



Public procurement related to forest-risk commodities in countries of the Amsterdam Declarations Partnership

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The purpose of this document is to inform the ADP signatory countries on the current status and experiences regarding of green public procurement.

This document does not reflect any position or decision by the ADP countries nor does it present future actions of the Amsterdam Declarations Partnership.

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1 Introduction

1.1 Purpose of this study

Some ADP countries are in the process of reconsidering their Green Public Procurement (GPP) policies and expressed an interest in sharing and learning about the current status of green public procurement in other ADP countries, experiences with implementation and lessons learnt. The purpose of this document is to inform ADP colleagues on GPP and subsequently, an internal discussion can be facilitated to discuss and identify some general recommendations.

This study has been conducted by the Support Unit of the AD Partnership in cooperation with public procurement colleagues of the ADP governments, to obtain insight in the experiences with green public procurement of ADP countries (Denmark, France, Germany, Italy, Netherlands, Norway, United Kingdom) plus Belgium and Spain. The study also looked whether there are linkages with private procurement and due diligence developments within the countries.

1.2 Background and relevance

Public Procurement in general within the European Union constitutes 13.3% of overall Gross Domestic Product (DG-GROW EU 2017¹, Buying Green, 2016) or 3 trillion Euros. This figure covers all sectors including works, goods and services, but excluding utilities and contracts below the thresholds of the EU Public Procurement Directive 2014/24/EC. Implementation of this EU Directive is mandatory but leaves some flexibility to Member States, notably under the EU public procurement thresholds. Alongside more traditional government instruments such as regulation, policy direction and economic mechanisms (taxation, subsidies), public procurement can offer an influential mechanism to move the market in a more sustainable direction (EC, 2019). Either directly, given the market relevance of the public sector for a commodity like timber or indirectly by influencing market actors towards more sustainability. In general, the EU and European countries see public procurement as a key market - based instrument towards smart sustainable and inclusive growth while ensuring the most efficient use of public funds (EC, 2019).

Table 1: Estimate of total general government expenditures on works, goods and services (2017). (billion euros).

The presented figures from the EU may differ significantly from national figures because the interpretation of which goods, works and services falls under procurement differs. In each country it also proved difficult to obtain reliable figures on the market share of public procurement because procurement is often very decentralized. The figures below should therefore only be considered a rough estimate of the percentage GDP.

Country	GDP ²	Size PP ³	% GDP	Remarks
Belgium	445.96	62.1	13.9%	
Denmark	292.4	39.8	13.6%	SKI: 300 billion DKK

¹ <https://ec.europa.eu/trade/policy/accessing-markets/public-procurement/>

² Eurostat website [Website link](#)

³ EC Public Procurement Indicators 2017: <https://ec.europa.eu/docsroom/documents/38003>

France	2,297	328.6	14.3%	
Germany	3,245	507.9	15.7%	
Italy	1,737	174.0	10.0%	
Netherlands	738.1	143.5	19.4%	PIANOo: 73 billion Euros
Norway	339.5	48.9	14.4%	
Spain	1,162	111.8	9.6%	
United Kingdom	2,363	300.0	12.7%	

Government sectors relevant for addressing forest-risk commodities include for example defence, hospitals, offices, schools and relate to construction, infrastructure and waterworks (timber), food & catering (cocoa, palm oil, soya) and furniture and office equipment (leather from cattle for upholstery). Comparative data and experiences on government procurement across sectors or product types is non-existent except some figures on timber. In most European countries the public sector is particularly important for timber because of water works, infrastructure, construction and furniture⁴. A 2010 study estimated the UK public sector to account for 30-50% of office furniture (Efeca, 2010).⁵ The timber sector is directed by the EU Timber Regulation and each European country has specific procurement regulation with guidelines and criteria (ITTO-IMM, 2019)⁶. In general, government can leverage its influence on sustainable market developments by ‘leading by example’ and knock-on effects.

