

NET ZERO CITIES



EU MISSION PLATFORM

CLIMATE NEUTRAL AND SMART CITIES



Funded by
the European Union



Public Procurement





[👉 Check out the overall Program Here 👈](#)

MODULE 1	Core The NetZeroCities program, service offering, systemic approach, what works for Mission Cities	Spotlight 1 NetZeroCities Orientation	Spotlight 2 Shaping Climate Narratives	Spotlight 3 Climate City Contracts		
MODULE 2	Core Developing a transition team, mapping and activating the ecosystem	Spotlight 1 Transition team & climate leadership	Spotlight 2 Engaging the private sector	Spotlight 3 Citizen engagement for systemic climate action		
MODULE 3	Core Developing the city's action plan for climate neutrality	Spotlight 1 Portfolio Co-design and future scenarios	Spotlight 2 Climate Action Plan in the urban planning system	Spotlight 3 Reporting and MEL		
MODULE 4	Core Levers of change: Tech and multi-actor collaborations	Spotlight 1 Passive solutions to reduce energy demand in buildings	Spotlight 2 Systemic energy transition at buildings, districts and city level	Spotlight 3 Data-driven approaches to energy transition in buildings and districts	Spotlight 4 Mobility	Spotlight 5 Scope 3 and other emission domains
MODULE 5	Core Increase finance knowledge of the public administration & learn about options to finance projects	Spotlight 1 Preparing a pipeline of projects with necessary data and information	Spotlight 2 Different investor groups and the key priorities and returns profiles for each and instruments	Spotlight 3 Financing the ambition: Learning from Mission Cities		
MODULE 6	Core Multilevel governance, national platforms and policy strategies	Spotlight 1 Policy and regulations innovation	Spotlight 2 Public Procurement – national specifications	Spotlight 3 Just transition		





Agenda

1. Introduction & The Strategic Context [20']
2. Deep Dive 1: The Pioneer (Oslo) [20']
3. Q&A [10']
4. Deep Dive 2: The Partnership (Aachen) [20']
5. Q&A [10']
6. Deep Dive 3: European Best Practices [20']
7. Closing remarks [10']





Lecturers



Alexandru Buftic

ICLEI Europe



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City of Oslo



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City of Aachen



Delfina Curi

ICLEI Europe





Introduction & The Strategic Context

by Alexandru Buftic (ICLEI Europe)



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EXAMPLE - Construction Sector Environmental Impact



Responsibility



> **50%**
of all extracted materials



> **50%**
of the total energy consumption



> **1/3**
of water consumption

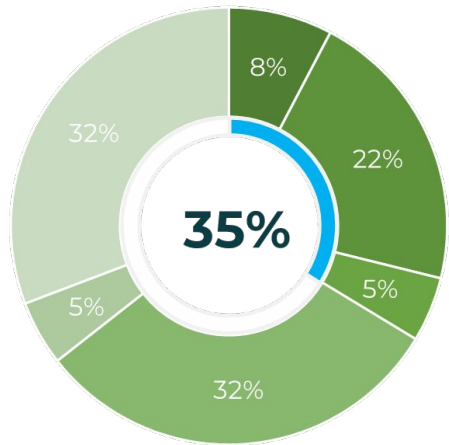


> **1/3**
of waste generation



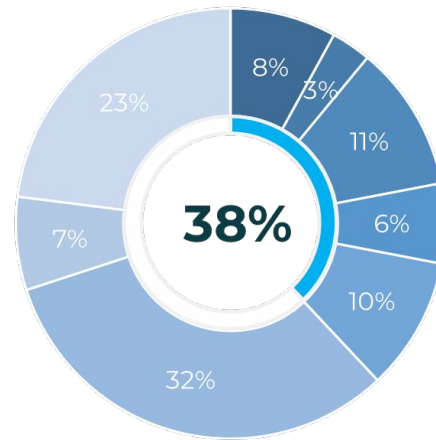


The problem – Buildings



ENERGY

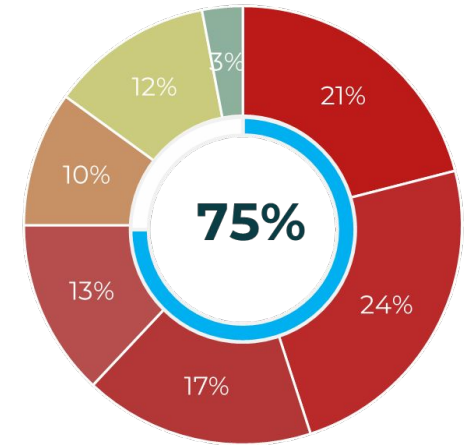
- Non-residential buildings
- Residential buildings
- Buildings construction industry
- Other Industry
- Other
- Transport



EMISSIONS

- Non-residential buildings (indirect)
- Non-residential buildings (direct)
- Residential buildings (indirect)
- Residential buildings (direct)
- Building construction industry
- Other industry
- Other
- Transport

- >1945 | 2.07
- 1945-1969 | 1.95
- 1970-1979 | 1.74
- 1980-1989 | 1.44
- 1990-1999 | 1.2
- 2000-2010 | 0.89
- >2011 | 0.49



EU's BUILDING STOCK AGE AND PERFORMANCE
U – Value – W/(m2K)

Source: IEA (2024)



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the European Union





WHY start with the **public sector**? - Demand

2m

Great economic power

Government expenditure on works, goods, and services represents around **14% of total EU GDP** (1.8 trillion annually)
linked to a notable **15% of global GHG emissions**
65% of total PP happens at sub-national level

Biggest single client to construction industry

Largest procurers of construction with public sector spending approximately 30% of construction total output

Unbiased and Influencer

Competitive, transparent and non-discriminating client group.
Have influence as a group to drive change as the construction industry's largest single client.

Better value

Can invest public money to secure better value for taxpayers and to encourage the market through procurement

Greater Scope

Opportunity for better resource planning, greater use of public facilities or mapping and protection of architectural historic heritage.

Public procurement = leverage for sustainable practices

Governments use their purchasing power to choose goods, services and works with reduced environmental impact

36cm





Aligning with Europe's Climate & Social Goals

The EU is committed to cutting greenhouse gas emissions by at least 55% by 2030 and reach continent-wide climate neutrality by 2050.

Public procurement is an important strategic instrument that can be used to achieve these ambitions, i.e., through the purchasing of products and services with lower CO2 footprints through their life-cycles.

Directive 2014/24/EU
Directive 2014/25/EU

Most economically advantageous tender
Life-cycle cost analysis





Using the Right Levers in Procurement

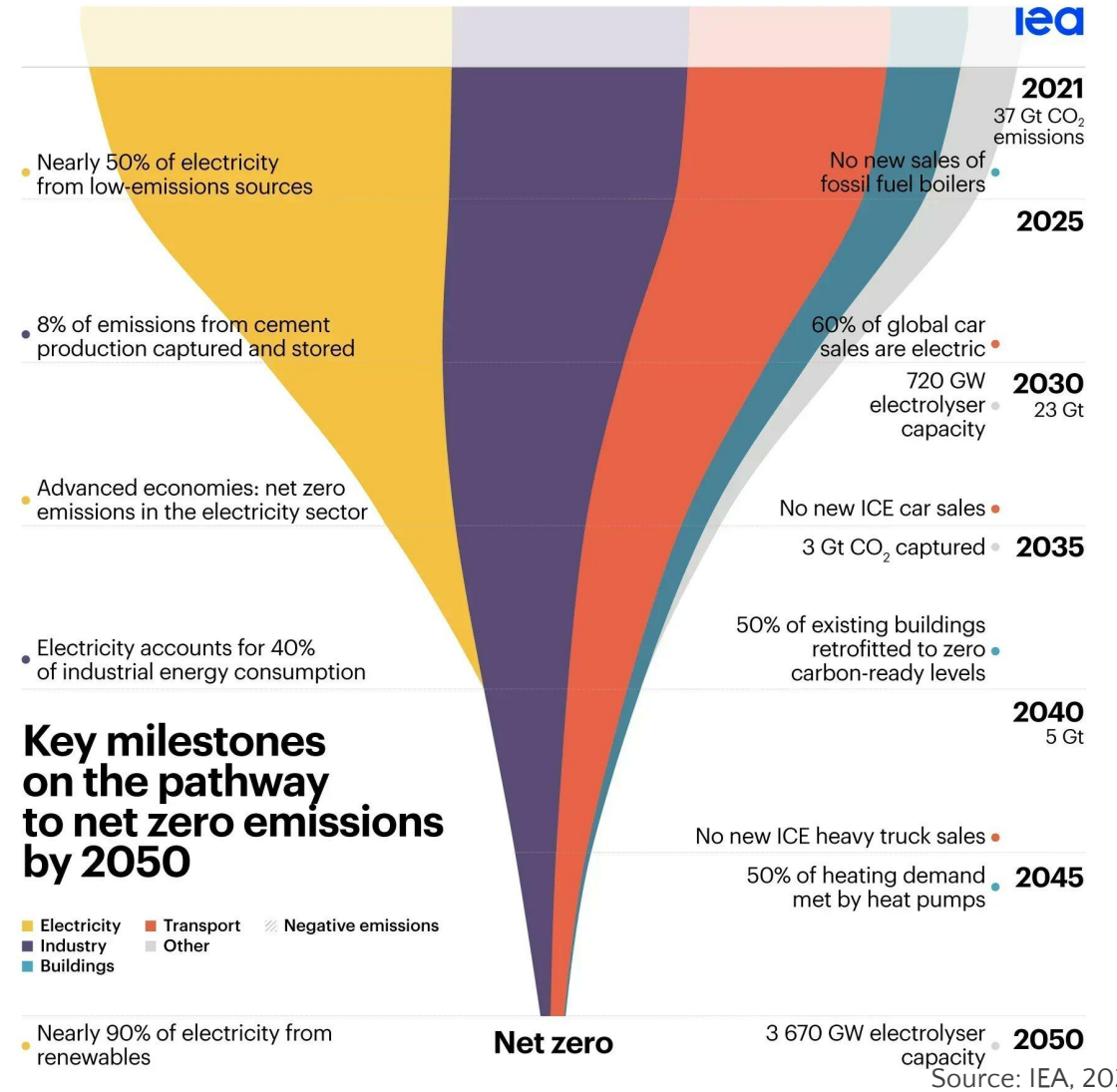
<h2>Selection/exclusion criteria</h2> <p>Evaluates candidates' suitability to pursue the activity</p>	<h2>Technical specifications</h2> <p>Minimum compliance criteria.</p>	<h2>Award criteria</h2> <p>Recognises performance beyond the minimum requirements.</p>
<p>Based on environmental, social and labour law / ability to carry out the contract in proportion to specific requirements</p>	<p>Can be formulated in terms of</p> <ul style="list-style-type: none">• in terms of performance or functional requirements, including environmental characteristics• by reference to international, EU or national standards, common technical specifications or references• in fulfillment of a mandatory requirement for a specific sector.	



