Global and European Policy

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BSR Round Table Conference, Tallinn November 12th, 2019
Our role

❖ Mapping EU policy, legislation and strategies.
❖ Global trends.
❖ Dialogue with EU institutions.
❖ Final conference, Brussels summer 2021.
Why is GPP important to the EU?

- Public market is big – Public authorities in EU spend 14% of GDP on products and services (€2 trillion per year).

- GPP major driver for innovation, providing industry with real incentives for developing green products and services.

- More harmonization = stronger competition in the Single Market – sustainability is becoming a competitive parameter.

- GPP is a powerful tool for LRAs to push for local collaboration with green and social companies.

**Member States have national public procurement rules for lower value tenders under certain thresholds.**

**But EU sets the legal framework → EU Public Procurement Directive (2014) regarding transparency and equal treatment.**
Lifecycle costs and eco-innovation → competitive parameters instead of price alone.

PP becomes a strategic tool to address societal challenges (environmental, climate, social, innovation).

Food & Catering associated with Food and Packaging waste!

EU aims at "closing the loop" → waste prevention, recycling, re-use and innovative products (e.g. packaging).

- Action Plan with 54 actions (2015)
- Ban on 10 Single Use Plastics (2018)
- Revised EU Waste Directives (2018):
  - 65% of municipal waste is recycled by 2035
  - 70% of all packaging waste is recycled by 2030
  - Separate collection biowaste by end of 2023

Circular Public Procurement
- Lifetime of product.
- Supplier take-back agreements (re-use, recycle).
- Rent/lease products instead of purchase (maintenance done by contractor).
- Purchase products that can be disassembled, recycled or reused.
Decoupling economic growth from unsustainable resource use and emissions.

- Target 12.7 “Promote public procurement practices that are sustainable, in accordance with national policies and priorities“.
- Minimize waste + food waste in production systems.
- Eco-friendly lifestyles and consumption.
- Development of innovation and clean technologies.
Food & Catering → Contribute to EU Green Deal

Within 100 days → **European Green Deal** – A plan to make Europe climate neutral by 2050.

**Farm to Fork Strategy**
- efficient and sustainable food production methods
- digitalization and smart technologies
- circular bioeconomy

Aim to favor small landowners and local production systems (80% of CAP funds go to large-scale farmers).
Mapping conclusions

Although caterers cannot access public markets in some Member States (e.g. Finland), private contractors are gaining strong foothold in EU.

Some national governments have comprehensive policies on GPP, but cities are the real actors of change.

This works for them:
- Political commitment is crucial.
- Market dialogue and long-term collaboration with local suppliers.
- Flexibility in contracts (diverse meals, portions sizes).
- Break contract into smaller lots (better access for SMEs).
- 100% organic by out phasing meat → plant-based (Malmö, Copenhagen).

Observed:
- Isolated focus on organic.
- Seasonal + regional food popular (Rome) – although criterion has been questioned.
- Not many LRAs work with packaging, circularity or valorization of biowaste.
- Limited number of small LRAs exploit the potentials in 2014 Directive.
Global outlook

Public procurement accounts for 20% of global GDP.

EU public procurement directives → compliance with *World Trade Agreement on Government Procurement (WTO GPA)*: Ensure global trade and competition, non-discrimination, transparency in tenders.

Contracting authorities should – in theory - above certain thresholds include catering services from countries outside the EU.

Revision of WTO GPA in 2012 → More focus on SPP in tenders instead of lowest price alone.
Global outlook

Canada → since 1992 worked on PP as strategic driver of low-carbon economy.
- Award system in federal procurement → similar to EU GPP criteria.
- Incorporation of SDGs 2) Zero Hunger, 14) Life below Sea into procurement.

Japan → since late 1980’s worked on greening procurement (pioneer in Asia).
- Already in 1989 Japan introduced its own eco-label.
- Every year Ministry of Env. And a Committee of academia, private, and consumer org. revise PP policies and guidelines.

South Korea → since 1994 worked on greening procurement.
- Leader when it comes to digital.
- Since 2002 mandatory to use e-procurement – improvement of digitization ongoing.
- Developed its own eco-label.

All 3 national governments implements SPP by:
- Staff training and capacity-building.
- Monitoring outcomes through LCA methods.
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10:25-10:40  Presentation of new EU GPP criteria for food and catering – Enrico Degiorgis, DG Environment European Commission (Video connection)

10:40 – 11:00  Examples of sustainable food procurement in the EU. Peter Defranceschi, ICLEI – Local Governments for Sustainability
At the national level, most EU Member States have now published GPP or SPP National Action Plans (NAPs).

The following table summarises the status of the NAPs as of May 2017.

<table>
<thead>
<tr>
<th>National Action Plan or equivalent document adopted</th>
<th>23: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Latvia, Lithuania, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, UK</th>
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<tr>
<td>No existing NAP</td>
<td>5: Estonia, Greece, Hungary, Luxembourg, Romania</td>
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EU GPP criteria

Since 2008 EU developed GPP-criteria for 20 priority sectors.

NOT legislative, only GUIDING
Revised EU GPP criteria Food & Catering (October 2019)

**Organic:** Higher ambition levels for core + comprehensive level.

**Integrated Production:** Removed. Originally an alternative to organic, but no common EU certification or standard available.

**Marine & Aquaculture:** Slight improvement. At core level, no fish from ‘fish to avoid list’ updated yearly by EU. Third-party schemes such as MSC encouraged.

**Seasonal products:** Removed. Environmental benefits of seasonality questioned! Further, giving preference to local products conflicts with EU competition rules. However, public contractors can give preference to Agricultural products labelled with geographical indications.

**Animal welfare:** Slight improvement for core and comprehensive level for eggs. Argued that higher welfare leads to lower environmental impacts.
Revised EU GPP criteria Food & Catering (October 2019)

**Fair and ethical products:** *Slight improvement.* Typically exotic products from developing countries, typically associated with poor working conditions and harmful environmental practice. Core level 40-60% certified and comprehensive level 70-100% certified.

**Packaging:** *Removed.* Paradoxically it may seem. Packaging has advantages – prolongs lifetime of products and avoid food waste. Further, the type of packaging used across Europe should be suitable for the local recycling infrastructure – varies hugely across Member States.

**Environmentally responsible vegetable fats:** *New criterion.* Production of palm oil (Indonesia), and production of soy (South America) – deforestation. Core level 10-50% certified, comprehensive level 50-100% certified (RSPO, RTRS).

**Plant-based menus:** *New criterion.* Caterers awarded on their ability to replace meat with protein-rich alternatives.
Revised EU GPP criteria Food & Catering (October 2019)

Food and beverage waste prevention: MUCH more ambitious. Approx. 18% of food purchased in EU end up as food waste. Therefore caterers are awarded on their ability to prevent waste: accurate ordering system, exploitation of stock, use of food coming to near date of expiry, flexible meal planning, training of canteen personnel, cooling of food, smaller portions.

Food transportation: Updated. Route optimization, fuel-efficient driving, vehicles EURO 6//VI emission standards, fleet composed of Light Commercial Vehicles.