Green Public Procurement (GPP) is defined in the Communication (COM (2008) 400) "Public procurement for a better environment" as "a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured." Currently all ADP-countries have adopted a National Action Plan or equivalent document or introduced legislation.⁷

Regarding Food & Catering the EC produced a GPP background report (2008) which made the case for organic labels in line with production criteria set by EU regulation 2092/91. ‘Organic’ became the main criterion for most countries. At the end of 2019, the Green Public Procurement (GPP) desk of the European Commission (hosted by the Joint Research Centre) issued a revision of the “EU GPP criteria for food procurement, catering services and vending machines”. The report has set new criteria for agricultural commodities cocoa, palm oil and soy. One of the new developments in these updated criteria is that preventing deforestation is now included under criteria for land-use change (European Commission, 2019).

The European guidelines serve as a starting point which individual countries can choose to base their own national guidelines on. This is voluntary, national governments are free to decide to integrate EU level guidelines, or to make their national guidelines more or less ambitious. The ADP countries either have green public procurement in place reflecting the latest European guidelines or are in the process of reconsidering and developing them. This provides a good opportunity to share experiences and lessons learnt.

⁴ Brack, D. (2014) Promoting Legal and Sustainable Timber: Using Public Procurement Policy. Chatham House

⁵ Efeca (2010), An Assessment of the Impacts of the UK Government’s Timber Procurement Policy

⁶ http://www.flegtimm.eu/images/IMM_Public_Procurement/IMM-EU-Public-Timber-Procurement-Report---Final.pdf

⁷ http://ec.europa.eu/environment/gpp/action_plan_en.htm

2 Overview of Green Public Procurement per country

2.1 Overview of GPP related to forest-risk commodities

In line with the focus of the ADP this study focuses on the forest-risk commodities cocoa, palm oil, soy, beef and leather. The focus commodities can most often be linked to the food and catering sector. Other sectors that may be relevant for these commodities are vending machines, clothing and/or textiles, office furniture (upholstery) and cleaning supplies. There was no information available to assess their relevance.

Since the publication of Communication on Integrated Product Policy in 2013 and the first EU Directive on Public Procurement in 2004, most European countries have published national action plans related to Green Public Procurement⁸. Some are currently in the process of revising their existing plans or have recently done so (see table below).

Table 2: Overview of the latest procurement laws and/or action plans per ADP country.

Country	Status regulation	Planning new GPP?	Remarks
Belgium	Since 2016 Flanders, 2017 Wallonia	Considering revision	Integrated EU guidelines in own policy
Denmark	Since 2015	End 2020	New strategy for green public procurement launched in October 2020. ⁹
France	Since 2015	End 2020	The new NAP is being developed in consultation with the stakeholders. It will include items related to the fight against deforestation.
Germany	Since 2020	Finished	New policy guidelines per 4 April 2020. Focus on high-risk commodities and follows ADP strategy lines.
Italy	Since 2010	Unknown	
Netherlands	Since 2019	Finished	Did submit a new Forest policy letter to parliament setting out lines of action and increased budget.
Norway	Since 2017	End 2020	New NAP end of 2020. Proposal to be submitted October 2020.
Spain	Since 2018	2018 -2025	Implementing
United Kingdom	Since 2012	Unknown	Greening Government commitments to be reviewed post 2020

Based upon available, often national, literature and interviews the table below provides an overview of forest-risk commodities and their respective guidelines, and GPP administrative / governance structure.

Table 3: Overview of status Green Public Procurement per ADP country.

GPP deforestation-risk focus commodities criteria					
Country	Cocoa	Palm Oil	Soy	Beef / Leather	Remarks
Belgium	FairTrade, RA, UTZ	RSPO	RTST, ProTerra, SSAP	-	Refers to EU GPP guidelines

⁸ https://ec.europa.eu/environment/gpp/action_plan_en.htm

⁹ https://fm.dk/media/18268/groenne-indkoeb-for-en-groen-fremtid-strategi-for-groenne-offentlige-indkoeb_web.pdf

