

Title of the measure:	FIN8 Energy efficiency in public procurement
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General description

The volume of public procurement in Finland is approximately 35 billion euros accounting to 17% of the gross domestic product.

Law on Energy Efficiency (2017 amendment)

Energy efficiency requirements for public procurement concerning the central administration in line with the Energy Efficiency Directive (EED) are stipulated by the Energy Efficiency Law. The law amendment which took force at the beginning of 2017 requires central administration to procure only energy efficient products, services and equipment provided that the procurement exceeds the thresholds established in the Public Procurement Directive.

In line with the Annex III of the EED, the Law refers to products mentioned in the Energy Labelling Directive, equipment covered by the Eco-design Directive and office equipment with the Energy Star Label. In addition, the Law includes provisions for the energy efficiency of tyres, services and buildings.

Ministerial guidance on energy efficiency in public procurement (January 2016)

The Ministry of Economic Affairs and Employment issued new guidelines on energy efficiency in public procurement in January 2016 repelling earlier guidelines from 2011. Public procurement units are to include these guidelines into their own procurement strategies and guidelines.

Government resolution on the promotion of sustainable environmental and energy solutions (cleantech) in public procurement (13 June 2013)

According to the resolution state and municipalities shall take green technology choices into account in all public procurement.

The objective of the resolution is that one per cent (350 million euros) of the total volume of public procurement will be used to new cleantech solutions. Focus areas are waste management, transport, energy production and energy efficiency of buildings.

According to the resolution, state procurement units shall take the following principles into account in all procurement:

- take energy and environment viewpoints into account in all procurement
- scan new alternatives and take into account the use of cleantech solutions with emphasis on initiating pilots
- use the database run by the sustainable procurement advisory service
- use life cycle cost calculation and, to the extent possible, calculation tools which enable finding ways to cut cost and improve energy and material efficiency.

The resolution includes several concrete objectives. Some examples are given hereunder (the list is not all-inclusive):

- New public buildings shall be “almost zero energy buildings” after year 2017.
- Rental buildings shall be at least in category D.
- In buildings undergoing deep renovation the objective is reduce energy consumption to a level which is 15% under the level required by the building code for renovations.
- Energy consumption by public sector goods transportation and mobility of personnel has to be cut by 10% from 2012 levels by 2015.



- By 2015 the average CO₂ emissions of cars procured or rented by the state shall not exceed 100 g/km or, alternatively, the proportion of alternative fuels (e.g. electricity, ethanol, gas or hybrid) has to be at least 30%.
- All government employees using vehicles shall receive eco-driving education.

Impact evaluation (methods and results)

According to information collected in the JUHA Project, energy use in the public buildings (state and municipal) totalled 15 040 GWh in 2005. The savings potential in buildings was estimated at 56 GWh/a and in office equipment at 33 GWh/a. The savings account for 0.6% of sectoral total corresponding to “high” impact level. This rough estimate excludes, e.g., public transport and other mobility needs. If energy consumption in the whole tertiary sector is taken as the basis of the evaluation, the relative impact estimate drops. In 2006, energy consumption in the tertiary sector was 112 984 TJ (31 384 GWh). The savings account for 0.3% of the total in the tertiary sector corresponding to “medium” impact level.

Measure Impact Level		
<input type="checkbox"/> low	<input checked="" type="checkbox"/> medium	<input type="checkbox"/> high

Interaction of measures

See Information services for sustainable public procurement (FIN37/tertiary).

Historical data

Government resolution on Sustainable Public Procurement (May 2009)

The Government has passed a resolution based on the previous proposal for a Sustainable Procurement Programme. The five sub-sectors included in the resolution are purchase of electricity, service contracts, buildings and maintenance of real estate, energy-using equipment and appliances and foodstuffs.

The Government and other state agencies are required to set an energy saving target for the 2016 and 2020, and to draw up plans for achieving those targets. Part of the plan involves taking energy efficiency into consideration in procurement.

The public sector will increase its use of renewable energy in electricity procurement. In construction, the aim is to utilise low-energy solutions and construct passive buildings starting in 2015. The need for transport and movement will be reduced by 10%.

Sustainable procurement will also be extended to the plate. Public sector kitchens will serve more organic, seasonal or vegetarian food. Furthermore, more efficient use of the criteria for environmental and energy symbols will be recommended.

The Government will support implementation of the targets by increasing information and advisory services. An advisory service for environmental technology procurement has been established in conjunction with Motiva Oy. Other plans include the establishment of an electronic information bank and increased advisory services in food services at public sector kitchens.

The Finnish Funding Agency for Technology and Innovation (Tekes) provides a funding model that could lower the threshold to invest in innovative environmental technology.



The advisory service for public environmental technology procurement has been running since fall September 2009. A website has been developed in Finnish and Swedish, with advice on existing tools and best practices. The website provides sector specific information on sustainable construction, transports and renewable energy. The advisory service also offers facilitation for supplier dialogues and arranged in December 2010 a match making event on energy saving contracting, ESCOs. Currently a guide for public procurement of energy saving services by using the competitive dialogue procedure is being developed by Motiva.

Motiva has produced guidance in energy efficient public procurement. Purchasing guides for energy efficient lighting and IT-equipment have been published in the beginning of 2011.

The JUHA Project

In 2006-2007 the Ministry for the Environment and the Ministry of Employment and the Economy financed a project called The Impact of Public Procurement on Energy Consumption and Associated Greenhouse Gas Emissions (JUHA). The objective of the project was to identify how the recommendations concerning energy efficiency in public procurement from 2000 should be updated. The project produced a “top ten” priority list of the most significant products and services in terms of energy consumption and emissions. The three most significant items were buildings, office equipment and equipment for public transport. Also street lighting consumers a significant amount of electricity but associated equipment procurement volumes are small.

2000 Recommendations Concerning Energy Efficiency in Public Procurement

The Ministry of Employment and the Economy (until 31 December 2007 the Ministry of Trade and Industry) gave recommendations concerning energy efficiency in public procurement in September 2000. The recommendations state how energy efficiency should be taken into account in public procurement.

The public sector shall show an example pattern in energy conservation. The recommendations are directed to the state and municipal officials, but they can be applied also in the private sector.

The recommendations are meant to aid the personnel responsible for public procurement, describing practical ways of taking energy efficiency into account.

More detailed recommendations are given for the procurement of the following equipment:

- electrical machines and devices
- vehicles and construction machines
- renovation and new building projects

The recommendations give information also on correct installation and use of energy using appliances.

References

<http://tem.fi/energiatehokkuus-julkisissa-hankinnoissa> (in Finnish)

