

GPP In practice



National framework contract for paper with environmental requirements

Ministry of Public Administration (Slovenia)

Background

The Ministry of Public Administration performs tasks related to the organisation and functioning of the public sector in Slovenia (population two million), including public procurement. As well as being responsible for regulation, its Public Procurement Directorate provides support to contracting authorities, including e-service development, sample contracts and assistance to contracting authorities and economic operators on carrying out or participating in public procurement procedures.

The Public Procurement Directorate is also responsible for joint procurement procedures on behalf of other Slovenian contracting authorities. In 2020, this included a very large joint procurement for office paper made from primary fibres obtained from sustainably managed forests, and office paper made from recycled fibres.



The resulting umbrella framework agreement - which can be used by 180 public bodies, including ministries, municipalities, courts, and other public agencies – is worth over €8 million.

Procurement objectives

The Public Procurement Directorate wanted to make it easier for contracting authorities across Slovenia to buy green paper.

Before creating the tender documents, the Directorate carried out a preliminary expert dialogue with the Pulp and Paper Institute, Ljubljana, which is a research and development centre which provides knowledge and testing facilities for industry.

The outcome of this dialogue not only helped to inform the tender documentation for this procurement, but was also used to update Slovenia's national example green public procurement (GPP) criteria set, which are provided to help public procurers achieve the environmental goals set in its <u>GPP Regulation</u>. The Slovenian GPP criteria are informed by the <u>EU GPP Criteria</u> for paper, in addition to market research, cooperation with experts, and experiences gained in previous tenders.

The resulting tender for a framework contract was divided into eight lots, covering different geographic areas of Slovenia (Ljubljana, Koper, Celje, Maribor-Murska Sobota, Novo mesto). The deadline for submitting bids was 11 May 2020.



Criteria used

Subject matter of the contract:

Purchase and supply of paper for printing and copying in A4/A3 format.

Technical specifications:

Purchase and supply of paper for printing and copying in A4/A3 format.

<u>Quality</u>: The paper must comply with standard <u>EN 12281</u>. Relevant documentation must be provided as proof.

<u>Environment</u>: Paper must be made from primary fibre not bleached with elemental chlorine ('elemental chlorine free' - ECF). At least 50% of the primary fibre must originate from sustainably managed forests. If recycled paper is offered, a minimum portion of 65% recycled fibre is required. Recycled fibres must also be ECF.

<u>Verification</u>: Either of the following (or equivalent) must be provided:

"Joint public procurement has made it possible to procure paper throughout the country, making it easier for contracting authorities ... In a small country with a population of 2 million, not every contracting authority (approximately 3,000) is expected to be a paper expert."

- Type I ecolabel or
- Proof of ECF primary fibre plus <u>Forest Stewardship Council</u> (FSC) or <u>Programme for the Endorsement of Forest Certification</u> (PEFC) certificate for the product of the last organisation/company in the timber chain or a <u>FLEGT license</u>¹ if the wood originates from a country that has signed a voluntary partnership agreement with the EU,
- Appropriate proof that the requirements are met.

Award Criteria:

Lowest price

Results

Five bids were received in total, but one bidder did not enclose proof of compliance with standard EN 12281, and was therefore excluded. This left four bids (two from SMEs) for Lot 1, 2, 4 and 5 respectively, and three bids (one from an SME) for Lot 3. Framework agreements have been signed with all suppliers whose offers' met the technical specifications - a total of eight contracts. A request for review before National Review Commission was submitted for Lot 1. For the other lots, the process continued and the contracts were concluded earlier. When the procedure regarding the revision of Lot 1 became final, contracts were concluded with the bidders for Lot 1.

Bidders have demonstrated technical requirements for paper by submitting certificates, such as the <u>EU Ecolabel</u>, <u>Blue Angel</u>, <u>Nordic Swan</u>, FSC and PEFC. Based on the umbrella framework agreement, individual contracting authorities will conclude direct framework agreements and carry out direct public orders/contracts themselves. Individual orders will be executed by reopening competition through the e-Auction (e-Dražbe) information system. The contract will run for 36 months. Its total value of all the contracts combined is €8,166,801.45.

¹ The EU's FLEGT Action Plan aims to reduce illegal logging by strengthening sustainable and legal forest management, improving governance and promoting trade in legally produced timber. FLEGT licenses are documents issued by timber-producing countries that have ratified a Voluntary Partnership Agreement with the EU. The licenses confirm that timber or timber products comply fully with the relevant laws of the country of export.



Environmental impacts

The world has lost an estimated 420 million hectares of forest through deforestation since 1990. While the rate of deforestation has slowed, we still lose around 10 million ha per year (<u>source</u>). Requiring certification of sustainable forest management guarantees both legality and respect for environmental and social standards in forest exploitation.

The production of paper also has environmental impacts. Chlorine, for example, can be used in the bleaching process, in order to increase the whiteness of paper. Chlorine compounds are toxic when emitted into the environment, and should be avoided by requiring Totally Chlorine Free (TCF) or ECF paper.

A number of Type I ecolabels available in the European market – including the EU Ecolabel, Nordic Swan, and Blue Angel – verify that fibres are sourced from sustainably managed forests or post-consumer recovery and meet the ECF standard.

Lessons learned

The implementation of the preliminary expert dialogue enabled the preparation of tender documentation and the revision of Slovenia's national GPP criteria. Communication with the market within the framework of public procurement legislation is essential for the successful implementation of public procurement.

Joint public procurement has made it possible to procure paper throughout the country, making it easier for contracting authorities. It is also economical and rational from the point of view of the qualifications of the persons who conducted the procedure. In a small country with a population of 2 million, not every contracting authority (approximately 3,000) is expected to be a paper expert.

The division of the public procurement into lots increased the competition (number of tenderers) and in this case also accelerated the procedure. The request for review was filed for only one lot, while the procedure for the other four lots continued. Incorporating environmental aspects into such a large public procurement also increases the environmental impact of GPP.

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For related information, please see <u>European GPP criteria for Copying and Graphic Paper</u> and the <u>Technical Background Report</u>.

The tender documents are available online here.