these chains, which involves:

- 1. Ethical and corporate social responsibility
- 2. Respect for international and national social and labour legislation (including ILO and modern slavery)
- 3. Respect for human rights
- 4. Guaranteeing living wages

VVSG / City of Ghent recommends that public procurement of workwear includes contract performance requirements that suppliers:

 Sign a code of conduct and complete a questionnaire to map how advanced they and their sub-contractors are on socially responsible procurement

- Have audit reports of the sites where the purchased workwear is produced, independently verified by an independent third party within six months of award of the contract
- Remedy social risks that do not comply with the principles set out in the signed code of conduct by means of a corrective action plan (mandatory) and the continuous improvement of the social risks in the chain (desirable)

4.3.2.3 Social inclusion

4.3.2.3.1 Accessibility

The European Standard EN 17161:2019 Design for All – Accessibility following a Design for All approach in products, goods and services – Extending the range of users aims to help organisations align with a consistent approach to addressing accessibility. It specifies requirements that can enable an organisation to design, develop, and provide products, goods, and services so that they can be accessed, understood, and used by the widest range of users, including persons with disabilities. The requirements are structured such that they can be easily integrated into an organisation's management system and in line with ISO 9001, ISO 50001 and ISO 14001.

4.3.2.3.1.1 Accessibility of built environment

The European standard EN 17210:2021 Accessibility and usability of the built environment – Functional requirements was developed under European Commission Mandate M/420 'European accessibility requirements for public procurement in the built environment'. The standard describes basic, minimum functional requirements and recommendations for an accessible and usable built environment, following Design for All / Universal Design principles that will facilitate equitable and safe use for a wide range of users, including persons with disabilities. These functional accessibility and usability requirements and recommendations are relevant to the design, construction, refurbishment or adaptation, and maintenance of built environments, and are applicable across the full spectrum of the built environment.

4.3.2.3.2 Gender-responsive public procurement

In 2022, EIGE published a <u>toolkit</u> to help contracting authorities to promote gender equality across the different stages of the procurement cycle. This <u>webpage</u> provides an overview and includes examples of gender-responsive public procurement.

4.3.2.3.3 Catering

<u>Choosing Best Value in Contracting Food Services – A guide for private and public client organisations</u> includes considerations relating to catering staff's working conditions and training, as well as environmental impacts and ethical sourcing of food. It includes examples of award criteria weighting and templates for each stage in the procurement process.

4.3.2.3.4 Upskilling

The EU project BusLeague produced a guide on how to use public procurement to incentivise energy efficiency upskilling in the construction industry (see results at end of <u>Outcomes page</u>). This guide includes examples of the use of training clauses in procurement by six organisations in Bulgaria, France, Spain, and Ireland (Dublin City Council included in the contract a requirement that personnel employed on a Passive House project completed Passive House Tradesperson training – see section 3.2 of the guide).

4.4 National guidance

4.4.1 Sustainability and GPP

4.4.1.1 GPP guidance and Irish GPP criteria

<u>Green Tenders – An Action Plan on Green Public Procurement</u>, published in 2012, includes guidance and examples of approaches to GPP across eight priority sectors. This was followed by publication, in 2014, of broad guidance on GPP and descriptions of 'Irish GPP criteria' for the same eight sectors. The guidance and criteria were extensively updated and expanded, and launched in September 2021

as <u>Green Public Procurement – Guidance for the Public Sector</u> and accompanying criteria for:

- 1. Energy-related products
- 2. Food and catering
- 3. Heating
- 4. ICT
- 5. Indoor cleaning
- 6. Lighting
- 7. Office buildings
- 8. Paper and printing
- 9. Textiles
- 10. Transport

These criteria reflect the <u>EU GPP criteria</u>, but also the procurement needs of Irish contracting authorities, allowing for acceptable competition, cost, and quality outcomes, as well as measurable environmental gains. Use of these criteria greatly reduces the work that would otherwise be involved for a contracting authority wishing to incorporate environmental considerations: they are compliant with relevant EU and Irish legislation in each sector, can be used in different purchasing arrangements, and can be verified by reference to commonly available tests and standards. As with EU GPP criteria, the Irish GPP criteria distinguish between core and comprehensive criteria. The guidance also provides general purchasing recommendations regarding contracts for professional services and electricity, and outlines the value of adopting a GPP policy, rather than considering GPP on an *adhoc* basis.

In 2022, the Office of Government Procurement (OGP) led development of GPP Criteria Search, an online search tool that allows the user to rapidly find, select, and download the Irish GPP criteria relevant to a specific procurement project. Available at https://gppcriteria.gov.ie/, this search tool is designed to simplify the process of including green considerations in public procurement. It greatly reduces the time required to find relevant criteria and to copy them into procurement documents. It was developed in collaboration with the Environmental Protection Agency (EPA) and

the Department of the Environment, Climate and Communications (DECC), and the design incorporates feedback from diverse end-users.

Example 4.1

The printing services section within the <u>Irish GPP criteria for paper products and printing services</u> includes a selection criterion (SC) relating to the capacity of the service providers and 12 technical specifications relating to printed products.

The selection criterion 'SC1. Environmental technical capacity' requires evidence that the equipment, expertise, documented procedures and management systems in place are appropriate to address the main environmental impacts of the printing service, including:

- Source of legal and sustainable paper and other materials
- Minimisation of waste during printing, finishing, and other processes
- Energy efficiency at the production site(s)
- Efficient use of water at the production site(s)
- Avoidance of hazardous substances, and correct handling and disposal of any that cannot be avoided
- Staff training in each of the above

A certified environmental management system, for example <u>EMAS</u>, <u>ISO 14001</u> (see <u>section 3.2.2.1.3</u> of this reference) may be used as evidence for verification, along with examples of the application of these procedures in previous contracts.

Example 4.2

The <u>Irish GPP criteria for Paper products and printing services</u> include criteria for procuring:

- Graphic and copying paper
- Envelopes and stationary paper products, for example notebooks, writing pads
- Printed paper products, for example forms, leaflets / brochures, annual reports
- Printing services

Under the first category, graphic paper, six technical specifications (TS) are listed:

- TS1. Legal harvest of timber for pulp production
- TS2. Sustainable sourcing of fibres for pulp production
- TS3. Energy consumption during pulp and paper production
- TS4. Water consumption during pulp and paper production
- TS5. Bleaching
- TS6. Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) candidate list substances

TS1 and TS2 are 'core and comprehensive'. TS3-TS6 are comprehensive criteria. Public bodies as a minimum should include TS1 and TS2 in procurement of graphic paper, to ensure a green procurement. Ideally, TS3-TS6 should also be included.

The core criteria focus on the legal and sustainable harvesting of timber and align with the Forest Stewardship Council (FSC) and Programme for Endorsement of Forest Certification (PEFC) labels. The comprehensive criteria are aligned with the requirements of the EU Ecolabel for graphic paper and in addition to legal and sustainable harvesting address the production of pulp, including all constituent subprocesses from the point at which virgin fibres or recycled fibres enter the production site to the point at which the pulp leaves the pulp mill.

For each criterion, the requirement is set out in a manner that can be copied directly into a tender, along with appropriate verification methods. FSC and PEFC labels are appropriate verification for the core criteria, and the EU Ecolabel is appropriate verification for compliance with all the comprehensive criteria. However, in line with the EU Procurement Directives, alternatives to these labels must also be accepted (see section 3.2.2.1.2 of this reference), and therefore appropriate alternatives are detailed.

Example 4.3

The road lighting section within the <u>Irish GPP criteria for lighting</u> lists:

- Two selection criteria ('core and comprehensive')
- 16 technical specifications (seven of which are 'core and comprehensive'; there
 are alternative core versus comprehensive versions for the other nine)
- Two award criteria ('core and comprehensive')
- Four contract performance clauses (one of which is a comprehensive criterion; the other three are 'core and comprehensive')

The selection criteria relate to the competencies of the design team (SC1) and the installation team (SC2). One of the Technical Specifications, TS1. Luminaire efficacy requires lighting efficacy higher than a stated reference. TS3. Minimum dimming performance requires that light sources and luminaires be installed with fully functional dimming controls. TS4. Annual Energy Consumption Indicator (AECI), is applicable when a new lighting installation is being designed or when a redesign is required due to the refurbishment of an existing lighting installation or the retrofitting of new luminaires. This specification states a maximum AECI in terms of the power density indicator, maximum maintained illuminance, dimming factor for any programmed dimming, and operating time. The core version of TS9 Ecological pollution and star visibility includes that in parks, gardens, and areas that are considered by the procurer to be ecologically sensitive, the G-index (a measure of blue light content) must be greater or equal to 1.5. This usually equates to a correlated colour temperature (CCT) of less than or equal to 3,000 K. TS11. Waste recovery states that the tenderer must implement appropriate environmental measures to reduce and recover the waste produced during installation. and that waste lamps and lighting controls must be separated and recovered in accordance with the Waste Electrical and Electronic Equipment (WEEE) Directive.

Tipperary County Council wished to invite suitably qualified electrical contractors to tender for the design, supply, installation, and commissioning of an energy efficient LED smart lighting system in two villages and a town. Collaboration in the Interreg North-West Europe SMART-SPACE project led to specification of smart LED bulbs. CCT of 3,000 K was selected to reduce disruption to wildlife. Specifications included efficacy, performance, and power consumption requirements. Tenderers were required to submit a lighting design, with energy requirements.

4.4.1.2 Circular economy

<u>CIRCULÉIRE</u> – the National Platform for Circular Manufacturing – is a public-private partnership set up by Irish Manufacturing Research and DECC, the EPA, and <u>Climate-KIC</u>, with 25 founding industry members, to develop circular business model innovation. Its website hosts a <u>Knowledge Library</u>, which includes circular and GPP case studies from around the world.

Some of the presentations at the <u>OGP's GO Green Conference</u> (for example from Córas Iompair Éireann (CIÉ), and Trinity College Dublin (TCD) and the University College Cork (UCC) presentation at the <u>OGP's Go Green Breakfast</u> provide examples of implementing green or circular public procurement in Ireland. Links to these events are included along with links to other Irish SPP case studies on the <u>OGP's Sustainable Public Procurement case studies webpage</u>.

See also section 4.4.1.4, below, regarding circularity in construction.

4.4.1.3 Energy

The <u>Sustainable Energy Authority of Ireland</u> (SEAI) created 'Energy Link', an online forum exclusive to public bodies, to help them improve their energy efficiency. This addresses diverse aspects of energy efficiency, including procurement.

4.4.1.4 Construction

The <u>IGBC website</u> provides information about diverse green building concepts, a link to Whole Life Carbon Training, and a range of tools relating to Whole Life Carbon (WLC), including an option to <u>search for EPDs</u>, and <u>LCA tools</u> such as the <u>Carbon Designer for Ireland</u>.

In April 2023, the <u>IGBC published a handbook on Implementation of Circularity, WLC and LCC in Public Construction Projects</u>, which introduces some of the key green indicators that should be applied within the procurement of public construction projects, in addition to the energy efficiency requirements in Building Regulations Technical Guidance Documents Part L. The handbook explains the relationship

between different building life-cycle stages and whole life carbon, embodied carbon, operational carbon, and the circular economy. It summarises key indicators within Level(s), and how Level(s) is organised into three Levels, with increasing sustainability reporting requirements from Level 1 to Level 2 to Level 3. The handbook also provides links to further guidance and tools relevant to the different indicators.

The IGBC encourages public authorities to <u>commit</u> to incorporate three key indicators within <u>Level(s)</u> in the procurement process: LCA, LCC, and IAQ, and possibly also the circularity indicators in Level(s).

The EPA's <u>Best Practice Guidelines for the preparation of resource and waste</u> <u>management plans for construction and demolition projects</u> include advice on incorporating GPP principles into a Resource & Waste Management Plan.

Technological University of the Shannon offers a Level 7 <u>Certificate in Green</u>

Procurement in Construction - DASBE | Ireland.

<u>Construction Materials Exchange</u> is a digital platform to connect organisations so that they can exchange or trade construction materials – reducing waste from excess construction materials.

4.4.1.5 Events

Fáilte Ireland's <u>Climate Action Guide for Meetings and Events</u> may be of use to procurement practitioners, as it includes tips on selection of suppliers. This is one of eight expert guides produced by Fáilte Ireland to drive action on climate change in tourism businesses.

4.4.2 Social considerations

4.4.2.1 Use of social clauses

<u>A primer on the use of social clauses in Ireland</u> provides (in Part 2) a step-by-step guide to the inclusion of social clauses in procurement. This is particularly relevant to

the inclusion of targeted recruitment and training clauses, where a contracting authority specifies in the contract that labour used must be sourced from particular groups such as the long term unemployed, young people, or other vulnerable groups. It includes a selection of case studies.

4.4.2.2 Accessibility

Guidance on addressing accessibility in the procurement of goods and services is set out in the Code of Practice on Accessibility of Public Services and Information provided by Public Bodies [Statutory Instrument (S.I.) 163/2006]. The Centre for Excellence in Universal Design at the National Disability Authority (NDA) provides extensive guidance on accessibility and Universal Design of products, services, ICT and the built environment, such as <u>Building for Everyone</u>.

4.4.2.3 Apprenticeships

In 2023, the OGP published an <u>Information Note on Apprenticeships and Public Procurement</u>, in collaboration with the Department of Further and Higher Education, Research, Innovation and Science, addressing an action in the <u>Action Plan for Apprenticeships 2021 to 2025</u>.

4.4.2.4 Social enterprises

Two of the case studies on OGP's Sustainable Public Procurement case studies webpage relate to public contracts won by social enterprises.

4.5 Other Guidance

While care should be taken when using guidance or consulting case studies from other jurisdictions, particularly those outside the scope of the EU Procurement Directives (see section 3.2.2 of this reference), there is a wealth of information available that can provide useful ideas for SPP. Some examples are provided here.

4.5.1 Sustainability and GPP

4.5.1.1 SPP tools

The Government of the Netherlands has developed a tool to select specification (minimum requirement) criteria and contract performance clauses for diverse subjects: https://www.mvicriteria.nl/en. The tool produces a list of the relevant environmental and social criteria for a procurement, and the procurer selects from this list. The procurer can then save the selection in a format ready to copy and paste into procurement documents. The procurer must decide which ambition level to choose – basic, significant, or ambitious. Each criterion indicates which of the following themes it will benefit:

- Energy
- Supplies and raw materials
- Soil and water
- Ecology and biodiversity
- Health, welfare, and the living environment
- Social chain aspects
- Animal welfare
- Circular economy
- Bio-based economy

Sweden has produced a similar tool:

https://www.upphandlingsmyndigheten.se/kriterier/. This includes qualification requirements, technical specifications, award criteria, and special contract terms. In addition to searching for all relevant criteria for a subject, it is possible to filter by environmental goal, SDG, or category (such as energy or social considerations).

