



Sustainable procurement – *Giving shape to the public sector's exemplary role in sustainable public procurement*

### 12.3.a, b, c Sustainable procurement

#### Definition

The indicators illustrate sustainability in public procurement using examples of award procedures overall (12.3.a), CO<sub>2</sub> emissions from motor vehicles (12.3.b) and sustainable textile procurement (12.3.c). The indicator 12.3.a Award procedures in public procurement in which at least one sustainability criterion was taken into account represents the proportion of the total number of procedures for awarding public contracts/concessions with consideration of sustainability criteria that were reported to the procurement statistics for the respective reporting year (in %). Indicator 12.3.b CO<sub>2</sub> emissions per kilometres travelled by public sector vehicles compares CO<sub>2</sub> emissions with the base year 2015 in relation to the corresponding kilometres travelled. Indicator 12.3.c shows the sustainable textile procurement of the Federal Administration (excluding special textiles) (in per in %).

#### Intention

The public sector has a significant share in the demand for products and services. Aligning public procurement with the guiding principle of sustainability and strengthening sustainability criteria in public procurement should therefore act as a lever for increasing the supply of sustainable products.

#### Targets

12.3.a: Significant increase in the share of public procurement contracts in which sustainability criteria are taken into account, ensuring that this will be the norm by 2030. It should be noted that procurement to meet the needs of the Bundeswehr, the Federal Police as well as civil protection and disaster prevention does not contribute towards an increase

12.3.b: Significant reduction

12.3.c: Increase to 50% by 2026

#### Content and progress

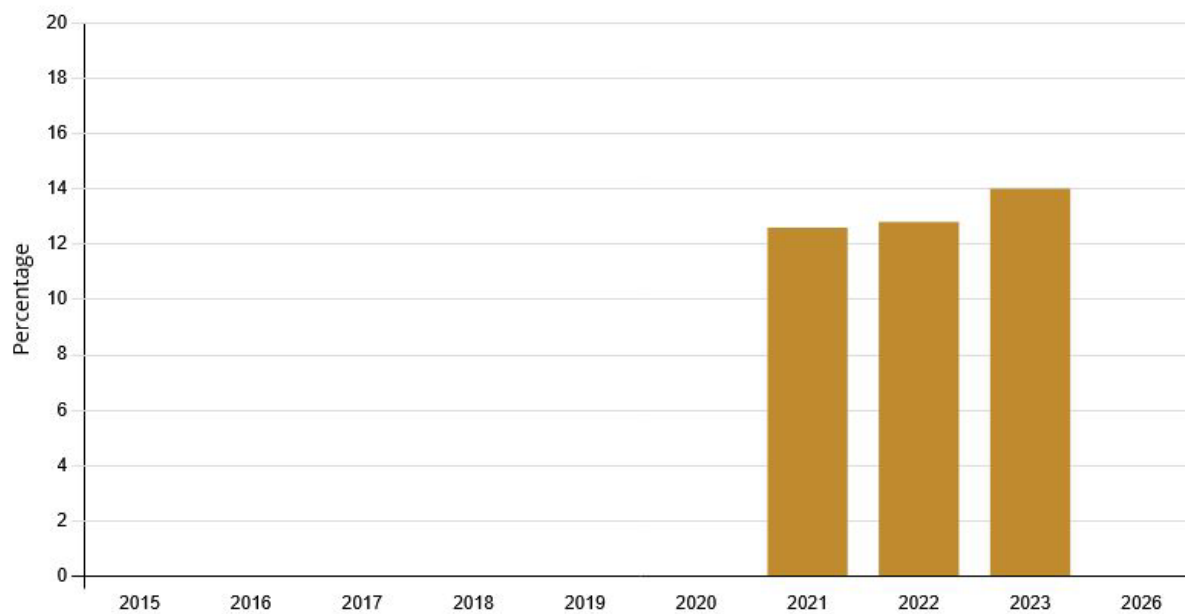
The public sector accounts for a significant share of demand for products and services. The complex issue of sustainable procurement cannot be meaningfully represented by a single indicator. Therefore, the topic is addressed comprehensively through the consideration of sustainability criteria in the public procurement process (indicator 12.3.a) and exemplarily with two product-group-specific indicators on CO<sub>2</sub> emissions from public sector motor vehicles (indicator 12.3.b) and textile procurement by the federal administration (indicator 12.3.c).



### 12.3.a Share of public procurement procedures in which at least one sustainability criterion has been taken into account

#### Sustainable public procurement

a) Share of public procurement procedures in which at least one sustainability criterion was taken into account



Data source(s):

Federal Ministry for Economic Affairs and Energy, Federal Statistical Office

This indicator records the proportion of procedures for awarding public contracts and concessions in which sustainable criteria were taken into account. The indicator covers all contracting levels (federal, state, municipal, and other contracting authorities) and is based on data reported to the procurement statistics. The procurement statistics are compiled by the Federal Statistical Office on behalf of the Federal Ministry for Economic Affairs and Energy (BMWE). The legal basis is the Procurement Statistics Regulation (VergStatVO), which also governs the reporting of the consideration of sustainability criteria in public procurement. These criteria include environmental, social, and innovative aspects that can be taken into account when selecting contractors.

