

# Why should the EU buy wisely?

Social, economic and environmental impacts of favourable policy environments for sustainable public procurement

DESK RESEARCH

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Fair  
Trade  
ADVOCACY OFFICE

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## About the Fair Trade Advocacy Office (FTAO)

The Fair Trade Advocacy Office (FTAO) leads political advocacy for the Fair Trade Movement at the EU level. It has the purpose of promoting justice, equity and sustainable development at the heart of trade structures and practices so that everyone, through their work, can maintain a decent and dignified livelihood and develop their full human potential.

The FTAO is a joint initiative of Fairtrade International, the World Fair Trade Organization, and the World Fair Trade Organization-Europe.



## Executive summary

This research examines the integration and impact quantification of social, economic, and environmental outcomes through strategic and fair public procurement, and the establishment of supportive policy frameworks.

It presents the following sections:

- I. Background information;
- II. Social, economic, and environmental impact of strategic public procurement (SPP) implementation;
- III. Policy environments to leverage strategic public procurement (SPP);
- IV. Obstacles and challenges;
- V. Key Learnings;

**I. Background information:** This initial section provides the context for the research, specifically mentioning the [EU Directive 2014/24/EU](#), which aims to modernise public procurement, simplify rules, promote fair competition, and encourage the strategic use of procurement to achieve social, environmental, and economic goals.

**II. Social, economic, and environmental impact of strategic public procurement implementation:** This central section explores whether and how contracting authorities have quantified the impacts of strategic public procurement and presents case studies of best practices from various European countries (**Belgium, the Netherlands, Sweden, Denmark, the Czech Republic, Spain, Germany, Finland, France, Italy, and Norway**). The case studies reveal **environmental** benefits (e.g., reduced CO<sub>2</sub> emissions, less waste, local/organic products), **social** benefits (e.g., job creation, support for SMEs and social enterprises, better working conditions via Fair Trade and labour rights), and **economic** benefits (e.g., long-term savings, ethical competition, growth for social enterprises).

**III. Policy environments to leverage strategic public procurement:** This section focuses on the policy frameworks that have facilitated the inclusion of Fair Trade and sustainability criteria at **various levels of government** (municipal, local, regional, and national). Additional examples are provided for each country, focusing on the **political objectives, the reference frameworks, and the innovative** aspects of the directives. Examples include initiatives related to **gender equality, tackling social dumping, non-discrimination, aligning procurement with the Sustainable Development Goals (SDGs), and promoting Fair Trade** practices.

**IV. Obstacles and challenges:** This section highlights the challenges in strategic public procurement, including the focus on low-price criteria that disadvantages Fair Trade businesses, restrictive interpretations of social and environmental requirements, and limited participation of SMEs. Voluntary criteria integration remains ineffective, with inconsistent application across Member States. The lack of clear references to Fair Trade in the EU directive and insufficient data on socially responsible procurement further hinder progress.

**V. Key Learnings to unlock the power of strategic public procurement:** This concluding section summarises the main lessons learned from the analysed case studies, emphasising how public procurement can be a powerful tool to promote environmental and social objectives. It highlights the shift from a price-only award logic to the Most Economically Advantageous Tender (**MEAT**) approach, which also considers social, environmental, and ethical criteria. The importance of **professionalising procurement officers** and **the flexibility** in interpreting sustainability criteria is also discussed.

## I. Background information

The [2014/24/EU Directive of the European Parliament and of the Council](#), adopted on 26 February 2014, repeals Directive 2004/18/EC with the aim of modernising public procurement within the European Union. Its main objectives are to simplify procurement rules, promote fair competition, and encourage the strategic use of procurement to achieve social, environmental, and economic goals.

This research explores, firstly, whether and how contracting authorities have quantified the social, economic, and environmental impacts of public procurement, and secondly, whether they have established favourable policy environments to support [strategic public procurement](#), a tool used to achieve innovation, social and green objectives.