The Norwegian Agency for Public and Financial Management has similarly produced a <u>Criteria Wizard for Sustainable Public Procurement</u>, which includes both green and social criteria for procurements in the areas of waste collection; construction, building and property; ICT equipment; food and meal services; transportation; and furniture (furniture criteria only available in Norwegian).

Germany has a similar website allowing the user to search for keywords or Common Procurement Vocabulary (CPV) codes, https://www.kompass-nachhaltigkeit.de/en. This website also includes information about social and environmental labels and provides advice on integrating sustainability into the procurement process. The German Environment Agency (Umweltbundesamt – UBA) also provides advice on warious advice information about social and environmental labels and provides advice on UBA) also provides advice on warious advice information about social and environmental labels and provides advice on integrating sustainability into the procurement process. The German Environment Agency (Umweltbundesamt – UBA) also provides advice on warious advice on integrating sustainability into the procurement process. The German Environment Agency (Umweltbundesamt – UBA) also provides advice on warious advice on integrating sustainability into the procurement process. The German Environment Agency (Umweltbundesamt – UBA) also provides advice on warious advice on integrating sustainability into the procurement process. The German Environment Agency (Umweltbundesamt – UBA) also provides advice on warious advice on integrating sustainability into the procurement process. The German Environment Agency (Umweltbundesamt – UBA) also provides advice on warious advice on integrating sustainability into the procurement process. The graph of the procurement process and sustainability into the procurement process advice on sustainability into the procurement process and sustainability into the procurement process and sustainability into th

Poland has a <u>search tool</u> that facilitates finding Polish Standards, a number of which are relevant for environmental considerations, for example Environmental management systems – Requirements and guidelines for use; Energy management systems — Requirements and guidelines for use; Environmental management — Environmental technology verification.

4.5.1.2 Decarbonisation

The Welsh Government has produced a Procurement Policy Note on Decarbonisation through procurement – Addressing CO₂e in supply chains. This provides public sector bodies in Wales with advice on reducing Scope 3 emissions, particularly focusing on purchase of goods and services. Section 4.5 deals with addressing CO₂-eq in the procurement cycle. To assist local authorities with embedding decarbonisation and sustainability into procurement, the Welsh Local Government Association developed a Local Authority Sustainable Procurement Toolkit, which brought together a range of existing criteria, classifying them according to different sectors (construction, transport, social services, manufacturing, ICT), indicating whether they are suitable for different procurement values, and suggesting where the criterion needs to be incremented over time.

<u>The Chancery Lane Project</u> provides a set of climate clauses. The <u>Climate Clause Selector</u> allows searching for clauses relevant to specific climate solutions, for example contract emissions; practice area, for example public sector; sector, for example energy; and/or jurisdiction. Selecting 'Ireland' under jurisdiction results in three clauses relating to lease of buildings.

4.5.1.3 Circular Economy

The Danish Design Centre has produced a <u>Circular Value Chain Tool</u> to aid investigation of the opportunities to create circularity around specific products through collaboration. The Netherlands has a <u>Circular Procurement Knowledge Platform</u>, which includes advice for procurers, contract managers, policy makers, and suppliers, and provides case studies relating to procurement of work clothing, furniture and facilities management, and a refurbished pacemaker.

4.5.1.4 Case studies

Various case studies illustrate possible approaches to GPP or circular procurement, for example the <u>circular procurement framework</u> developed by Massachusetts Institute of Technology (MIT). This and other examples are accessible via CIRCULÉIRE's Knowledge Library. A range of examples of social, environmental, and innovative procurement is included in the Dutch public procurement strategy, Procurement with impact.

4.5.1.5 Sustainable buildings and construction

In 2017, the UK's RICS published a professional statement to which its members must accord on *Whole life carbon assessment for the built environment*. The Institution of Structural Engineers in the UK has published a guide, *How to calculate embodied carbon*, which provides a set of calculation principles. *The Structural Carbon Tool*, which allows estimation using Microsoft Excel of embodied carbon in structures, accompanies the guide. The UK's 'Low Energy Transformation Initiative' (LETI) has produced a Low Embodied Carbon Specification and Procurement Guide for Low and Net Zero Carbon Buildings.

Amsterdam's <u>Roadmap Circular Land Tendering – an introduction to circular building projects</u> describes a step-by-step approach to circular tendering and provides detailed criteria, with scores, and an explanation of the data required for their calculation. Denmark has developed a <u>construction materials pyramid</u> that allows comparison of the GWP, ozone depletion potential, photochemical ozone creation potential, acidification potential, and eutrophication potential of a wide range of

materials used in construction. As explained by the European Academies' Science Advisory Council (EASAC 2021), the GWP values shown in the pyramid are currently typical for materials in the EU, but may be different in some regions and may be updated over time.

4.5.1.6 GHG measurement and reporting for food and drink

In the UK, the Waste and Resources Action Programme (WRAP) has produced Supplier Product Footprint Questionnaires along with Scope 3 GHG Measurement and Reporting Protocols for Food and Drink.

4.5.2 Socially responsible procurement

4.5.2.1 Human rights

The Northern Ireland Procurement Guidance Note <u>PGN03/18 Human Rights in</u>

<u>Public Procurement</u> suggests that a human rights-based approach to public procurement can be used to both prevent human rights violations and abuses *and* to take an active role in respecting, protecting, and fulfilling human rights. This could include, for example, contracting with a supplier that:

- Has mapped its supply chains and has taken active steps to educate its suppliers to mitigate human rights violations or abuses
- Promotes equality and non-discrimination within its workforce by monitoring application rates by gender, race, and disability or adopting a human rights policy and sending its staff on training courses to educate them to identify potential human rights risks facing the company
- Has accessible and transparent grievance mechanisms for those it engages with, including stakeholders, staff, and service users
- Ensures that staff and services users are aware of, and have access to, mechanisms that provide remedies when human rights violations and abuses have occurred

The <u>Danish Institute for Human Rights (DIHR)</u> provides via https://globalnaps.org/issue/ information regarding human rights issues for different sectors, including <u>construction</u> and <u>ICT and electronics</u>. Section C of <u>Driving Change</u>

through Public Procurement: a toolkit on human rights for policy makers and public bodies provides information on how a contracting authority can assess the risk of human rights issues. This toolkit also includes examples of good public procurement practice to address human rights issues.

The Norwegian Agency for Public and Financial Management has produced guidance on <u>public procurement and human rights</u>, for high risk sectors (vehicles; play and sports equipment; textiles, workwear and footwear; medical consumables / supplies; office supplies; furniture; electronics and ICT; construction and landscaping materials (stone, wood, and metal; food and beverages). Relevant criteria are included in its <u>Criteria Wizard for Sustainable Public Procurement</u>.

Further examples of good public procurement practice in relation to human rights can be found in *Business and Human Rights*, *A handbook for legal practitioners*.

<u>State Imposed Forced Labor in China – Swedish Buyers' Monitoring of Electronics</u>
<u>Supply Chains</u> includes recommendations for buyers regarding sustainable supply chains (page 35). In 2022, the Swedish Procurement Authority published <u>draft</u> revisions to its contract terms for sustainable supply chains.

4.5.2.2 Social value

The UK's <u>National Themes</u>, <u>Outcomes and Measures (TOMs) Social Value</u>

<u>Measurement Framework</u> has been designed to help organisations in four principal business activities:

- 1. Measurement and Valuation
- 2. Procurement and Bid Management
- 3. Bid Submissions
- 4. Contract Management

The Framework provides tools such as a procurement calculator, as well as guidance and case studies.

The UK Universities Purchasing Consortia set up a <u>Responsible Procurement</u>

<u>Network</u> in 2020, which has developed a set of questions aligned to the UN SDGs that could be used to investigate potential suppliers' commitments and plans to manage their organisations and supply chains in line with the SDGs.

The British Columbia Collaborative for Social Infrastructure (2022) published guidance on <u>social procurement</u> in 2022. This guides the Canadian third level sector through planning and implementing social value policies, but it includes examples from diverse public bodies and countries.

4.5.2.3 Guide to SRPP

In 2017, the Ministry of Economic Affairs and Employment of Finland produced a <u>Guide to socially responsible public procurement</u>, which includes suggestions and examples for every stage of the procurement process. The Dutch public procurement strategy, <u>Procurement with impact</u>, outlines an approach to address social, environmental, and innovative procurement according to 'ambition':

- Standard procurement projects → impact mainly achieved through uniform application of requirements → exclude non-sustainable products and services
- Based on policy ambitions and a realistic change of impact → more stringent requirements and award criteria to encourage sustainable products and services
- In case of strong needs for innovation, meaningful impact, and strong market position → set ambitious functional and experimental criteria to attract new solutions and innovation

4.6 Using existing guidance to incorporate sustainability into your procurement projects

Which guidance or tools described in this chapter are most relevant to your procurement projects will depend on your procurement strategy and the type of goods, services, or works that you wish to procure. However, a suggestion is offered here to assist procurement officials to focus on the most relevant aspects of the guidance and tools discussed in this chapter (see also Figure 4.1):

- Some procurements are clearly more likely to have social impacts than environmental impacts: for such procurements, consider social aspects first.
 Otherwise, start with green, as there are more green criteria available.
- 2. Are there <u>Irish GPP criteria</u> for the category in which you are procuring? If so, as a minimum, include the relevant core criteria. If you can use the comprehensive criteria, do so.
- 3. If there are no Irish GPP criteria for the category in which you are procuring, could you adapt those from another category? If so, do so.

Example 4.4

<u>Irish GPP criteria</u> for office building design, construction and management may be extended to other types of buildings in future. Meanwhile, some of the criteria may already be appropriate to apply to other types of building.

The criteria include a section relating to the environmental competence of the design team and contractors. Criteria in this section may form part of a selection procedure where the services of a project manager and / or a design team are procured by the contracting authority. The selection criterion relating to the competencies of the design team states that the proposed design team must demonstrate relevant competencies and experience in each of a list of areas – the contracting authority should select from that list as relevant to the specific contract. As verification, details of projects delivered in the previous five years that incorporated these areas should be provided together with certificates of completion (the number and size of projects required to demonstrate the experience should be proportionate to the size of the tendered project). These shall be supported by *curricula vitae* of personnel who will work on the project, demonstrating relevant qualifications and experience.

4. If it is not possible to adapt Irish GPP criteria, are there <u>EU GPP criteria</u>? These cover a broader range of categories than the Irish GPP criteria. If so, as a minimum, use the core version, but if possible use the comprehensive version. If there are no EU GPP criteria that correspond exactly to the area of your procurement, could you adapt some from another category?

- 5. If there are no Irish and no EU GPP criteria that can be either incorporated directly into your procurement or adapted for your procurement, you can develop a GPP approach appropriate for your procurement, by following guidance referred to in this chapter such as <u>Buying Green! A handbook on green public procurement</u>, or the <u>Procura+ Manual</u>, or guidance relevant to your procurement category such as ICT or buildings such specific guidance and tools can also be found in this chapter.
- 6. Alternatively, you may be able to adapt an approach used elsewhere. Case studies can be found in guidance such as <u>Buying Green!</u> or the <u>Procura+ Manual</u>, as well as in case studies, such as those included on <u>OGP's Sustainable Public Procurement case studies webpage</u>. This chapter highlights where guidance, tools, webinars etc. include case studies.
- Turning to social considerations, in areas such as <u>ICT</u>, <u>electronics</u>, <u>textiles</u>, or <u>catering</u>, or for considerations such as <u>accessibility</u>, consider incorporating or adapting existing criteria.
- 8. If there are no existing defined social considerations criteria relevant to your procurement, develop your own SRPP approach. To do this, use guidance referred to in this chapter such as <u>Buying Social</u> or <u>Driving Change through Public Procurement: a toolkit on human rights for policy makers and public bodies.</u>
- 9. Alternatively, develop your own SRPP approach by adapting case studies from similar types of procurements conducted previously. Case studies can be found in guidance such as <u>Buying Social</u> or <u>Driving Change through Public Procurement: a toolkit on human rights for policy makers and public bodies</u>, as well as in compendiums of case studies such as <u>Making Socially Responsible Public Procurement Work 71 Good Practice Cases</u> and on OGP's Sustainable Public Procurement case studies webpage.
- 10. Recording the criteria that you incorporated into your procurement as you go along in a database will allow rapid reporting on your green and social procurement, as well as providing material that can be easily incorporated into future procurements.

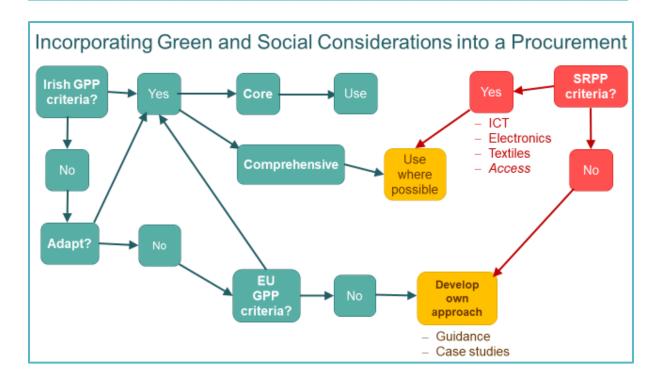


Figure 4.1. Graphical representation of suggested approach to using existing criteria and guidance on Sustainable Public Procurement to incorporate green and social considerations into a procurement project.

5. Planning Sustainable Public Procurement

5.1 Introduction

A formal Sustainable Public Procurement (SPP) policy assists in linking sustainable procurement with other key policies within an organisation, and facilitates monitoring of sustainable procurement and improvement over time. Planning SPP may include adopting a SPP policy with clear sustainable procurement targets for the organisation, setting priorities for which areas of procurement will be addressed, and putting in place SPP information, training, and monitoring (European Commission 2016).