EU Goal: Climate Neutrality until 2050

Net zero scenario

nZEB
ZEB
Positive Buildings





EU Legal Framework – Goal: Climate Neutrality until 2050



**Energy Efficiency Directive Article 5:
Public sector leading on energy efficiency**

- 1.9% annual reduction against 2021 baseline

Energy Efficiency Directive Article 6: Exemplary role of public buildings

- 3% annual renovation to meet nearly Zero-Energy Building (nZEB) standards

Energy Efficiency Directive Article 7: Energy efficiency in public procurement

- High energy-efficiency performance in public contracts
- Encourage use of Green Public Procurement (GPP)

Energy Performance of the Building Directive:

Mandatory nZEB standard for all new or deeply renovated public buildings (from 2018)

Energy Performance of the Building Directive:

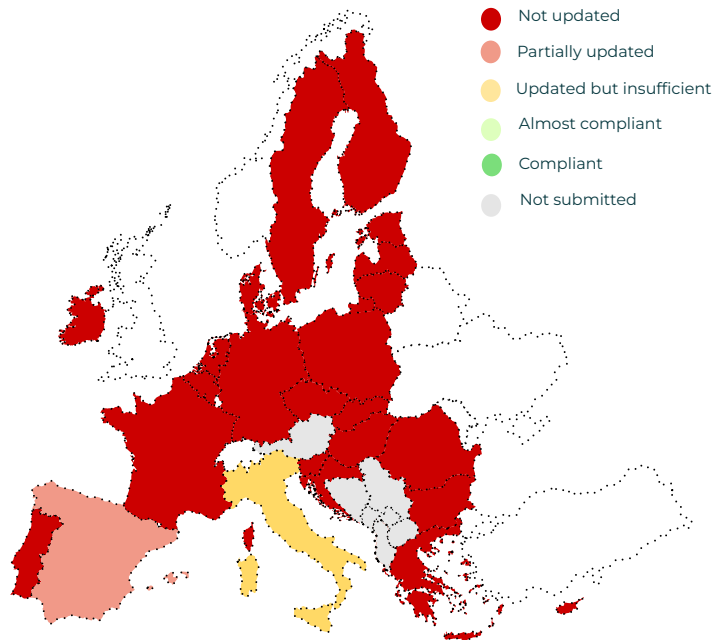
Mandatory Zero-Energy Building (ZEB) standard for all new or deeply renovated public buildings (from 2028)





The Reality: A Gap Between Goals and Progress

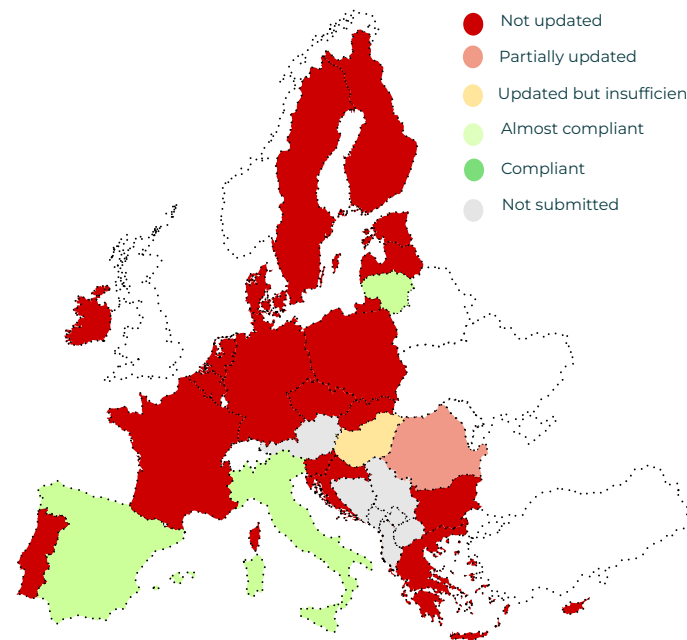
EED, Article 5: Public sector leading on energy efficiency



Assessment of compliance of draft National Energy and Climate Plan (NECP) updates with the public sector obligation

Source: The Coalition for ENERGY SAVINGS, 2024

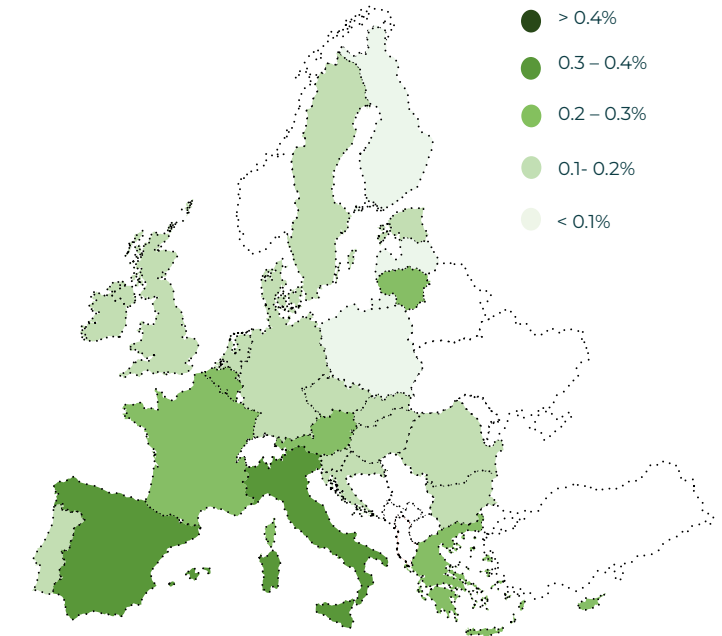
EED, Article 6: The exemplary role of public buildings



Assessment of compliance of draft NECP updates with the renovation requirement for public buildings

Source: The Coalition for ENERGY SAVINGS, 2024

Deep energy building renovations, average, 2012-2016
The Goal: 3% (annual renovation rate)



Source: EU Building Stock Observatory





Barriers for GPP Implementation

Legislative and Regulatory Issues



Institutional and Systemic Enforcement Barriers



Capacity and Resource Constraints



Financial and Planning Obstacles



Market Readiness and Supplier Engagement





Solutions to Barriers for GPP Implementation

Barrier 1: Legislative and Regulatory Fragmentation

- Simplify and standardize GPP
- Mandatory GPP criteria for energy-efficient buildings
- Unified interpretation framework
- Scale successful local initiatives

Barrier 2: Capacity and Resource Constraints

- Implement capacity-building programs
- Create centers of excellence
- Leverage partnerships with academic and international organizations

Barrier 3: Market Readiness and Supplier Engagement

- Introduce pre-commercial procurement initiatives
- Develop innovation partnership models
- Create a pan-European platform for sharing GPP best practices
- Initiate pilot projects

Barrier 4: Policy-Practice Decoupling

- Develop context-specific GPP criteria tailored to national conditions and public building categories
- Align national and local policies through frameworks linking objectives with local capacities
- Introduce mandatory reporting mechanisms to track GPP performance and ensure accountability
- Support local experimental governance

Barrier 5: Multi-level Governance Challenges

- Establish formal coordination mechanisms between EU, national, and local procurement bodies
- Develop policy translation guidelines for adapting EU-level GPP criteria to national and local contexts
- Implement a feedback loop system to integrate local experiences into the ongoing refinement of GPP criteria

Buftic, 2024





Deep Dive 1: The Pioneer

Strategic Tools in Action: How Oslo Makes Green Procurement Work

Margrethe Helleberg
Adviser on Sustainable Development

City of Oslo
Agency for Improvement and Development
Procurement department



Agenda

- Our two main Strategies for Green Procurement
- How our Public Procurement Administration is organized
- Standardized Green Requirements – what it is and why we use it
- How and why, we use Preliminary Market Dialogue
- Key Takeaways for other cities



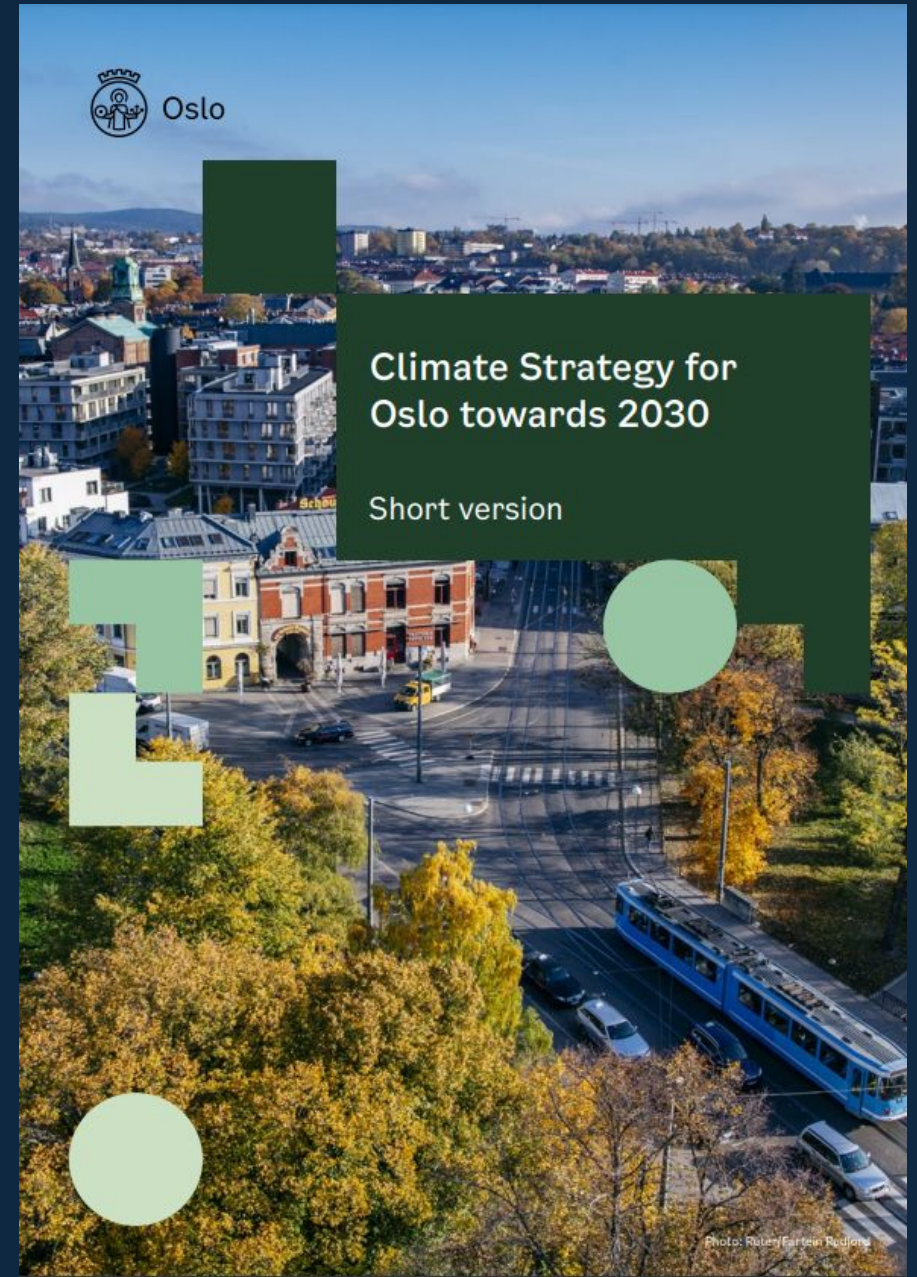


What are Oslo's two main Strategies for Green Procurement?