This document is the result of desk research focused on identifying relevant case studies and conducting a literature review, with particular emphasis on cases related to Fair Trade. The research involved reviewing articles, reports from the European Commission, and case studies from EU projects, including the Horizon 2020 “[School Food for Change](#)” project and examples from the [Fair Trade Towns campaign](#).

## II. Social, economic, environmental impact of strategic public procurement implementation

Strategic public procurement, when integrating environmental and social criteria, has the potential to drive significant progress in areas such as climate action, social equity, and innovation. Examples like [Sweden's organic food policy](#) and a [Dutch initiative to reduce CO2 emissions](#) highlight its positive impact. However, research also identifies challenges, including unintended consequences. For example, [socially responsible award criteria \(SRAC\)](#) can discourage bidders if the requirements are overly complex or unclear. Overall, [studies](#) suggest that introducing sustainability early in the procurement process, such as during planning or contract management, is less disruptive than introducing it later, during the qualification or awarding stages, which can negatively affect competition and fairness. Despite these challenges, sustainable procurement remains a common practice, though there is limited research on its overall impact.

The following tables provide an overview of positive public procurement practices in several European countries, including Belgium, the Netherlands, Sweden, Denmark, the Czech Republic, Spain, Germany, Finland, France, Italy, and Norway. We have categorised the presented case studies into **three main themes**:

- **Initiatives focusing on the integration of Fair Trade:** This category includes examples where the primary objective is to incorporate Fair Trade principles and certifications into public procurement practices;
- **Initiatives aimed at increasing sustainability efforts in specific sectors:** This category highlights examples where sustainability efforts are targeted towards particular procurement sectors, such as ICT or food and catering;
- **Initiatives focusing at supporting SMEs social Enterprises:** This category showcases examples where public procurement is strategically used as a tool to promote social equity and support businesses with a social mission.

**INTEGRATION OF FAIR TRADE**

**1. Spain – Madrid (2016) and mandatory Fair Trade clauses in contracts for specific contracts**

<b>Policy objective</b>	Increase social responsibility and sustainable sourcing
<b>Policy framework</b>	<p><b>Inclusion of mandatory Fair Trade clauses in contracts. In particular, it included:</b></p> <ul style="list-style-type: none"> <li>• <b>Fair Trade criteria in public contracts:</b> Fair Trade criteria are integrated into public contracts for specific products (e.g., coffee, tea, biscuits) and applied to services like catering, restaurants, canteens, and vending machines;</li> <li>• <b>Fair Trade clauses in contracts:</b> Between 2016 and 2018, 126 contracts included Fair Trade clauses, including 47 for nursery schools;</li> <li>• <b>Computerised monitoring:</b> a computerised system is used to manage the large volume of contractors and products involved.</li> </ul>
<b>Social Impact</b>	The initiative has had a positive impact on workers in the cocoa, tea, and sugar sectors, promoting ethical procurement practices. In 2016, coffee accounted for 43% of all Fair Trade sales, followed by sugar and sweets (40%), tea (3%), and other foodstuffs (7%).

More information [here](#).

**2. Italy and its Minimum Environmental Criteria (MEC) (2017)**

<b>Policy objective</b>	Promote environmental sustainability in public procurement by adding mandatory green criteria to tenders.
<b>Policy framework</b>	<p>MECs were integrated into Italy's Public Procurement Code (PP Code) in 2017, reducing guarantee deposits for certified operators, incorporating life cycle costing (LCC) and greenhouse gas emissions into award criteria, and promoting Ecolabel certification. Defined in Article 34, MECs are mandatory in tendering, requiring inclusion in technical specifications and contract clauses. Italian courts have reinforced their binding nature for public procurement above and below EU thresholds, as outlined in ministerial decrees.</p> <p>Covered areas include <b>office furniture, construction, waste management, public parks, energy, electronics, textiles, stationery, and food/catering</b> (schools, public offices, universities, military, hospitals, excluding vending machines).</p> <p><b>Fair Trade</b> is mandatory in technical specifications and they apply to:</p>