5.2 Including sustainable considerations in Procurement Planning

5.2.1 Sustainability Strategy

A Sustainability Strategy sets out an organisation's vision for sustainability across all the activities of the organisation. Such a strategy may include sustainable procurement – providing a context for more detailed SPP actions in a SPP strategy.

Some organisations may choose to have a strategy focussed on specific aspects of sustainability, rather than a sustainability strategy. For example, an organisation might focus on the Public Sector Climate Action Mandate (see section 2.4.2.2.3 of this document), which includes:

- Incorporate appropriate climate action and sustainability training (technical and behavioural, including green procurement training) into learning and development strategies for staff
- Where paper must be procured, ensure that recycled paper is the default
- Implement Green Public Procurement (GPP), using the Environmental Protection Agency (EPA) <u>Green Public Procurement Guidance</u> and criteria / <u>GPP Criteria Search</u> as resources
- Specify low carbon construction methods and low carbon cement material as far as practicable for directly procured or supported construction projects from 2023

- Procure (purchase or lease) only zero-emission vehicles, enabling Ireland to
 go beyond the requirements of European Union (EU) Directive 2019/1161, the
 Clean Vehicle Directive, and act as an international leader in this area. An
 exception applies where the vehicle is exempt under European Communities
 (Clean and Energy-Efficient Road Transport Vehicles) (Amendment)
 Regulations (Statutory Instrument (S.I.) 381 of 2021). Public sector
 procurement contracts for delivery and haulage should specify zero emissions
 vehicles where possible.
- Adhere to the <u>Best Practice Guidelines</u> for the preparation of resource and <u>waste management plans for construction and demolition projects</u> for directly procured or supported construction projects³¹
- All new contract arrangements related to canteen or food services, including events and conferences, are to include measures that are targeted at addressing food waste, with a specific focus on food waste prevention and food waste segregation³¹

The Sustainable Energy Authority of Ireland (SEAI) and the EPA, working closely with the Department of the Environment, Climate and Communications (DECC) publishes guidance for preparing Climate Action Roadmaps (the path by which the public sector body will implement the mandate). This guidance is updated annually in line with the Mandate and includes a section (section 2.3.2) on GPP. This incorporates advice that could be considered in a sustainable procurement strategy or Corporate Procurement Plan, or when planning individual procurements:

Minimum content

Include green criteria when procuring all goods, services and works, where possible (reference Circular 20/2019), using the published EPA GPP guidance and criteria sets or GPP Criteria Search tool.

³¹ Added in Climate Action Plan 2024

Set up a system to gather and record data on GPP implementation in your organisation, using the reporting guidance and template developed for Government Department reporting of GPP as a reference.

All public bodies shall cease using disposable cups, plates and cutlery from any public sector canteen or closed facility, excluding clinical (i.e., non-canteen healthcare) environments.

Where paper must be procured, ensure that recycled paper is the default and criteria as set out in the EPA Green Public Procurement Guidance are considered and applied to deliver sustainable purchases.

Additional content

Measure the environmental and climate benefits achieved through the application of green criteria in future procurements.'

The guidance for preparing Climate Action Roadmaps further indicates approaches to procurement in specific sectors: construction (section 2.3.3), food and catering (section 2.3.4), and vehicles (section 2.4). The guidance provides a template for the structure of a Climate Action Roadmap (suitable for smaller public bodies), which includes green procurement under section 5. 'Our Way of Working'.

Example 5.1

Córas Iompair Éireann (CIÉ) Group published the <u>CIÉ Group Sustainability Strategy</u> in 2020. This strategy links major areas of sustainability activity with specific Sustainable Development Goals (SDGs – see <u>section 2.2.1.1</u> of this reference). 'Development of a sustainable operational and procurement policy' is linked to SDG 12 Responsible Consumption and Production (page 9). Two targets for 2020 were set out in relation to this SDG (page 29):

- 'Review the CIÉ Group procurement processes for inclusion of green and sustainable criteria in procurement including:
 - Review of tender processes and policy to include development inclusion of green and sustainable assessment criteria' and
- 'Establish a group-wide green procurement expert working group to review existing procedures.'

These were associated with two long-term goals, respectively:

- 'Implement a procurement policy that supports the national policy on green procurement standards across the CIÉ Group supply chain by 2022' and
- 'Develop in-house best practice on green procurement to support national policy on Green Public Procurement.'

More detail is provided in section 8.5 Consumption and Green Procurement, including: 'In 2020, we will review criteria for procurement and will develop a green procurement policy by:

- Developing policy that promotes the procurement of sustainable products that favour biodegradable or recyclable materials over single use, non-recyclable materials.
- Reviewing our 'request for proposal' policy to include specifications relating to scoring on sustainability.
- Investigating methods of continuously improving our policy around the favouring of greener options during the tender process.
- Formulating a workshop in collaboration with the EPA to review group policy and develop green procurement practices further.'

The <u>ClÉ Group Sustainability Annual Review 2021</u> reported that the ClÉ Board updated its procurement policy in line with GPP guidance (section 4.2.9, page 23).

Example 5.2

Irish Lights' <u>Climate Action Roadmap to 2030</u> includes a section (section 8, page 27) that sets out nine areas to address in relation to Irish Lights' commitment to environmental, economic, and socially sustainable procurement. These include that Irish Lights will endeavour to:

- Only purchase goods and services that reflect best practice specifications or standards for environmental and economic or social sustainability
- Evaluate the life-cycle cost of products when procuring
- Avoid products that are harmful to the environment; specify goods, products and materials that cause the minimum harm to the environment, including the impact of their manufacture, distribution, use, and disposal
- Consider circular economy principles when assessing requirements and developing specifications (redesign, reduce, reuse, repair, renovate, recycle and recover).

The Roadmap recognises that energy efficient products may have a greater capital cost than less energy efficient products that is offset over time through reduced running cost. This section also mentions the need to promote awareness within the organisation, and invite ideas from across all levels and departments within the organisation and remain open to new ways of greening products, practices, and habits. It explains how Irish Lights will ensure awareness amongst its suppliers of its sustainability and green procurement policies, and encourage suppliers to reduce the environmental impact of their products and processes and develop more environmentally and socially beneficial alternatives where possible.

5.2.2 Sustainable Procurement Strategy

A Sustainable Procurement Strategy sets out the vision for sustainable procurement in an organisation. It may include actions and targets relating to different aspects of sustainable procurement for example staff training in sustainable procurement, increasing supplier awareness of sustainability, or proportion of procurements that include SPP criteria.

Example 5.3

One of the <u>Sustainability Initiatives of Trinity College Dublin</u> (TCD) was to establish a Sustainable Procurement Working Group. This group created a Sustainable Procurement Policy, which was approved by the College Board in 2019. This set out four objectives:

- 1. Tenders for procurement to include environmental criteria (100%)
- 2. Increase green criteria in tender marking by 10%
- 3. Improve use of whole life-cycle costing
- 4. Reduce Greenhouse Gas (GHG) emissions in supply chain

TCD encourages procurement that addresses human health and ethical considerations, as well as environmental protection, aligned with SDGs 3 Good Health and Well-being, 8 Decent Work and Economic Growth, 12 Responsible Consumption and Production, and 13 Climate Action.

5.2.3 Corporate Procurement Plan

5.2.3.1 Including green and social considerations in the Corporate Procurement Plan

Circular 20/2019: Promoting the use of Environmental and social considerations in public procurement (see section 2.4.2.6 of this reference) requires government departments to incorporate relevant green procurement measures into their planning cycles. Specifically, each Department and contracting authority should state how it intends to incorporate green considerations in its Corporate Procurement Plan.

Accordingly, the Office of Government Procurement (OGP) updated its Information Note on the Corporate Procurement Plan in 2020. This updated version includes a number of references to sustainable or green procurement. It highlights that a Corporate Procurement Plan can help align procurement with priorities and objectives, for example, GPP, sustainability, innovation, and employment of long-term unemployed and the disadvantaged.

The Information Note advises reviewing past spend, which can include analysing which purchases included social or environmental considerations.

Circular 20/2019 requests departments to consider including green criteria in public procurement processes where clearly defined, quantifiable, verifiable, and measurable criteria have been developed, and are relevant to the specific procurement process (see section 2.4.2.6 of this reference). Analysis of past procurements could, therefore, usefully include whether or not relevant core and comprehensive green criteria such as those published for 10 sectors by the EPA in 2021 ('Irish GPP criteria': see section 4.4.1.1 of this reference), which are now also available via GPP Criteria Search, were included. To allow such information to be summarised along with other aspects of the procurements, a consistent approach should be taken, within an organisation, to assessing whether or not a past procurement can be considered 'green'. This might, for example, involve including information as to whether only the relevant core Irish GPP criteria were included, or all relevant core and comprehensive Irish GPP criteria were included, or all relevant core and comprehensive Irish GPP criteria and some additional green approaches (Table 5.1). Those that included some but not all the core Irish GPP criteria or included some other green approaches but none of the Irish GPP criteria could also be recorded. Likewise, those where there was no attempt to include a green approach, or where environmental considerations were not considered to be relevant to the subject-matter of the contract could be recorded (also recording an explanation of why they are not considered relevant). Such information can help in planning improvements in future years. It can also highlight where maximum spend occurred, which may indicate where most effort will be beneficial. This approach allows procurements to be seen on a spectrum, but also allows them to be categorised for efficient analysis.

This approach to categorising past spend could be extended to areas where there are no Irish GPP criteria (there may be other GPP criteria, such as EU GPP criteria – see section 4.3.1.2 of this reference), or another approach could be adopted, for example procurement of remanufactured products and to social considerations.

Another approach to categorising past spend could be to categorise according to sustainability outcome, for example, climate change mitigation or accessibility. The business terms relating to strategic procurement in the revised <u>eForms</u>, digital standard forms used by public buyers to publish notices on Tenders Electronic Daily (TED), may be useful for considering outcomes (Table 5.2; see also <u>section 7.3.1</u> of this reference).

Table 5.1 A possible approach to summarising the green credentials of past procurements in sectors covered by the Irish GPP criteria. This approach can be extended to sectors not currently covered by Irish GPP criteria to include other GPP criteria, for example EU GPP criteria or other green procurement approaches.

Inclusion of Irish GPP criteria					
All comprehensive criteria + additional green approaches	All comprehensive criteria	All core criteria	Some core criteria	Some green approaches but no criteria	No incorporation of environmental considerations

Example 5.4

South Dublin County Council's Corporate Procurement Plan 2021-2023 includes a section (section 4.6) on sustainable procurement measures. This states that it will consider including criteria in public procurement, in line with the conditions set out in Circular 20/2019. Furthermore, it states that the Council 'will also pilot including green procurement criteria / criteria that reduce the environmental impact where there is a clear link to the output / outcome delivered in a works / works related contract(s)'. It also refers to the social employment clause in two specific housing projects, and states that whether there are other opportunities for the inclusion of social clauses will be assessed.

The OGP's Information Note on the Corporate Procurement Plan advises identifying expected critical contracts and significant purchases throughout the duration of the Plan. Again, green and social considerations in these procurements can be included here. Such planning will greatly assist in the inclusion of such considerations at the time of the procurement process (see <u>Chapter 6</u> of this reference) and in monitoring and reporting (see <u>Chapter 7</u> of this reference).

Table 5.2 Types of sustainable procurement considerations, based on reporting options in new eForms

Name	Description	Options
Green Procurement Criteria	The procurement procedure includes the use of	Irish GPP criteria
	established green public procurement criteria (selection criteria, technical specifications, award	EU GPP criteria
	criteria and contract performance clauses), at national, EU, or other level.	Other GPP criteria
Green Procurement		The protection and restoration of biodiversity and ecosystems
		The transition to a circular economy
		Climate change adaptation
	A process to procure goods, services and works with reduced environmental impact throughout	Climate change mitigation
	their life cycle.	Pollution prevention and control
		The sustainable use and protection of water and marine resources
		Other
Social Procurement		Accessibility for all
		Ethnic equality
		Gender equality
	A social objective promoted by the works, supplies or services.	Human rights due diligence in global supply chains
		Employment opportunities for the long-term unemployed, disadvantaged and/or for persons with disabilities
		Fair working conditions
		Other

5.2.3.2 Alignment with organisation's strategy

An organisation's Corporate Procurement Plan should take into account the organisation's main policies, as outlined in its statement of strategy or other key policy documents. Additionally, it should take into account the social and environmental impacts of the main types of goods, services, and works that an organisation procures. For example, if an organisation's strategy includes reducing GHG emissions, and it procures in areas with considerable GHG emissions, the Corporate Procurement Plan offers the opportunity to identify low carbon alternatives

in those areas. Guidance highlighted in <u>Chapter 4</u> of this reference, such as <u>Going Green – Best practices for sustainable procurement</u>, <u>Buying Green! – A handbook on green public procurement</u>, <u>Buying Social – a guide to taking account of social considerations in public procurement</u> and <u>Green Public Procurement – Guidance for the Public Sector</u> provides detailed explanations of how to focus on areas with considerable impact when designing SPP strategies. Collections of case studies highlighted in <u>Chapter 4</u> also show alignment between sustainable considerations in specific procurement projects and broader sustainability strategies. Clear alignment with an organisation's strategy or objectives will help to secure support for sustainable procurement throughout the organisation, including from senior management.

Example 5.5

Every local authority in Ireland signed a <u>Climate Action Charter</u> in 2019 (see <u>section 2.4.2.3</u> of this reference). This includes commitments relating to GPP, which are reflected in <u>Delivering Effective Climate Action 2030</u>. Some local authorities have clearly aligned their Corporate Procurement Plans with the ambition around GPP in the Local Authority Charter, the Programme for Government, Climate Action Plan 2019, and local authority climate adaptation strategies (also addressed in <u>section 2.4.2.3</u> of this reference). For example, <u>Meath County Council's Plan 2021-24</u> includes actions to encourage the use of award criteria in tenders that promote sustainable or green procurement, including consulting with the Meath County Council Climate Action & Sustainable Development Officer. <u>Monaghan County Council's Plan 2020-22</u> included an action to provide guidance and a programme of advice and support in relation to GPP, with several indicators such as development of a GPP strategy, preparation of a database of green initiatives and award criteria, and integration of the Procurement Officer in the local authority's Climate Action Steering Group.

Example 5.6

The <u>National Health Sustainability Office</u> includes Green Procurement as one of its seven main themes. This helps to show the relationship between green procurement and wider health sustainability strategy. The <u>Green Procurement</u> tab provides tips on buying green, and identifies products and services with the greatest environmental impact.

