

CPB CONFERENCE – GPP SEEN FROM THE TENDERERS APRIL 26, 2023



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Dansk Industri

DI – THE HOUSE OF INDUSTRY

DI's common political agenda

Common political agenda

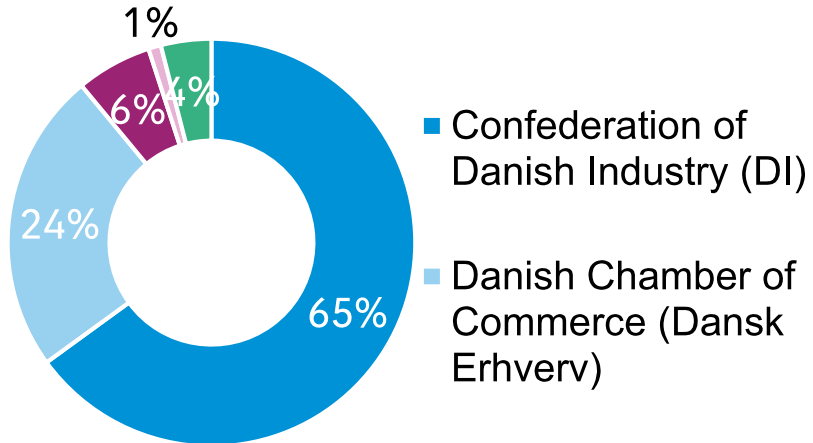
Strong member pillars in branches and associations as well as regionally



A solid foundation for the entire DI

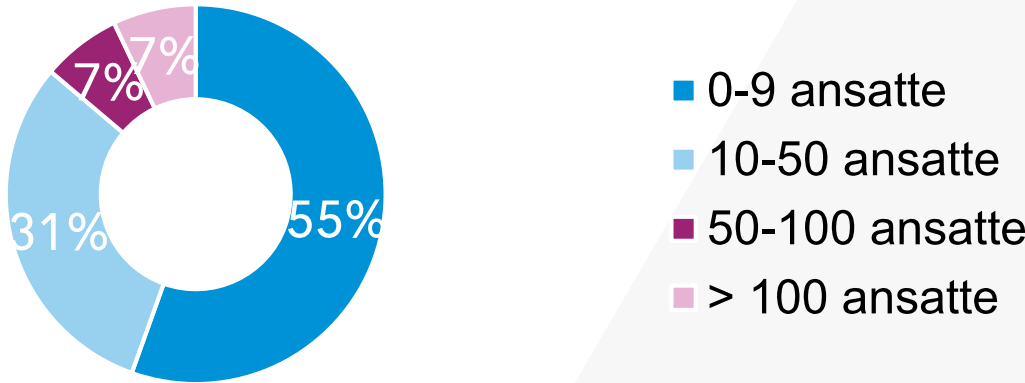
General membership service for everyone, such as personnel law, working environment, business law, environment, climate, tax, education, competence development, network and DI's international services.

DI is Denmark's largest business and employers' organisation



More than 19,000 members represent 65 pct. of the total wages under the Confederation of Danish Employers

86 pct. of our members have less than 50 employed



The diagram shows the member organisation's share of DA in terms of wages as per October 2022. Source: DA



DI recommends that 80 percent of public procurement is sustainable by 2025 - measured by six criteria.

9 out of 10 suppliers believe that public customers should place more emphasis on sustainability and green requirements in their procurement.



Director General
Lars Sandahl Sørensen



Aftale mellem regeringen
(Socialdemokratiet) og Venstre, Dansk
Folkeparti, Socialistisk Folkeparti,
Radikale Venstre, Enhedslisten, Det
Konservative Folkeparti og Alternativet
om:

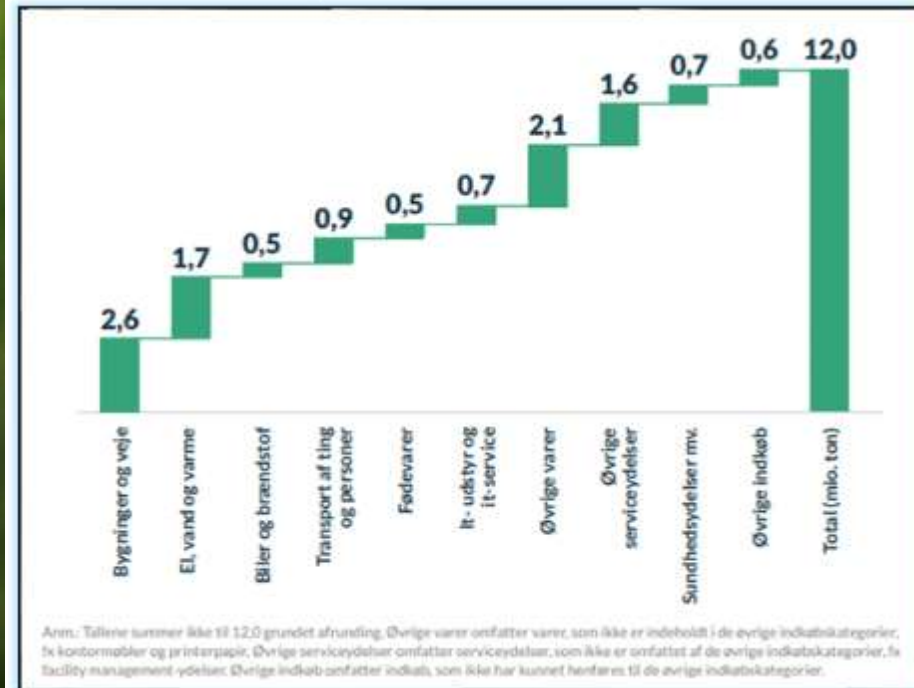
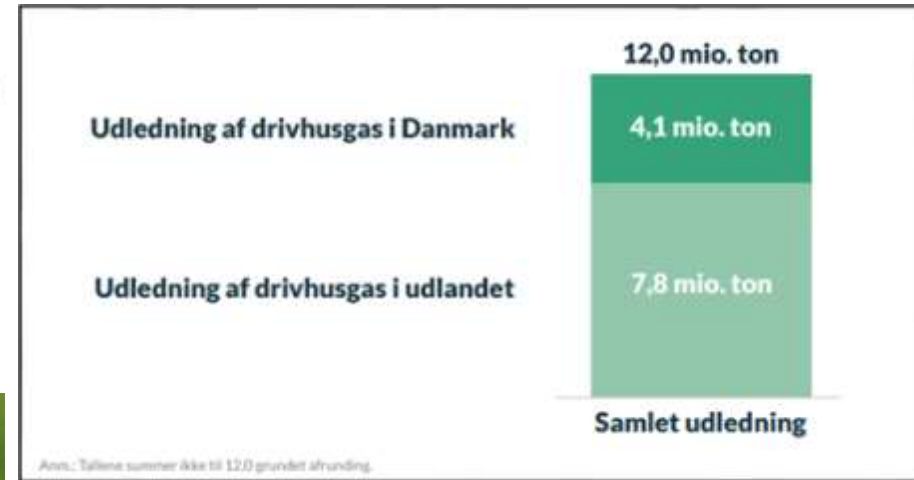
National strategi for bæredygtigt
byggeri