	<ul style="list-style-type: none"> <li>• <b>Schools</b> (bananas, pineapples, chocolate)</li> <li>• <b>Universities, public offices, military canteens</b> (bananas, pineapples, cane sugar, cocoa, coffee, tea)</li> <li>• <b>Hospitals</b> (bananas and pineapples)</li> <li>• <b>Welfare structures and detention facilities</b> (same as schools)</li> </ul>
<b>Social Impact</b>	<ul style="list-style-type: none"> <li>• According to the latest report "<a href="#">I numeri del green public procurement in Italia</a>" (2024) published by the Osservatorio Appalti Verdi, in 2023, 76% of the Regional purchasing bodies, 56% of the protected areas, 63% of the health institutions and 79% of the metropolitan areas participating in the research applied the Minimum Environmental Criteria</li> <li>• Figures on consumption provided by Municipalities supporting Fair Trade initiatives through the Italian "Fair Trade Towns" campaign (<a href="#">Territori Equosolidali campaign</a>) show that in the City of Padua (208,000 inhabitants), the consumption of Fair Trade bananas in school canteens reached 28,000 kilos in 2023-2024; likewise, in the schools of the city of Cesena (96,000 inhabitants), 25,000 kilos of organic and Fair Trade bananas were consumed in 2024.</li> <li>• High user satisfaction with Fair Trade, according to a Ministry study.</li> <li>• Many companies and social enterprises comply, driving market growth (e.g., DAKS-accredited certification encourages wider compliance).</li> <li>• Fair Trade fosters sustainable livelihoods, improving long-term economic stability for producers.</li> </ul>

More information [here](#).

### 3. Norway – Oslo (2019) and Fair Trade coffee and bananas

<b>Policy objective</b>	To conduct cost-effective procurement that delivers sustainable solutions short- and long-term.
<b>Policy framework</b>	<p><b>Selection criteria:</b> Companies must provide documentation of their quality management system and a traceability mechanism to ensure compliance with social clauses throughout the supply chain.</p> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• <b>Fair Trade coffee:</b> All coffee must be Fair Trade certified.</li> <li>• <b>Fair Trade bananas:</b> All bananas must be Fair Trade certified and labelled as such or with an equivalent certification.</li> <li>• To verify compliance, suppliers are required to complete a self-assessment and conduct internal monitoring.</li> </ul>

<b>Social Impact</b>	<ul style="list-style-type: none"> <li>The proportion of publicly procured Fairtrade certified and organic bananas rose from 3% to 50% in the first four months of 2019.</li> <li>During the same period, the share of Fair Trade certified coffee increased from 9% to 13%.</li> </ul>
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More information [here](#).

#### 4. France and Fair Trade and socially responsible public procurement (2014)

<b>Policy objective</b>	Promote socially responsible public procurement.
<b>Policy framework</b>	The <u>Egalim</u> law sets the standard for sustainable procurement, requiring <b>50%</b> of food in public procurement to be sustainable, including <b>20%</b> organic. <b>Fair Trade products</b> are included in this 50% target.
<b>Social and environmental impact</b>	As of 2023, only 20% of cities, regions, and public services comply with the Egalim regulation. While cities like <a href="#">Paris</a> (the city committed to ensure that 100% of bananas and cocoa procured by the city are Fairtrade certified by 2027) and Grenoble lead, hospitals lag significantly, with fewer than 3% in compliance.

More information [here](#).

### SECTOR SPECIFIC STRATEGIC PUBLIC PROCUREMENT

#### 1. The Netherlands and its Ministry of Economic Affairs and Climate Policy' strategy for ICT procurement (2021)

<b>Policy objective</b>	To promote sustainability and circularity in ICT procurement.
<b>Policy framework</b>	<p>The ministry awarded five interrelated tenders for hardware (displays, laptops, mobile devices, accessories) and workspace services, totalling €474 million. In particular, the strategy included:</p> <ul style="list-style-type: none"> <li><b>Market consultations</b> to align sustainability goals with industry capabilities</li> <li>Integrated <b>green and social criteria into technical specifications, award criteria, and performance conditions;</b></li> <li>Allocated points for <b>sustainability metrics like CO2 compensation</b> (up to 22.5%) and <b>recyclability</b> (up to 10%);</li> <li>Mandated CO2 footprint assessments and <b>Life Cycle Analysis (LCA)</b> for all products;</li> </ul>