Denmark	For purchase at state level, must be segregated, deforestation-free by 2023, if market actors can deliver, otherwise no later than 2025.			-	Guidance documents will be developed for municipalities and regions (voluntary)
France	-	-	-	-	New guide for procurers is being finalised based upon the SNDI (National strategy against Imported deforestation).
Germany	Organic	Organic	Organic	-	Very decentralized. Pilot city approach on sustainable palm oil. Various guidelines exist by different public institutions
Italy	Organic	Organic	Organic	-	Minimum Environmental Criteria. New criteria developed in May 2020
Netherlands	RA, UTZ or eq	RSPO or eq		-	Palm oil as cooking oil not covered.
Norway	n/a	RSPO or eq	RTST, ProTerra or eq	-	Focus on sustainable suppliers
Spain				-	
United Kingdom	FairTrade	RSPO	n/a	-	
GPP administrative / governance structure and development process					
Country	Central Gov	Lower levels	Structure		
Belgium	Voluntary	Voluntary	Federal system with decentralized authority, shared among central government and 3 regions. Unanimous support from sectors on publishing national procurement guides.		
Denmark	Mandatory from 2023, if market can deliver, otherwise 2025	Voluntary	Unitary system, very decentralised, higher share procurement conducted at lower levels.		
France	Mandatory	Voluntary	Unitary system, semi-decentralised structure, wide range and high number of oversight and contracting institutions. A central administration unit (<i>Direction des achats de l'Etat</i>) implements the central government's procurement strategy.		
Germany	Voluntary	Voluntary	Federal system, highly decentralised procurement system. Public authorities prefer developing their own criteria rather than referencing to certification standards.		
Italy	Mandatory	Voluntary	Unitary system, central purchasing bodies at national and (some) regional levels.		
Netherlands	Mandatory	Voluntary	Unitary system, procurement in provinces and municipalities autonomous. During the development process suppliers voiced concerns on practical implications of palm oil in food products. Stakeholders reluctant about mandatory new criteria.		
Norway	Voluntary	Voluntary	Unitary system, decentralised, emphasis on ability and responsibility of individual procurers. Difficult for suppliers to assess associated risks and tackle all products at the same time, a phased approach is preferred.		
Spain	Mandatory	Mandatory	Decentralised unitary system, 17 autonomous communities. Contracting authorities bound to Public Contract Law.		
United Kingdom	Mandatory	Voluntary	Unitary system, decentralised implementation of procurement.		

2.2 Analysis

Each country has specific public procurement acts (dates vary) based upon and recognising the general principles of EU Directive 2014/24/EU: equal treatment, non-discrimination, mutual recognition, proportionality and transparency. Some countries have set ambitious green procurement targets such as the Netherlands with 100% sustainable public procurement by 2015. This and similar targets in other countries were not met, often not because of a lack of will at central or decentral level but rather due to a lack of capacity and general unawareness amongst procurers. Based on the new 2014 Directive, contracting authorities are allowed to request labels, certifications or other equivalent forms of confirmation of social and/or environmental characteristics (before that there was a conflict with European competition regulation) (EC, 2018). Government ambitions and their policy goals for which procurement is used as a market-based instrument may also have changed over the last decade, from being 'organic' to climate neutrality and facilitating societal changes. Such changes may not have been taken up by lower level public entities.

2.2.1 Criteria contents and scope

The current scope for the food and catering sector in most countries is well on its way in revising their guidelines and integrating forest-risk commodities such as cocoa, palm oil and soy. Often other products such as coffee and tea are also included. The countries that are currently working on new guidelines are aiming to have all these commodities included. Though for the food and catering sector, even when standards are integrated in guidelines, this does not always guarantee that aspects such as no deforestation in the supply chain are ensured. The criteria may include certification standards that do not assure deforestation-free production (e.g. EU organic, Fairtrade) and interviewees mention that actual implementation may also be limited and difficult to fully enforce.

As an example, The Netherlands introduced new criteria in 2019 for cocoa, coffee, palm oil, soy and tea, which were formulated as 'standard X or equivalent' being, RTRS, RSPO and UTZ Certified¹⁰. At first, formulating own criteria was considered but this turned out to be cumbersome and very similar to the main commodity standards. Under EU regulation one can however not single out one standard, organisation or company and give that organisation preferential treatment. Hence the addition '... or equivalent'. In the last revision the formulation is related to direct consumption only, so the use of palm oil as cooking oil is not covered.

