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EU4Environment
Green Economy in Eastern Partner Countries

**EASTERN PARTNERSHIP REGIONAL WORKSHOP
ON SUSTAINABLE PUBLIC PROCUREMENT AND ECO-LABELLING**

Meeting Summary

**Tuesday, 14 November 2023
9:00 – 11:00 (CET)**

On-line ZOOM event

Meeting materials available at:

<https://www.eu4environment.org/events/regional-workshop-on-sustainable-public-procurement-and-eco-labelling/>

Action implemented by:



Background

Public procurement, which accounts for up to 20 percent of GDP in Eastern European and Caucasus countries, offers a largely untapped opportunity to drive business and domestic markets towards innovation and socio-environmental sustainability. By purchasing more sustainable goods, works and services, governments can not only improve our environment and quality of life, but also encourage a range of stakeholders to do the same.

Sustainable Public Procurement (SPP) is about spending public funds on products/services/projects that promote sustainable development and a green economy transition. International, European, national and other standards can encourage manufacturers to implement sustainable management and production systems. Such ecological labels or “eco-labels” can provide information on the social and environmental performance of products and services throughout their lifecycle, thus facilitate and simplify the selection process during public procurement tenders. At the same time, for businesses, eco-labels are a means of measuring, communicating and marketing their environmental credentials with the aim of reaching new markets and customers.

Since 2019, as part of the EU-funded EU4Environment programme, the United Nations Environment Programme (UNEP) has been helping to assess and improve the legal frameworks on SPP and eco-labelling in Georgia, Moldova and Ukraine. In doing so, the programme helped to prepare sustainability criteria for numerous product categories that are regularly procured by these countries’ governments. Further assessments on SPP and eco-labelling are currently ongoing in Armenia and Azerbaijan, while training and awareness-raising activities continue to be organised at national and regional levels.

Objectives of the regional workshop

This regional workshop aimed to highlight key achievements on SPP and eco-labelling in the EU4Environment beneficiary Eastern Partnership (hereafter EaP) countries, exchange experiences, discuss challenges and main lessons learnt, as well as to ensure national ownership and continuity of this work beyond the programme. Presented case studies on SPP and eco-labelling from EU member states also demonstrated best practices in this field.

Participants

222 participants (79 men and 143 women) from 25 countries registered for the regional workshop. Participants represented EaP and other countries’ government institutions, academia, business associations, civil society, as well as EU4Environment implementing agencies. The Regional workshop was moderated by **Ms. Lesya Nikolayeva, International Expert, UNEP Regional Office for Europe**.

Welcoming remarks

Ms. Angela Bularga, Programme Manager, DG NEAR, welcomed the participants on behalf of the European Commission. Ms. Bularga reminded that the EU continues to be a reliable partner and donor supporting EaP countries’ transition towards a green economy. She pointed out that three EU4Environment beneficiary countries (Georgia, Moldova and Ukraine) are at various stages of EU candidate/accession status, which enables them to receive technical support on legislative harmonisation and economic reform. As part of the European Green Deal, the European Commission already agreed on the next stage of such technical support to EaP countries, wherein a critical component remains on market development for greener products, goods and services while preserving natural capital.

Mr. Mahir Aliyev, Regional Coordinator, UNEP Regional Office for Europe, highlighted the role of SPP and eco-labelling (as efficient tools of green economy transition) in tackling the triple global challenges of climate change, pollution and biodiversity loss. Mr. Aliyev underlined how these tools will motivate producers, suppliers and markets to transition towards sustainability and greener economic models.

Sustainable Public Procurement and eco-labelling practices in the European Union

Throughout EU4Environment, practical application of SPP and eco-labelling criteria were demonstrated using examples from various EU countries; a series of bilateral discussions was organized with the EU Ecolabel legal and technical teams. This was reiterated by **Mr. Eriks Mezalis, Legal and Procurement Expert**, who kicked off the event with case studies from (1) Latvia on green and social requirements criteria applied for procurement of public buses; (2) Finland on energy efficiency services for the City of Vantaa (14 municipal buildings), where the winning company guaranteed annual energy and economic savings up to 20%; and (3) The Netherlands where, in its procurement of event and meeting materials, the municipality of The Hague weights sustainability/innovation criteria against price criteria at a 60:40 ratio, and considers that at least 5% of staff working on events should be made up of people with disabilities.

Case studies on SPP and eco-labelling in the EaP countries

Representatives of implementing agencies in EaP countries presented key achievements on SPP and eco-labelling thanks to UNEP's work under EU4Environment.