	<ul style="list-style-type: none"> <li>• Support for second-life device reuse;</li> <li>• Ensured 5-10% social return by inclusion of <b>marginalised groups in contract execution</b>;</li> <li>• Adherence to <b>ILO labour standards</b> and human rights in supply chains;</li> </ul>
<b>Environmental impact</b>	<ul style="list-style-type: none"> <li>• 17% CO2 reduction compared to 1990 levels in 2021;</li> <li>• 3.36 K tonnes of CO2 offset via <b>Fairtrade Climate Standard projects</b>;</li> <li>• Lifecycle extension of ICT products to 4-10 years;</li> <li>• 13,527 certified e-waste-neutral devices purchased, resulting in 4,400 kg less e-waste;</li> </ul>
<b>Social impact</b>	<ul style="list-style-type: none"> <li>• <b>100% CO<sub>2</sub> offset and Fairtrade:</b> Contractors had to offset all CO<sub>2</sub> emissions via the Fairtrade Climate Standard or equivalent, comply with international labour standards, assess supply chain risks, and implement CSR plans. CO<sub>2</sub> credits funded projects in Burkina Faso, India, and Rwanda, combining carbon reduction with socio-economic benefits.</li> <li>• <b>Stronger supplier sustainability:</b> EcoVadis scores improved by up to 34%. A minimum score was required to drive sustainable production, strengthen supply chain responsibility (CSR), and exclude non-compliant manufacturers from Dutch government contracts.</li> <li>• <b>Social return impact:</b> Depending on the tender, social return contributions ranged from 5% to 10%.</li> </ul>

More information [here](#) and [here](#).

## 2. Ghent- Food Strategy (2015-2024)

<b>Policy objective</b>	Incorporating sustainability and positioning food as a central element in urban well-being. It aims to <b>promote short supply chains and reduce food waste</b> .
<b>Policy framework</b>	<p>The food policy encourages <b>behavioural shifts</b> in public consumption and by <a href="#">2024 increases</a> the share of <b>organic and Fair Trade</b> food at receptions. In particular, it includes:</p> <ul style="list-style-type: none"> <li>• Plant-based protein as a complement or replacement of animal protein. Refined sugars and additives are avoided, and more green salads and fewer sauces are offered;</li> <li>• Seasonal ingredients and 20% organic products;</li> <li>• Fair Trade products, free-range eggs and fish with a Marine Stewardship Council label or equivalent;</li> <li>• Vegetarian lunches on Thursday in public schools;</li> </ul> <p>Consolidating supplier deliveries to cut food kilometres, and the reduction of packaging and food waste.</p>

<b>Social and environmental impact</b>	<ul style="list-style-type: none"> <li>• <a href="#">23% of school meals are organic and include Fair Trade products;</a></li> <li>• <a href="#">Public schools serve an average of 23% vegetarian meals per week;</a></li> <li>• <a href="#">A €1.2 million contract ensures socially responsible workwear procurement;</a></li> <li>• The <a href="#">Foodsavers project</a>, redistributed over 1,000 tonnes of surplus food within two years, preventing around 2,540 tonnes of CO<sub>2</sub> emissions;</li> <li>• By promoting shorter food supply chains, Ghent's shorter food supply chains cut emissions by 35.8%, with potential long-term savings of up to 482 tonnes of CO<sub>2</sub> per year.</li> </ul>
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More information [here](#) and [here](#).