As another example, Denmark has just launched a new green public procurement strategy in October 2020, including an initiative on deforestation-free procurement. The central government purchases will gradually become deforestation-free, starting with palm oil and soy (both direct and indirect usage). By 2023, the central government consumption of soy and palm oil must be segregated responsible and deforestation-free, if the market can deliver, and otherwise no later than 2025. For food products, this will be achieved by demanding segregated certified soy (RTRS or equivalent) and palm oil (RSPO or equivalent). More commodities will be assessed and possible included in the scope of the deforestation-free procurement. In addition to this, voluntary guidance documents on deforestation-free procurement will be elaborated for municipalities and regions.

¹⁰ <https://www.mvicriteria.nl/nl/webtool?cluster=2#/19/2//nl>

The United Kingdom introduced Government Buying Standards (since 2012, updated in 2017)¹¹, including for Food and Catering. The formulisation of the criteria is less straightforward as above. For example:

- *Palm oil (#8)*: “...from the end of 2015 all palm oil (including palm kernel oil and products derived from palm oil) used for cooking and as an ingredient in food must be sustainably produced”. No standard is mentioned but a reference is provided to a website that mentions the UK commitment on sustainable palm oil and RSPO.
- *Environmental Production Standards*: “At least 10 (#7) or 40% (#25) of the total monetary value of primary commodity (i.e. raw ingredient) food and drink procured shall be inspected and certified to: Publicly available Integrated Production Standards or Integrated Farm Management Standards or Publicly available organic standards compliant with EC regulation No 834/2007 on organisation production and labelling of organic products”.

The UK is the only country we could identify that formulated criteria related to meat to ensure traceability i.e. ‘Catering contractors or food suppliers shall ensure traceability of fresh, chilled and frozen produce in accordance with current UK legislation or equivalent (#2)’ and ‘food and catering suppliers shall indicate the origin of their meat, meat products and dairy products either on the menu or accompanying information (#4)’.

As another example, France, did not yet define specific criteria on forest-risk commodities (currently in progress) but in 2015 the French Ministry of Environment initiated Green Public Procurement charters (chartes de l’achat public durable). These charters are part of the national plan for green public procurements (plan national d’action pour les achats publics durables) and aim to encourage the public administrations’ top managers to commit themselves to GPP. The charters are not compulsory and constitute a voluntary agreement signed by the cities, the regional councils, the hospitals and the State’s main administrations. In an effort to bring out the best practices, to proceed with the signature of the first GPP charters and to present the trophies of public procurements, the Ministry organised a day dedicated to GPP. In 2018, the French government presented its National strategy against Imported deforestation (SNDI), which includes promoting green public procurement (objective “zero deforestation” in public procurement and development of a guide for public purchasers to pursue this objective; the guide will include criteria on high-risk commodities) and France introduced mandatory due diligence for French companies (> 5,000 staff) to prevent adverse human rights and environmental impacts in their supply chains.

Norway is considering a suppliers approach rather than a ‘certified volume’ approach, based upon its experiences with soy and palm oil. According to the interviewee, certification standards cannot guarantee a deforestation-free supply commodity chain and a company may also serve less environmentally demanding markets uncertified produce. For soy, importers have now an almost complete overview or origin and supply chain and mainly ProTerra non-GMO certified soy, which would warrant a suppliers approach. The practical and legal implications of such an approach have yet to be determined.

Cocoa

In all ADP countries, covering direct consumption whereby the commodity is visible in the end products such as chocolate (cocoa) proofs straightforward and move from ‘organic’ and Fairtrade to certification standards such as Rainforest Alliance/UTZ that ensures deforestation-free production. Regretfully, the

¹¹ <https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>

new EU GPP Guidelines do not mention Rainforest Alliance specifically besides Fairtrade. Fairtrade does not ensure deforestation-free production.