Ms. Tamar Aladashvili, Director of the Environmental Information and Education Centre, Ministry of Environmental Protection and Agriculture of Georgia, explained that with the programme's support, sustainability and social provisions were integrated into Georgia's Law on Public Procurement; an SPP by-law was drafted and sustainability criteria, guidelines, training and communication materials were prepared for government purchasing of printers, plotters, toners/ink cartridges and cleaning products; and the use of sustainability criteria in public procurement is now being monitored (thus far 35% of 250 government purchasing tenders included SPP criteria). Georgia has also benefitted from high-level dialogue on SPP and eco-labelling to inform & engage government officials as well as capacity-building and awareness-raising events organized at national, regional and local levels (total 350 people trained).

Ms. Aladashvili also pointed out that her country's eco-labelling system was assessed and recommendations for its improvement were developed. Training workshops and site visits to five SMEs were organized for over 30 journalists.

Ms. Irina Punga, Legal Expert PA EcoContact, Republic of Moldova, underlined that sustainability criteria, guidelines, training and communication materials were prepared for double-glazed windows/doors, organic fruits/vegetables, personal computers, motor vehicles, and printer paper. EU4Environment also helped draft Moldova's regulation on eco-labelling (in alignment with EU Regulation 66/2010) which was recently approved following public hearings. A national eco-label was also designed and registered by the Agency of Intellectual Property. High-level events with government officials helped to ensure that SPP and eco-labelling remain integral to the national green policy agenda. Five SMEs and about 20 journalists were also trained on these approaches. Over 240 persons were trained on SPP and eco-labelling overall.

Ms. Svitlana Perminova, Director of the Center for Environmental Certification and Labelling, NGO Living Planet, Ukraine, underlined that the programme assisted to prioritize construction and repair of roads as well as food and catering services as new product groups for SPP. Sustainability criteria, guidelines and education materials were subsequently prepared. Environmental criteria were also integrated into open tenders in Ukraine's public procurement system "ProZorro".

In parallel, eco-labelling standards were developed for polymer products, furniture, flooring materials and other timber products procured by the government. Updates of eco-labelling standards for paints & varnishes, as well as detergents & cleaning products were also made (in line with the EU Ecolabel criteria). Overall EU4Environment ensured that some 1900 experts are trained on SPP and eco-labelling during six events.

Lessons learnt and challenges

Following the overview of the programme's achievements, national representatives participated in a panel discussion. The panel consisted of:

- **Ms. Gayane Gabrielyan, Deputy Minister of Environment of the Republic of Armenia;**
- **Mr. Ruslan Malai, Director of Public Procurement Agency of the Republic of Moldova;**
- **Prof.-Dr. Kakha Demetrashvili, Deputy Chairperson, State Procurement Agency of Georgia;**
- **Mr. David Advadze, Head of Sustainable Development Division, Ministry of Economy and Sustainable Development of Georgia;**
- **Mr. Faig Mutallimov, Head of Environmental Policy Division, Ministry of Ecology and Natural Resources of the Republic of Azerbaijan;**
- **Ms. Tetyana Tevkun, Manager of the Waste Reform, Reform Support Team, Ministry of Environmental Protection and Natural Resources of Ukraine.**

The panellists pointed out the following **lessons learnt and challenges** for the further promotion of SPP and eco-labelling in their countries:

- National laws on public procurement remain the main legal framework for regulating public purchases. In many cases these already allow the use of the sustainability, social and non-price criteria, but they are yet to truly motivate and oblige such practices.
- Limited knowledge of the benefits of SPP and eco-labelling among authorities in the countries unfortunately continue to hamper the use of sustainability and non-price criteria in public tenders, meaning that stricter instructions/rules are still needed to avoid simply choosing the lowest priced products/services;
- SMEs readiness to produce, supply and offer sustainable products stays limited and depended on economic factors; small markets react to changes in global markets and have less capacities to introduce new approaches.
- Eco-labelled products are not yet broadly presented on the market and the consumer base for these remains niche;
- Awareness raising and understanding of benefits of SPP and eco-labelling among stakeholders at all levels should still be continually improved.

