

## **New EU Directive a step forward for green and social public procurement**

***A network of civil society organisations welcomes the adoption of new EU directives that allow for social and environmental criteria in public procurement and calls upon Member States to put an end to cost-centred approach.***

(Brussels, 15 January 2014 - press communication) The Network for Sustainable Development in Public Procurement (NSDPP) welcomes the new public procurement Directives approved today by the European Parliament as they will allow public authorities in Europe to make true sustainable choices and spend taxpayer's money wisely.

The new provisions affirm that contracting authorities may introduce social and environmental considerations throughout the procurement process as long as these are linked to the subject matter of the contract. Additionally, public authorities can differentiate what they purchase on the basis of the process and production methods that are not visible in the final product. It will be easier for them to rely on labels and certifications as a means to proof compliance with the sustainability criteria they have set. Members of the NSDPP are pleased with this aspect as it will allow public authorities to give preference to bidders that offer better working conditions to their workers, favour the integration of disabled and disadvantaged workers, and offer sustainably produced goods.

Importantly, the right for public authorities to provide services directly was approved and concepts of 'in-house' and 'public-public cooperation' were defined. Compliance with environmental, social and labour obligations, including collective agreements, is now enshrined in the principles of this law and tenderers can be excluded in case of non-compliance. The new law also makes it easier to identify subcontractors along the supply chain - although it will be up to Member States to establish their joint liability.

Regrettably, the final text of the Directive would still allow the purchase of the

cheapest option - despite objections from the NSDPP and European Parliament - subsequently adding confusion to the criteria for assessing tenders. Although life-cycle costing provisions have been improved, the social externalities cannot be taken into account in the life-cycle calculation.

In implementing the new rules, Member States should improve some of the elements left to their discretion in the new text. For instance, they can prohibit or restrict the “use of price only” criterion, and leave contracting authorities the choice between either assessing other aspects in addition to cost effectiveness, or base their purchasing decisions solely on that criterion. The NSDPP calls upon Member States to take responsibility for the environmental and social impacts of public purchasing when implementing the new Directives in their respective countries.

The NSDPP stresses that having a clear and enabling legal framework is not enough and needs positive measures to support its application. The network also calls on the European institutions to take a coherent approach to sustainability in public procurement and to develop a “buy socially responsible and sustainable” strategy with targets and a monitoring and evaluation program.

EPSU General Secretary said “EPSU will work within the NSDPP and with national members to ensure the best possible implementation of the social and environmental provisions in the Directives. We are pleased too that the ‘in-house’ option for public authorities to provide services is clearly affirmed in the Directives and that public procurement remains only one of many alternatives. We regret however that on some points too much is left open - for example Member States will have option to reserve contracts for health and social services to social enterprises, but the wording is ambiguous and potentially open to abuse. The implementation of this part of the Directive will need careful monitoring. We also regret that the European Parliament and Council did not agree to include a reference to ILO Convention 94 in the Directives in spite of substantial cross-party support for this.”

- [press release NSDPP](#)  
[15 January 2014](#)

{{ {The Network for Sustainable Development in Public Procurement (NSDPP)} }}

{The NSDPP is a European network uniting social and environmental NGOs and trade union organizations that have the joint aim to achieve progress in sustainable

development through enabling EU public procurement legislation and policies.

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