1. The City of Oslo has adopted a **Climate Strategy** towards 2030:
 - ✓ aiming for a significant reduction in greenhouse gas emissions and promoting sustainable practices.
2. As part of this strategy, the City Government has implemented **Standardized Climate and Environmental Requirements** in public procurements.

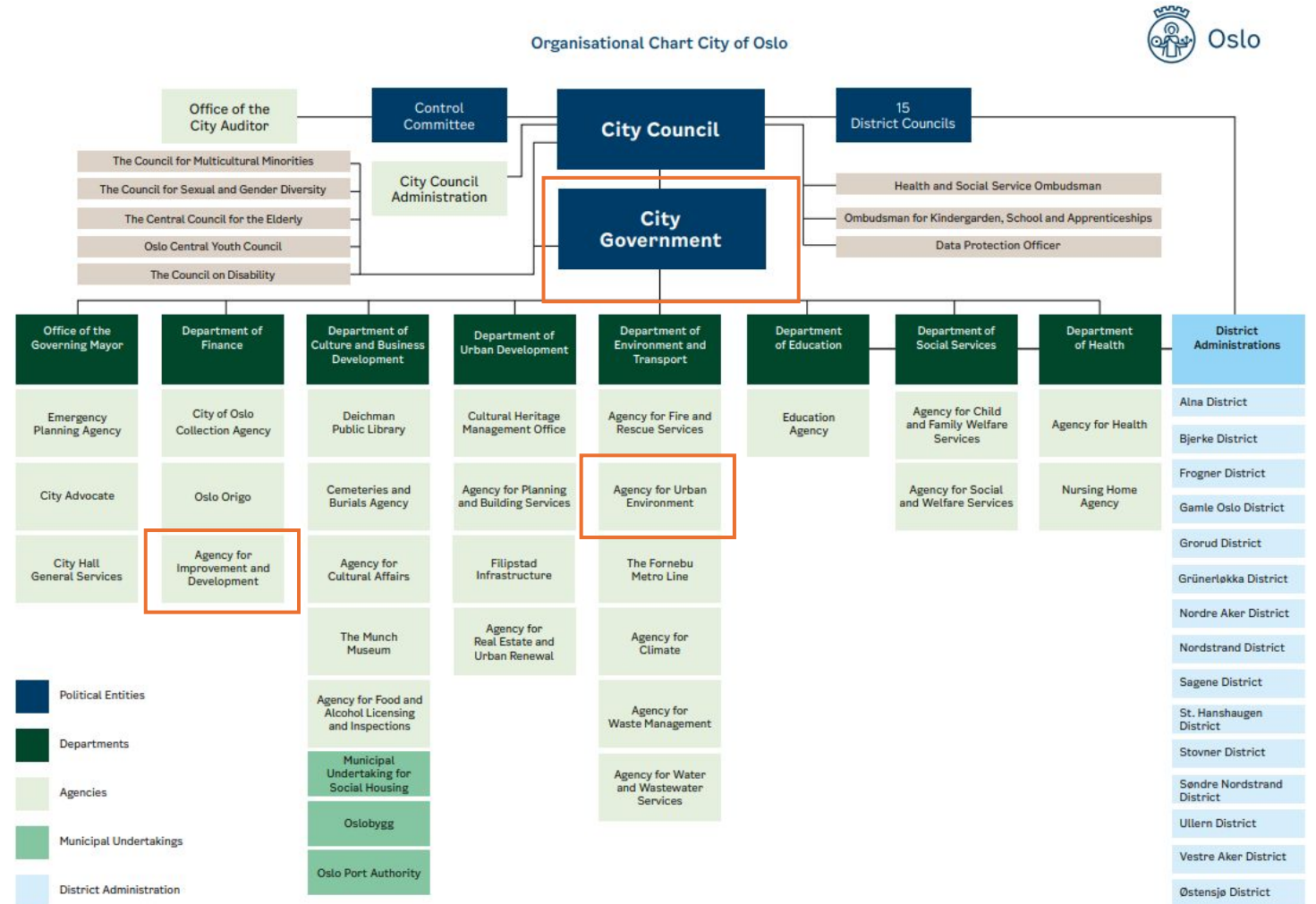


These two initiatives **combined** are designed to ensure that all procurement activities contribute to Oslo's ambitious climate goals.



How is Oslo's Public Procurement Administration Organized?

- Oslo operates a **decentralized public procurement administration**:
 - Each unit handle their own procurements.
 - The **Agency for Improvement and Development** plays a crucial role in managing certain procurements on behalf of all city units, such as group-wide framework agreements.
 - Additionally, certain other agencies handle specific categories of procurements on behalf of smaller units:
 - Example: Building & Construction services.
- The **City Government** implements any climate and environmental **policy** for Standardized Requirements in public procurements:
 - Through a **City Government Decision**.
 - Mandatory** for all units.



What are Standardized Green Requirements?

- These are *centrally determined*, standardized minimum requirements for prioritized procurement categories.
- The prioritized procurement categories should be selected based on the areas with the most greenhouse gas emissions:
 - **Transport**
 - **Building & Construction**
 - Food and Catering Services
 - IT Equipment and Software
 - Batteries
 - Furniture
 - Textiles
 - Plastic Products & Products Containing Plastic



What about lack of market readiness?

- Some flexibility/exemptions, *within certain limits*, can be included for the underlying agencies in the use of the standardized requirements.
 - Example 1: phasing-in period for a specific zero-emission machine or vehicle.
 - Example 2: Excluding specific vehicles/machines, based on valid documentation that it is not available in a zero emission version on the market/unavailable charging infrastructure on a specific location.
- The standardized requirements can be a combination of different types of requirements:
 1. **Technical Specifications**
 2. **Award criteria**
 3. **Contract Performance Conditions**
- The choice of requirement must be made based on market research/dialogue.
- Underlying agencies can save both time and resources by using the standardized requirements, even with some adjustments, in their specific procurements.



For which Procurement Categories have we implemented Standardized Green Requirements?

The City Government has established standardized climate and environmental requirements in the public procurements of

1. **Goods & Services - which contains elements of transportation.**
2. **Building & Construction services.**



Adopted as a City Government Decision in **2019**, updated in **2025**. So, a 5-year signal to the market.



These procurement categories were chosen due to the large greenhouse gas emissions from the transportation and construction sector.



Why did we pick these specific Initiatives on Green Public Procurement to reach our Climate Goals?

The implementation of the **Climate Strategy** and **Standardized Climate and Environmental Requirements** has ensured that:

- 1) Each unit puts the **same Climate and Environmental Requirements into public request for tenders**, with *some* adjustments if needed in the specific project.
- 2) The requirements are **applied consistently across all city departments** with **shared instructions, templates and guidance** for all units.
- 3) The city is sending a **clear signal to the market** and contributing to stability and predictability **with regards to market investments**.



Why has Oslo used preliminary market consultations as a strategic tool?

We believe the suppliers have the solutions:

- Our experience indicates that suppliers are eager to contribute to sustainable development.
- They possess valuable insights and innovative solutions that are crucial in helping us achieve our climate targets effectively.

It leads to cost-effective and efficient requirements:

- Our choice of type of climate and environmental requirements are dependent on the market readiness. For example, award criteria vs. contract clauses.
- It also ensures that our long-term procurement strategies align with market conditions.



How has Oslo used preliminary market consultations?

1. In connection with a specific procurement processes - prior to publication of the public request for tenders on TED:
 - Request for Information.
 - Meetings with suppliers.
2. Used strategic to receive information and to prepare the market:
 - A larger event prior to standardizing requirements for a certain area, for example for construction with requirements for zero emission machines.



Article 40 and 41 in Directive 2014/24/EU.



Which type of requirements did we choose for Transport of Goods and Services?

- The choice of type of requirements depended on **preliminary market consultations**:
 - For example, when the market for certain zero emission vehicles was in early transition, award criteria combined with contract performance conditions were advised.
- Started as a combination of procurement tools:
 1. Technical Specifications
 2. Award Criteria
 3. **Contract Performance Conditions**



What is an example of a standardized requirement?

- The market in Oslo has now evolved, so we have switched to mainly using contract clauses:

“Vehicles and fuel

The supplier commits to using only [electric bicycles or] vehicles that are either zero-emission (i.e., 100% battery-electric or hydrogen) or biogas vehicles that at minimum meet Euro Class 6/VI when carrying out the contract (final transport leg/last mile).“

- If the procuring agent discovers that a certain type of vehicle is not available on the market or has a long delivery time, but will be available during the contract period:
 - Same main rule, but with a phasing-in period for that specified vehicle.



Which type of requirements did we choose for Building & Construction?

- Started as a **combination of** procurement tools:
 1. Technical Specifications
 2. Award Criteria
 3. Contract Performance Conditions
- Now we mostly use Contract Performance Conditions, with the exemption of Award Criteria for transportation of construction materials.



