

WELCOME TO OUR CONFERENCE AND REPORT LAUNCH

THE USE OF PUBLIC PROCUREMENT FOR CLIMATE AND SOCIAL BENEFITS


18 April 2024, Brussels




ADVANCING CLIMATE, ENVIRONMENTAL AND SOCIAL GOALS THROUGH PUBLIC PROCUREMENT



Research report launch - Brussels, 18 April 2024



Socially responsible public procurement is an opportunity for public spending to create long-lasting social value and wellbeing for all.



Using reuse items allows us to play our part in the Council's wider commitment to reducing our carbon footprint.

Kimberly Farnley, Social Welfare Fund, Fife Council



THE CASE STUDIES



CONSTRUCTION
AND DEMOLITION



GREEN WASTE



FURNITURE



ELECTRICAL
APPLIANCES



TEXTILES



PAINT




PUBLIC TENDERS

FORMAL CRITERIA

<i>Main features</i>	<i>Main variations</i>
Procurement approach	<ul style="list-style-type: none">• Open procedure• Negotiated procedure• Framework agreement
Reserved contract	<ul style="list-style-type: none">• Yes• No
Award criteria	<ul style="list-style-type: none">• Share of price in total award criteria• Technical capacity and/or expertise• Green criteria (yes/no)• Social criteria (yes/no)• Other criteria
Type of bidders allowed	<ul style="list-style-type: none">• Individual organisation• Consortium

POSITIVE OUTCOMES **ENVIRONMENTAL**


- Reduction of construction and demolition waste
 - Greenhouse gas emissions prevented
 - Energy efficiency, use of renewable energies
 - Preservation of natural soils
 - Increased and more resilient local natural habitats
 - Reuse of furniture pieces
 - Collection, reuse and recycling of clothes
 - Improved management of hazardous substances
 - Waste diverted from landfill and reduced incineration
 - Reduction in raw material extraction, manufacturing, transport and waste
- 

POSITIVE OUTCOMES **SOCIAL**


- Job creation
- Acquisition of transferable skills
- Increased self-confidence and motivation
- Integration of individuals who face barriers in the mainstream labour market
- Assistance to low-income households
- Material poverty alleviation
- Support for community group activities
- Social cohesion




POSITIVE OUTCOMES **ECONOMIC**

- Opportunity for public bodies to procure and provide quality goods at a lower cost → Public budget savings
 - Reduced reliance on exports of waste and costly disposal methods
 - Revenues generated through the sale of reusable components
- 

POSITIVE OUTCOMES **BEHAVIOURAL**


- Showcasing the feasibility and potential of socially responsible and/or green public procurement
 - Visibility and reputational gains
 - Evidence of social enterprises' capacity to innovate and deliver positive outcomes in major public tenders
 - Overcoming negative perceptions of reused products
 - Showcasing the importance of including reserved contracts in public tenders
 - Demonstrating that public tenders can create consistent and sizeable demand for reusable products
- 



I believe in the power of social enterprises to create meaningful change, but navigating complex procurement processes can sometimes feel like an uphill battle.

- Ivan Božić, Humana Nova





It is complicated for us to measure the economic return we provide from having disadvantaged people working with us. There is often so much work that we do at a social, health, education and other levels, that I think we fall a little short in terms of demonstrating the impact we have. This is a pending issue for us.

Cristina Salvador, Recumadrid



CONCLUSIONS

MAIN CHALLENGES



- Lack of social and green clauses in public tenders
- Price as the only criterion
- Strong competition incl. large corporations
- Lack of awareness
- Negative perceptions re. quality of reused goods
- Complexity, length and scale of procurement processes
- Collection and management of impact data
- Lack of widely accessible information on best practices
- Voluntary nature of current provisions

ARE PARIS 2024 OLYMPICS A GAME CHANGER IN PUBLIC PROCUREMENT?



**ELISA
YACHVITZ**
LES CANAUX



**JULIE
FOURNIER**
SOLIDEO



**STÉPHANIE
HERBÉ**
HALAGE



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HOW CAN POLICY ADVANCE SOCIALLY RESPONSIBLE AND GREEN PUBLIC PROCUREMENT?

