



Environment and Spatial Planning  
*Ministry of Housing, Spatial Planning and  
the Environment*

# Social Public Procurement

Experiences in The Netherlands

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2. Methodology for criteria development (general)
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# Dutch policy on Sustainable Public Procurement



**Duurzame Daadkracht**

Actieprogramma duurzame ontwikkeling



## Dutch policy on SPP

Statement by the Dutch Parliament in 2005:

**All procurement (100%) by the national government should be sustainable by 2010!**

**However.....**what is the meaning of:

All procurement?

Sustainable?



## All procurement: Aims at sustainable procurement

Central government: 100% by 2010

Municipalities: 75% by 2010; 100% by 2015

Provinces and Water Boards: 50%

%: volume of sustainable procurement (€) per organisation  
total amount of purchasing (€)

Total purchases: over € 40 bln every year

New target groups: education and health sectors?





## Monitoring (*wil je dit erin?*)

Purpose: indicates the progress of implementation to parliament every two years

How: digital questionnaire sent out to over 300 public institutions

What: - embedding sustainable procurement in organisations  
- the use of SPP criteria

Focus: qualitative approach

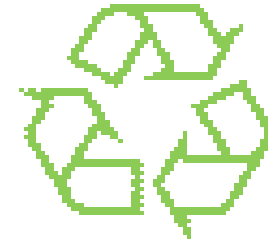
Calculating percentage =  $\frac{\text{Total value core criteria contracts}}{\text{Total value all contracts}} \times 100$



# When is a procurement sustainable?

Environmental issues: worldwide and locally

Social issues: focus on worldwide aspects





## Why sustainable procurement? (*wil je dit erin?*)

- Government setting the good example
- Stimulating sustainable production
- Lowering prices for sustainable products
- Stimulating innovation



# Programme Sustainable Procurement

Priority of the Dutch Cabinet

Coordination: Ministry of Environment

Participants: Other ministries and representative bodies of other levels of government (provinces, municipalities, water boards)

Advantages:

- Uniform criteria available for all levels of government
- Applicable to (almost) all purchases
- Criteria are legally sound



# Methodology for criteria development





## Principles for developing criteria *(wil je dit erin? Zo ja dan herformuleer ik het zodat minder tekst is)*

### Policy

- Ambitious criteria for all purchases
- Both environmental and social aspects
- Overall no substantial higher costs (Live Cycle Costs)

### Approach

- Criteria easily applicable, both by procurer and supplier
- Enough supply / availability to meet the sustainable demand of all public authorities

### Legal aspects

- According to legal principles

### Process

- Transparent
- Stakeholder involvement



## Types of criteria

Two levels for 45 product groups:

- Core criteria – ‘Level of sustainability’ (monitoring)  
Supplier: selection criteria  
Product or service: minimum specifications
- Award criteria – Ambition (for frontrunner suppliers and/or progressive governments)  
Supplier: selection criteria  
Product or service: award criteria

And

- Contract clauses - Mainly for social criteria



## Social criteria





# Dilemma's

Over three years of research and discussing!

## Bottlenecks:

- Legal consent: 'EU proof'
- Political agreement: liability risks
- Practical issues: verification, 'purchasers proof'?
- Cold feet / pioneering



## Definition of 'social'

Focus on international supply chain:

- Fundamental ILO standards and human rights: generic i.e. all purchases
- Additional ILO standards and/or fair trade: if relevant and if label/certification exists

What about other social aspects?

- Labour market inclusion
- Safety, health, local environment ....



## Legal approach

Structural change of market behaviour instead of selection of front runners!

Social standards as contract performance conditions

Legal conditions:

- Non discriminatory > Incorporated into all productgroups
- Proportionality > Above EU threshold, simple reporting format
- No disguised selection or award criteria > No selection on beforehand
- Indicated in the contract notice

Informal consultation European Commission (*moet dit erin blijven?*)



## Role contractor: supply chain responsibility

### 1. Process based approach:

- Endorse social standards – roll out in supply chain – monitor – improve – report with respect to the contract

### 2. Primary responsibility lies with the contractor

- Best effort obligation
- Public report: NGOs as watchdog

### 3. Follow CSR practices in the sector

- Distinction between qualified and other social initiatives/labels

### Exempted from obligations:

- a) Self-declaration on NO risks foreseen, or
- b) Evidence of membership qualified social initiative/label



## Role purchasing officer

- Indicate social standards in the contract notice
- Use standard contract clauses
- Monitor and assess the contractor's public report (format)
- Respond to signals from society
- React when alleged violation
- Central publication of all contracts



## Process

- Policy framework by central government
- Operational framework
- Stakeholder consultation
- **Political agreement > 4 September 09 Cabinet decision!**
- Development of contract clauses (((and consultation EU??)))
- Development instruction material and formats
- Implementation into productgroups
- Communication and training of purchasing officers



Thank you!

More information will follow:  
[www.senternovem.nl/duurzaaminkopen](http://www.senternovem.nl/duurzaaminkopen)

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