### 3. France- Dordogne's food strategy

<b>Policy objective</b>	Enhance school meals' quality, sustainability, and educational impact.
<b>Policy framework</b>	<ul style="list-style-type: none"> <li>• <b>100% organic, local food</b> in school canteens, supporting small producers.</li> <li>• <b>Cost-neutral procurement</b> through smart strategies and resource allocation.</li> <li>• <b>Waste reduction</b> via menu design, portion control, and efficient food handling.</li> <li>• <b>Procurement structured by production logic</b>, with model tender documents.</li> <li>• <b>Quality-focused tendering</b> (¼ price, ¾ quality), favouring short supply chains.</li> <li>• <b>User-friendly e-procurement</b> (up to €90,000), minimising administrative burdens.</li> <li>• <b>Direct producer-buyer links</b> to strengthen local food systems.</li> <li>• <b>Kitchen staff trained</b> in fresh, seasonal cooking and food storage.</li> <li>• <b>Aromatic gardens, protein diversification</b>, and improved food preservation.</li> </ul>
<b>Social and environmental impact</b>	<ul style="list-style-type: none"> <li>• Improved quality of meals through fresh, seasonal, and local food;</li> <li>• Enhanced environmental performance with reduced food miles;</li> <li>• Stronger ties between producers and consumers (students);</li> <li>• Increased participation of small and medium producers in public contracts;</li> <li>• Reduced food waste through better menu planning and storage.</li> <li>• Cost-efficient procurement system that delivers high-quality, sustainable meals;</li> <li>• Achieved 100% bio and local objectives without additional financial burden.</li> </ul>

More information [here](#).

#### 4. Finland - Meeting Sustainability Objectives in the Helsinki Urban Environment House's Restaurant and Café Services (2021-2025)

<b>Policy objective</b>	Integrate sustainability goals into public procurement, including environmentally responsible food services, CO2 reduction, and responsible sourcing, including <b>Fairtrade certified coffee, tea, and other products.</b>
<b>Policy framework</b>	Helsinki's strategic public procurement included: <ul style="list-style-type: none"> <li>• Prioritising <b>vegetarian and vegan options</b>, focusing on plant-based meals to reduce carbon impacts;</li> <li>• Using <b>seasonal and Fairtrade</b> certified products;</li> <li>• Ensuring <b>meat origin traceability</b>;</li> <li>• Minimising waste through <b>careful planning and offering affordable leftover meals</b>;</li> <li>• Opting <b>for sustainable packaging</b> in takeaway services;</li> <li>• Requiring the service provider to employ <b>individuals from vulnerable labour market positions</b>, creating job opportunities for marginalised groups.</li> </ul>
<b>Environmental Impact</b>	<ul style="list-style-type: none"> <li>• CO2 reduction through climate-friendly food sourcing;</li> <li>• Food waste accounted for only 3.2% of the carbon footprint;</li> <li>• Promotion of low-impact consumption through vegan, vegetarian, and sustainable menu options.</li> </ul>

More information [here](#).

### SOCIAL INCLUSION AND ENHANCED SMES PARTICIPATION

#### 1. Sweden, City of Söderhamn (2019)

<b>Policy objective</b>	Achieve greater support for social inclusion and social enterprises.
<b>Policy framework</b>	The procurement for fresh fruit basket deliveries was <b>exclusively reserved for social enterprises</b> . In particular, the city: <ul style="list-style-type: none"> <li>• Conducted a <b>needs assessment</b> and facilitated <b>dialogue</b> between buyers and social enterprises to align buyer requirements with available services.</li> </ul>
<b>Social impact</b>	<ul style="list-style-type: none"> <li>• Created job opportunities for individuals facing long-term unemployment;</li> </ul>

	<ul style="list-style-type: none"> <li>• Achieved supplier growth, expanding from 4 employees in 2016 to 9 in 2019;</li> <li>• Established a support centre for emerging social enterprises;</li> <li>• Enabled the municipality to save €60,000 annually in allowances.</li> </ul>
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More information [here](#).

## 2. Czech Republic (2015)

<b>Policy objective</b>	Prevention of violations of labour and social rights in textile manufacturing and increased support for Small and Medium Enterprises (SMEs) and social enterprises.
<b>Policy framework</b>	The Czech Ministry of Labour and Social Affairs has set requirements for bidders to guarantee protection <b>of core ILO labour rights</b> . In particular, it promoted: <ul style="list-style-type: none"> <li>• The use of <b>Dynamic Purchasing System (DPS)</b> to enable <b>SMEs and social economy enterprises</b> to participate in small tenders;</li> <li>• The adoption of <b>Fair Trade and organic product</b> criteria for specific goods (e.g., tea, coffee).</li> </ul>
<b>Social impact</b>	Over €20 million spent resulted in increased support for SMEs and social enterprises.