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Social and green criteria can be a
key enablers for societal impact

HOWEVER

They largely underutilised



Recommendations **More Adapted Requirements**



Ex. Negotiated procedures at pre-procurement

More suitable conditions for the social economy

Flexible criteria for the reuse sector



Better Use of Reserved Contracts



Better transposition and enforcement of Art 20:



*Reserved contracts for **work integration economic operators** employing people with disabilities or disadvantaged persons.*

Art 20, PP Directive



Recommendations
Reserved Contracts



Inclusive job market opportunities

Fair competition for smaller actors



Recommendations

More Best Price-Quality Ratio



Higher social, environmental, and economic recognition

Departure from race-to-the-bottom bids


Default for services for the person and environment



Recommendations

Clearer Standards for Circular Procurement



- **EU Waste Hierarchy** as a compass
 - Inclusion of **reuse, refurbishment and repair** in eligibility criteria.
 - **Construction:** Prioritising reuse of building materials.
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Recommendations

Clear and Enforceable Targets



Quantifiable social and circular impact

Address authorities' legal uncertainties

Granting authorities' flexibility in reaching them



Recommendations

Clear and Enforceable Targets



Ex. Socially responsible targets:

- Total social employment work hours
- Total award amount to social economy enterprises



Recommendations

Clear and Enforceable Targets



Ex. Circular economy targets:


- Reuse rates when procuring specific streams
 - Total CO2 emission savings
- 

Recommendations

Clear and Enforceable Targets



Ex. Targets accounting for EU heterogeneity:

- Local rates of people at risk of poverty and social exclusion
 - Local reuse rates
 - GDP per capita
- 



*What about
procurers?*



Recommendations **Improve capacity**



Strengthen social economy & solidarity reuse knowledge
Ex. Good practice: EC national-level workshops

How to facilitate social economy & SMEs access
ex. Reserves and division of contracts, stimulate consortia

Gathering best practices for replication



Recommendations

Empower Authorities to Innovate



Pilot projects with the social economy for best practices

Build trust with local social economy partners

Fine-tuning SR and GPP procedures



Recommendations

Support Procurement Facilitators



Bridge gaps between procurers & social economy

Tender awareness raising

Legal, admin, matchmaking support

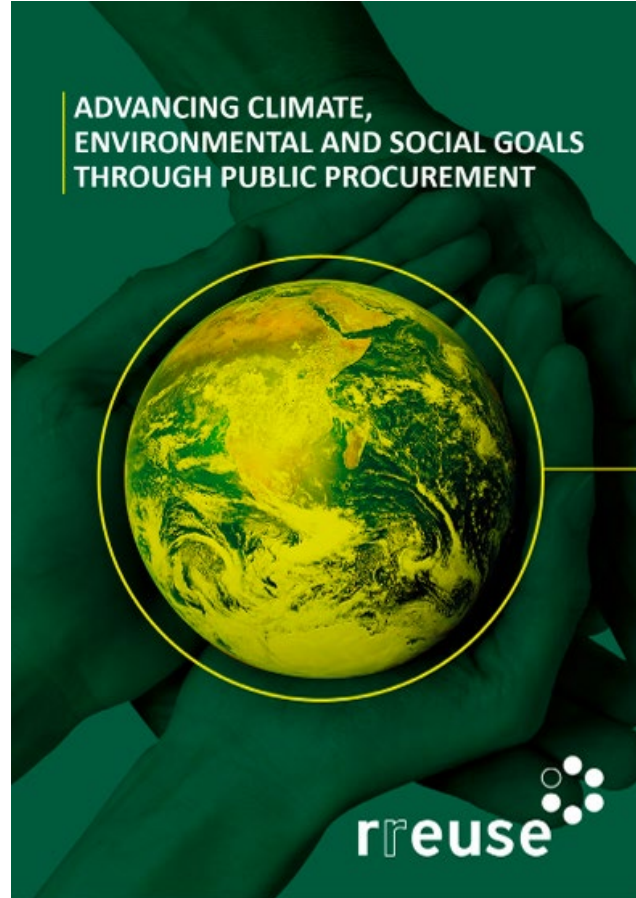
Matchmaking opportunities


Stimulate new social and green procurement initiatives



More recommendations

Full overview in the report.





Social and green criteria are key enablers for societal impact. They should be made increasingly mandatory and used jointly, especially in key just transition sectors.

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