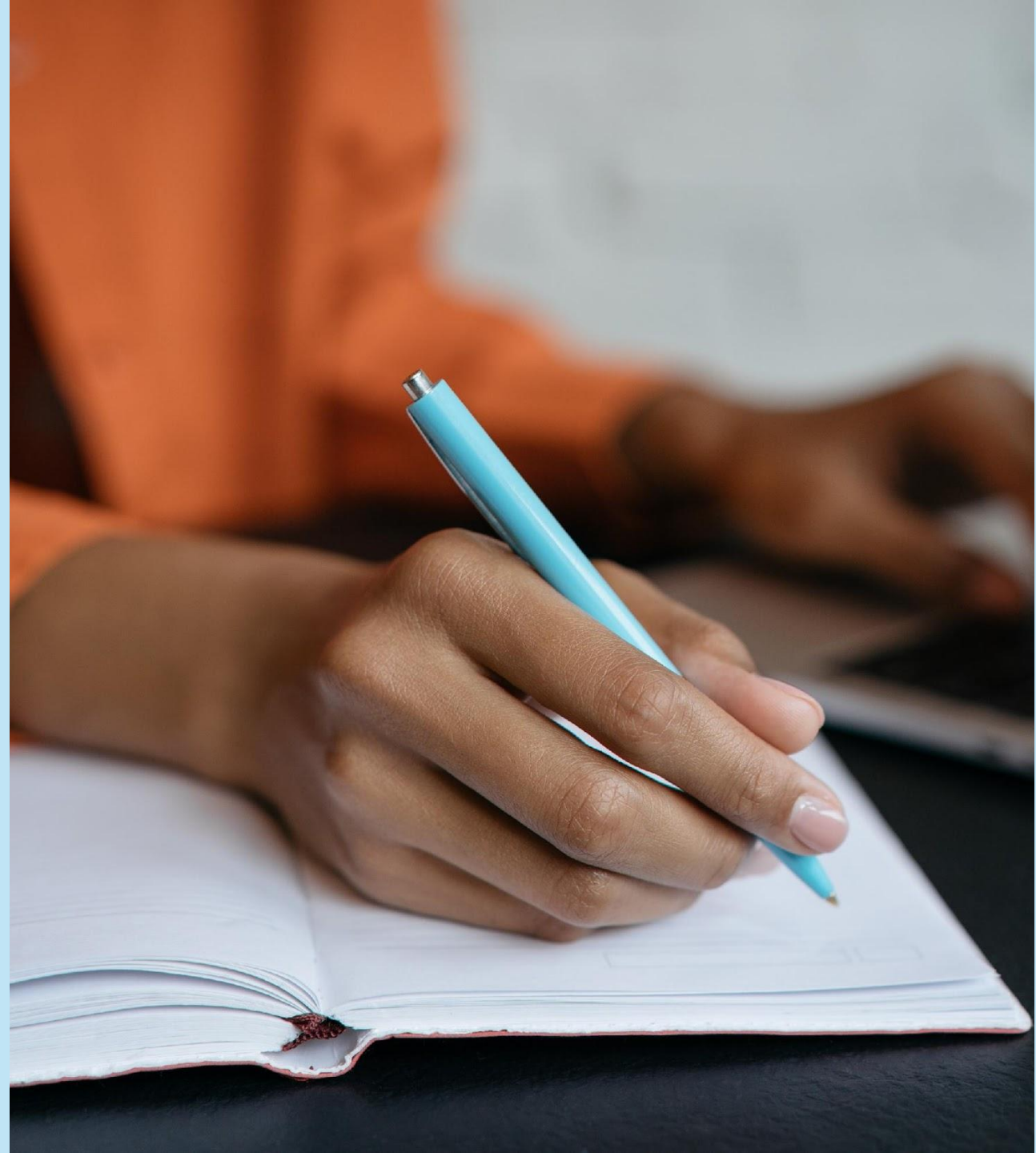
What are key takeaways from Oslo's practices for other cities?

- **Investigate opportunities for politically adopted standardized requirements:**

- How is the procurement administration organized?
 - Can standardized requirements be an option?
- What is the political will for change?
- Budget restrictions?
- Check the need for shared instructions, templates or centralized staff to guide in the use of the requirements.
- Put in place dedicated resources if necessary.

- **Use preliminary market dialogue:**

- Where is the market now? Ready? Somewhat ready?
- Unready market: start with award criteria?
- Are there other obstacles outside suppliers' control, such as charging infrastructure? Funding schemes available?
- Talk to the market *prior* to adopting standardized requirements.
- Also, give the market a clear signal *after* implementing requirements.



Please contact us if you
have any questions:

- margrethe.helleberg@okf.oslo.kommune.no
- geir.rossebo@okf.oslo.kommune.no





Margrethe Helleberg

City of Oslo





Deep Dive 2: The Partnership

by Kristine Hess-Akens (City of Aachen)



Aachen is

- the westernmost major city in Germany, with a **population of 260,000**
- a city at the heart of Europe, located at the crossroads of **Germany, Belgium, and the Netherlands**
- a forward-looking hub of **economy and innovation**, rooted in **European history** and serving as a melting pot of diverse industries
- home to the **International Charlemagne Prize**, the world-renowned **CHIO equestrian event**, die Alemannia soccer club, traditional **carnival** celebrations, iconic gingerbread "**Printen**", the festive **Christmas Market**—and of course, the famously unpredictable **Aachen weather** (sometimes warm rain, sometimes cold rain)
- a **science city** with universities, research institutions, and a academic community of students, scientists and innovators and a lively **start-up scene**



Climate-Neutral Aachen 2030

Aachen on its way

1992

Ecological City of the Future | Joining the European Climate Alliance

2001

Guidelines for the environmentally friendly development of Aachen

2003

1st Aachen solar district in Laurensberg

2006

Aachen becomes a climate protection city, Fairtrade Town

2011

Aachen becomes a climate protection municipality, Fairtrade Town

2014

Vision Mobility 2050: Climate impact adaptation concept

2019

The city council declares a climate emergency.

2020

Updated Climate protection concept

2021

Signing of the Circular Cities Declaration

2022

Joining the EU mission 100 Climate-Neutral and Smart Cities by 2030

2023

Update of IKSK towards of climate neutrality

2024

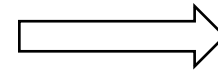
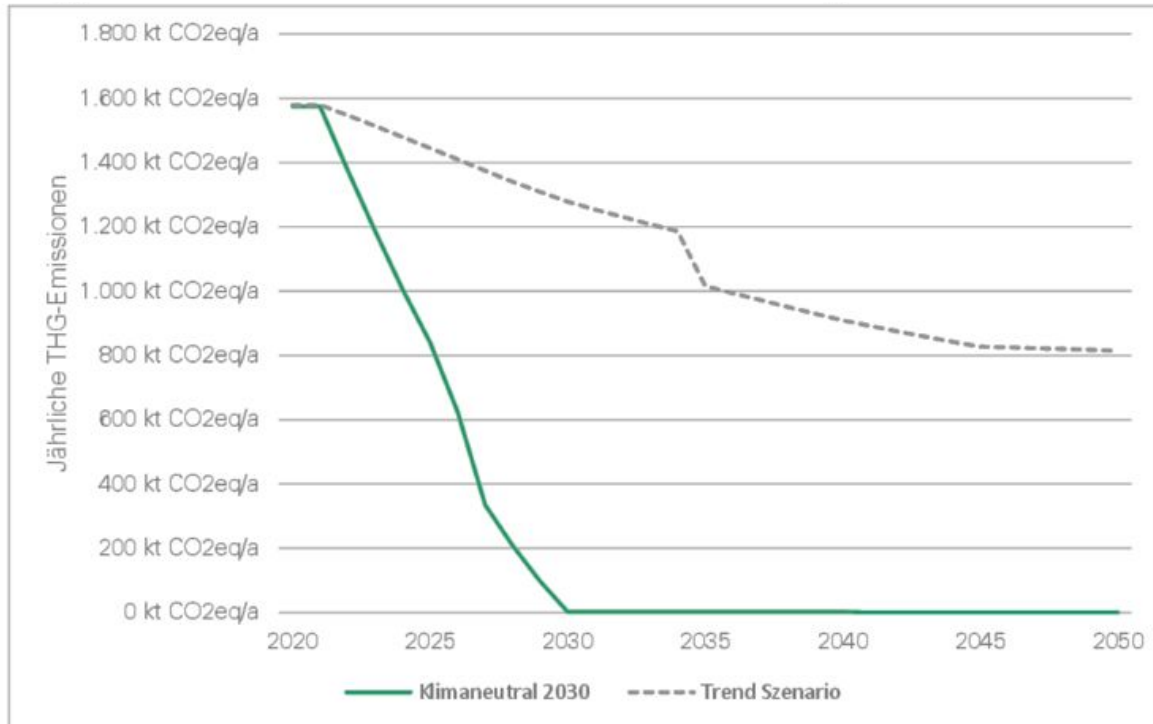
Submission of the CCC | Council resolution on IKSK 2.0: prioritization of measures as the city administration's contribution to achieving 2030 goal



Climate-Neutral Aachen 2030

Baseline for Aachen

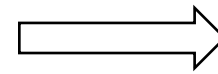
Comparison: Trend scenario and climate-neutral 2030 szenario



Resolution by the Aachen City Council 22 January 2020



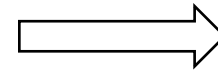
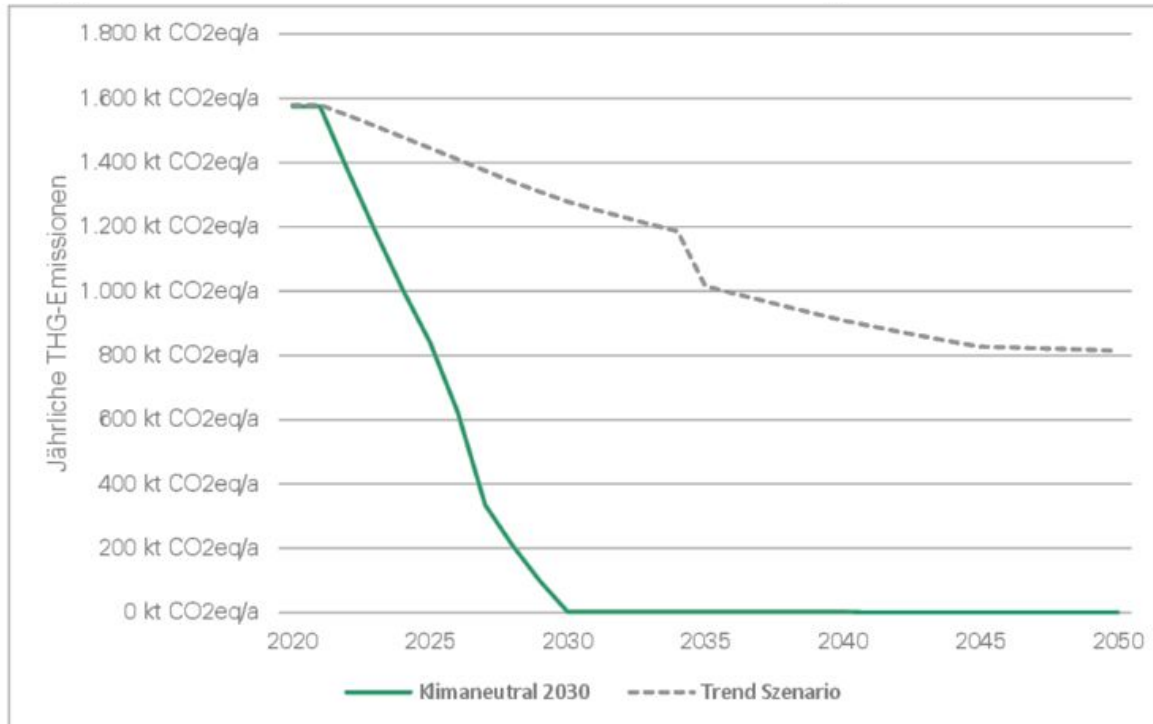
Adoption of climate referendum by City Council on 11 May 2022