In 2022, the Health Service Executive (HSE) published its Corporate

Procurement Plan 2022-2024. This acknowledges that the health sector has a significant role to play in meeting Ireland's climate action objectives. It includes facilitating environmental, societal, and economic objectives through procurement as one of its objectives. The Plan recognises climate action and sustainability as a key driver influencing procurement, and states that as the largest purchaser of goods, services and works in the State, the health service will play a central role in developing greener public procurement. Procurement practices that promote greener goods and services are seen as part of the health sector's commitment to leadership around sustainability and climate change, mandated in Climate Action Plan 2021 (see section 2.4.2.2 of this reference). One of the priorities that the plan sets out is to apply appropriate procurement processes, award criteria, and weighting to support innovation, social inclusion, economic, and environmental sustainability priorities into all procurement processes with effect from Q4 2022.

Action 3.4 in the <u>HSE Infrastructure Decarbonisation Implementation Roadmap</u> is the Integration of energy related GPP into Infrastructure and Construction Design: GPP criteria will be incorporated into Infrastructure Design and Construction as they relate to energy emissions reduction and particularly in the GPP Categories of:

- Design, Construction & Management of Office Buildings
- Indoor & Outdoor Lighting
- Heating Equipment (Boilers, Heat Pumps etc.)

Example 5.7

The Working to Change Social Enterprise and Employment Strategy 2021 – 2023 sets out ambitious targets to increase the employment options for people who have criminal records. It includes an action to open up supply chains to Social Enterprises and pledge a target of including social considerations in 10% of all Criminal Justice Sector procurement contracts for the provision of goods and services by the end of the strategy. A Key Performance Indicator associated with this contract is that the Department of Justice and its executive agencies pilot the use of social considerations in appropriate contracts, with the number of contracts increasing year on year. The Department of Justice, Irish Prison Service, and Probation Service will report on the number of contracts won by Social Enterprises and/or that included social consideration clauses.

5.3 Planning individual procurement processes

5.3.1 Aligning procurement with the Corporate Procurement Plan

Having set out a SPP strategy in the Corporate Procurement Plan, an organisation should align individual procurement projects with that strategy.

5.3.2 Needs assessment

GPP is about reducing the overall negative impact of government procurement on the environment. Therefore, reducing demand for goods, services, and works can be as important as choosing greener options. Needs assessment is important to:

- 1. Avoid unnecessary procurement
- 2. Ensure that what is purchased meets requirements
- 3. Consider resource sharing or reuse options
- 4. Design procurements and contracts that allow flexibility over time

In a Socially Responsible Public Procurement (SRPP) context, needs assessment is about:

- Ensuring that what is purchased meets social requirements
- Designing procurement and contracts to allow flexibility over time and ensure that a wide range of organisations, including social economy organisations and social enterprises, non-profit or voluntary bodies can participate
- Increasing social impacts and outcomes: checking whether the procurement offers opportunities to advance relevant social and ethical outcomes (European Commission 2021a, page 36).

Needs assessment should include consultation with end-users, to ensure that purchases are appropriate to their needs. User consultation might involve:

- A questionnaire or online survey to determine user needs and preferences
- Observation and analysis of existing use patterns
- A review and planning meeting to which all relevant stakeholders are invited
- Inviting users to attend supplier demonstrations held as part of preliminary market consultation (see <u>section 5.3.4</u>, below)

Needs assessment and user consultation help to define the subject-matter of the contract. Needs assessment also helps the choice of most appropriate specifications.

The European Commission's <u>GPP Training Toolkit</u> (see <u>section 4.3.1.4</u> of this reference) includes a module (Module 4) on needs assessment, with a range of examples showing how such assessment can reduce demand and ensure that what is purchased meets requirements. See also <u>Buying Social – a guide to taking</u> <u>account of social considerations in public procurement, Green Public Procurement – Guidance for the Public Sector.</u>

5.3.3 Use of Central Purchasing Arrangements

In line with the Programme for Government (see <u>section 2.4.2.8</u> of this reference), the OGP and its partner Central Purchasing Bodies are updating Framework Agreements and other central purchasing arrangements with green and social

considerations. Contracting authorities can make use of such central arrangements to address their procurement needs. Information about the sustainability considerations in an OGP agreement can be obtained from the OGP website, Buyer Zone, or the OGP Helpdesk. Information about central arrangements developed by the Local Government Operational Procurement Centre is available from the Supplygov platform (www.Supplygov.ie).

5.3.4 Market engagement

Preliminary market consultation can help create the market conditions needed to deliver sustainable and innovative solutions. Desired environmental and social outcomes should be included in market consultation. <u>Circular 05/2023</u> encourages the use of preliminary market consultation (section 3.1 Measures to Promote SME Participation). Preliminary market consultations can also facilitate development of a SPP strategy (<u>section 5.2.2</u> of this reference, above) and help Contracting Authorities understand the capacity of the market to meet SPP requirements.

Building on the <u>needs assessment</u> (<u>section 5.3.2</u> of this reference, above), sustainability aspects should be considered when researching what solutions are already available on the market. An initial market analysis can be used to determine whether the market is ready and technically able to deliver the sustainability requirements, whether any technological advancements or product / service developments are expected, and how many suppliers can provide the required solutions to sustainability issues.

This can be followed with engagement with the market, prior to procurement, for example via desktop research and analysis, consultation with other public bodies, publication of a Prior Information Notice (PIN), questionnaires, requesting expressions of interest, publishing a procurement plan, trade shows, meet the buyer / supplier events, meeting with industry bodies or groups of key suppliers, supplier information days, and networking. Engagement may also include end-users (such as employees and existing or potential clients), subject-matter or industry experts, and relevant policy leads in the SPP area being considered.

The European Commission's GPP Training Toolkit (see section 4.3.1.4 of this reference) includes a module (Module 6) on market engagement. The guidance accompanying the presentation includes frequently asked questions regarding what is permissible, and examples. Detailed advice along with a wide range of examples relevant to SPP is provided in the Market Engagement Best Practice Report produced by SPP Regions. SPP Regions was a project funded by the EU, involving seven regional networks of municipalities. The 40 eco-innovative tenders within the project together saved an estimated 1,423 gigawatt hours (GWh) per year, and 390,305 tonnes carbon dioxide (CO₂) per year. Further advice on market engagement and ensuring access to small and medium enterprises (SMEs) is offered in <u>Green Public Procurement – Guidance for the Public Sector</u> (see <u>section</u> 4.4.1.1 of this reference). Buying Social – a guide to taking account of social considerations in public procurement (see section 4.3.2.1 of this reference) provides detailed advice on market dialogue for SRPP, with examples. See also collections of case studies highlighted in Chapter 4 of this reference, such as Making Socially Responsible Public Procurement Work – 71 Good Practice Cases, for examples of best practice in consulting the market.

5.3.5 Life-Cycle Costing

Life-Cycle Costing (LCC) can be used during planning or preparation, to assess the life-cycle costs and / or CO₂ emissions associated with the current solution. This can provide a baseline to work from, identifying the different cost elements relating to the product, allowing better communication of the benefits of new technologies, and helping define some general performance requirements for the new solutions. In this analysis, it is important to include somebody who has an understanding of LCC and / or GHG emissions, but also to involve all units within the organisation with relevant budgetary responsibilities, for example energy and waste. *Life Cycle Costing – State of the Art Report* (see section 4.2.1.1 of this reference) explains how to incorporate LCC at the preparatory stage – to assess the LCC of the current situation – and before tendering – to roughly assess different proposals to help guide market engagement activities before tendering, or to narrow down the different technological solutions to be considered. Further advice on LCC is offered in section 4.7.2 of *Green Public Procurement – Guidance for the Public Sector*.

Example 5.8

As explained in <u>Life Cycle Costing – State of the Art Report</u>, page 18, the Conseil Général du Loiret contracted an audit to calculate the Total Cost of Ownership (TCO) of its:

- 200 servers
- 1,700 desktops
- 800 mobile workstations
- 381 printers
- 122 multifunction copiers

The audit revealed that the procurement costs (both of hardware and software) represented 17% of total costs, whilst 20% of total costs related to operating costs, and 63% of total costs were associated with indirect costs, relating for example to maintenance and consumables.

Following the audit, proposed improvement measures included increasing the use of the computers by one year and mainstreaming awareness and good practices among users.

6. Sustainable Public Procurement opportunities in the tender process

6.1 Introduction

This chapter brings together some key themes relevant to both Green Public Procurement (GPP) and Socially Responsible Public Procurement (SRPP). However, there is a wide range of guidance available on including sustainable considerations in the public procurement process, from choosing the appropriate procedure, selecting appropriate sustainability criteria, through to evaluating bids and completing the contract. In particular, *Green Public Procurement – Guidance for the* Public Sector is Ireland's national guidance on GPP and provides detailed explanations of how to incorporate environmental considerations into all these stages. The Irish Green Building Council (IGBC) produced a handbook on aspects of GPP such as taking into account Whole Life Carbon (WLC) and Life-cycle costing (LCC) in 2023: Implementation of Circularity, WLC and LCC in Public Construction *Projects.* This should be consulted with respect to GPP of construction projects. The European Commission recently updated Buying Social – a guide to taking account of social considerations in public procurement, which provides detailed explanations as to how to incorporate socially responsible considerations into all stages of the procurement process. Other guidance deals with more specific sustainability issues, such as circularity; or specific categories, such as construction or information and communications technology (ICT). Procurement practitioners should use Chapter 4 of this reference to find the guidance most relevant to the sustainability issues they wish to address and / or the categories they wish to procure.

In addition to consulting more detailed guidance, as signposted in Chapter 4, public procurers should familiarise themselves with the Procurement Regulations (see section 3.2.2 of this reference), and may wish to consider the diverse policies of relevance to Sustainable Public Procurement (SPP) (see Chapter 2 of this reference). It is important to plan well (see Chapter 5 of this reference) before commencing incorporation of sustainable considerations into procurement documents.

6.2 Duration of contract and choice of procedure

Buying Social – a guide to taking account of social considerations in public procurement points out that contract duration can play a significant role in determining the scope for social returns. Short contracts, of one year or less, may make it difficult for the contractor to invest in and deliver social outcomes, particularly where new methods or systems are introduced, for example to monitor human rights along the supply chain or to train previously unemployed staff. If the duration of the contract is insufficient, it can also negatively affect the quality and continuity of a service, potentially with detrimental effects on certain beneficiaries of the services, for example, people in vulnerable situations. One approach is to make contract renewals / extension conditional upon attainment of specific social outcomes, as well as overall satisfactory performance.

<u>Buying Social – a guide to taking account of social considerations in public</u>
<u>procurement</u> also discusses the different types of procurement procedures in the context of social outcomes, and points out that contracts divided into lots may be more accessible to social economy organisations and social enterprises. Example 6.1, below, illustrates the potential social value of dividing a contract into lots.

In 2016, Havlíčkův Brod Technical Services published a three-year forestry management tender, divided into five lots. This included one lot for the reforestation, maintenance, and protection of newly planted trees. Fokus Vysočina – a social enterprise that employs people with disabilities – won this lot. Fokus Vysočina has employed eight people to work on this contract, including four new employees with disabilities. The procurer's decision to divide the tender into lots did not give an advantage to bidders from the social economy market, but it did make it possible for them to take part – few social enterprises would have had the capacity to undertake some of the other services addressed in separate lots, such as harvesting.

See <u>Buying for social impact – Good practice from around the EU</u>, Good practice in public procurement procedures #02, for more detail.

6.3 Including sustainability considerations in procurement documents

6.3.1 Sustainability in the title

The **subject-matter** of a contract normally takes the form of a brief description of the goods, services or works that a contracting authority intends to purchase. Where possible, the title and/or short description of the contract should draw attention to the specific environmental and/or social aspects included. See Example 3.1 in <u>section</u> 3.2.2.1.1 of this reference.

6.3.2 Reserved contracts

<u>Buying Social – a guide to taking account of social considerations in public</u>

<u>procurement</u> explains the process for reserving contracts for sheltered workshops
and economic operators whose main aim is the social and professional integration of

persons with disabilities or disadvantaged persons³². Example 6.2, below, illustrates this approach. It is also possible to require contracts to be performed in the context of structured and stable sheltered employment programmes. To benefit from the reservation, at least 30% of the employees of those workshops, economic operators or sheltered employment programmes must be persons with disabilities or disadvantaged. It is also possible to reserve only certain lots of a contract. The 2016 Regulations (see section 3.2.2 of this reference) do not define the term 'disadvantaged'. However, Recital 36 of Directive 2014/24/EU on public procurement indicates that the term includes the unemployed, members of disadvantaged minorities, or otherwise socially marginalised groups³³.

In addition to this general provision on reservations, a separate reservation is available to Member States for certain services covered by the light regime³⁴. This focuses on organisations that pursue a public service mission linked to the contract being awarded: for example, a non-profit foundation that promotes literacy and wishes to tender for the provision of adult literacy classes. Participation in a tender may be reserved for such organisations if they meet a number of conditions relating to their objectives, reinvestment of profits, and employee ownership or participatory governance³⁵. Organisations covered by this reservation may include social enterprises, employee-led mutual, and charities.

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³² Article 20 of <u>Directive 2014/24/EU</u>, Article 38 of <u>Directive 2014/25/EU</u>, and Article 24 of <u>Directive 2014/23/EU</u>.

³³ For examples of disadvantaged groups, see also <u>Buying Social</u> ('e.g. migrant workers, people with a minority racial or ethnic background, religious minorities, people with low educational attainment and those at risk of poverty and social exclusion') and <u>European Institute for Gender Equality (EIGE)</u> ('groups of persons that experience a higher risk of poverty, social exclusion, discrimination and violence than the general population, including, but not limited to, ethnic minorities, migrants, people with disabilities, isolated elderly people and children').

³⁴ Article 77 of Directive 2014/24/EU, Article 94 of Directive 2014/25/EU.

³⁵ These conditions are specified in Article 77(2) of <u>Directive 2014/24/EU</u> and Article 94(2) of <u>Directive 2014/25/EU</u>.

In 2011, the Department of Vendée awarded a contract for the operation of a consolidation centre for organic agricultural products to a social enterprise working with persons with disabilities. The centre supports the storage, processing, packaging and delivery of meals to secondary schools. More than 1,800,000 meals are delivered to 31 secondary schools per year.