Palm oil

Countries that revised their guidelines in recent years now also cover the use of palm oil in food products and use RSPO certification as a major criterion. Some reluctance from the food and catering sector was experienced with the argument that implementation was not practical. However, nowadays food producers do know if and when they use palm oil in their products. Also, with the advancement of the European Sustainable Palm Oil initiatives for the food sector soon all palm oil used will be RSPO-certified. In one country, the indirect consumption of palm oil as cooking oil was overlooked in the last criteria revision. The sector guidelines for 'Cleaning Supplies' also tend to overlook the use of palm oil in soap and detergents and generally do not have palm oil stated in their guidelines. The effect of this omission is unknown.

Soy

The 2008 EU guidelines covered the direct consumption of soy products (soy as tofu or yoghurt: hence the criterion of 'organic') but not indirect consumption such as soy used as feed (dairy products, eggs, meat). Subsequent revisions in the countries now also mention soy as feed with a reference to standards as RTRS and Proterra.

Beef & Leather

At the moment, the current previous and new EU-GPP guidelines do not include beef and leather, the main reason probably being that there is not yet a strong certification standard available (hence, difficult to define clear criteria). While concerns of deforestation are not yet addressed for beef and leather, criteria do exist for animal welfare.

2.2.2 Governance structure

In all ADP countries, there is a high level of decentralised authority including for public procurement. Governments report annually to their parliaments. Procurement authority is often dispersed over hundreds/thousands (an estimated 30,000 in Italy alone) contracting authorities spread across the central and state/regional level, provinces, municipalities and other public entities (PWC, 2016¹²). Most commonly, guidelines and criteria are developed at central government level or, if applicable, by legally autonomous states/ regions. For example, the Belgian and German procurement systems operate under a legislative framework that splits authority between the federal and regional/state governments. Spain has 17 autonomous regions and 2 autonomous cities. The United Kingdom has a distinctive legal and administrative structure for England, Wales, Northern Ireland and Scotland. From the background analysis and interviews it became very clear that the governance structure of a country and of its procurement (centralised and decentralised) is an important limiting factor in assessing the efficacy (enforcement and tracking implementation) and monitoring of green public procurement (lack of sharing data).

During the development phase of new green public procurement policies, guidelines and criteria various sectoral ministries are involved. This procedure is often formalised and sometimes open for stakeholders and lower level public authorities to participate. In Germany, Public Procurement

¹² PWC (2016) Stock-taking of Administrative capacity, systems and practices across the EU to ensure the compliance and quality of public procurement involving European Structural and Investment (ESI) Funds. Country Profiles.

Committees have been set up with stakeholders from federal, state and local administrations, public-private organisations and the private sector. They contribute to the drafting or procurement rules taking into account stakeholder needs.

Half the countries define mandatory guidelines or government buying standards¹³ for central government, while decentralisation of the guidelines in all cases happens on a voluntary basis (and open for adjustments or interpretation by lower level public institutions). Therefore, the Netherlands implemented a consultation process and drew up a manifesto 2016-2020 between state government, provinces and many other lower government entities stating that they all will implement green procurement (with reference to national policies on climate, circular economy etc.). The manifesto provided a joint market signal, raised awareness, regulated support by the state government to lower government (exports, information platform) and agreed on monitoring and reporting.

All countries have established various public bodies with distinct responsibilities for setting up and implementing (green) public procurement guidelines and criteria and providing guidance and training to practitioners. In general, there are:

- A central ministry (often Finance) responsible for procurement policy law, monitoring and compliance.
- A central public authority responsible for oversight of procurement and the procurement system.
- One or more Central Purchasing Body(ies) for joint procurement (sectoral, thematic).
- An independent National Court of Auditors for government oversight (depending on the size of the country also with regional courts)
- A Centre of Procurement Expertise (may be part of a larger organisation) through which guidance and training is provided.
- Numerous (decentralised) contracting public authorities.

Table 4: Overview of centres with procurement expertise per ADP country.