Way forward: national ownership of SPP and eco-labelling activities

Legislation / enforcement / policy

- Countries highlighted that the ongoing EU4Environment component on SPP and eco-labelling contributes to their commitments towards the Sustainable Development Goals (SDGs) and multilateral environmental agreements;
- The achieved results also fit well into their climate, energy, environmental and sustainable development agendas. SPP and eco-labelling should stay high on the national green economy policy agenda and be supported at the highest levels;
- Countries will ensure that EU4Environment results are integrated into relevant planned and on-going donor and reform projects/initiatives;
- Further improvement of primary and secondary legislation is needed, where possible, countries will identify quantitative goals in terms of SPP tenders;

Economic benefits / taxes / incentives for SMEs

- National (and ultimately, global) markets should be further strengthened in supplying products, goods and services that meet certain environmental requirements, allowing to promote the broader transition to a green economy;

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- SMEs/producers should see clear economic / branding / market extension benefits to adopt green production practices. Economic incentives, lower and/or special tax policies can motivate businesses to invest into new technologies with a lower impact on the environment and on human health;
 - SMEs/producers/suppliers will need further, tailored materials on how they can adhere to SPP tenders and eco-labelling requirements;
 - Public Private Partnerships are a good means for promotion and application of SPP and eco-labelling, as well as other green economy tools.

Capacity building / institutional enhancement / knowledge sharing

- Capacity building events, training and experience exchange should be continued among all stakeholders involved in public tenders (namely, governmental procurement staff, controlling authorities, business associations, SMEs and academia);
- Awareness raising events/materials should be organized for consumer groups to explain how individual choices can lead to transformations of the market. This will generate more demand for green products, and more critical consumption choices that avoid greenwashing.

The meeting was closed with final remarks by **Mr. Mahir Aliyev, Regional Coordinator, UNEP Regional Office for Europe, UNEP** and **Ms. Angela Bularga, Programme Manager, DG NEAR, European Commission**, who congratulated the EaP countries on their progress towards the transition to a green economy and emphasized the importance of continuing the SPP and eco-labelling in countries.

About EU4Environment

The “European Union for Environment” (EU4Environment) programme is helping Eastern partner countries (Armenia, Azerbaijan, Georgia, Moldova and Ukraine) to preserve their natural capital and increase people's environmental well-being, by supporting environment-related action, demonstrating and unlocking opportunities for greener growth, and setting mechanisms to better manage environmental risks and impacts. The programme is funded by the European Union and implemented by five partner organisations: OECD, UNECE, UNEP, UNIDO and the World Bank, with a budget of approximately EUR 20 million.

For more information, please visit www.eu4environment.org

**Eastern Partnership Regional Workshop on Sustainable Public Procurement and Eco-labelling
14 November 2023, 9:00 - 11:00 (CET)**

Agenda

Time	Item
<i>Moderator: Ms. Lesya NIKOLAYEVA, International Expert, UNEP Europe Office</i>	
9:00 - 9:20	Welcoming remarks Ms. Angela BULARGA , Programme Manager, DG NEAR, European Commission Mr. Mahir ALIYEV , Regional Coordinator, UNEP Europe Office
9:20-9:35	Sustainable Public Procurement and eco-labelling practices in the European Union Mr. Eriks MEZALIS , Legal and Sustainable Public Procurement Expert
9:35 - 10:05	Case studies on SPP and eco-labelling in EaP countries <ul style="list-style-type: none"> • Georgia: Ms. Tamar ALADASHVILI, Director of the Environmental Information and Education Centre, Ministry of Environmental Protection and Agriculture of Georgia • Moldova: Ms. Irina PUNGA, Legal Expert PA EcoContact • Ukraine: Ms. Svitlana PERMINOVA, Director of the Center for Environmental Certification and Labelling, NGO Living Planet
Panel discussion	
10:05 - 10:55	Panelists: <ul style="list-style-type: none"> • Ms. Gayane GABRIELIAN, Deputy Minister of Environment of the Republic of Armenia • Mr. Ruslan MALAI, Director of Public Procurement Agency of the Republic of Moldova • Prof.-Dr. Kakha DEMETRASHVILI, Deputy Chairperson, State Procurement Agency of Georgia • Mr. David ADVADZE, Head of Sustainable Development Division, Ministry of Economy and Sustainable Development of Georgia • Mr. Faig MUTALLIMOV, Head of Environmental Policy Division, Ministry of Ecology and Natural Resources of the Republic of Azerbaijan • Ms. Tetyana TEVKUN, Manager of the Waste Reform, Reform Support Team, Ministry of Environmental Protection and Natural Resources of Ukraine Questions to the Panelists: Q1: What are the main challenges and lessons learnt in practicing SPP and eco-labelling? What remains to be done in the EaP countries and region? Q2: Way forward: how can we ensure national ownership and sustainability of SPP and eco-labelling activities beyond EU4Environment? What possible synergies with existing/planned national- and donor-led processes could be used to take this work further?
10:55 - 11:00	Final remarks and closure