



Algemene Rekenkamer

First Experiences with Green Procurement

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Why this audit?

- Netherlands Court of Audit Strategy 2004-2009: focus on Sustainable Development
- Public authorities in The Netherlands (central government, provinces, municipalities...) purchase each year for more than € 50 billion of goods and services
- Central government green procurement target: 100% in 2010



Audit Objective and Method

- Quick scan: limited in scope and resources
- Method:
 - Desk research
 - Interviews
 - Case studies: 3 departments, 3 product groups (catering, hardware, printed matter) = 9 tenders
- Objective: to monitor progress towards 2010, to identify bottlenecks, to make suggestions for improvements



Green Procurement Policy

- Legal framework for government procurement in the European Union
 - Directive 2004/18/EC
- Development of sustainable *selection criteria* (bidders) and *award criteria* for goods and services (catering, hardware etc)



Example of applying award criteria

- Most economically advantageous tender (as opposed to the lowest price)

Price	55
Quality	40
After sales services	5
	100



Findings (I) : the target

- “100% Green Procurement in 2010”: SMART and ambitious. BUT...
- “Sustainability will be a criterion of key importance”... Not so SMART...
- Procurement officers and budget officials have to fight it out together



Findings (II): sustainability criteria

- Overall impression: cautious, not ambitious
- No social criteria (minimum wage levels, child labour, union membership and so on)
- No arrangements for keeping the criteria up-to-date



Findings (III): effectiveness

- Limited insight in effects of Green Procurement
 - Monitoring focused on the %
- Many criteria require certification
 - For instance implementation of ISO 14001 (Environmental Management Systems) is used as a selection criterion
 - But little attention is paid to assurance
 - A paper tiger?



Recommendations

- Comply or explain!
- Implement procedures for decision-making by procurement officers and budget officials
- Make sure that criteria are kept up-to-date
- Focus on goods and services with the biggest environmental impact (e.g. transport, buildings, electricity)
- Monitor effects as well
- Seek assurance, if necessary on-site



Impact of the audit

- Reception was positive
 - Most recommendations were embraced
 - But half a year later (February 2010) Government stepped down
- Since then, green procurement has become common practice in The Netherlands
- However, sustainability criteria have come under increasing pressure



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