Country	Procurement expertise	website
Belgium	FIDO	https://www.gidsvoorduurzameaankopen.be/nl or fr
Denmark	SKI	https://www.ski.dk/Viden/Sider/Facts-about-SKI.aspx
France	Ministère de la transition écologique	https://www.ecologie.gouv.fr/achats-publics-durables
Germany	UBA	https://www.umweltbundesamt.de
Italy	MinAmbiente	https://www.minambiente.it/pagina/gpp-acquisti-verdi
Netherlands	PIANOO	https://www.pianoo.nl/en
Norway	Digitalisation Agency	https://www.digdir.no
Spain	INAP	https://www.inap.es
United Kingdom	DEFRA	https://www.gov.uk/guidance/sustainable-procurement-tools

* Additional information can be found on: https://ec.europa.eu/environment/gpp/material_en.htm

Over the years, in each country various forums and partnerships emerged between public entities such as collaboration between municipalities to exchange expertise, views and lessons. In Denmark a Council for Public-Private Cooperation was set up in 2013 to strengthen cooperation between the public and private sector on procurement. In Germany, Procurement Advisory Offices (providing, consultancy services, organising seminars) were established between contracting authorities and

¹³ <https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>

regional Chambers of Commerce to support both potential private suppliers and contracting authorities.

Based upon the interviews, whether a central government has mandatory or voluntary guidelines does not seem to matter for implementation. In practice, central government guidelines are followed by lower level public institutes and implemented. Since lower level public institutions are autonomous in their GPP policy, they are free to choose to incorporate the national guidelines into their own policy, adjust them to their own needs or even create their own guidelines themselves. Especially in the latter case this can lead to an implementation structure that lacks synchronization. Due to a general lack of information sharing between lower level institutions with central government there is little information available on the uptake of green procurement guidelines. Lessons from sustainable timber procurement show there is still a general lack of awareness amongst procurers and a lack of capacity (in small municipalities there might be one person part-time implementing these guidelines). A central website with information tools and factsheets is very helpful in such a situation – as it exists in some countries - but no evaluation could be found of their actual use and success.

2.2.3 Insights from the development and implementation processes

Some ADP countries have assessed their previous GPP strategies. Next to this, as previously mentioned, various stakeholders were often able to voice their opinions and raise concerns. This section will elaborate on the insights gained from reviews, the discussions with stakeholders as well as other considerations that could be taken into account whilst developing new GPP guidelines.

Review processes have revealed an acknowledged need for coherent guidelines along with a need for knowledge-building among public authorities. The review process in France revealed that the new NAP should amongst other things be less theoretical and more user-friendly. Procurers should be able to easily find their way in the new strategy. The UK has found that some guidance in the GBS does not contain specific criteria e.g. for palm oil, therefore procurers are required to contact external consultancy companies for further advice and support (Efec¹ for advice on sustainable palm oil). Additionally, Norway has found that some contracting authorities experienced difficulties using their guidelines, potentially due to a lack awareness on social and environmental risks. Not all interviewees had identified a review process of their countries' previous GPP strategy. In Spain, there was no previous NAP to review whereas in the Netherlands, there seems not to have been a formal multi-stakeholder process during the last revision.

Through the interviews it also became evident that there are various matters to be considered when it comes to developing and implementing criteria for forest-risk commodities. Most ADP countries prefer referencing to existing certification standards in their national guidelines. In the Netherlands reference is made to specific certification standards and 'their equivalents' to explicitly not exclude other standards from being used. However, a supplier choosing for another option has to proof the proposed standard is equivalent. In practice, they might therefore not opt for another standard. In Germany, a pilot programme on sustainable palm oil with pilot cities is on-going. Current experience shows that public authorities on municipal/city level show a preference for developing their own criteria, rather than referring to certifications. This may lead to the same conclusion The Netherlands reached before: defining your own guiding principles and criteria is cumbersome and becomes very similar to the golden standards in the end.