More information [here](#).

### III. Policy environments to leverage strategic public procurement

The previous section illustrated several **concrete initiatives at various levels demonstrating the positive impact of strategic public procurement in integrating social, economic, and environmental criteria**. The successful examples highlight how the adoption of sustainable procurement practices can lead to tangible results in terms of **reducing CO<sub>2</sub> emissions, promoting fair trade, social inclusion, and support for small and medium-sized enterprises**.

This section now focuses on the **political environments and regulatory frameworks that have enabled such successful implementations**, analysing the strategies to **enable and incentivise the strategic use of public procurement**.

**BELGIUM**

**1. Belgium and gender equality (2022)**

<b>Policy objective</b>	Gender-Responsive Public Procurement (GRPP) incorporates gender equality into public purchasing, using procurement to promote women's empowerment and integrating gender considerations throughout the procurement cycle.
<b>Policy framework</b>	In Belgium, during the <b>preparatory stage</b> , <b>needs assessments</b> are carried out using <b>gender-based tools</b> , such as manuals and <b>checklists</b> to ensure a user-centred approach and systemic approach to gender inclusion.

More information [here](#) and [here](#).

**1.1. Belgium, Wallonia and anti-social dumping (2016)**

<b>Policy objective</b>	<a href="#">Wallonia's Sustainable Public Procurement (SPP) 2017–2019 Action Plan</a> aimed for 100% responsible public purchasing by 2020, integrating environmental, social, and ethical criteria. The Walloon Circular (2017) mandated clauses promoting <b>fair competition</b> and <b>preventing social dumping</b> in public works contracts to ensure businesses following local labour standards weren't undercut by those exploiting cheaper labour.
<b>Policy framework</b>	<ul style="list-style-type: none"> <li>• The framework prioritises integrating sustainability criteria in public procurement contracts.</li> <li>• The <b>Anti-Social Dumping Toolkit</b> (June 2016) provides measures to ensure fair competition and prevent social dumping.</li> <li>• <b>Mandatory Tools:</b> The Circular mandates all Walloon contracting authorities to use these tools for public works contracts.</li> </ul>

More information [here](#).

**1.2 Ghent – No discrimination clauses in public contracts (2017)**

<b>Policy objective</b>	To integrate <b>non-discrimination</b> principles into public procurement, promoting social inclusion through contracts.
<b>Policy framework</b>	The City includes <b>non-discrimination clauses</b> in public contracts with large workforces, imposing <b>finances or contract termination for non-compliance</b> . Violations may be reported to <b>UNIA or the Department of Social Legislation Inspectorate</b> . Providers must: <ul style="list-style-type: none"> <li>• Complete a self-assessment (or Quick Scan) for large workforce contracts;</li> </ul>

- Prove compliance and face penalties for violations;
- Report to external equality and labour authorities.

More information [here](#).

## THE NETHERLANDS

### 2. The Netherlands – Focus on Zeeland (2023)

<b>Policy objective</b>	Implement a strategic use of public procurement to achieve sustainability goals.
<b>Policy framework</b>	The Province of Zeeland’s Sustainable Procurement Plan (2021–2024) aligns procurement with sustainability goals through a <b>5-step SDG framework</b> : <ol style="list-style-type: none"> <li>1. Assess procurement’s impact on SDGs;</li> <li>2. Define ambitions based on value chain effects;</li> <li>3. Select SDG targets and align tender criteria;</li> <li>4. Report procurement impact;</li> <li>5. Measure outcomes and refine processes.</li> </ol>

More information [here](#).