See <u>Buying Social – a guide to taking account of social considerations in public procurement</u>, page 60, for more detail.

Public sector bodies may find https://buysocial.ie/ a useful resource for finding if social enterprises offer the goods or services they wish to procure. The National Economic and Social Council (NESC) published a report, Council Report No. 161 — Social Enterprise on the Island of Ireland, which highlights some social enterprises, including some that address environmental as well as social issues.

6.3.3 Including green and social considerations in the technical specifications

Once a contracting authority has decided on the subject-matter of a contract, this needs to be developed into detailed requirements: **technical specifications** tell the market precisely what the contracting authority wishes to purchase, and may include environmental and social aspects where this is an essential part of what is to be delivered. Technical specifications must be relevant to the subject-matter of the contract and proportionate to the contract. Environmental and social considerations should only be included as technical specifications where it has been established that the market can meet these requirements. This is important because tenders that do not meet such specifications must be rejected.

In a procurement of towels and washcloths and overalls by the Ministry of Defence of the Kingdom of the Netherlands (MODNL), the technical specifications included that at least 10% of the fibres in these textiles would be from recycled materials. Suppliers were required to demonstrate this through microscopic testing: photographs are used to quantify the length and type of fibres and the proportion that are damaged, and can demonstrate the proportion of recycled fibres. It was also specified that these fibres had to come from post-consumer textile material, as opposed to production waste or other alternative sources.

See *GPP In Practice* Issue No. **77** (from *GPP News Alert* December 2017), page 2, for more detail.

See <u>section 3.2.2.1.2</u> of this reference for detail on how technical specifications can be formulated, including information on use of variants, use of environmental or social labels, and specifications based on functional performance. Example 6.4, below, illustrates use of labels to verify social technical specifications.

See also relevant guidance (see <u>Chapter 4</u> of this reference). Additionally:

- For procurement categories covered by the 10 sectors for which Irish GPP criteria have been published (by the Environmental Protection Agency (EPA)), use GPP Criteria Search to find the relevant technical specifications. Note that those Irish GPP criteria labelled 'comprehensive' are more ambitious see the How to Use tab in GPP Criteria Search, Chapter 4 of this reference, and Green Public Procurement Guidance for the Public Sector to understand where such ambition may or may not be appropriate.
- For sectors not covered by the Irish GPP criteria, European Union (EU) GPP criteria may be available for example, for furniture, paints, and maintenance of public space. Example 6.5, below, illustrates use of EU GPP criteria.

In a procurement of computers and monitors, the BMZ Federal Ministry for Economic Cooperation and Development asked bidders to fulfil mandatory criteria for the first tier of the supply chain (final assembly):

- Compliance with International Labour Organisation (ILO) Core Labour Conventions:
 - Prohibition of forced labour and debt bondage (ILO conventions 29 and 105)
 - Non-discrimination (ILO conventions 100 and 111)
 - Prohibition of exploitative child labour and the employment of children under
 15 years of age (ILO Conventions 138 and 182)
 - Freedom of association and the right to collective bargaining (ILO Conventions 87 and 98)
- 2. Compliance with other labour and social standards:
 - Occupational health and safety (ILO Conventions 155 and 170)
 - Minimum wage and social benefits (ILO Conventions 131 and 102)
 - No excessive working hours (ILO Convention 1)

Verification:

The tenderer shall demonstrate compliance with the above mentioned ILO and other core labour standards by any of the following:

- A label, for example a TCO Certified label or equivalent
- An equivalent inspection report issued by an independent third party (productspecific examination of the manufacturing conditions on the basis of the required labour and social standards)
- Membership of the manufacturer in the Electronic Industry Citizenship Coalition (EICC)³⁶, including the submission of all current audit reports (related to the goods to be delivered) from an independent third party in accordance with the 'EICC Validated Audit Programme Quality Requirements'

See Case study 42 in <u>Making socially responsible public procurement work: 71 good practice cases</u> for more detail.

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³⁶ Now the <u>Responsible Business Alliance</u> (RBA)

The <u>EU GPP Criteria for Furniture</u> cover criteria for refurbishment services for existing used furniture, criteria for items of new furniture, and criteria for furniture end-of-life services. When the Irish Prison Service procured the removal and recycling of mattresses from each of its 12 establishments, the EU GPP Technical Specification for furniture end-of-life services was included in its specifications:

'Tenderers should collect furniture directly from a site specified by the contracting authority and provide a re-use and recycling service for furniture that has reached the end of its service life.

Furniture items / parts that are considered not suitable for reuse, and according to the knowledge of the Contracting Authority about appropriate recycling facilities in the region, should be disassembled into different material streams. At a minimum, plastics, metals, textiles and wood should be separated before being sent to different recycling facilities. Any remaining materials shall be sent to recovery facilities, wherever these are available at the regional level.'

In the resulting contract with two social enterprises, after deconstruction of the mattresses, sponge materials were returned into the circular economy, suitable textiles were shredded to be re-used as carpet underlay, some textiles were sent to a specialist company in Ireland to be used as part of new mattress material, steel springs were recycled to steel manufacturers, cloth and outer coverings were used as Refuse Derived Fuel (RDF), and polyurethane was exported to the UK and recycled for use in a variety of products. Any materials that could not be recycled were compressed and disposed of through recovery facilities. As a result, 100% of an estimated 1,200 mattresses was diverted from landfills. The social enterprises were able to recycle up to 80% of the used mattress components. Many of the materials could be resold, thus contributing to a circular economy.

See *GPP In Practice* Issue No. **118** (from *GPP News Alert* February 2023), page 2, for more detail.

6.3.4 Including green and social considerations in the selection criteria

Where delivery of the sustainability aspects of a contract will require previous experience or technical capacity (and the market can meet demands for such experience / capacity), then selection criteria for such experience or capacity should be included. They must be proportionate to the contract and linked-to its subject-matter – see section 3.2.2.1.3 of this reference for more detail as to the types of evidence that can be requested, including environmental management systems (EMS). See also relevant guidance (see Chapter 4 of this reference).

Some (but not all) procurement categories covered by the 10 sectors for which the EPA has published Irish GPP criteria include selection criteria: these can be found rapidly using GPP Criteria Search.

Example 6.6

To prevent violations of labour and social rights in the process of manufacturing of textiles, the Czech Ministry of Labour and Social Affairs included a selection criterion requiring bidders to have a system that guarantees that labour rights protected under the ILO Conventions (child labour, forced labour etc.) have not been violated during the manufacturing of the purchased goods. Bidders could demonstrate compliance with this requirement through membership of the Fair Wear Foundation or could submit a self-declaration. If opting to submit a self-declaration, the bidders had to identify the manufacturer of each type of product, the brand, and the place of manufacturing, to provide a degree of control to the buyer over the working conditions in the supply chain.

See <u>Buying Social – a guide to taking account of social considerations in public procurement</u>, page 70, for more detail.

In a procedure undertaken by the Municipality of Sulejów (Poland) to build a passive swimming pool and sports hall, selection criteria included that bidders must prove they have the necessary knowledge and experience to perform the works i.e. in the last 10 years they have performed:

- a) The construction of at least one building that obtained a certificate of tightness test at a level not worse than 0.6 litres of air change per hour performed in accordance with PN-EN ISO 9972:2015-10 (international standard intended to measure the air permeability of buildings³⁷) or equivalent
- b) Execution of at least one building in which a geothermal pump with vertical collectors is installed with a minimum heating capacity of 15 kW, and
- c) Execution of at least one swimming pool building with a reinforced concrete basin structure, with a water surface of at least 60 m².

The selection criteria also described the relevant professionals required as part of the team delivering the project, including an experienced site manager, sanitary works manager, electrical works manager, and road works manager.

See *GPP In Practice* Issue No. **106** (from *GPP News Alert* July 2021), page 2, for more detail.

6.3.5 Exclusion criteria

The Public Procurement Directives recognise that certain economic operators should not be eligible to win public contracts due to serious criminal or unethical practices (European Commission, 2021a). They also recognise that documented breaches of corporate responsibility or poor previous performance may be grounds for exclusion. See <u>Green Public Procurement – Guidance for the Public Sector</u> and <u>Buying Social</u>

³⁷ In Ireland, International Organization for Standardization (ISO) <u>9972:2015</u> can be acquired from the National Standards Authority Ireland (NSAI)

<u>- a guide to taking account of social considerations in public procurement</u> for the relevance of exclusion criteria to green and socially responsible procurement.

6.3.6 Including green and social considerations in the award criteria

At the award stage, contacting authorities compare the quality and costs of the tenders received according to a pre-determined and publicly published set of award criteria and weightings. The inclusion of sustainability award criteria is particularly useful where the level of environmental or socially responsible performance that the market can deliver is unknown, or where the impact on cost or other considerations such as delivery time is uncertain. Sustainable award criteria can also be used in conjunction with sustainable technical specifications: Examples 6.8 and 6.11, below, when compared with examples 6.3 and 6.5, respectively, above, illustrate how sustainable award criteria can drive greater sustainability: the technical specifications ensure that sustainability is a requirement, but the award criteria rewards improved sustainability beyond that minimum requirement.

The inclusion of sustainability award criteria sends a signal to the market that the particular environmental factors targeted are important to the contracting authority, and that tenderers who demonstrate capability and quality of potential performance under these headings will be rewarded. Environmental and social award criteria can be included where the Most Economically Advantageous Tender (MEAT) is chosen as the basis of the award (as opposed to cost only). Award criteria must be relevant to the subject-matter of the contract and expressly mentioned in the procurement documents, together with their weightings and any relevant sub-criteria. The Irish GPP criteria include a range of award criteria which meet these basic conditions and which are designed to target enhanced environmental performance, beyond the minimum levels in specifications (EPA 2021). GPP Criteria Search can be used to find the relevant Irish GPP award criteria. Note that those Irish GPP criteria labelled 'comprehensive' are more ambitious – see the How to Use tab in GPP Criteria Search, Chapter 4 of this reference, and Green Public Procurement – Guidance for the Public Sector to understand where such ambition may or may not be appropriate.

The weighting given to each award criterion determines the influence it has in the final evaluation. The weight given to environmental or social award criteria may reflect the extent to which environmental or social aspects are already addressed in the specifications. If there are strong environmental or social requirements in the specifications, they may be given a lower weighting in evaluation and vice versa.

Example 6.8

In the MODNL procurement of towels and washcloths and overalls referenced in <u>Example 6.3</u>, the technical specifications included that at least 10% of the fibres in these textiles would be from recycled materials, but the award criteria awarded going *beyond* those specifications – with at least 30%, or, for more marks, at least 50% of fibres being from recycled materials:

The contract was awarded to the most economically advantageous tender. Each bid was assigned a score out of a possible 100 points (maximum) based on price, the maximum percentage of certified recycled content, and datasheets demonstrating the quality and materials used.

The points for the maximum percentage of recycled content were calculated as follows:

50% or more recycled content: 20 points

• 30% recycled content: 10 points

10% recycled content: 0 points

The winning companies were able to supply towels and washcloths with 36% recycled content and overalls with 14% recycled content. MODNL estimated that this resulted in savings of:

- 233,478,000 litres of water
- 68,880 kg carbon dioxide (CO₂) emissions
- 23,520 Megajoule (MJ) of energy

See *GPP In Practice* Issue No. **77** (from *GPP News Alert* December 2017), page 2. for more detail.

In the Irish Prison Service's procurement of the removal and recycling of mattresses described in Example 6.5, a social award criterion was included to encourage employment for people who have been through the criminal justice system, aligning with a strategic action in the Department of Justice 'Working to Change social enterprise and employment strategy 2021 – 2023'. Up to 20% of marks were awarded for this criterion:

Score	Score Percentage Indicator – Tender submission has:					
0	0	No indication that they are currently or will employ people from the target group				
1	4	Indicated the approach they will take to actively hiring people from the target group				
2	8	Committed to employing ONE person from the target group				
3	12	Committed to employing TWO people from the target group				
4	16	Committed to employing 3 or more people from the target group				
5	20	Committed to employing 3 or more people from the target group with added value measures such as the provision of further on-the-training and/or education				
	(Max 20%)					

An additional 20% of marks were awarded to environmental compliance, quality control & standards, while the remaining 60% of marks were awarded based on cost.

Following the Request for Quotes (RFQ) process, three bids were received. Two social enterprises were chosen for the contract, which was split on a regional basis: Eco Mattress Recycling, based in Dublin and Bounce Back Recycling, based in Galway. Both these social enterprises had experience with employing former offenders. Their social missions are to provide meaningful employment to marginalised people some of whom will have been through Prison and/or Probation services. This single, low-value, contract has directly supported the continued employment of four full-time positions (two in each social enterprise) for people who have been through the prison system. Furthermore, the social enterprises were unfamiliar with reusing mattress materials and were able to develop the required knowledge and skills through this contract.

See *GPP In Practice* Issue No. **118** (from *GPP News Alert* February 2023), page 2, for more detail.

The appropriate scope and weighting for environmental and social award criteria will vary according to the subject-matter of the procurement, supply market conditions,

and the organisation's sustainability targets (see <u>Chapter 5</u> of this reference). See <u>Green Public Procurement – Guidance for the Public Sector</u> and other guidance in <u>Chapter 4</u> of this reference for further advice on weighting. See also collections of case studies highlighted in <u>Chapter 4</u>, such as <u>Making Socially Responsible Public Procurement Work – 71 Good Practice Cases</u>, to see examples of the weightings used in practice in a wide range of procurements by diverse public bodies.

See <u>section 3.2.2.1.4</u> of this reference for more information on award criteria, including the use of labels and EMS. <u>Green Public Procurement – Guidance for the Public Sector</u> provides considerably more detail about labels, other forms of evidence, and equivalence. Example 6.10, below, illustrates awarding marks for holding certificates and labels.

Example 6.10

When Intercent-ER, the Regional Agency for the development of electronic markets of Emilia Romagna, wished to procure office furniture in 2018, the award criteria were weighted:

- Cost 30%
- Technical Offer 70%

The Technical Offer included social and environmental criteria based on certification:

- 2 points for holding the <u>SA8000</u> certification, or equivalent, against child, forced and discriminated labour
- 2 points for holding the <u>BS OHSAS 18001</u> label, or equivalent, on safety and health protection
- 3 points for the reuse of old furniture, proved by a declaration in the tender
- 5 points for holding the EU Eco-Management and Audit Scheme (<u>EMAS</u>),
 <u>ISO 14001</u>, or <u>Carbon Footprint</u> standard or equivalents

See Case study 24 in <u>Making socially responsible public procurement work: 71</u> good practice cases for more detail.

