

Position Paper

Accelerating the circular economy by mandating sustainability criteria for all public procurement schemes

This position paper provides input for the European Commission's [public consultation](#) on the revision of EU public procurement directives (2025)

The European Sustainable Business Federation - Ecopreneur.eu represents around 5.000 SMEs and larger companies committed to sustainability across all sectors and EU Member States, many of them pioneering circular business models.

We welcome the European Commission's initiative to assess the effectiveness of existing public procurement regulation and fully share its view that "public procurement policies are a powerful instrument to help overcome barriers to market entry and to support sustainable and resilient industrial ecosystems, jobs and value creation in the EU", as expressed in its "Clean Industrial Deal" communication.¹

Accounting for 14% of GDP in the EU (EUR 2.400 billion annually)² and 15% of global greenhouse gas emissions³, public procurement represents one of the most powerful levers to accelerate the green transition and meet the objectives of the Paris Agreement. To release its potential, **we advocate that mandatory green public procurement (GPP) criteria must be integrated in public procurement regulation at all government levels in the EU.**

GPP is an established instrument. Countries across the world are currently using it as a lever to achieve national commitments to sustainability and CO₂ reduction. The EU has been developing GPP criteria and voluntary requirements for public procurers at the local, regional, national and EU level for several product groups since 2008. So far however, GPP makes only a small fraction of public procurement overall.

Applying mandatory GPP criteria should be introduced gradually to apply to all goods and services purchased by public authorities, which eventually will incentivise green private procurement as well. Integrating sustainability criteria as part of the revision of EU public procurement directives could drive green innovation and potentially trigger EUR 2.400 billion annually in additional investment in key technologies, products and services "made in the EU" and the creation of over 300.000 jobs, thereby leading to a strengthening of the EU internal market and global competitiveness.⁴

1 https://commission.europa.eu/document/download/9db1c5c8-9e82-467b-ab6a-905feeb4b6b0_en?filename=Communication - Clean Industrial Deal_en.pdf

2 https://single-market-economy.ec.europa.eu/single-market/public-procurement_en

3 https://www3.weforum.org/docs/WEF_Green_Public_Procurement_2022.pdf

4 <https://www.carbone4.com/en/publication-buy-european-and-sustainable-act>

Public procurement, however, can only work for the sustainable transformation if the EU provides a legal framework with harmonised public procurement laws that help create a level playing field for sustainable products and services to become more competitive and profitable. We therefore call on the European Commission to adopt the following policy measures:

1. Introduce mandatory sustainability criteria in all public tender contracts

Applying common award criteria that account for environmental performance and lifecycle costs is essential for products and services to become comparable beyond price and to help procurers make informed purchasing decisions.

Therefore, the application of sustainability core criteria in public procurement contracts to account for life-cycle costs and environmental performance should become mandatory, starting with 25% of all contracts by 2027 and increasing to 100% by 2029.

Sustainability criteria must be based on recognised international or EU standards and public certification schemes to enable comparability of products and services from a lifecycle perspective to identify best-in-class offers.

Claims must be supported by independent verification according to ISO standards.

2. Define a framework with minimum mandatory and optional sustainable procurement criteria as a baseline for all member states

Public procurement schemes must consider minimum core requirements and criteria beyond price, including relevant sustainability criteria such as GHG reduction, circularity (recycled content, reuse, remanufacturing, waste reduction), and the impact on biodiversity. Evaluations must be based on a lifecycle approach.

In addition to core mandatory GPP criteria, we advocate the introduction of comprehensive voluntary criteria in sectoral legislation as they tend to have the highest sustainability impact. These criteria should be based on GPP criteria that already exist for several product groups defined by the European Commission⁵, best practices and proven experiences from national GPP schemes, and EU laws applying to specific categories like clean vehicles, energy efficiency, buildings, batteries, packaging, and ecodesign for sustainable products (starting with apparel, steel and tyres).

As a basic principle, non-price criteria should receive a substantial weight in the total rating and final decision.

⁵ https://green-business.ec.europa.eu/green-public-procurement/gpp-criteria-and-requirements_en

3. Modernise and simplify public procurement rules, in particular

- Transform the current directive into an EU regulation as to harmonise rules across Member States and facilitate cross-border contracting
- Encourage public authorities at all levels (from local to EU) to inform potential bidders and suppliers at an early stage in the tender procedure about GPP criteria and requirements, providing them sufficient time and information to adapt and respond to tender offers. Major bids should be part of a three-year purchasing programme. In addition, authorities should gauge the market's capacity to produce and supply green products and services before publishing the tender and adapt GPP ambitions accordingly⁶.
- Amend Public Procurement Directive 2014/24/EU to allow exemptions from competition rules for public tenders in emerging markets where GPP rules of a can only be met by a limited number of suppliers
- Create a fast-track dispute resolution mechanism specifically for GPP-related conflicts
- Provide better access for startups and SMEs, for instance by reducing the track record & financial guarantee requirements and split large contracts into smaller lots

4. Increase the level of enforcement and monitoring

- Require public authorities to report annually on GPP uptake, including sustainability criteria, final procurement decisions, and rationale for non-GPP tenders
- Adapt existing e-procurement systems with GPP criteria to ease routine data collection

5. Provide public authorities and businesses with EU-funding to build capacity and know-how

- Launch an EU-wide training programme for public procurement officers and the decision makers in their unit
- Provide public authorities with training, access to best practice reference cases and automation tools like a “ready-to-use” GPP criteria list, a “GPP Cost-Benefit Calculator” and templates.
- Implement “Circular Business Hubs” based on European Enterprise Network (EEN) to provide SMEs access to personal helpdesks, tender offers, free digital automation tools, best practice cases and templates.

Access to more technical and personal support would accelerate the procuring of local sustainable goods and services, thereby strengthening the local economic and social fabric.

⁶ https://www.oecd.org/en/publications/harnessing-public-procurement-for-the-green-transition_e551f448-en.html

About Ecopreneur.eu

The European Sustainable Business Federation, Ecopreneur.eu, represents around 5,000 SMEs and larger companies committed to sustainability across all sectors and EU Member States, many of them pioneering circular business models. With its eight member associations, Ecopreneur.eu is the only cross-sectoral business organisation advocating ambitious measures, rules and regulations for a low-carbon, circular and socially inclusive economy in Europe and beyond. We advocate a new economic framework in which sustainability is promoted, the environment respected, and ecological principles are followed. Ecopreneur.eu and our members bring concrete experience from pioneering companies into the political debate, show best practice examples that prove the viability of the sustainable business models.

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