



Public  
Procurement Analysis



European NGO Network on  
**Green Public Procurement**

# Avoiding Greenwash

## *How to verify green commitments in tenders and contracts*

Abby Semple, LL.B. , Ph.D.

European NGO Network on GPP

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# Agenda



1. Defining the problem
2. Solution 1: Pre-procurement
3. Solution 2: Tender evaluation
4. Solution 3: Contract management
5. Interview – Nicole Fletcher, Head of Sustainability,  
London Fire Brigade
6. Questions and comments

# What is greenwash?



Statement	Reality
“We recycle 100% of our waste”	Waste is unsorted or goes to a facility which is not regulated/inspected
“Timber is responsibly sourced from well-managed forests”	Timber cannot be traced to a legal source and does not have third-party certification
“We are reducing our emissions by using hybrid vehicles for delivery”	Only the final leg of the route is done in hybrid vehicles, and overall emissions are increased
“We will use only local produce for the catering contract”	Produce is grown out of season or in resource-intensive greenhouses

# Types of greenwash



**Exaggeration** – where a bidder or contractor suggests the environmental benefits of its actions are greater than they are



**Substitution/Distraction** – where a bidder or contractor uses one purported environmental benefit to distract from a bigger environmental detriment



**False claims** – where a bidder or contractor makes a false statement about their environmental impact (knowingly or unknowingly)



# Why it matters



- Environmental impacts of public contracts are higher – and their true level is unknown meaning progress cannot be accurately benchmarked
- Taxpayers' money is wasted on pointless measures
- Trust in the public sector decreases – making it more difficult to achieve support for green policies
- Companies gain an unfair competitive advantage and those which actually do invest in environmental improvements may stop doing so



40p

1

The essential daily briefing FROM THE INDEPENDENT

WEDNESDAY 23 SEPTEMBER 2015

Independent Chief Editor: James O'Connell



# Toxic scandal on our roads

» Millions may be driving UK vehicles that breach pollution targets

» Transport Secretary demands EU-wide inquiry into car industry

» VW sorry after world's largest car-maker is caught rigging tests




NEWS Pig-gate PM's military record now under fire



HEALTHY Entrepreneur hikes cost of life-saving drug by 5,500%



MUSIC Shang-A-Lang again? Return of the Rollers

### Sport

RUGBY WORLD CUP

Who can fill Joseph's big boots?



### Lifestyle lowdown

Michel Roux Jr on his new television series plus the latest designer must-haves for the season



# THE TIMES

NEWSPAPER OF THE YEAR

Wednesday September 23 2015 | [thetimes.co.uk](http://thetimes.co.uk) | No 7070

Only 60p to print members £1.20

2 London fashion special Plus Are you wearing the shoes? The bags! The front row! the new midis?

## Volkswagen in meltdown after faked diesel tests

rivers face mass recall as share price crashes

West Lee Industrial Estate, near Poole

» VW's chief executive said that it was waiting for the outcome of an investigation by the German government into VW and some of the country's other manufacturers. It confirmed, however, that it would recall the 11 million cars that would affect the EU, unless testing began early next year.

» VW has announced that it is to cut about 40,000 jobs in its European operations, including legal claims from customers or dealers.

» The company's British operation said that it had not received orders from global headquarters in Wolfsburg over how it should be communicating with its customers or whether there would be recalls of cars to allow those whose permitted mileage levels are above the known to be a cause of regulatory conditions such as air pollution.

The diesel models under investigation for having software designed to reduce emissions on the VW Golf, Beetle, Passat, and Jetta built between 2009 and last year in the VW group, the Audi A3 is also implicated. VW Group indicated that models in its other volume brands, Skoda and Seat, may also be under scrutiny.

VW Group has suspended the biggest dealer of cars, and of diesel cars, in Great Britain, VW, Ford, Mazda and Seat car club, about 50,000 a year.

An investigation over whether other carmakers had been engaging in similar practices shows that the Danish maker of Mini cars, BMW, and Michael Horn, VW's American chief and said earlier. "Our company was

# FREE £5 BET ON THE NATIONAL

SEE PAGE 106

# Daily Mail

SATURDAY, APRIL 4, 2013 [www.dailymail.co.uk](http://www.dailymail.co.uk) 90p

# £200 OF FREE SUMMER PLANTS

## GARDEN GIVEAWAY STARTS TODAY

SEE PAGE 47

How your carefully sorted waste is being dumped abroad

# RECYCLING: THE GREAT CON TRICK

By Steve Doughty Social Affairs Correspondent

MILLIONS of tons of household rubbish painstakingly sorted by families for recycling is being dumped abroad.

What had been admitted that waste from recycling bins is being shipped to countries as far afield as China, India and Indonesia, where much of it ends up in landfill.

In cases published by the Department for Environment, Food and Rural Affairs, ministers to make that what happens to the Commission of green waste shipped abroad every year is largely beyond their control.

The trend in sending rubbish abroad - mainly to Asia - has doubled over the past decade as councils have increasingly turned to contractors to deal with mountains of waste generated by compulsory recycling schemes.

The law states that this rubbish should be recycled once it is returned, but Defra now admits that in some countries it is simply dumped.

The department, headed by Owen Paterson, the Environment Secretary, said it plans to tighten inspections at ports to curb the illegal trade in green waste.

The Government has always insisted that household rubbish is carefully recycled - but the Daily Mail revealed earlier this year that large amounts are being sent unusable by



Caught up in a tragedy: Royal racing manager John Warren with the Queen at last summer's Epsom Derby

SEE PAGE 15

# WHAT A RECYCLING SHAMBLES

## Revealed: TWO THIRDS of plastic food containers we carefully se aside are burnt or sent to landfill

TWO thirds of plastic pots, tubs and trays recycled by families are burnt or go to landfill.