When procuring computers and monitors, to incentivise companies beyond the technical specifications described in Example 6.4, bidders were requested to submit a 'bidder concept' to address the following award criteria:

Criterion	Sub-criterion	Maximum score
Standards in the first stage of the supply chain for peripheral devices: For the first tier for peripheral equipment (keypad and pc-mouse), with the same criteria as for (1) under the technical specifications for the main subject of the tender (computers and monitors) (Example 6.4) i.e. ILO Conventions	_	2,000
For the second and further tiers of the supply chain, both for the main subject of the tender (computers and monitors) and for the peripheral equipment, the tenderer is requested to	Knowledge of the supply chain	4,000
submit, together with the offer, a description of all the measures they have taken to demonstrate compliance with ILO Core Labour Conventions (as listed above in (1) in the technical specifications for the main subject of the tender), compliance	Risk analysis on working conditions	4,000
with other labour and social standards (as listed above in (2) in the technical specifications for the main subject of the tender) (Example 6.4); and avoidance of the use of conflict minerals in the goods to be supplied, in compliance with the Organisation	Corrective and preventive measures	5,000
for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas	Control measures, such as social audits	5,000
	Grievance mechanism	5,000
	<u> </u>	(Max. 25,000)

See Example 6.4 for means of verification.

See Case study 42 in <u>Making socially responsible public procurement work: 71</u> good practice cases for more detail.

6.3.7 Life-Cycle Costing

At the award stage, significant weighting is usually given to the cost. In order to accurately assess the costs of an asset, LCC should be applied wherever significant costs will arise within the lifetime of the product or service that are not reflected in the purchase price. See section 3.2.2.1.4 of this reference and Green Public
Procurement — Guidance for the Public Sector for more detail on using LCC at the

award stage. Section 4.7.2 of <u>Green Public Procurement – Guidance for the Public Sector</u> includes an example from Tipperary Energy Agency of using LCC as an award criterion.

6.3.8 Evaluating bids

Buying Social – a guide to taking account of social considerations in public procurement points out that the approach taken to evaluating and verifying SRPP commitments is just as important as the criteria chosen. To assess the social claims made by bidders, it may be useful to include social partners, user representatives, or other experts on the evaluation panel (provided there is no conflict of interest). Similarly, <u>Green Public Procurement – Guidance for the Public Sector</u> acknowledges that accurately assessing and verifying information submitted by tenderers in response to environmental criteria can be challenging. Including environmental experts on the evaluation panel could therefore be useful. Where experts will not be available, the contracting authority should take extra care to ensure that criteria are used that can be relatively easily evaluated and scored. The Irish GPP criteria are accompanied by verification provisions (see any technical specifications, selection criteria, or award criteria in GPP Criteria Search). These often suggest specific labels, certificates or standards (see page 28 of Green Public Procurement – Guidance for the Public Sector for the different types of evidence that can be used for verification), but include the possibility of submitting equivalent evidence where a specific label or certification is not available. See page 77 of <u>Buying Social – a guide</u> to taking account of social considerations in public procurement for examples of labels relevant to SRPP.

Once the successful bidder(s) is identified, the contracting authority may choose to provide a detailed explanation to unsuccessful bidders of where they fell short in relation to SPP criteria. This will help them to improve in future bids and highlight the importance of sustainability. It is also helpful to unsuccessful tenders to know where they have performed well regarding SPP criteria, so that they can build on such practices.

6.3.9 Including green and social considerations in contract performance clauses

Contract performance clauses describe how a contract is to be executed (European Commission 2021a). As with selection and award criteria, there is a requirement for these conditions to be linked to the subject-matter of the contract and included in the published contract notice or procurement documents. <u>Buying Social – a guide to taking account of social considerations in public procurement</u> states that it is important to draw bidders' attention to social conditions included in the contract, as well as the monitoring that will be carried out and the consequences for non-compliance. This guidance further states that to be effective, contract performance conditions should be:

- Clearly drafted, avoiding any unnecessary legal jargon
- Adequately specific, with defined timelines and deliverables
- Assigned to a particular party or individual
- Accompanied by suitable remedies in the event of non-performance, such as financial penalties or remedial actions

<u>Green Public Procurement – Guidance for the Public Sector</u> also points out that it is vital that GPP commitments made in the tender are explicitly included in the contract, and that it may be necessary to discuss how these will be implemented and monitored under the contract.

Example 6.12

When procuring computers and monitors, measures presented in the 'bidder concept' described in <u>Example 6.11</u> become part of the contract with the successful bidder.

See Case study 42 in <u>Making socially responsible public procurement work: 71</u> good practice cases for more detail.

When Intercent-ER, the Regional Agency for the development of electronic markets of Emilia Romagna, procured office furniture in 2018 (Example 6.10), sustainable contract performance clauses were included to ensure that the sustainability commitments in the tender were effectively delivered:

- The awarded company agrees to accept external audits for the verification of minimum social standards
- Within six months of award of the contract, the company should provide Intercent-ER with a clear and documented vision of the supply-chain for the products to be delivered
- A monitoring and evaluation system along the supply-chain should be in place with the 'continuous improvement' of environment and social standards at its core
- Within 12 months of the start of the contract, the contractor should provide a document on the corrective actions undertaken on the supply-chain

See Case study 24 in <u>Making socially responsible public procurement work: 71</u> good practice cases for more detail.

Some (but not all) procurement categories covered by the 10 sectors for which Irish GPP criteria have been published by the EPA include contract performance clauses: these can be found rapidly using <u>GPP Criteria Search</u>. See also <u>section 3.2.2.1.5</u> of this reference. Monitoring of SPP contract performance clauses is addressed in <u>Chapter 7</u> of this reference.

The European Commission included a social contract performance clause when procuring cleaning services for its 72 buildings in Brussels:

During the execution of the contract, the contractor has to provide training in cleaning to all workers employed in the execution of the contract. The contractor has to provide training plans detailing the mandatory training and annual retraining for all staff, regardless of seniority of employment with the contractor, as well as individual official training certificates for its staff on site (issued by an external body, or, where appropriate, proof of internal training), at the latest two months after the contract enters into force. The contract requires cleaning staff to be regularly trained and informed on cleaning methods, dosage, and precautions to be taken with cleaning products, packaging, and waste (sorting and disposal), as well as the use of machinery. The contractor has to submit training certificates proving that all persons assigned to the services covered by the contract have received the necessary and adequate technical, safety, and environmental professional training.

Training should be provided according to the proposed modules by the Cleaning Training Centre, or specialised modules as needed. For workers who received basic training more than eight years ago, a revision module is also needed. The minimum training time to be provided per worker during the duration of the contract is 20 hours. Every year, the contractor must provide training to at least 20% of the total number of workers on permanent or fixed-term contracts assigned to the execution of this contract, and to all its personnel by the end of the execution of the contract. This training may be replaced by language training for those workers with insufficient knowledge of French.

See Case study 08 in <u>Making socially responsible public procurement work: 71</u> good practice cases for more detail: this case study highlights the importance of addressing social considerations on a case by case basis, rather than attempting to use the same criteria across different contracts.

7. Monitoring and reporting Sustainable Public Procurement

7.1 Introduction

Monitoring Sustainable Public Procurement (SPP) assists in ensuring that the intended outcomes are achieved, and in determining what areas require improvement, and how such requirements can be met. Monitoring SPP can also help to link sustainable procurement with other aspects of sustainability within an organisation. Reporting ensures transparency. The approach taken by an organisation to monitoring and reporting on SPP should align with the approach taken to planning SPP – see Chapter 5 of this reference.

Public procurers should consult more detailed guidance to develop a monitoring and reporting approach: many of the guidance documents signposted in Chapter 4 of this reference include sections on monitoring and reporting.

7.2 Monitoring sustainability of individual contracts

7.2.1 Monitoring compliance with sustainability commitments

The appropriate form of monitoring of sustainability performance within a contract will depend upon:

- The nature of the social or environmental clauses, for example, do they relate to the supply chain or end-users?
- The experience of the contracting authority and the supplier in applying these clauses
- The level of trust and communication between these two parties
- The resources and capacity to effectively monitor performance
- The availability of suitable third parties to assist with monitoring (European Commission 2021a).

There are, broadly, four forms of contract monitoring:

• *Client*: The public buyer is responsible for monitoring compliance with social or environmental clauses, and may apply sanctions for non-compliance

- Contractor: The contractor is responsible for collecting and reporting information on its own compliance with social or environmental clauses (self-reporting)
- Joint: The contractor is responsible for collecting and reporting information, with the public buyer reviewing or verifying this information; alternatively, the contractor may be responsible for monitoring some aspects, and the public buyer responsible for others
- Third party: A third party, such as an auditor or certification body, is responsible for monitoring compliance with social or environmental clauses and providing reports

Regardless of the model chosen, it is important for the contract to assign responsibility for monitoring, define the activities, for example, questionnaires, meetings, inspections, reports, audits to be carried out and their frequency, and specify, where appropriate, the escalation and mediation measures that will apply if problems arise: these must have previously been clearly identified in the published request for tender documents (see Chapter 6 of this reference regarding the procurement process). When setting monitoring mechanisms that require the bidder to report information, take into account the nature, level of detail, and type of evidence that will be necessary to monitor the execution of the contract appropriately. Consider which information is truly relevant and proportionate to the nature and risks of the contract, as well as your organisation's ability to assess and verify that information. These aspects should be clarified during the procurement process (see Chapter 6 of this reference).

<u>Green Public Procurement – Guidance for the Public Sector</u> (see <u>section 4.4.1.1</u> of this reference) includes advice on monitoring (section 3.4) Green Public Procurement (GPP). It explains that to monitor GPP during the tender process, 'checkpoints' may be applied at various stages: in order to approve the business case, issue the notice and tender documents, finalise evaluation results, award the contract, and renew or extend a contract.

As explained in Chapter 6 of this reference (<u>section 6.3.9</u>), some (but not all) procurement categories covered by the 10 sectors for which Irish GPP criteria have been published by the Environmental Protection Agency (EPA) include contract performance clauses: these can be found rapidly using <u>GPP Criteria Search</u>.

<u>Green Public Procurement – Guidance for the Public Sector</u> further states (section 4.9): 'Choosing a procedure and criteria') that it is vital to have a system in place to record compliance / performance with GPP and to ensure lessons are learned for future tenders.

Example 7.1

Applicants could choose GPP criteria from a check-list to get extra points at the evaluation phase when applying for sustainable construction projects under the Latvian Ministry for the Environment's Climate Change Financial Instrument (CCFI) (See section 6.4 'Monitoring Contract Compliance', page 66, <u>Buying Green! – A handbook on green public procurement</u>). These criteria then became legally binding upon the beneficiary as a condition of the funding. All the projects financed under the CCFI have a monitoring period of five years following completion. If the monitoring of the project during the first and second year shows non-conformity of carbon dioxide (CO₂) emission reductions, the beneficiary submits a plan to correct this, and executes the plan from its own resources. If the non-conformity of project results continues, the resources disbursed from the CCFI for the project can be considered ineligible and recovered.

7.2.2 Monitoring sustainability outcomes

<u>Green Public Procurement – Guidance for the Public Sector</u> explains (section 4.9: 'Choosing a procedure and criteria') that the impact of GPP must be measured in order to support progress towards broader environmental and sustainability commitments. This is equally true of Socially Responsible Public Procurement (SRPP). See <u>Chapter 4</u> of this reference for tools that may help calculation of impact. For example, the <u>guidance toolkit</u> (see 'Measuring spend' section) developed by the

European Union (EU) Partnership on Public Procurement (see <u>section 4.3.1.9</u> of this reference) explains how to measure the sustainability impacts of procurement. Monitoring of impacts allows a public body to ascertain whether SPP objectives set out in its strategies and policies are being met in individual contracts.

Example 7.2

Over the course of three years, more than 100 low-carbon tenders were implemented by over 40 public authorities in eight countries participating in the <u>GPP2020 project</u> (co-funded via Intelligent Energy Europe by the European Commission), resulting in calculated savings of over 900,000 tonnes carbon dioxide equivalent (CO₂-eq) and 140,000 tonnes of oil equivalent (toe). See Final Results available from GPP2020 project.

Example 7.3

Example 5.1 in Chapter 5 of this reference highlights the CIÉ Group Sustainability Strategy published by Córas Iompair Éireann (CIÉ) Group in 2020.

The <u>CIÉ Group Sustainability Annual Review 2021</u> reported examples of GPP implementation by larnród Éireann (section 4.2.9). These include

- Switching to sachet cleaning products at one location, reducing plastic usage by 91% and reducing chemical storage by 93%
- Switching from plastic laminate tickets to paper tickets, saving 420 kg plastic annually (and reduced the cost of creating the tickets by 54%)
- Using circularity assessment for all materials when refurbishing Connolly
 Station Head Quarters

The <u>ClÉ Group Sustainability Annual Review 2022</u> reported (section 11.1) that larnród Éireann introduced a new Responsible Purchasing Policy in 2022 with a target of incorporating sustainability selection criteria in 100% of contracts by 2030. Furthermore, in 2022, 93% of larnród Éireann's contracts in 2022 contained sustainability selection criteria.

Example 7.4

Copenhagen Municipality previously monitored compliance with contractual labour clauses through unannounced site visits executed on a random basis (see Danish Institute for Human Rights (2020) *Driving Change through Public Procurement: a toolkit on human rights for policy makers and public bodies*, page 98). On this basis, it was found that 5.5% of workers were not paid in line with minimum wage requirements. In 2018, the municipality transitioned to a risk-based approach, targeting unannounced visits on types of works identified as having a higher risk of subcontracting and reliance on migrant workers and other vulnerable groups. Applying this new method of monitoring, Copenhagen Municipality identified that 70% of the workers present during the visit were not receiving the agreed minimum wage. Because of its findings, affected workers were paid an average compensation of 15.700 DKK (roughly €2,100) each.