All contracts and concessions reported to the procurement statistics are included in the indicator. Reporting is mandatory for contracts with a volume of 25,000 euros or more. In 2023, nearly 186,000 contracts of this size and over 9,700 additional contracts in the range between 1,000 and 25,000 euros were reported. Between 2021 and 2023, the share of public procurement procedures considering at least one sustainability criterion rose from 12.6% in 2021 to 12.8% (+0.2 percentage points) in 2022 and 14.0% (+1.2 percentage points) in 2023. This suggests growing public sector engagement in integrating sustainability criteria into public contract awards.

In 2023, over 195,000 public contracts and concessions were reported to the procurement statistics. About half of these contracts were at the municipal level, 30% at the state level, and 11% at the federal level. The total volume of these contracts amounted to 123,485



million euros. The number of procurement procedures that considered sustainability criteria was 27,412, with a volume of 28,391 million euros. At the municipal level, 11% of contracts were awarded with sustainability criteria considered, 20% at the state level, and 13% at the federal level. Procurement procedures without sustainability criteria in 2023 had an average financial volume of 570,000 euros per contract. Contracts with sustainability criteria had a significantly higher average volume of 1.0 million euros per contract.

The three types of sustainability criteria were considered to varying degrees. Environmental criteria were applied in about 23,000 contracts with a total volume of nearly 44 billion euros. Social criteria were applied in 15,000 contracts with a total volume of 29.5 billion euros, and innovative criteria were used in about 5,000 contracts with a total volume of 6 billion euros. However, many contracts listed multiple criteria simultaneously.

Currently, the indicator shows a discrepancy between reported awards and the actual total volume of public procurement. However, due to the existing reporting obligation, a more comprehensive representation is expected in the medium term. The indicator only shows how many procurement procedures included a statement on the consideration of sustainability criteria but does not assess how accurately this reporting obligation is fulfilled. The indicator provides a quantitative overview of the share of procurement procedures in public procurement where sustainability criteria are considered. However, it does not indicate whether the most sustainable product was actually selected in these procedures or how environmentally, socially, or innovatively the procured products perform in production or use.

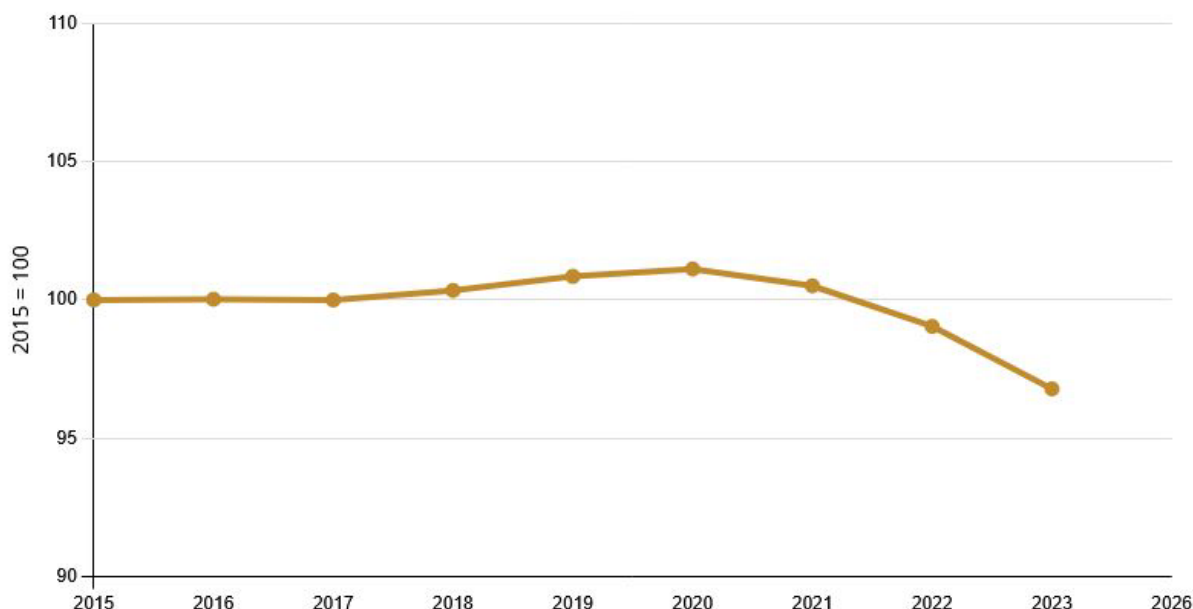
It also does not assess whether changes in the indicator might be due to better compliance with the reporting requirement. Furthermore, it should be noted that certain procurement areas – such as procurement for the Bundeswehr (Federal Armed Forces), Federal Police, and civil and disaster protection – may be exempt from legal or sub-legal obligations to consider sustainability criteria in procurement and thus may not contribute to increases in the indicator. The political target for 2030 is that sustainability criteria are generally considered in public procurement procedures.



