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## Promoting sustainable procurement

### Incentive paper by the Parliamentary Advisory Council on Sustainable Development

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The Parliamentary Advisory Council on Sustainable Development (*Parlamentarische Beirat für nachhaltige Entwicklung* or PBnE) welcomes the resolution of the State Secretaries Committee on Sustainable Development of 6 December 2010 as a key step in the right direction, and expects the resulting *Alliance for Sustainable Procurement* and *Competence Centre for Sustainable Procurement* to contribute to contracting authorities taking their exemplary function seriously and working on actual implementation.

This pioneering role by the public sector must continue to be consistently expanded and made more visible. The PBnE gives the following steps priority:

#### Applying the German Sustainability Code

Sustainable economic activity pays off. The German Sustainability Code (*Deutscher Nachhaltigkeitskodex* or DNK), developed by the Council for Sustainable Development, builds on international standards and allows comparison between various types of organisation, explicitly including public sector companies. To date, only seven out of 111 companies directly co-financed by the Federation apply the DNK (2013 Report on federal holdings).

The public sector in particular needs to act as a pioneer of sustainable development in this respect. The PBnE is committed to all companies in which the Federation has a direct ownership stake applying the German Sustainability Code, and further calls for these to be joined by the administrations, above all the Bundestag, the Federal Ministries and their subordinate agencies, and all companies in which the Federation owns a share.

#### Sustainability criteria for procurement law

There is often legal uncertainty in procurement as regards to incorporating sustainability criteria in calls to tender for products and services. In the absence of comparable and sound criteria, an unsuccessful bidder can easily take legal action and thus block the award. The EU's public procurement reform, adopted at the start of 2014, is thus to be welcomed, as it allows environmental and social criteria to be explicitly incorporated in procurement law. The EU anticipates that this will boost climate protection and resource efficiency given the considerable market potential of the public sector.

The PBnE thus calls upon the Federal Government to swiftly transpose the new Directive into national law and create more legal certainty for contracting authorities.



### Sustainable purchases

The *Alliance for Sustainable Procurement* is working on standards to ensure greater legal security in procurement. Guidelines are now available for electric mobility and resource efficiency. The Federal Ministry of the Environment, Nature Conservation and Nuclear Safety has presented guidelines for the sustainable organisation of events, while the Federal Ministry of Transport, Building and Urban Development has provided a similar document for sustainable construction. The PBnE encourages the alliance to continue its work.

The PBnE considers the building sector, the high-import electrical and electronic equipment sector and vehicle fleets to all be particularly important areas for public procurement. In addition, there is a great need for action in the food sector (e.g. canteens). In light of EU procurement law reform, more sustainable minimum standards should be adhered to in this area. Greater transparency is desirable in the textiles sector (e.g. uniforms) in particular. The PBnE therefore welcomes the *Partnership for Sustainable Textiles* recently founded by the Federal Ministry for Economic Cooperation and Development as an important indication that the political will for sustainable and more transparent economic activity exists.

### Sustainable mobility

Sustainable mobility requires affordable and environmentally friendly technology. Electric mobility has a central role to play here, alongside the expansion of the rail network and public transport options. The Federal Government has set itself the goal of having ten percent of the current vehicle fleet use less than 50 grams of CO<sub>2</sub> per kilometre. The PBnE calls for a greater commitment in this respect. From 2015, at least 20 percent of all new vehicles to be purchased by the Federation should be low-emission, emitting a maximum of 50 grams of CO<sub>2</sub> per kilometre. This aim should undergo an ambitious review on an annual basis.

### Energy-efficient refurbishment

Federal Government property must lead by example in terms of energy efficiency. The government's energy concept already set an annual refurbishment rate of two percent back in 2010, which is currently one percent below target. In order to do justice to its exemplary function, the government must meet the goals it set itself. The PBnE thus calls for the consistent energy-efficient refurbishment of Federal Government property and a doubling of the current rate. Furthermore, existing federal programmes for municipal refurbishments should be continued.

The Parliamentary Advisory Council on Sustainable Development refers to its decision from the 17th electoral term on "sustainable mobility" and "resource efficiency", which it forwarded at the time to the State Secretaries Committee. On sustainable construction, it refers to its position paper on "Sustainable Urban Development" which it will pass on to the State Secretaries Committee on Sustainable Development at the beginning of March.

The Parliamentary Advisory Council on Sustainable Development also points out that in addition to procurement, subsidy policy must also incorporate sustainability criteria to a greater extent.