5. marts 2021

Green Procurement for a Green Future

– strategy for green public procurement

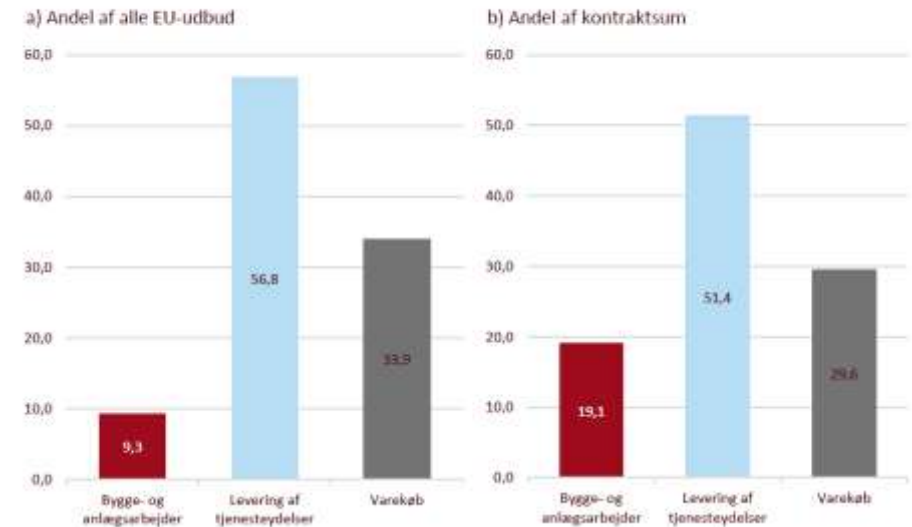
Ministry of Finance



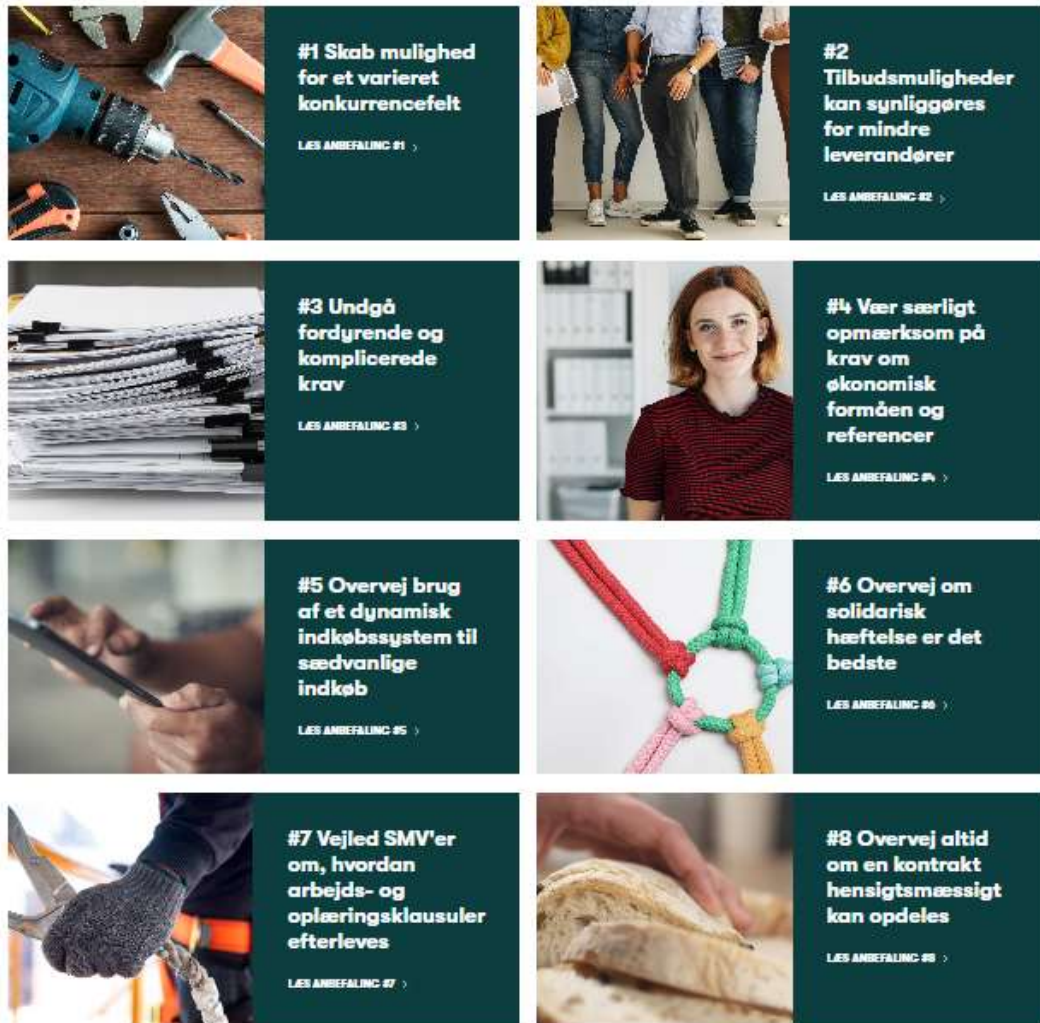
High ambitions – hard to live by?

- We want to raise ambitions with equal and fair competition
- Up to 2,700 EU tenders in Denmark every year at an estimate of 400 billion DKK (53,3 billion €) – huge potential if done right
- More “green” words since 2020 – only words or actual changes?
- What is GPP actually about? Carbon emissions, circularity or something else? Often relatively freely interpreted
- Be aware of the difference between relative and absolute sustainability

Figur 2.7 Danske EU-udbud fordelt på kontrakttype, 2021 (pct.)



SME's - crucial for the green transition



Anbefalingerne er udarbejdet af Forum for Offentligt-Privat Samarbejde

Videopræsentation fra Dansk Industri om at undgå unødige krav



Recommendations in collaboration with the Danish Competition and Consumer Authority



Why do some succeed with GPP?

Good understanding of interests and common data language

- To succeed, we need to spend time understanding, what we want to buy and what the market can offer
- We need to agree how to measure in order to establish baselines

Invest resources in the procurement process

- GPP must be decided in early stages with clear data-driven targets
- Often time, deadlines and other factors creates situations where things gets hurried and lack quality = GPP ends up as an add on

Don't be afraid of taking decisions but be aware of the balance



What do we buy and why

Legalities aside for a bit

- We need solid heuristics to consider what we are buying – and yet it can be confusing anyway
- We need more functional requirements for circular solutions
- Data and common languages is key to compare products and product categories – ask for climate documentation
- Smart clauses with steps for improvement on climate aspects
- LCC, LCA, TCO, EPD, circularity, upcycling, taxonomy, environmental labels etc. must be everyday language for buyer and seller knowing that data does not provide the full picture
- The behavioral aspects of the transactions often have a



Buy green or explain?

Authority to make rules for GPP

- The Danish Procurement Act was revised in June 2022 and a new provision was made in section 194 (4)
- The Minister for Industry, Business and Financial Affairs can make rules that the Contracting Authorities must explain in the tender material if they do not include environmental or climate considerations in their tenders
- If not, The Complaint board can fine the Contracting Authority up to 100.000 DKK (13.420 €) if a complaint is made



GPP must not lead to protectionism

GPP has an inherited risk of creating protectionism

- How can contracting authorities procure sustainable and smart while ensuring equal treatment, transparency and proportionality?
- One heuristic for the average consumer is to buy locally
- This might be a dangerous heuristic for Contracting Authorities...
- How is transport calculated in your carbon footprint in your procurements?



Sum up

GPP cannot solve everything

- GPP cannot be everything and focus is needed
- GPP is a constant optimisation

GPP is behaviour and will not be solely solved by jurists

- What is not bought typically have a lesser carbon footprint
- Many interesting paradoxes and many solutions by our feet

GPP is about choices

- GPP is about making choices without complicating procurement