### 12.3.b CO<sub>2</sub> emissions of commercially available vehicles in the public sector

#### Sustainable public procurement

b) CO<sub>2</sub> emissions of commercially available vehicles in the public sector



Note(s):

12.3.b: The data is based on a special evaluation and is not publicly available.

Data source(s):

Federal Ministry for Economic Affairs and Energy, Federal Statistical Office, Institute for Energy and Environmental Research Heidelberg, German Environment Agency

Data on motor vehicles (MVs) of the public sector are provided by the System of Environmental-Economic Accounting (SEEA) of the Federal Statistical Office in cooperation with the TREMOD database (Transport Emission Model) of the Institute for Energy and Environmental Research (ifeu). The public sector includes the federal government, states, municipalities, municipal associations, as well as the police, federal border guards, and fire brigades. Public sector motor vehicles include all passenger cars, light commercial vehicles under 3.5 tonnes, and motorcycles. Heavy commercial vehicles and buses are not included. The indicator exclusively captures CO<sub>2</sub> emissions produced during vehicle operation. Emissions from production and disposal of vehicles are not considered. Nor are emissions from electricity production for electric vehicles included, although these are relevant for a complete environmental assessment.

Average CO<sub>2</sub> emissions of public sector vehicles fluctuated. Between 2015 and 2021, emissions rose from 220 to 227 grams CO<sub>2</sub> per kilometre. In 2022, a decline to 224 grams CO<sub>2</sub> per kilometre was recorded, a reduction of 1.4% compared to the previous year (index value: 101.6), but this does not meet the politically set targets for CO<sub>2</sub> reduction.

In 2019, almost 4 billion kilometres were travelled by public sector vehicles, emitting 874,000 tonnes of CO<sub>2</sub>. Both mileage and emissions dropped sharply during the COVID-19 pandemic. In 2022, both mileage and emissions were about 11% below 2019 levels (3.49



billion kilometres and 781,000 tonnes of CO<sub>2</sub>). The largest drops were in passenger cars (around -20%), while the use of light commercial vehicles remained almost unchanged.

Zero emissions are assumed for electric vehicles. Accordingly, the electrification of the public sector fleet has a significant impact on the indicator. The share of mileage covered by electric vehicles has quadrupled since 2014 but was still only 0.15% in 2022. Several measures have been implemented to reduce emissions, including the promotion of low-emission vehicles, use of technological advances in engine efficiency, and increased use of alternative drives. Charging infrastructure for electric vehicles has been expanded, and regulatory measures such as binding emission limits and vehicle fleet renewal programmes have been introduced. Additional measures, such as increased use of alternative transport modes, also contribute to emission reductions but typically involve reduced mileage, which affects both numerator

### **12.3.c Sustainable textile procurement of the Federal Administration (excluding special textiles)**

The Federal Government's Sustainability Action Programme aims to establish sustainability as a fundamental principle in federal administration. First adopted in 2010 and renewed in 2015, it obliges federal authorities to align their activities with ecological, social, and economic criteria.

Under this programme, the government committed to procuring preferably 50% of textiles (excluding special textiles) according to ecological and social criteria. This target was specified in 2021 by the Roadmap for Increasing Sustainable Textile Procurement, which came into force on 15 March 2023. The roadmap defines quantitative goals to increase sustainable textile procurement and measures progress based on the financial total volume of textiles procured by the federal administration. Unlike the programme's target, the indicator – and thus the 50% target – refers to the total volume of textile procurement, not to each individual federal authority or institution. If some entities fail to reach the 50% mark, this can be offset by others exceeding it.

The roadmap is based on the Guideline for Sustainable Textile Procurement by the Federal Administration, which sets ecological and social requirements for procurement. Data to calculate the share of sustainably procured textiles relative to the total financial volume are to be collected in future through monitoring of the Sustainability Action Programme. This monitoring is conducted by the Coordinating Office for Climate-Neutral Federal Administration (KKB) at the Federal Ministry for Economic Affairs and Energy (BMWE).

At the time of publication, no data are yet available for the indicator measuring sustainable textile procurement within the federal administration.



### Type of targets

12.3.a: Directional target

12.3.b: Directional target

12.3.c: Target with specific target value

### Assessment

12.3.a: The proportion of award procedures in public procurement in which at least one sustainability criterion is taken into account should be increased.

The current trend is moving in the desired direction. A conclusive assessment of indicator 12.3.a is not possible. Too few data points.

12.3.b: CO<sub>2</sub> emissions per kilometre travelled by public sector vehicles should be reduced.

According to the target formulation, indicator 12.3.b developed in the desired direction in 2022. However, the six-year average shows that the indicator did not move consistently in the desired direction. Indicator 12.3.b is therefore assessed as cloud for 2022.

12.3.c: The proportion of sustainable textile procurement by the Federal Administration should be increased to at least 50% by 2026.

An assessment of indicator 12.3.c is not possible. No data points.

12.3.b: 