Another matter to be considered is that procuring certified products cannot fully ensure deforestation free supply chains. Not all certifications have included deforestation in criteria. Furthermore, the

certifications that do include it can still not guarantee that a supplier will steer uncertified products to less environmentally demanding markets. Recognising this, in Norway there is an increased focus on the acquirement of no-deforestation commitments from suppliers to further stimulate sound supply chains. This has prompted companies to aim for the most demanding level of RSPO certification, while other companies are phasing out palm oil as much as possible. Besides addressing deforestation in this manner, supplying companies are also considered in their entirety to affirm no harmful practices are taking place. It should be noted that such an approach is particularly effective in Norway for Palm Oil and Soy, as the supply chain is relatively simple. There are few large suppliers that cover most of the import of these commodities and, along with Norway's SPO initiative, are able to nearly completely trace them.

The division between mandatory and voluntary guidelines for the central government is about 50/50 whereas for lower level institutions guidelines are voluntary for almost all countries, Spain being the only exception. Interviewees have identified some difficulties with the mandatory approach. Firstly, mandatory guidelines may be limiting progress in development and revisions. Some public authorities in Belgium are focussing on achieving exemplary progress in a specific area of their procurement. Such progress could be hampered by redirecting focus to a broader approach. Similarly, Norwegian companies have expressed that tackling all commodities simultaneously is nearly impossible and a phased approach is preferred. Having mandatory guidelines for all commodities could put some procurers and/or suppliers in a complicated bureaucratic position. Besides the above, mandatory criteria arguably require some kind of monitoring and enforcement mechanism, which again may prove very difficult with so many lower level public entities involved.

2.2.4 Monitoring, data collection and evaluation

Most interviewees have acknowledged a need for better monitoring. Data collection remains difficult, especially for decentralised lower level public institutions. Little is known on the uptake of GPP on both central and decentralised levels in most countries, as acquiring such data takes additional capacity which is not always readily available. Nevertheless, some ADP countries do have monitoring systems in place or are organising stand-alone monitoring operations to gain insights in GPP data.

The Economic Observatory of Public Procurements (Observatoire économique de la commande publique, OECP¹⁴) in France annually publishes a report on public procurement, which includes progress in the use of environmental and social criteria. It also conducts studies on various other topics in public procurement, such as subcontracting in public contracts or innovation in purchases. The OECP has so far improved data reporting and monitoring practices, yet it remains difficult to assess and control that the GPP criteria are used in a relevant and effective way. With over 30,000 municipalities and over 100,000 public purchasers in France, acquiring a complete overview is a complex and challenging task. Therefore, France developed an on-line questionnaire, which was filled in by 1,300 respondents (772 complete) in 2019. The feedback was used for a general reflection of public procurement (not sustainability) and provided general recommendations¹⁵.

In Norway a national survey on GPP was organised in 2018, which mapped out all public contracts. As there was no automated mechanism, analysing the contracts had to be done manually. Now that new criteria have been developed and published, the Digitalisation Agency has plans to organise another

¹⁴ <https://www.economie.gouv.fr/daj/observatoire-economique-commande-publique>

¹⁵ <https://www.economie.gouv.fr/daj/loecp-publie-une-etude-sur-la-sous-traitance-dans-les-marches-publics>

survey. The UK government also collects data via its Greening Government Commitments survey for the central government.

2.2.5 Due Diligence

As the European Commission has announced a mandatory DD law scheduled in 2021, the topic of DD is also being increasingly discussed on national level. Some ADP countries also have relevant legislation in place, such as the “UK Modern Slavery Act” (2015), The French Duty of Vigilance Act (2018), the Dutch “Child Labour Due Diligence Law” (2019) and the German bill on conflict minerals “Minerals Due Diligence Obligations Act”. In Germany, a law on mandatory human rights DD for German companies and their supply chains has been drafted by the Ministry for Economic Cooperation and Development (BMZ) in 2019. Further policy development on (mandatory) DD is also being considered by some countries.

The coverage of these legislation on due diligence however differ quite substantially in scope and reach: from modern slavery to child labour and in- or exclusion of environmental impacts. Besides the French regulation, no due diligence regulation currently includes deforestation impacts.

In Belgium there is currently no general policy approach for DD. Instead, priority is given to sectors that have the most risks and issues in their supply chains through pilot projects. At the moment work is being done for the textiles and IT sectors.

Norway’s Digitalisation Agency may be developing DD criteria in the future as part of their mandate for NAP, and their recently updated criteria on human rights have looked at DD methods.