Climate-Neutral Aachen 2030

Baseline for Aachen

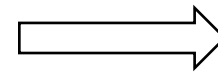
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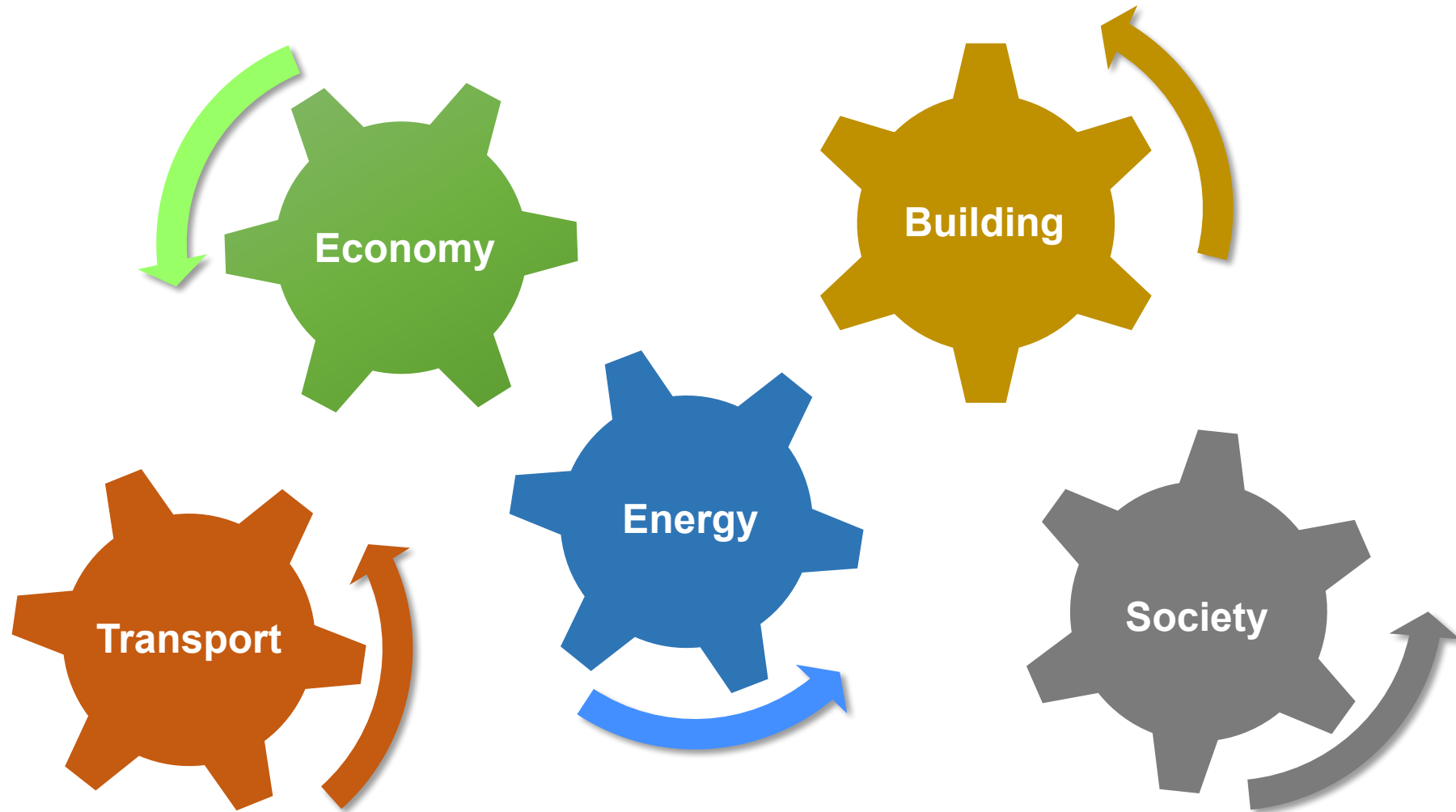


Adoption of climate referendum by City Council on 11 May 2022



Climate-Neutral Aachen 2030

Comprehensive Transition



EU-Mission 100 CNSC

100 Climate-Neutral and Smart Cities by 2030



112 Mission Cities



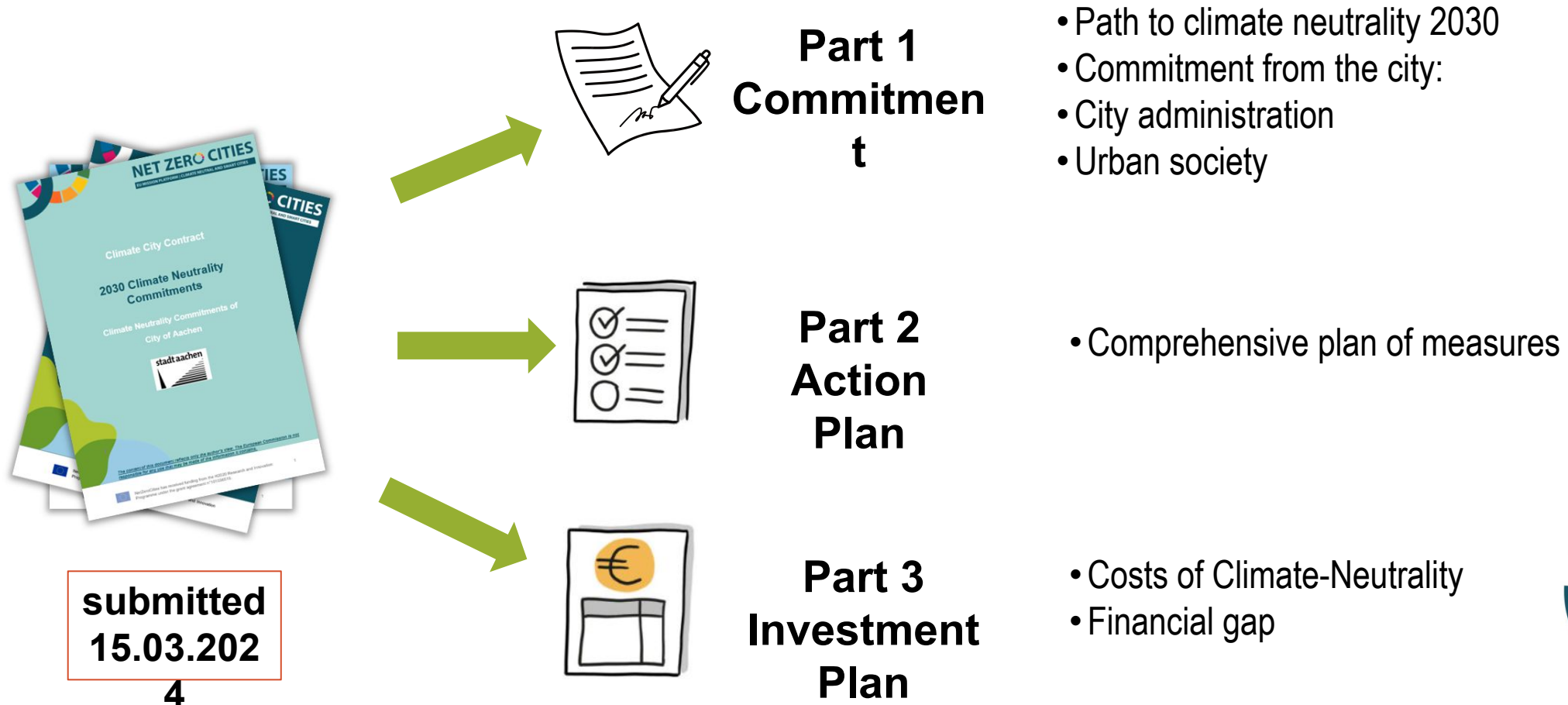
35 Countries

stronGER cities
for a climate-neutral Europe

Aachen Leipzig
Dortmund Mannheim
Dresden München
Heidelberg Münster

EU-Mission 100 CNSC – Climate City Contract

Tool of Transformation



Climate City Contract

Contribution of the City of Aachen



Update towards
the goal of
climate
neutrality 2030



Local Ecosystem

157 Commitment Partners

Gemeinsam für ein Klimaneutrales
Aachen 2030 /

Premium (26)



Rahmen (56)



Basis (34)



LOI (19)



Funding

Enabling City Transformation Programme



NET ZERO CITIES
EU MISSION PLATFORM | CLIMATE NEUTRAL AND SMART CITIES

EU MISSIONS
CLIMATE-NEUTRAL & SMART CITIES

ENABLING CITY TRANSFORMATION

 **Aachen**

 Funded by the European Union

#EUmissions #HorizonEU #MissionCities

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EU-Mission

Enabling Cities Transformation (ECT)

ECT: Funding program for strategic and innovative projects that serve the transformation

- Only open to mission cities
- 18 months 100% funding rate
- Should deliver practical results that can be replicated by other municipalities

EU-Mission

Sustainable Procurement

□ Priority measure IKSK
5.1.1.1 and Climate City
Contract

□ Politically ratified
(26.06.2024)

Wirtschaft / 5.1.1.1.
 Nachhaltige Beschaffung

Themenschwerpunkt	Einführung	Wirkungsentfaltung	Einflussbereich
Stadt als Vorbild: Die klimaneutrale Verwaltung	2024	Kurzfristig	Verbrauchen/ Vorbild

Ziel und Strategie

Die Aktivität zielt auf die Steigerung des Anteils nachhaltiger Produkte und Dienstleistungen im Rahmen des städtischen Beschaffungswesens ab, welche sowohl soziale als auch ökologische Kriterien erfüllen.

Ausgangslage

-

Beschreibung

Um das Beschaffungswesen in der Stadtverwaltung Aachen nachhaltiger zu gestalten, bedarf es entsprechender Kriterien und Dienstanweisungen, welche das Thema Nachhaltigkeit zentral regeln. Diese Regelungen sollten sämtliche Beschaffungsvorgänge, unabhängig von der Größe, adressieren.

