



UNION EUROPEENNE DE L'ARTISANAT ET DES PETITES ET MOYENNES ENTREPRISES  
EUROPÄISCHE UNION DES HANDWERKS UND DER KLEIN- UND MITTELBETRIEBE  
EUROPEAN ASSOCIATION OF CRAFT, SMALL AND MEDIUM-SIZED ENTERPRISES  
UNIONE EUROPEA DELL' ARTIGIANATO E DELLE PICCOLE E MEDIE IMPRESE

## **UEAPME Comments on the initiative from DG Environment on Green Public Procurement (GPP)**

At the stakeholders meeting on 25 June 2007, DG Environment presented possible new measures and actions in the field of Green Public Procurement (GPP).

UEAPME welcomes the discussion launched by DG Environment on the greening of Public Procurement, but would like to make the following comments.

### General considerations

UEAPME recognises that when defining the subject matter of a contract, contracting authorities have great freedom to choose what they wish to procure. This allows scope for including - if wished- environmental considerations, provided that this is done without distorting the market. This also means the setting of any targets has to be done by the political responsible bodies at European, national, regional or local level for their public procurers.

UEAPME supports voluntary initiatives to green public procurement as long as “the greening” is related to the procured product or service. This means, that UEAPME warns -for competition reasons- against criteria, which are related to the general activities of a company. Every company, which acts legally on the market, should have the right to participate in a concrete tender as long as it fulfils the requirements set-out for the specific subject of a tender.

If environment requirements go beyond the specific subject of a tender and are related to the production processes in general or the life-cycle assessment of certain products or services, the risk to exclude companies from the whole procurement procedure, especially SMEs, is very high. In fact SMEs do not often have the resources or possibilities to provide complex and costly life-cycle calculations or expensive certificates, even if their products and services would have less impact on the environment (local production and provision) than large enterprise, which can easily effort such additional requirements.

Thus, there may be possible conflict between the interest of achieving “greener” public procurement and the interest of SMEs to participate in public procurements, especially if the proof of “being greener” creates serious bureaucratic and administrative burdens. This is a possible risk that is important to consider in the work on GPP, especially since there is also an ongoing discussion – both at EU and national level – on how to increase SMEs participation in public procurement.

UEAPME would suggest a thorough impact assessment on the effects on SMEs of any new measure/action in the field of GPP.

As a general and preliminary comment it is therefore important NOT to over-complicate tender documents, as SMEs are already experiencing difficulties to participate in often complex public procurement procedures. The European Commission should prevent that GPP would have discriminatory effect towards SMEs which would benefit to large enterprises.

### Some specific comments on the presented proposal for a Commission initiative on GPP

#### *- Concerning the proposed GPP-definition:*

UEAPME consider useful to have a baseline definition of GPP. However in line with what has been said above, it considers that an inclusion of “life-cycle assessments” in the GPP-definition would go to far, if this means that suppliers will have to prove the environmental impact in an overall life cycle perspective in GPP-public procurements. This will probably make small companies refrain from participating in such tenders.

#### *- Concerning the product groups for consideration:*

The product groups that DG Environment finds most relevant for “greening” under GPP have been selected based on various criteria. Has there also been an impact assessment on the effects that might occur for SMEs when choosing these product groups? Moreover UEAPME in line with the CEETB comments doubts whether it is possible to develop an easily workable, cost-efficient European system defining specific criteria for all product groups, all types of contracts, all regional peculiarities and types of contracting authorities, while at the same time guaranteeing a dynamic element to adjust the system to technological progress and to avoid the creation of new barriers to innovation.

#### *- Concerning the use of national criteria databases*

The Commission intends to recommend purchasers to make use of national and international criteria databases for identifying suitable GPP criteria. National databases are of course possible instruments to use, but one should bear in mind that the use of purely national criteria might reduce the possibilities for foreign suppliers – also SMEs - to take part in such public procurements.

#### *- Concerning environmental award criteria*

In addition to environmental (minimum) technical specifications or where no such criteria exist, the Commission would recommend purchasers to assess the main environmental impacts of the relevant product and formulate one or more environmental award criteria by reference to these impacts. The Commission proposes that additional points should be given to for example to offers, which score best in the field of energy efficiency and minimised use of natural resources throughout their life cycle, less pollutant emissions during production and least possible impact on biodiversity.

Practical experiences with such advanced award criteria have shown, that they bear the risk of giving room for manipulation for award procedures. Therefore, such criteria have to be as

simple and as clear as possible and the concrete weight of each of such a criterion has to be defined already in the tender.

As already mentioned above, such tendering procedures are however often very complicated for SMEs to participate in. SMEs have normally not enough resources or possibility to provide the necessary information and to invest in often-expensive certificates. It should also be noted that such requirements demands very skilled staff at the purchasing authority, in order to be able to make accurate decisions and evaluations of such criteria. Therefore, UEAPME would recommend in general the use of technical specifications instead of the use of environmental award criteria as the Commission is proposing itself in its background document.

*- Legal, strategic and economic guidance*

The Commission states that it will provide legal, strategic and economic guidance in various aspects. UEAPME welcomes every initiative to provide further clarifications in these matters.

Recommendations for the way forward

- UEAPME emphasises its opposition against additional third-party certification schemes to prove compliance of industry with GPP criteria. This would considerably reduce the acceptance of the GPP initiative among SMEs. It invites the Commission to use the Environmental Product Declarations developed by CEN/TC 350 as part of a mandate from DG ENTR as the main product-related tool for GPP.
- UEAPME invites the Commission to early involve SMEs in the process of criteria setting.
- UEAPME invites the Commission to co-ordinate between various on-going initiatives in the field of GPP
- UEAPME invites the Commission to keep the GPP criteria: simple, evidence-based, cost-effective

UEAPME is in all in favour of a voluntary, and thus not mandatory, approach.

Brussels, 27 July 2007