## SPAIN

### 3. Spain and social considerations in public procurement (2017)

<b>Policy objective</b>	Promotion of SMEs competitiveness and inclusion of social criteria into public procurement.
<b>Policy framework</b>	The <a href="#">Public Sector Contracts Law 9/2017</a> encourages incorporating social and environmental clauses in procurement to promote responsible purchases, supporting equal opportunities, employment dignity and social cohesion. This is practiced in municipalities such as <a href="#">Alcorisa</a> , <a href="#">Barcelona</a> , <a href="#">Bilbao</a> , <a href="#">Córdoba</a> , <a href="#">Orihuela</a> , and <a href="#">Zaragoza</a> .

It ensures a 30-day payment period after invoices and timely payments to prime contractors. The law allows contracting authorities to require labels like Fair Trade, organic, or gender equality in contracts to verify environmental or social standards.

### 3.1. Spain and Fair Trade practices in public procurement

<b>Policy objective</b>	Promotion of Fair Trade practices through different initiatives via public procurement in different municipalities
<b>Policy framework</b>	<ul style="list-style-type: none"> <li>• <b>León City Council</b> promoted Fair Trade and joined the Fair Trade Towns program (2008), adding Fair Trade coffee to vending machines.</li> <li>• <b>Córdoba City Council</b> renews an annual agreement with IDEAS for the Fair Trade Cities campaign, offering training for municipal procurement staff.</li> <li>• <b>Aragón</b> includes Fair Trade coffee clauses in procurement contracts for vending machines.</li> <li>• <b>Barcelona</b> incorporates Fair Trade food, such as coffee, chocolate, and tea, into public food procurement.</li> <li>• <b>Sabadell</b> offers a virtual guide on responsible consumption and Fair Trade, created with the Solidarity and Cooperation Council.</li> <li>• <b>Jerez de la Frontera</b> features a dedicated Fair Trade section on its municipal website.</li> <li>• <b>Valladolid</b> adapts contracts for SMEs, enabling them to compete more effectively in future tenders.</li> </ul>

More information: [here](#).

## GERMANY

### 4. Germany – Bohn (2019)

<b>Policy objective</b>	Implement SDGs, promote Fair Trade, and align budgets with sustainability goals.
<b>Policy framework</b>	<ul style="list-style-type: none"> <li>• By 2030, all products will be procured based on sustainability (social, regional, fair, ecological) criteria;</li> <li>• Fairtrade Town designation (2010); dedicated position for Fair Trade coordination and annual Fair Week program;</li> </ul>

- Participation in the "Municipal Sustainability Budget" project with seven pilot areas for sustainability-oriented budgeting;
- Focus on minimum ecological and social standards for procurement staff, involving product users in the process;
- Development of the "**Sustainability Compass**" procurement tool to guide fair and sustainable purchasing;
- Strict sustainability criteria in procurement, including a 30% weighting for social criteria in tenders;
- Events like "Bonn - All Around Sustainable" merge Fair Trade and ecological activities, promoting sustainability;
- Performance requirements balance **market feasibility with sustainability goals**; sustainability indicators guide procurement decisions;
- Linking financial resources to SDGs, such as promoting bicycle traffic, with impact-oriented budgeting to measure progress;
- Training and sensitising municipal employees on sustainable procurement to align goals with market conditions;

More information [here](#).

## IV. Obstacles and challenges

Despite the significant potential of strategic public procurement to drive climate action, social equity, and innovation, several challenges hinder its implementation. A major issue is [the focus on the lowest price criterion, which leads to a "race to the bottom"](#) and disadvantages Fair Trade operators and businesses with higher social and environmental standards. Additionally, the **restrictive interpretation of the "link to the subject matter"** principle limits the inclusion of social and environmental requirements in procurement. Although Directive 2014/24/EU aims to simplify procurement rules, the reform [has not significantly increased the participation of Small and Medium Enterprises \(SMEs\)](#), often due to their limited administrative resources and expertise.

Examples like **Sweden's Söderhamn**, which **reserves procurement** for fresh fruit basket deliveries exclusively **for social enterprises**, and the **Czech Republic's** use of the **Dynamic Purchasing System (DPS)** for small contracts, show the potential of a targeted approach.