Dies erfordert u. a. folgende Elemente:

- Einrichtung und Verstetigung eines Erfahrungsaustausches der Beschaffenden in den unterschiedlichen Fachbereichen
- Identifizierung guter Praxisbeispiele
- Definition zentraler Nachhaltigkeitskriterien und -standards (bspw. Bio, regional, Fairtrade, Arbeitsbedingungen, Wiederverwertbarkeit, Reparaturfreundlichkeit, Plastikanteil)
- Vereinfachung der Vergabeordnung für Klimaneutralität
- Einführung einer Dienstanweisung zur Auftragsvergabe gemäß nachhaltiger Kriterien

Erste Handlungsschritte

- Etablierung eines Erfahrungsaustausches
- Sammlung guter Beispiele
- Definition zentraler Nachhaltigkeitskriterien
- Beschluss der Kriterien und Überführung in eine Dienstanweisung
- Anwendung der Kriterien
- Evaluation und regelmäßige Aktualisierung der Kriterien

Zielgruppe

Stadtverwaltung

Zeitaufwand

1,5 Vollzeitäquivalent

Dauer der Aktivität

Langfristig etablieren

Sachkosten

-

Finanzierungsansatz

THG-Einsparungen

Nicht quantifizierbar

Synergieeffekte

4.1.1.1 BMM bei der Stadtverwaltung Aachen und den städtischen Beteiligungsgesellschaften

Zielkonflikte

Ggf. höhere Kosten im Rahmen der Beschaffung

GRIP

Green Responsible Innovative Procurement

Consortium:

Cities:



Science:



Cross-Sector
Collaboration:



GRIP

Green Responsible Innovative Procurement

Tasks Aachen:

- Analysis and evaluation of current procurement practices and the status quo
- Pilot procurements
- Building and developing internal capacities
- Organizing a local/regional market dialogue
- Organizing a national meeting with stakeholders
- Setting targets for sustainable procurement
- Developing sustainable procurement guidelines
- Monitoring and evaluation

GRIP

Potential for sustainable procurement



Overview and context

Sustainable procurement

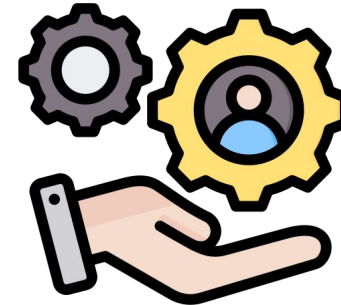
EU public procurement law – overview

- Public procurement $\approx 14\%$ – 20% of EU GDP – significant leverage for policy objectives
- Approximately €2.2–3.1 trillion per year

Top Sectors



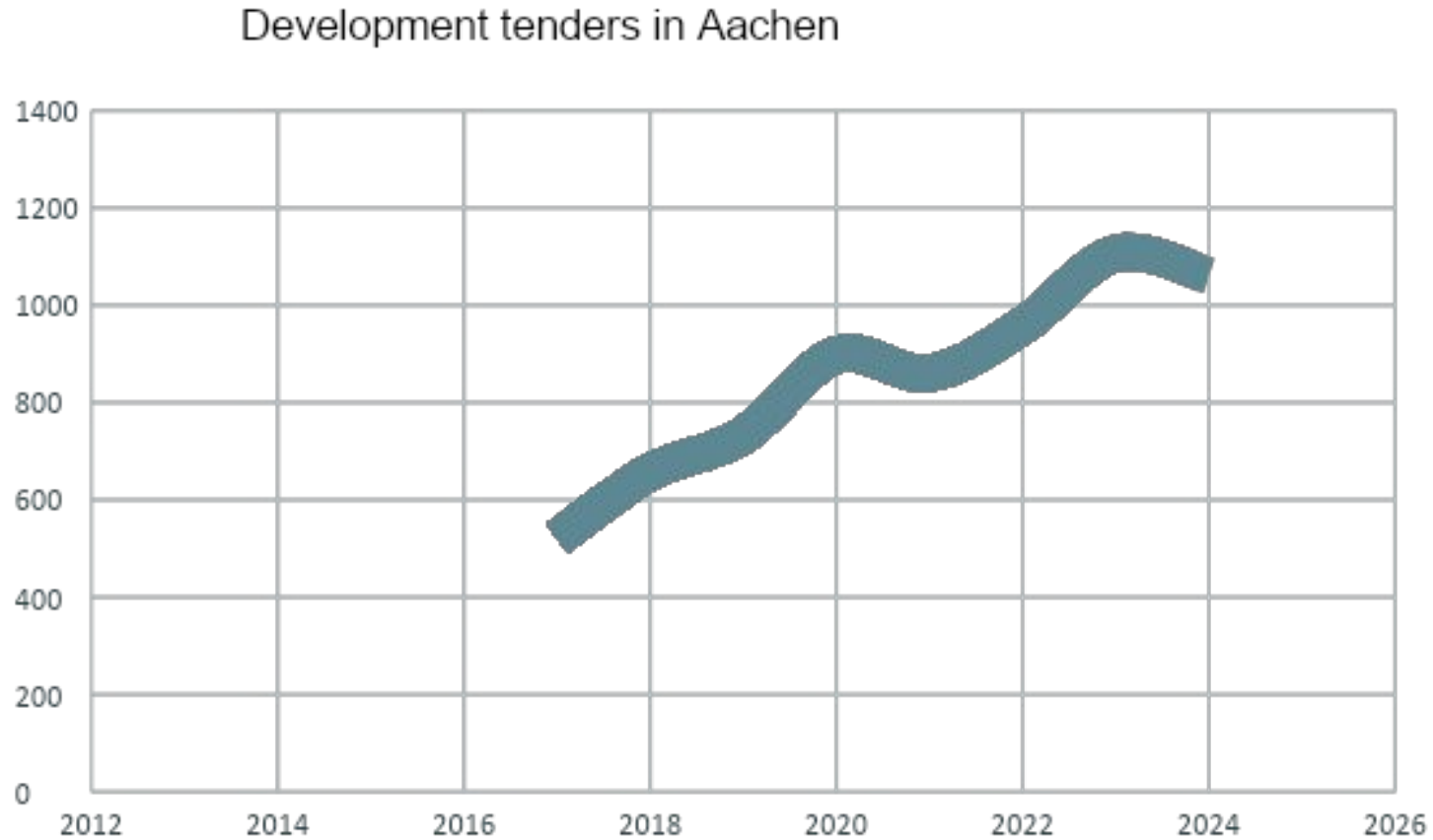
Construction services 35-40%



services 30-35%

Sustainable procurement

EU public procurement law – Development of tender figures in Aachen



Sustainable procurement

EU public procurement law – Best Practice Oslo

- Oslo as a pioneer: Norway's capital is considered a champion of sustainable procurement in Europe
- Became European Green Capital in 2019
- Strategic approach: Public procurement is used specifically to achieve climate and sustainability goals
- Procurement strategy since 2017
- Clear mission statement: Oslo requires that procurement deliver good, socially responsible solutions in the short and long term that are appropriate and cost-effective
- Sustainability = an integral part of all purchases
- UN Global Compact: Oslo is a member and is committed to publicly reporting on progress in sustainable procurement

Sustainable procurement

GRIP – Significance for Aachen

- **Knowledge exchange:** Aachen benefits from Oslo's pioneering experience. Joint workshops to integrate effective climate criteria into Aachen's procurement procedures.
- **Capacity building:** GRIP strengthens the capabilities of procurement managers in Aachen to implement sustainable tenders. Access to expertise, legal services, and tools from partners
- **City climate targets:** Support for Aachen's path to climate neutrality. Public procurement is geared towards climate compatibility and innovation – from construction to mobility
- **Long-term effect:** GRIP provides a blueprint for how cities across Europe can use their purchasing power for green transformation. Companies gain planning security through ambitious, coordinated requirements

Sustainable procurement

Procurement law and legal support

Dr. Jan Peter Müller, Lawyer
Specialist lawyer for public procurement law & partner
GÖRG Partnerschaft von Rechtsanwälten mbB
Frankfurt am Main

- Workshops on sustainable procurement / training courses for the city of Aachen
- Participation & lectures for administration & politics
- Ongoing consulting during the project period
- Development of a sustainability guideline / creation of a building block catalog for EU project
- Creation of tools, best practices & templates
- Second opinion on procurement processes / support for 3-4 procurement procedures



GRIP – What happened so far...



GRIP

- Kick-Off
- Workshop and Training by Dr. Jan Peter Müller
- Pitching of Proposals for pilot projects
- Selection & prioritization of suitable pilot projects
- Preparation of tender documents and meetings for each of the pilots on needs analysis, economic feasibility study, and CO₂ shadow price, sustainable award criteria and possible additional measures to minimize CO₂ emissions
- Publication of procurements



GRIP

Selected pilot procurements

1. Planning and execution of a low-CO₂ road construction project: the Metzgerstraße example



2. Planning services for a new timber-frame daycare center



3. Procurement of reclaimed building parts/products



4. Framework contract for vegetarian and vegan catering services, including an ordering platform



GRIP

Timeline

Outcomes Pilot
Procurements



Input for Market
Dialogue (Spring 2026)



Proposal and draft for
political adoption



New framework
politically ratified



GRIP – Green Responsible Innovative Procurement

Cities Mission Conference 2025 in Vilnius, Lithuania



Launch of the GRIP Declaration

GRIP – Green Responsible Innovative Procurement

GRIP Declaration: Public procurement as a climate tool

As part of the European mission “Climate-neutral and smart cities,” we recognize the central role of cities in achieving the EU's climate goals by 2050.

Our common goal: Systematically integrate climate targets into procurement procedures.

Actively strengthen the market for emission-free solutions.

Collaborate with other cities and share best practices.

Our approach: Strategic use of municipal purchasing power for greater climate impact.