The UK is introducing a mandatory due diligence requirement on large UK businesses using forest-risk commodities, and will review how this due diligence regulation might complement any future development of sustainable public procurement policies.

3 General findings and recommendations

In general, the EU and European countries see public procurement as a key market -based instrument towards smart sustainable and inclusive growth while ensuring the most efficient use of public funds (EC, 2019). We could not find country-based in-depth evaluations of green public procurement so we cannot answer the question whether GPP moves the market into a sustainable direction (relevance, efficacy, impact). This paper illustrates various practical examples which can serve to inform, inspire and facilitate further discussions amongst ADP colleagues.

Content and scope: current criteria and implementation do not guarantee no-deforestation

There is in general, insufficient information available on the volume of deforestation-relevant commodity procurement or implementation of procurement criteria and efficacy of green public procurement. In general, there is a lack of data (or if available unclear origin and underlying assumptions) and lack of rigorous monitoring. Therefore, it is impossible to present general findings on relevance, efficacy and impact. Only France and Norway did assess the status of procurement in general. France developed an on-line questionnaire for procurers to fill in, but as far as can be determined it does not yet produce green procurement information (not publicly available)

In general, countries moved from 'organic' criteria to environmental and social sustainability criteria. Governments do implement EU guidelines with some national interpretation. Forest-risk commodities are increasingly being covered and countries that in the past years did not have any GPP strategies are now developing them. The status of GPP in ADP countries vary from already being in place, to currently being implemented or developed.

Not all certification standards do however ensure no deforestation. Countries are therefore advised to define criteria that only include certification standards ensuring deforestation-free production. From our general assessment it became clear that some uses may be overlooked (e.g. palm oil as cooking oil or in detergents) and it is recommendable to define criteria in such a way that they include all uses of a commodity in all types of products. Although complicated, It is advised to also consider developing criteria for beef & leather that go beyond animal welfare (domestic production relates mainly to soy in feed but import of beef from South America may directly relate to deforestation and other social and environmental issues).

Governance:

Each ADP country has a different constitutional and legal context, which also determines the way GPP is defined, organised and implemented. Therefore, there is no one-size-fits-all approach. The nature of the governance structures, with lower level public institutions responsible for implementation, often makes GPP implementation unstructured. From the background analysis and interviews it became clear that the governance structure with decentralised procurement is an important limiting factor in monitoring and assessing the efficacy (enforcement on central level and tracking implementation on decentral level) of procurement.

In all countries, decentralised GPP is voluntary. The voluntary nature does not seem to be the limiting factor. In practice, lower level public institutes follow and implement central government guidelines. Implementation seems hampered more by a lack of capacity and general unawareness amongst procurers.

In support of country-wide implementation, ADP countries could consider drafting a manifesto (on climate and forest-risk commodities?) between all levels of government committing all to green procurement (with reference to national policies and guidelines) to meet climate, deforestation and social goals. Such a manifesto could provide a strong joint market signal, raise awareness, organise support by the state government to lower government and facilitate monitoring and reporting.

Interviewees often mentioned feedback from procurers that they need comprehensive, well-defined, unambiguous guidelines and criteria, along with complementary capacity and knowledge building. ADP countries already have centres of excellence and most have capacity building support in place. A central website supported/administered by a centre of excellence is very helpful because lower level governments tend to refer to those and could maybe also be a cost-effective way to monitor implementation. The Centres could not only provide guidelines and raise awareness but they could also play an important role in gathering data on GPP, monitor actual implementation and report to the responsible state level authority and parliament. It is recommended to review their reach, use and success once in a while.

The various approaches to GPP that have been adopted and subsequent experiences with them among the ADP countries generate useful lessons to keep learning from each other's processes and results, while working together to eliminate deforestation from supply chains.

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Annex 1: Methodology

This study has been carried out primarily through semi-structured interviews and analysis of policy documents, technical reports and online procurement guidance tools. Semi-structured interviews have enabled the needed level of consistency throughout the conducted interviews while at the same time allowing deviation from the main questions respective to the various contexts.