Two-thirds admitted last night that only a third of the 125,000 tons they collect from households are actually re-

By Victoria Allen Science Correspondent

used. The black plastic in ready-meal packets is hard to process, according to the Local Government Association.

It said average tubs and yogurt pots made from polypropylene were extremely difficult to recycle. And it said more of such food and vegetable food bakery goods bins.

The Daily Mail, which campaigns against plastic pollution, today reveals that waste from British households ends up to be sent to landfill.

Turns to Page 6

loving emails

SEE PAGE THREE

## So dreckig ist der Diesel

VW fliegt in den USA auf - aber tricksen auch die anderen Autobauer?

\* Faktor der Überschreitung des NO<sub>x</sub>-Grenzwertes

VW Jetta 2.0 TDI	22,61*
VW Passat 2.0 TDI	11,35
Audi A8 3.0 TDI	22,29
BMW X3 xDrive	11,88

Der Euro-6-Grenzwert für Stickstoffdioxid (NO<sub>x</sub>) liegt bei 0,08 g/km. Viele Automodelle überschreiten ihn im Straßenbetrieb um ein Vielfaches

Euro-6-Grenzwert

# Solution 1: Pre-procurement



- **Knowing the market** and understanding environmental impacts of each product/service is first step in avoiding greenwash
- Procurers may not have specialist knowledge of the supply chain, or may lack **environmental literacy**
- Familiarity with GPP criteria and verification techniques including third-party labels/certification is needed in **advance of the tender procedure**
- Sending the message to bidders that green claims are important and will be verified/enforced

# Pre-procurement



- **Preliminary market consultation** can be carried out at any point before a tender
- This may include relevant internal or external sustainability experts – NGOs may be invited to present or discuss potential approaches
- **Contractors and subcontractors** should be asked about their approach to environmental impacts
- GPP criteria should be introduced and the need for labels/certificates if these will be used in tender



# Pre-procurement (ctd)



- Draft **specifications/award criteria** may be given to internal or external sustainability experts for review
- **Choice of procedure** and **timescales** are important – some procedures allow more flexibility/interaction with bidders which can help to verify green claims
- Choice of **type of contract** (supply/service) or framework and **length of contract/framework** will also influence the level of green investment which bidders are willing to make

# Solution 2: Tender evaluation



- The **evaluation panel** may include a sustainability expert, or they may be asked to review scoring
- Bidders can be asked to **clarify** their tenders and to explain any specific green claims
- Failure to submit supporting information, or submission of **misleading information**, may be grounds for rejection of a tender
- **Samples, site visits** or **testing** may all be carried out within a tender evaluation process







# Tender evaluation - labels



- One or more labels/certifications may be mentioned in the tender documents (e.g. “timber must have FSC certification or equivalent”)
- If bidders offer an alternative label, they should submit **evidence of its equivalence**, e.g. a copy of the relevant criteria from the labelling organisation
- Only in **exceptional circumstances** may bidders rely on a self-declaration/technical dossier – this applies where the bidder has been unable to obtain a label for reasons which are **not attributable to it**

# Using ecolabels - examples



-  Only paper carrying the FSC label will be accepted
-  Bidders will be awarded additional marks if they have the EU Ecolabel or equivalent for all of their products
-  Tenders will be rejected if they do not have an ecolabel
-  Paper carrying the FSC label or equivalent will be accepted
-  Bidders will be awarded additional marks if they have the EU Ecolabel or equivalent for the products covered by this tender
-  Tenders may be rejected if they do not have a third-party ecolabel which meets the relevant criteria, unless this is due to factors which are not attributable to the bidder.

# Solution 3: Contract management

- The **contract delivery** stage is the most important for GPP - terms of contract must reflect commitments
- Specific obligations should be passed on to subcontractors and suppliers, but main contractor will normally have **overall responsibility/liability**
- 2014 EU procurement directives support transparency in subcontracting chain and use of supply-chain management systems
- Where a subcontractor violates EU, national or international laws, contractor can be required to replace them



# Monitoring and sanctions



- Green commitments should be a standing agenda item for contract review meetings
- An **environmental management system** (e.g. ISO 14000, EMAS) may help with contractor reporting
- Contract terms may also provide for **penalties** or **incentives** linked to environmental performance
- Open dialogue with contractors about any new/unforeseen environmental risks or problems
- NGOs may help with **communicating successes** and ensuring lessons are learnt for future contracts

# Example: London Fire Brigade



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Interview with Nicole Fletcher  
Head of Sustainable Development  
London Fire Brigade

# Further resources



- All presentations and *Green Public Procurement: A Guide for NGOs* <http://www.sustainable-procurement.org/ngonetwork/>
- *Buying Green Handbook* (3<sup>rd</sup> edition, 2016), EU GPP website <http://ec.europa.eu/environment/gpp>
- *Procura+ Manual* (3<sup>rd</sup> edition, 2016) [www.procuraplus.org](http://www.procuraplus.org)
- Many online tools and criteria – most can be accessed via the Sustainable Procurement Resource Centre [www.sustainable-procurement.org](http://www.sustainable-procurement.org) or SCP clearing house [www.scpclearinghouse.org](http://www.scpclearinghouse.org)
- Ask for help on the Procurement Forum [www.procurement-forum.eu](http://www.procurement-forum.eu) or via GPP Helpdesk

Thank you!

Time for

Questions/Comments

*Please raise your hand  
Or enter text in the chat box*



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