Next steps

Sustainable procurement needs anchoring

1. Build up human resources- Permanent positions in specialist departments and the procurement office:

- Ensure time and expertise for sustainability issues
- Set up a central advisory and knowledge center

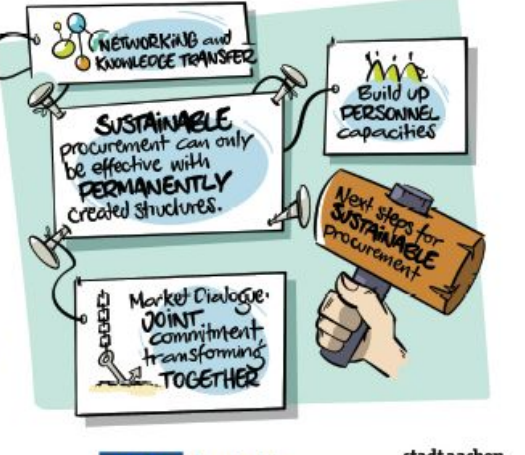
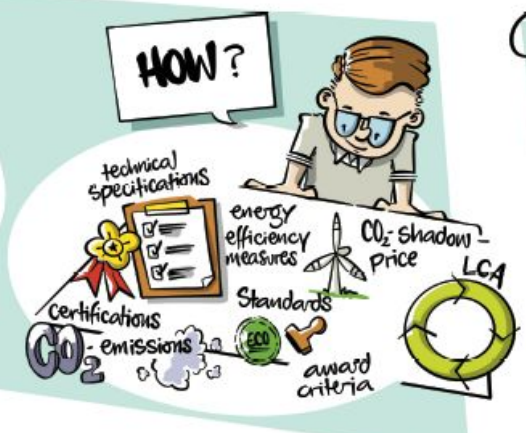
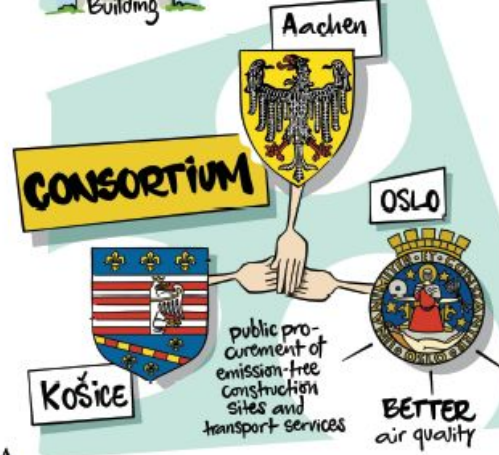
2. Networking and knowledge transfer:

- Participation in national and European networks
- Establish market dialogues, exchange formats, and best practice channels

3. Institutionalize instead of improvise:

- Sustainability requires permanently established processes

Sustainable procurement can only be effective with permanently established structures





Kristine Hess-Akens

City of Aachen





Deep Dive 3: European Best Practices

by Delfina Curi (ICLEI Europe)



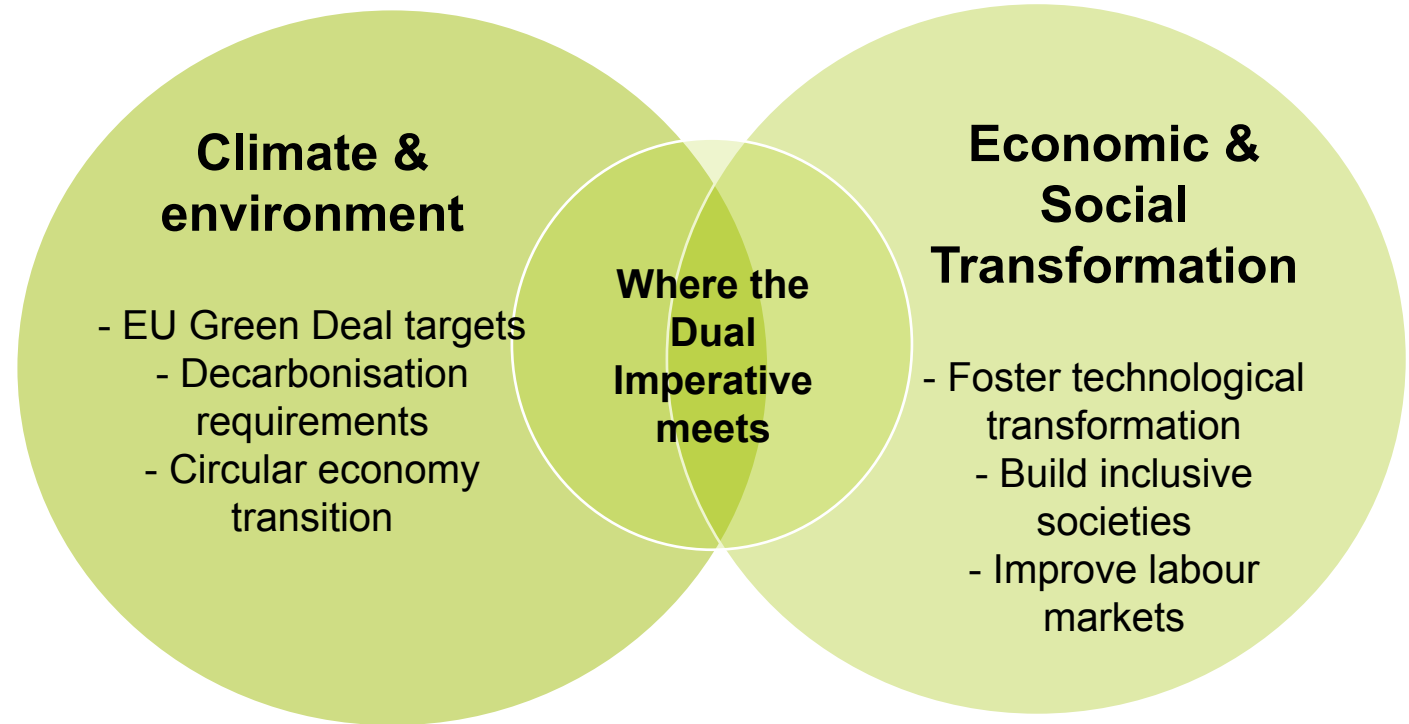
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Procurement as a Strategic Instrument for Public Policy

Public procurement represents a **major share of national GDP**, yet it is still managed through transactional compliance, risk aversion, and lowest-price decisions □ an approach no longer adequate for modern policy challenges.

Across Europe, public authorities face a **dual imperative**: must meet ambitious climate targets while simultaneously strengthening innovation, resource security, and inclusive growth.

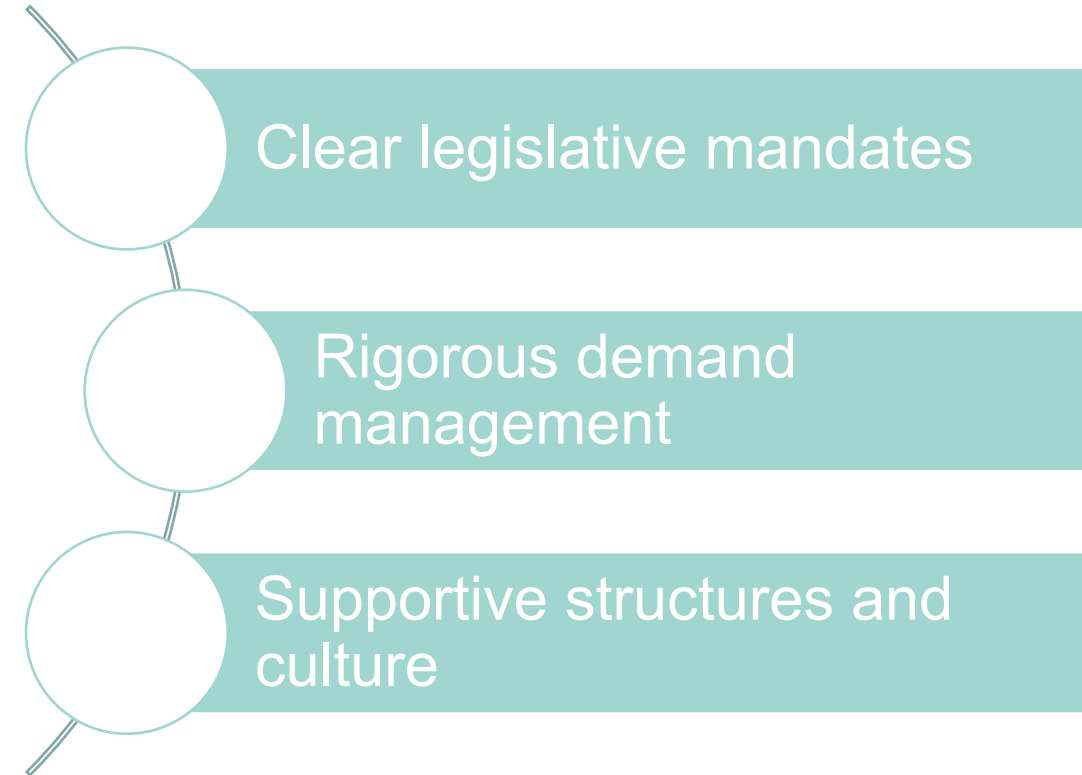




Foundations of Market-Shaping Procurement

Strategic procurement starts with the **'software'**:

- Effective strategic procurement is not just about designing better tenders.
- Its success depends on the **fundamental organisational and policy conditions** that enable public authorities to act strategically rather than tactically.





From Mandate to Market: Niort, France

High-level policy mandates are the catalyst that turns procurement ambition into real-world transformation.

Case study of Niort City Hall, France - National Law as a lever for Circular Procurement

The City of Niort replaced 350 obsolete office workstations using a circular-economy model. This was enabled by the national **Anti-Waste and Circular Economy Law**, which mandated that public-procured furniture include **at least 20 % reused or recycled content**.

Procurement Objective:
350 obsolete workstations
Circular economy solution

Mandate:

- National Law: requires at least 20% reused or recycled content.
- Changing perspective on risk

Results:

- Advanced circular procurement models
- "compliant implementer" fulfilling a legal duty
- improved working conditions for its staff





From Mandate to Market: Wallonia, Belgium

- Regional mandate for **social procurement**:

As part of the first Alliance Employment–Environment, the Walloon Government introduced a requirement to include social clauses in all construction works contracts.

- The mandate replaced fragmented practice with a consistent regional approach to social clauses.
- It generated stable, predictable demand for vocational training, workforce integration, and social-economy participation.
- Public works contracts became a reliable driver of labour-market objectives across the region.





Demand Management

Public authorities are shifting from asking *"What should we buy?"* to *"What do we actually need?"*

This approach (demand management) uses **data-driven analysis** to assess **real requirements before launching a procurement process**.

Focusing on the need for the service rather than on purchasing the product is when demand management often shows that the most strategic and sustainable decision is not to buy it at all.

From 'what we should buy'



To 'what we need.'





Demand Management: Barcelona

BIMSA replaced its internal service vehicle fleet under a new rental contract programme, prioritising electric vehicles and mobility alternatives as part of its green public-procurement strategy. It made the radical decision to **reduce its required fleet by 67%**, from six vehicles to just two:

- BIMSA avoided a default “one-for-one” fleet replacement and conducted a pre-procurement needs assessment instead of immediately issuing a tender.
- Usage data revealed the fleet was significantly underutilised, shifting the question from “How do we green six vehicles?” to “How do we meet mobility needs sustainably?”
- Remaining vehicles were procured using a MEAT approach, ensuring high technical performance and value.
- The case demonstrates that strategic procurement begins with introspection: evidence-based demand management should be a mandatory gateway before launching any tender.