Furthermore, the [voluntary integration of social and environmental criteria in procurement has proven ineffective](#), with uneven application and weak enforcement across Member States. The lack of clear references to Fair Trade in the EU directive adds to this uncertainty, as Fair Trade is often [misunderstood amidst a confusing array of certifications](#).

In **Italy**, the Minimum Environmental Criteria have introduced a **more binding approach by explicitly referencing Fair Trade certifications** for certain public catering products. However, there remains a tendency to prioritise organic over Fair Trade options, due to concerns about market availability. This issue is addressed through **market consultations in the Netherlands** and **training in Germany**, where **municipalities like Bonn** focus on **raising awareness** among employees about sustainable procurement.

Lastly, [the lack of reliable data](#) on socially responsible public procurement (SRPP) across Europe complicates efforts to assess its impact. While initiatives **like Ghent** provide valuable methodologies, the lack of reporting on social and environmental factors in procurement remains a challenge.

## V. Key insights and learning to unlock the power of Sustainable Public Procurement

This document highlights key lessons from cities and regions successfully integrating sustainable procurement practices, emphasising how public procurement can be a powerful tool to promote environmental and social objectives. At the core of these successes lies a shift from a solely price-based procurement to the use of, amongst other things, the Most Economically Advantageous Tender (MEAT) criteria, where social, environmental, and ethical standards take precedence. This approach aligns with the Fair Trade Movement's call to make MEAT the default criteria for public procurement, ensuring that public spending supports ethical businesses, including Fair Trade operators.

For example, **Ghent's** food strategy demonstrates how sustainable procurement can lead to significant **cost savings over time**, as it prioritises long-term environmental and social benefits over short-term costs. Similarly, **Madrid's** mandatory Fair Trade clauses in public contracts not only advance social justice but also foster **competition among suppliers**, as businesses are incentivized to adopt higher standards in order to meet public procurement requirements.

By combining factors like CO<sub>2</sub> offset projects and Corporate Social Responsibility (CSR) plans with procurement decisions, municipalities in the **Netherlands** are ensuring a broad and deep impact across their supply chains. The requirement for companies to meet international

labour standards and score well on sustainability platforms such as EcoVadis has incentivized firms to improve their practices, **driving a market shift toward more ethical business models**. Furthermore, **market consultations** play a crucial role in aligning sustainability goals with the **capabilities of suppliers**, ensuring that ambitious goals are **realistic and achievable**.

In **Italy**, the implementation of Fair Trade certifications in public catering has **streamlined procurement processes, reduced the complexity of decisions and making it easier** for local governments to choose ethical suppliers.

**Sweden's** targeted procurement for **social enterprises** boosts **social inclusion by reserving opportunities** for them, creating jobs and economic growth in marginalised communities. By aligning procurement with market demand, it enhances efficiency and impact, while promoting sustainable employment for those facing long-term unemployment. Likewise, the **Czech Republic** promotes ethical procurement by setting labour rights requirements and adopting Fair Trade and organic criteria. Using tools like the Dynamic Purchasing System (DPS), it has enabled SMEs and social enterprises to access tenders, resulting in over €20 million in sustainable spending and supporting local businesses. Similarly, the Dordogne region showcases how targeted procurement can reduce costs while supporting small-scale farmers and prioritising short supply chains. By focusing on 100% organic, local food, the region achieves cost neutrality through strategic resource allocation and menu planning. Strengthening ties between producers and consumers has been crucial in creating a resilient, sustainable food system.

These examples demonstrate that sustainable public procurement does not have to be more expensive or inefficient. When policies are structured to reward competition and efficiency, they can foster a more sustainable and equitable market. Key to these successes is enhancing the **professionalism of procurement officials**, which ensures that **sustainability criteria are integrated effectively** into the procurement process. Investment in **training, knowledge-sharing, and clearer legal frameworks** will make it easier for public authorities to adopt sustainable procurement practices. Furthermore, allowing greater flexibility in the interpretation of sustainability criteria and expanding access for small and social economy enterprises can help level the playing field and make public procurement more inclusive.