7.3 Reporting on sustainability of individual contracts

7.3.1 Reporting on SPP in new eForms

established under Commission Implementing Regulation (EU) 2019/1780. They are digital standard forms used by public buyers to publish notices on Tenders Electronic Daily (TED) — an online portal for public procurement notices from across the EU. During 2024, it will become mandatory in Ireland for buyers to complete data fields ('business terms', BT) relating to GPP and SRPP (see Table 7.1, below), where the procurement is above the relevant EU threshold (see sections 2.3.1.1 and 3.2.2 of this reference). Some business terms require text (a description), some require numbers (for example numbers of clean vehicles), and some require selection of one or more codes, which relate to specific information. Effectively, buyers will report in contract award notices for every contract above the EU threshold as to whether or not a procurement had aimed to reduce the environmental impacts of the

procurement and / or to fulfil social objectives (BT-06; see Table 7.1). If the buyer selects the options that the procurement had aimed to reduce environmental impacts (option env-imp), and / or to fulfil social objectives (option soc-obj), then the buyer will need to describe *how* the procurement procedure had aimed to reduce environmental impacts, and / or to fulfil social objectives (BT-777).

The buyer then provides information about GPP. Under BT-805, select whether you used national GPP criteria i.e. the Irish GPP Criteria published by the EPA and available via GPP Criteria Search, or EU GPP criteria, or other GPP criteria (see Chapter 4 of this reference for some other published GPP criteria), or did not use any GPP criteria. Under BT-774, you select what aspect of environmental protection was addressed in the process to procure goods, services and works with reduced environmental impact throughout their life cycle:

- The protection and restoration of biodiversity and ecosystems
- The transition to a circular economy
- Climate change adaptation
- Climate change mitigation
- Pollution prevention and control
- The sustainable use and protection of water and marine resources
- Other

The buyer then provides information about Social Procurement (BT-775): Select what type of social objective (if any) was promoted by the works, supplies, or services:

- Accessibility for all
- Ethnic equality
- Gender equality
- Human rights due diligence in global supply chains
- Employment opportunities for the long-term unemployed, disadvantaged and/or for persons with disabilities
- Fair working conditions
- Other

Additional BTs may be relevant to SPP, depending on what is being procured:

- Accessibility the use of accessibility criteria for persons with disabilities in
 the technical specifications. If the procurement is intended for use by natural
 persons, but accessibility criteria were not included, the justification for not
 including accessibility criteria can be entered into another BT (BT-755). (See
 section 3.2.2.1.2 of this reference).
- Clean Vehicles Directive several BT, addressing the number of vehicles
 falling within the scope of the Directive and whether they are clean vehicles or
 zero-emission heavy-duty vehicles as defined by the Directive (see <u>section</u>
 3.2.3.2 of this reference)

Several BT relating to the Energy Efficiency Directive (Recast) will be added during 2024, addressing the type, quantity, and energy efficiency of products covered by the Energy Labelling Directive, the Ecodesign Directive, EU or national GPP criteria, Regulation 2020/740 on the labelling of tyres, and buildings (section 3.2.3.1 of this reference).

Public buyers may wish to use a similar approach to reporting on procurements below EU thresholds.

Table 7.1. Key Business Terms (BT) for information relevant to Sustainable Public Procurement in new eForms.

new er		Doto typo	Description	Ontions	Explanation of option
ID	Name	Data type	Description	Options	· ·
BT-06		Code	Aims at reducing the environmental impacts of the procurement, fulfilling social objectives and/or buying an innovative work, supply or service	env-imp	Reduction of environmental impacts
	Strategic			inn-pur	Innovative purchase
	Procurement			soc-obj	Fulfilment of social objectives
				none	None
BT-777	Strategic Procurement Description	Text	Description of how the procurement procedure is aiming at reducing the environmental impacts of the procurement, fulfilling social objectives and/or buying an innovative work, supply or service		
BT-805	Green Procurement Criteria	Code	The procurement procedure includes the use of established green public procurement criteria (selection criteria, technical specifications, award criteria and contract performance clauses), at national, Union or other level, if applicable	eu	EU GPP criteria
				national	National GPP criteria
				other	Other GPP criteria
				none	No GPP criteria
BT-774	Green Procurement	Code	A process to procure goods, services and works with reduced environmental impact throughout their life cycle	biodiv-eco	The protection and restoration of biodiversity and ecosystems
				circ-econ	The transition to a circular economy
				clim-adapt	Climate change adaptation
				clim-mitig	Climate change mitigation
				pollu-prev	Pollution prevention and control
				water-mar	The sustainable use and protection of water and marine resources
				other	Other
BT-775	Social Procurement	Code	A social objective promoted by the works, supplies or services (e.g. fair working conditions)	acc-all	Accessibility for all
				et-eq	Ethnic equality
				gen-eq	Gender equality
				hum-right	Human rights due diligence in global supply chains
				opp	Employment opportunities for the long-term unemployed, disadvantaged and/or for persons with disabilities
				work-cond	Fair working conditions
				other	Other

Options for BT-06, BT-774, and BT-775 relate to objectives promoted by the technical specifications, award criteria, selection criteria or contract performance conditions included in a procurement.

7.3.2 Other approaches to reporting on the sustainability of individual contracts

As outlined in <u>section 5.2.3.1</u> of this reference, a consistent approach should be taken, within an organisation, to assessing whether or not a past procurement can be considered 'green'. This might involve, for example, including information as to whether only the relevant core Irish GPP criteria were included, or all relevant core and comprehensive Irish GPP criteria were included, or all relevant core and comprehensive Irish GPP criteria and some additional green approaches (see <u>Table 5.1</u> of this reference). This approach could be extended to areas where there are no Irish GPP criteria (there may be other GPP criteria, such as EU GPP criteria [see <u>section 4.3.1.2</u> of this reference] or another approach could be adopted, for example procurement of remanufactured products) and to social considerations. If the Corporate Procurement Plan (see <u>section 5.2.3.1</u> of this reference) has specified that SPP will be incorporated into particular contracts, it is logical to address whether or not SPP was, in fact, incorporated (see Example 7.5, below), and, if possible, what environmental or social benefits were obtained as a result.

Example 7.5

Measurement and Monitoring of the implementation of South Dublin County

Council's Procurement Plan 2021-2023 reports on the implementation of a social
employment clause in the Kilcarbery housing development agreement. This is in
line with the Corporate Procurement Plan 2021-2023, which states that 'the
Project Manager will oversee the implementation of the social employment clause
in the Kilcarbery and Killinarden housing projects and any other projects where
they are included and will assess if there are other opportunities for the inclusion
of social clauses.'

7.4 Monitoring and reporting on Sustainable Public Procurement across a public body

7.4.1 GPP reporting by government departments

7.4.1.1 Reporting on GPP in the Annual Report

<u>Circular 20/2019: Promoting the use of Environmental and social considerations in public procurement</u> (see <u>section 2.4.2.6</u> of this reference) requires government departments to incorporate relevant green procurement measures into their reporting cycles. 'Starting with the 2020 Annual Report, each Department must report annually on progress in relation to Green Public Procurement.' Different departments have taken different approaches in their annual reports. Some departments have chosen to follow the same template that the EPA circulated to departments (see section 7.4.1.2, below).

7.4.1.2 Reporting on GPP to the Environmental Protection Agency

Climate Action Plan 2019 (see <u>section 2.4.2.2</u> of this reference) assigned lead responsibility to the EPA for an action (Action 148) that Government Departments would measure and report on GPP on an annual basis, starting with calendar year 2020. The EPA's <u>reports</u> on use of GPP by government departments in 2020 and 2021 show the type of reporting requested of departments. The EPA has also published its <u>Guidance & Template for GPP Reporting by Government Departments</u> for the reference year 2022. The template is in the form of an Excel spreadsheet, with one tab relating to GPP data and another to qualitative information. Briefly:

GPP data:

- Departments should provide for each of the 10 priority sectors for GPP (see <u>section 4.4.1.1</u> of this reference) and for each of a number of other sectors, such as professional services, laboratory equipment, or furniture, and other, not listed, sectors, to be defined by the departments:
 - The total number and total value of contracts of over €25,000 (exclusive of VAT) signed in 2022

The total number and total value of contracts of over €25,000
 (exclusive of VAT) signed in 2022 that have incorporated GPP
 Thus, percentage GPP by number or value of contracts can be calculated for each sector (and for the total).

GPP qualitative information:

- Departments should provide responses to 10 questions, such as
 - Does your department have a
 - Sustainability Strategy?
 - GPP policy or strategy?
 - System (procedure / process) for tracking GPP incorporation in procurement?
 - Does your department's Corporate Procurement Plan include information on where green criteria will be used in upcoming procurement processes?
 - How many people, if any, within your department received training on GPP in calendar year 2022?
 - Where you reported that GPP was incorporated in contracts, were green criteria from the EPA's 2021 guidance used?

Although government departments have already responded to the EPA with respect to reference year 2022, departments could consider the questions asked and data required in order to better plan GPP for future years. Other public bodies could similarly apply the same approach to reporting on their GPP – whether this is for internal reporting purposes, or whether they choose to publish that information, for example in their Annual Reports. Reporting could help to focus and improve planning (see Chapter 5 of this reference). A similar approach can also be taken to reporting on socially responsible procurement.

7.4.2 Reporting on GPP to address commitments in the Public Sector Climate Action Mandate

As described in <u>section 5.2.1</u> of this reference, guidance for preparing Climate Action Roadmaps is updated annually in line with the <u>Public Sector Climate Action Mandate</u>

(see <u>section 2.4.2.2.3</u> of this reference). The guidance includes a section (section 2.3.2) on GPP. This suggests that as a minimum, public bodies set up a system to gather and record data on GPP implementation within the organisation, using the reporting guidance and template developed for Government Department reporting of GPP to the EPA (section <u>7.4.1.2</u> of this reference, above) as a reference. An additional suggestion is to 'Measure the environmental and climate benefits achieved through the application of green criteria in future procurements'.

7.4.3 Other approaches to SPP reporting

7.4.3.1 Alignment with an organisation's Strategy

When deciding what aspects of its procurement to report, and where to report, a public body should take into account the organisation's main policies, as outlined in its statement of strategy or other key policy documents. Additionally, it should take into account the social and environmental impacts of the main types of goods, services, and works that it procures. For example, if a public body's strategy includes reducing greenhouse gas (GHG) emissions, and it procures in areas with considerable GHG emissions, the public body may choose to report efforts it made to procure low carbon alternatives in those areas.

Example 7.6

As outlined in <u>Example 5.3</u> in Chapter 5 of this reference, one of the <u>Sustainability Initiatives of Trinity College Dublin</u> (TCD) was to establish a Sustainable Procurement Working Group. This group created a Sustainable Procurement Policy, which set out four objectives:

- 1. Tenders for procurement to include environmental criteria (100%)
- 2. Increase green criteria in tender marking by 10%
- 3. Improve use of whole life-cycle costing
- 4. Reduce GHG emissions in supply chain

TCD's <u>Sustainability Report 2020</u> (section 7, page 27-28) reported that objective 2 was achieved, and provides figures for the number of tenders for which environmental information was requested, and the number in which marks were awarded for green criteria. The report also provides specific examples of green procurement.

Example 7.7

Measurement and Monitoring of the implementation of South Dublin County

Council's Procurement Plan 2021-2023 includes a section (section 10) entitled

'Update on sustainable procurement measures'. In addition to reporting on social
employment in a contract as outlined in Example 7.5, above, this section also
reports on GPP:

- Waste heat from a data centre will be used to heat County Hall and the Technological University Dublin (TU Dublin) campus in Tallaght
- All lighting is being upgraded to light-emitting diodes (LEDs) in County Hall, under the Council's Civic Buildings Electrical Service Providers contract. Phases one and two have been completed with an average reduction in consumption of 68% and avoidance of 53 tonnes of CO₂ emissions.

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Abbreviations

10YFP12 10-Year Framework of Programmes on Sustainable Consumption and

Production

AECI Annual Energy Consumption Indicator

BIM Building Information Modelling

BT Business term (on eForms)

CCFI Climate Change Financial Instrument

CCT Correlated colour temperature

CFIT Circular & Fair ICT Pact
CIÉ Córas Iompair Éireann

CO₂ Carbon dioxide CO₂-eq CO₂ equivalent

COP Conference of the Parties

CPV Common Procurement Vocabulary

DECC Department of the Environment, Climate and Communications

DIHR Danish Institute for Human Rights

EASAC European Academies' Science Advisory Council

EASME Executive Agency of Small and Medium-sized Enterprises

ECAT EU Ecolabel Product Catalogue

ECHR European Convention on Human Rights

EICC Electronic Industry Citizenship Coalition (now RBA)

EIGE The European Institute for Gender Equality

EMAS EU Eco-Management and Audit Scheme

EMS Environmental management system

EPA Environmental Protection Agency

EPD Environmental Product Declaration

ESPD European Single Procurement Document

EU European Union

FAO Food and Agriculture Organization of the United Nations

FCRBE Facilitating the Circulation of Reclaimed Building Elements

FSC Forest Stewardship Council

G3ict Global Initiative for Inclusive ICT

GDP Gross domestic product

GHG Greenhouse gas

GPA Agreement on Government Procurement

GPP Green Public Procurement

GWh Gigawatt hours

GWP Global Warming Potential
HSE Health Service Executive

IAQ Indoor Air Quality

ICLEI International Council for Local Environmental Initiatives

International Cost Management Standard (formerly International

Construction Measurement Standards)

ICT Information and communications technology

IGBC Irish Green Building Council

ILO International Labour Organisation

IPP Integrated Product Policy

ISO International Standards Organisation

JRC Joint Research Centre

KEITI Korea Environmental Industry and Technology Institute

kg Kilogramme

LCA Life-Cycle Analysis
LCC Life-Cycle Costing
LED Light emitting diode

LETI Low Energy Transformation Initiative

M&R Monitoring and Reporting

MEA Multilateral environmental agreements

MEAT Most economically advantageous tender

MIT Massachusetts Institute of Technology

MJ Megajoule

MMC Modern Methods of Construction

MODNL Ministry of Defence of the Kingdom of the Netherlands

NAP National Action Plans (for greening public procurement)

NDA National Disability Authority
NDP National Development Plan

NESC National Economic and Social Council

NGO Non-governmental organisation

NSAI National Standards Authority of Ireland

nZEB Nearly Zero Energy Building

OECD Organisation for Economic Co-operation and Development

OGP Office of Government Procurement

PEFC Programme for Endorsement of Forest Certification

PIN Prior Information Notice

RBA Responsible Business Alliance
RBC Responsible Business Conduct

RDF Refuse Derived Fuel

REACH Registration, Evaluation, Authorisation and Restriction of Chemicals

RFQ Request for Quotes

RICS Royal Institution of Chartered Surveyors

SAPIENS Sustainability and Procurement in International, European, and

National Systems

SC Selection criterion

SCP Sustainable Consumption and Production

SDGs Sustainable Development Goals

SEAI Sustainable Energy Authority of Ireland

S.I. Statutory Instrument

SIP Sustainable Industrial Policy

SME Small and medium enterprises

SPI Sustainable Products legislative Initiative

SPP Sustainable Public Procurement

SRPP Socially Responsible Public Procurement

SUP Single Use Plastic

TCD Trinity College Dublin

TCO Total Cost of Ownership

TED Tenders Electronic Daily

TFEU Treaty on the Functioning of the European Union

toe Tonnes of oil equivalent

TOMs Themes, Outcomes and Measures

TS Technical specification

TU Dublin Technological University, Dublin

UBA Umweltbundesamt – the German Environment Agency

UCC University College Cork

UN United Nations

UNEP United Nations Environment Programme

UNFCCC United Nations Framework Convention on Climate Change

UNGPs United Nations Guiding Principles on Business and Human Rights

VVSG Association of Flemish Cities and Municipalities

WCAG Web Content Accessibility Guidelines

WEEE Waste Electrical and Electronic Equipment

WHO World Health Organisation

WLC Whole Life Carbon

WRAP Waste and Resources Action Programme

WTO World Trade Organisation

Appendices

Appendix I: Main sustainability policies

The tables below assist with finding all the sections within Chapter 2 [whether national, European Union (EU), or international] that mention policies relevant to specific sustainability issues (Table AI.1), or mention policies relevant to procurement of specific types of goods, services, or works (Table AI.2).