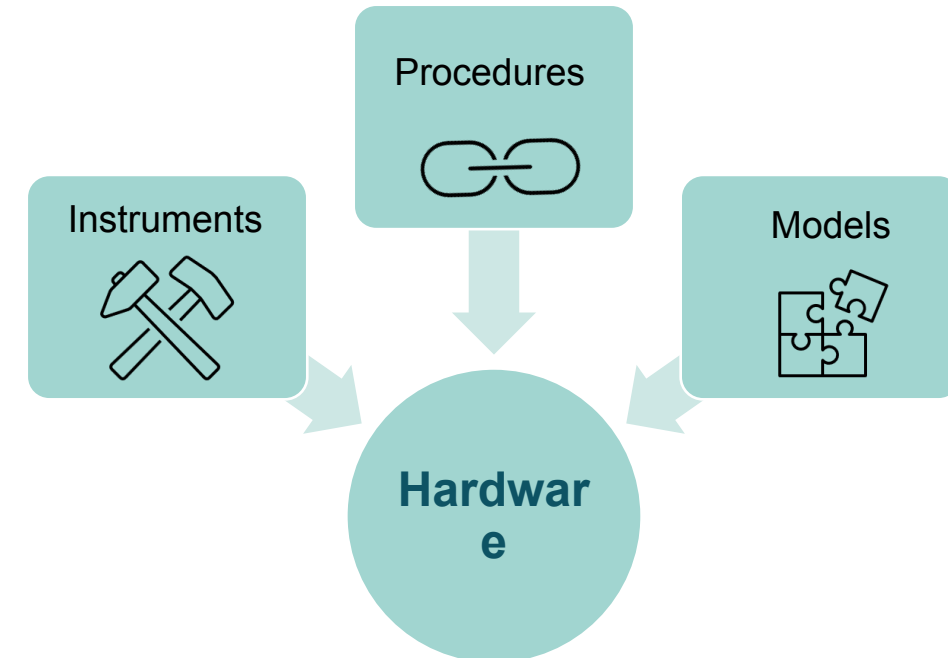




Circular and High-Performance Infrastructure

The "*hardware*" of strategic procurement:

Concrete procurement models, contract structures, and market instruments that enable authorities to translate strategic intentions into deliverable outcomes.





Using Mandatory Requirements: Tallinn

Mandatory circularity requirements can steer the market by creating predictable demand, giving suppliers the confidence to invest in recycled and reclaimed material solutions.

Example: Tallinn - Circular and low-carbon procurement of construction materials

- Tallinn implemented this approach by making reclaimed timber, reused bricks, and recycled-aggregate concrete non-negotiable tender conditions in its €7.9M project.
- Only bids meeting these standards were considered. This clear, **mandatory framework** strengthened supplier confidence, stimulated regional capability, and resulted in ten compliant bids, demonstrating that ambitious **circular standards can be met when demand is consistent and clearly defined.**



© Kolm Koma Arhitektid (architectural bureau Kolm Koma Arhitektid)





Unlocking Breakthrough Innovation: examples

Complex projects require procurement models that unlock innovation rather than prescribe solutions. Selecting the right model depends on understanding the market's innovation readiness.

Tampere:

- Market had circular capability, but prescriptive tenders prevented its use.
- A self-assessment and market diagnosis confirmed innovation was present but blocked by process.
- Tampere adopted a Design & Build (D&B) model, shifting design responsibility to bidders.
- Bidders proposed their own circular solutions, and all met the new criteria, demonstrating that procedural change unlocked existing capacity.

North Holland:

- The Cruquius Bridge required a new, not-yet-existing solution with circular, energy-neutral and disassemble features.
- North Holland used Competitive Dialogue to co-develop the solution with bidders.
- The multi-stage process allowed visioning, technical refinement, and shared risk management.
- The contract was awarded 100% on quality, using a task-setting budget instead of price competition.



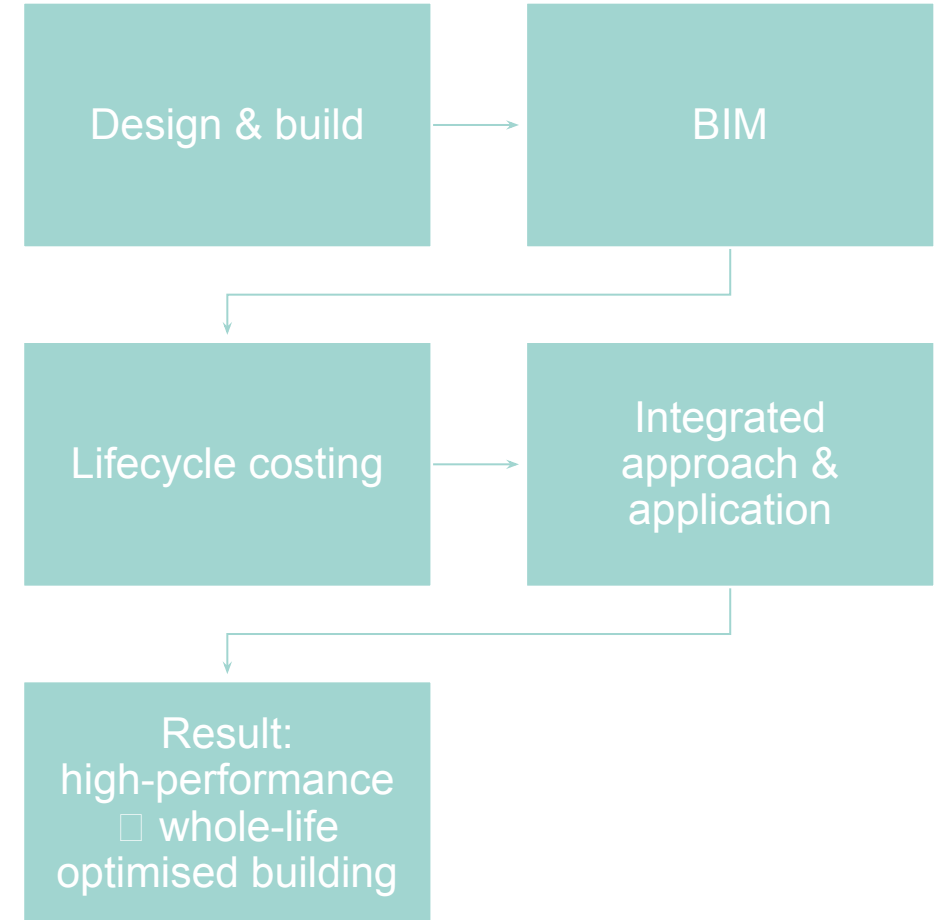


Integrated Toolkit for Public Buildings

Traditional procurement often prioritises the lowest initial cost, which can result in buildings that are cheap to construct but expensive to operate and maintain. A shift towards lifetime value is essential to ensure long-term financial, environmental and performance outcomes.

Example from **Czech Republic**:

- The Czech Supreme Audit Office (SAO) used an integrated toolkit to deliver a landmark net-zero, long-life public building:
- Design & Build (FIDIC Yellow Book):
Single responsibility for design + construction, incentivising lifecycle-optimised solutions.
- Mandatory BIM:
A digital backbone for design coordination and a verifiable data source for long-term performance and facility management.
- Life-Cycle Costing (25% of evaluation):
Bidders competed on 30-year operating, energy, and maintenance costs, not just initial price.





Procurement as a Lever for Social Cohesion and Community Value

Socially responsible public procurement: Public contracts can do more than deliver services, they can **create local jobs**, support **vulnerable groups**, and strengthen **social inclusion**. SRPP achieves this by embedding **clear, measurable social outcomes** into procurement design, evaluation, and contract management.

Example: **Rincón de la Victoria (Spain):**

- Green-space maintenance contract to deliver both service quality and social inclusion.
- Used a MEAT evaluation: 51% price and 49% quality, signalling that social and environmental value were nearly as important as cost.
- Within the quality score, specific social criteria were weighted (e.g., hiring unemployed people, training programmes, partnerships with social employment centres, gender-equality measures).
- Social commitments made in bids became binding contractual obligations, with financial penalties for non-compliance.
- A multi-stakeholder Monitoring Committee oversaw delivery and ensured accountability.





Selecting the Right Procedure

The choice of procurement procedure is the most strategic and most overlooked decision a public procurer makes Treating the Open Procedure as the default pushes advanced, dialogue-based, and innovative procedures to the margins, creating a major barrier to strategic procurement.

Strategic procurement starts with an analytical question: What is the market maturity and which is the best procedure to achieve our policy goal?



Low market maturity



High market maturity





Procedures: Matching Tools to Market Conditions

For Nascent Innovation (Market Co-creation)

- Tool: Pre-commercial procurement
- Used when the solution doesn't exist yet or its not enough
- Pas steers R&D through phased development.

For Complex Challenges (Market Dialogue)

- Tool: Competitive dialogue
- For projects where goals are clear, but the optimal solution is unknown
- Structured dialogue refines concepts and allocates risk.

For Fragmented Demand (Market Aggregation)

- Tool: Joint procurement
- Multiple authorities combine purchasing power to influence supply.

For Common Goods in Dynamic Markets (Market Access)

- Dynamic Purchasing System (DPS), strategic lotting
- Keeps procurement open to new suppliers; supports SME participation.





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Key Takeaways

- **From Admin to Strategy:** Reframe procurement as a core driver for climate goals, not just a purchasing function.
- **Fix the "Software":** Prioritize demand management and build strong governance before launching tenders.
- **Make it Mandatory:** Shift from optional bonus points to non-negotiable green requirements for real market impact.
- **Collaborate to Scale:** Use market dialogue and city-to-city partnerships to de-risk innovation and accelerate progress.





Relevant resources

- **AN ICLEI REPORT: STRATEGIC PUBLIC PROCUREMENT - A best-practice guide for policy and market transformation -**
<https://drive.google.com/file/d/1iOmg2hu5QQA25Fu099b-SUVGrppVL2qi/view?usp=sharing>
- **EIC Innovation Procurement Toolkit -**
https://eic.ec.europa.eu/eic-funding-opportunities/bas/eic-innovation-procurement-programme/spin4eic-initiative-powered-eic-bas-innovation-procurement-programme/eic-innovation-procurement-toolkit_en
- **Making socially responsible public procurement work-**
<https://op.europa.eu/en/publication-detail/-/publication/69fc6007-a970-11ea-bb7a-01aa75ed71a1>
- **Sustainable Procurement Platform -**
<https://sustainable-procurement.org/resource-centre?c=search&keyword=innovation%20&p=2>





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