Table Al.1. National, EU, or international policies relevant to specific sustainability issues

	Policy				
Sustainability issue	National	EU	International		
Apprenticeships	Action Plan for Apprenticeships				
Biodiversity	Climate Act	European Green Deal	<u>SDGs</u>		
		Public Investment through Sustainable Procurement			
Circular Economy	Circular Economy Strategy Climate Action Plans	EU Circular Economy Action Plan			
	Circular Economy Programme	European Green Deal			
	Places for People	<u>Level(s)</u>			
	Waste Action Plan	Making Public Procurement Work in and for Europe			
		Public Investment through Sustainable Procurement			
Climate change	<u>Circular 20/2019</u>	EU Climate Law	<u>SDGs</u>		
	Climate Act	European Green	<u>UNFCCC</u>		
	Climate Action Plans	<u>Deal</u>			
	Local Authority climate action	Green Deal Industrial Plan			
	Places for People	Public Investment through			
	Programme for Government	Sustainable Procurement			

	Policy				
Sustainability issue	National	EU	International		
Disability	National Disability Authority		UN Convention on the Rights of Persons with Disabilities		
Energy efficiency	Climate Action Plans Green Tenders Places for People	EU Fit for 55 Level(s) Renovation Wave			
Environmental performance	Circular 20/2019 Green Tenders	Public Investment through Sustainable Procurement Public Procurement for a Better Environment	OECD Recommendation on the Environmental Performance in Public Procurement		
Human rights / Responsible Business Conduct / Labour rights	National Plan on Business and Human Rights	EU Convention on Human Rights Public Investment through Sustainable Procurement	ILO Declaration on Fundamental Principles and Rights at Work OECD Guidelines and Due Diligence Guidance for Responsible Business Conduct UNGPs Universal Declaration of Human Rights		
Just Transition		European Green Deal			
Pollution	Green Tenders	European Green Deal			
Resource efficiency	Circular Economy Strategy Waste Action Plan	European Green Deal Public Investment through Sustainable Procurement			
SMEs	Circular 05/2023 Programme for Government				
Social economy / Social enterprises	Work To Change Our Rural Future	EU Circular Economy Action Plan Social Economy Action Plan			
Social inclusion	Roadmap for Social Inclusion	Public Investment through Sustainable Procurement			

	Policy				
Sustainability issue	National	EU	International		
Social Services		Quality Framework for Social Services			
Sustainable consumption & production		EU Circular Economy Action Plan			
		Public Procurement for a Better Environment			
		Sustainable Products legislative Initiative			
Sustainable development	Climate Act Green Tenders Our Rural Future SDG Implementation Plans	Public Investment through Sustainable Procurement	SDGs		
Sustainable procurement	Circular 20/2019 Climate Act Climate Action Plans Green Tenders Local Authority climate action Programme for Government	Making Public Procurement Work in and for Europe Public Investment through Sustainable Procurement	10YFP12 One Planet Network		
Waste	Circular Economy Programme Circular Economy Strategy National Hazardous Waste Management Programme for Government Regional Waste Management Plans Waste Action Plan	EU Circular Economy Action Plan Level(s) Renovation Wave			
Water & nutrients	Green Tenders	EU Circular Economy Action Plan			

Table Al.2 Selected national, EU, or international policies relevant to specific categories of goods, services, or works, as referenced in Chapter 2.

	Policy			
Category	National	EU	International	
Batteries		EU Circular Economy Action Plan		
Cleaning products & services	Green Tenders			
Electronics & ICT	Green Tenders	EU Circular Economy Action Plan		
Energy / Heating	Climate Action Plans	Bioeconomy Strategy & Action Plan		
	Green Tenders	EU Fit for 55		
Food & catering	Climate Action Plans	Bioeconomy Strategy & Action Plan		
	Food Waste Prevention Roadmap	Farm to Fork		
	Green Tenders			
Infrastructure / Buildings /	Climate Action Plans	Bioeconomy Strategy & Action Plan	Driving Sustainability through Public Procurement	
Construction	Green Tenders Housing for All	EU Circular Economy Action Plan	of Infrastructure	
		EU Fit for 55		
		Level(s)		
		Public Investment through Sustainable Procurement		
		Renovation Wave		
Paper	Climate Action Plans			
	Green Tenders			
Plastics & Packaging	Circular Economy Programme	Bioeconomy Strategy & Action Plan		
	Circular Economy Strategy	EU Circular Economy Action Plan		
	Waste Action Plan	EU Fit for 55		
Textiles	Green Tenders	EU Circular Economy Action Plan		
Transport & Vehicles	Climate Action Plans	EU Circular Economy Action Plan		
	Green Tenders	EU Fit for 55		

Appendix II: Main sustainability guidance

The tables below assist with finding all the sections (whether national, EU, or international) in Chapter 4 that mention specific sustainability issues (Table AII.1), or mention procurement of specific types of goods, services, or works (Table AII.2). However, the list in each cell is not exhaustive.

Table All.1. National, EU, or international guidance relevant to specific sustainability issues

Sustainability	Guidance				
issue	National	EU	International	Other	
Accessibility	Code of Practice on Accessibility of Public Services and Information provided by Public Bodies	EN 17161:2019	<u>G3ict</u>		
Apprenticeships / training	Information Note on Apprenticeships and Public Procurement	BusLeague			
Biodiversity		EU (GPP) criteria for the design, construction, renovation, demolition and management of buildings		MVI criteria	
Circular Economy	CIRCULÉIRE IGBC handbook on Implementation of Circularity, WLC and LCC in Public Construction Projects	Public Procurement for a Circular Economy – good practice and guidance European Circular Economy Stakeholder Platform Methodology on Circular Public and Private Procurement The GREENER Toolbox Partnership on Public Procurement	Building Circularity into Our Economies through Sustainable Procurement CFIT	MVI criteria Circular Value Chain Tool Circular Knowledge Platform	

Sustainability	Guidance			
issue	National	EU	International	Other
Climate change / low carbon / GHG emissions	Fáilte Ireland's Climate Action Guide for Meetings and Events	EU (GPP) criteria for the design, construction, renovation, demolition and management of buildings SMART SPP	Life Cycle Costing – State of the Art Report International Cost Management Standard	Welsh decarbonisation through procurement guidance WRAP Whole life carbon assessment for the built environment TM65 The Chancery Lane Project
Employment	A primer on the use of social clauses in Ireland			
Energy efficiency	Irish GPP Criteria	Guidance on the Energy	<u>ISO 5001</u>	
Cinciency	SEAI 'Energy Link' Building Regulations	Efficiency First principle BusLeague		
Environmental performance		EU GPP Criteria BS EN 15978:2011		
Gender		URBACT EIGE		PGN03/18 Human Rights in Public Procurement
Human rights / Responsible Business Conduct / labour rights		How to procure fair ICT hardware Socially Responsible Workwear – A guide for public purchasers	ISO 26000 Integrating Responsible Business Conduct in Public Procurement UNGPs International Learning Lab on Public Procurement and Human Rights CFIT Ethics in Public Procurement of ICT	PGN03/18 Human Rights in Public Procurement Driving Change through Public Procurement: a toolkit on human rights for policy makers and public bodies Norway's guidance on public procurement and human rights Swedish Buyers' guidance Business and Human Rights, A handbook for legal practitioners
Pollution	Irish GPP Criteria			

Sustainability	Guidance			
issue	National	EU	International	Other
Resource efficiency	Best Practice Guidelines for the preparation of resource and waste management plans for construction and demolition projects	EU (GPP) criteria for the design, construction, renovation, demolition and management of buildings		
Social economy		Buying for social impact – good practice from around the EU		
Social inclusion	OGP's Sustainable Public Procurement case studies webpage		Inclusive Public Procurement Playbook	
Sustainable development		Procura+ Manual – A Guide to Implementing Sustainable Procurement	Sustainable Procurement of Electronics: A Progressive Approach to Chemicals of Concern How together we can make the world's most healthy and sustainable public food procurement	Responsible Procurement Network
Sustainable procurement		Procura+ Manual – A Guide to Implementing Sustainable Procurement Going Green – Best practices for sustainable procurement EU GPP guidance SMART SPP	Sustainable Procurement of Electronics: A Progressive Approach to Chemicals of Concern UN Sustainability criteria Building Circularity into Our Economies through Sustainable Procurement ISO 20400	Welsh decarbonisation through procurement guidance

Sustainability	Guidance				
issue	National	EU	International	Other	
Waste	Best Practice Guidelines for the preparation of resource and waste management plans for construction and demolition projects Irish GPP Criteria Construction Materials Exchange	EU GPP Criteria	Sustainable Procurement of Electronics: A Progressive Approach to Chemicals of Concern Building Circularity into Our Economies through Sustainable Procurement How together we can make the world's most healthy and sustainable public food procurement CFIT	Norway's Criteria Wizard for Sustainable Public Procurement WRAP Circular Knowledge Platform	
Water	Irish GPP Criteria	EU GPP Criteria EU (GPP) criteria for the design, construction, renovation, demolition and management of buildings EU LCC tools SMART SPP		MVI criteria	

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Table All.2 Selected national, EU, or international guidance relevant to selected specific categories of goods, services, or works

	Guidance			
Category	National	EU	International	Other
Cleaning products & services	Irish GPP Criteria	EU GPP Criteria	Building Circularity into Our Economies through Sustainable Procurement	
Electronics & ICT	Irish GPP Criteria Building for Everyone	How to procure fair ICT hardware Making Socially Responsible Procurement Work – 71 Good Practice Cases EU GPP Criteria EU (GPP) criteria for the design, construction, renovation, demolition and management of buildings EU LCC tools	Sustainable Procurement of Electronics: A Progressive Approach to Chemicals of Concern G3ict CFIT Ethics in Public Procurement of ICT	Driving Change through Public Procurement: a toolkit on human rights for policy makers and public bodies Norway's guidance on public procurement and human rights Swedish Buyers' guidance Norway's Criteria Wizard for Sustainable Public Procurement Welsh decarbonisation through procurement guidance
Energy / Heating / Electricity / Lighting / Energy-related products	Irish GPP Criteria SEAI 'Energy Link' Building Regulations	Guidance on the Energy Efficiency First principle EU GPP Criteria SMART SPP BusLeague	ISO 5001	MVI criteria Whole life carbon assessment for the built environment Swedish search tool Polish search tool German Environment Agency recommendations
Events	Fáilte Ireland's Climate Action Guide for Meetings and Events			German Environment Agency recommendations

	Guidance				
Category	National	EU	International	Other	
Food & catering	Irish GPP Criteria	Food & Catering Global public procurement factsheet EU GPP Criteria Sustainable public procurement of food Choosing Best Value in Contracting Food Services	Public food procurement for sustainable food systems and healthy diets How together we can make the world's most healthy and sustainable public food procurement	Norway's guidance on public procurement and human rights Norway's Criteria Wizard for Sustainable Public Procurement WRAP German Environment Agency recommendations	
Furniture / Facilities		EU GPP Criteria GPP- FURNITURE Guidance for bio- based products in procurement ProCirc		Norway's guidance on public procurement and human rights Circular Knowledge Platform	
Healthcare / medical supplies		Making Socially Responsible Procurement Work – 71 Good Practice Cases		Norway's guidance on public procurement and human rights Circular Knowledge Platform	
Infrastructure / buildings / construction	Irish GPP Criteria	EU GPP Criteria EU (GPP) criteria for the design, construction, renovation, demolition and management of buildings BS EN 15978:2011 EU LCC tools JRC Level(s) manuals Guidance for bio- based products in procurement	Building Circularity into Our Economies through Sustainable Procurement Guidance Document on Procuring Sustainable Buildings and Construction Global Review of Sustainable Public Procurement 2022 International Cost Management Standard	German criteria website Whole life carbon assessment for the built environment German Environment Agency recommendations The Chancery Lane Project	

	Guidance				
Category	National	EU	International	Other	
Landscaping		Guidance for bio- based products in procurement		German Environment Agency recommendations	
Paint / varnish		EU GPP Criteria			
Paper	Irish GPP Criteria	EU GPP Criteria EU GPP case studies	Building Circularity into Our Economies through Sustainable Procurement		
Textiles	Irish GPP Criteria	EU GPP Criteria Socially Responsible Workwear – A guide for public purchasers		Norway's guidance on public procurement and human rights Circular Knowledge Platform	
Transport / vehicles	Irish GPP Criteria	EU GPP Criteria EU GPP case studies SMART SPP ProCirc		Norway's Criteria Wizard for Sustainable Public Procurement Welsh decarbonisation through procurement guidance	

