

CE-PRINCE

# Milestone 2

Transnational Circular Green Public Procurement Strategy for Central Europe

Version 3 03 2025









## Outline

1. INTRODUCTION	2
2. CONTEXT, RESEARCH DATA AND ANALYSIS	
2.1. Existing European thematic policies, national and regional .	3
2.2. Findings of the Initial Assessments on the GPP implementation	ion at public and private levels.5
Barriers to Circular Green Public Procurement	6
Drivers for Circular Procurement Adoption	7
Opportunities: Strengthening Public-Private Collaboration	7
Closing the gap between the circular economy in the demand and s	supply 8
2.3. Focus on the 4 key sectors: agri-food, constructions, manuf services and goods	_
3. STRATEGIC OBJECTIVES	10
4. SPECIFIC OBJECTIVES	11
5. MEANS OF IMPLEMENTATION AND REALIZATION	12
5.1. Introduction to Action Plan for the Public Administrations	12
<ul><li>5.1. Introduction to Action Plan for the Public Administrations</li><li>5.2. Introduction to Action Plan for the Private Companies</li></ul>	







### 1. Introduction

With the introduction of the European Green Deal (2019), the European Union is working toward a climate-neutral, sustainable, and resilient economy by 2050, supporting global environmental goals while maintaining economic growth.

A key priority for this comprehensive and ambitious plan is the transition to a **Circular Economy**, a model of production and consumption based on sharing, leasing, reusing, repairing, refurbishing and recycling existing material and products as long as possible, thus extending the life cycle of products. It is based on three principles, driven by design: 1) eliminate waste and pollution, 2) circulate products and materials (at their highest value), and 3) regenerate nature, with the ultimate aim of tackling global challenges like climate change, biodiversity loss, waste, and pollution (<u>Ellen MacArthur Foundation</u>).

As also endorsed by the EU Green Deal, the **Green Public Procurement** (GPP) plays a key role in accelerating the adoption of circular economy principles, as it includes principles like resource-efficiency, regenerative systems of recycled materials, waste reduction, and innovations.

Officially introduced in 2008 by the European Commission, the GPP is a policy instrument of public procurement for the environment defined as "a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured" (COM-2008-400). It is a voluntary instrument for the Member States through which they can boost a resource-efficient economy and reduce the environmental impact caused by public sector consumption. The basic concept of GPP relies on having clear, verifiable, justifiable, and ambitious environmental criteria for products and services, based on a life-cycle approach and scientific evidence base. By focusing on the environmental and economic issues, the GPP also drives the social benefits as it contributes to improved public health, job creation, social inclusion, and overall society well-being.

While over recent years there has been growing political commitment at national level toward GPP and it is widely recognized as a key factor for driving EU markets toward sustainable production and consumption processes and circular economy practices, the Circular/Green public procurement (C/GPP) is still implemented inconsistently and with different level of obligations across EU countries. The full and balanced implementation of C/GPP in the EU is hindered by persistent challenges spanning across regulatory, financial, technical, and institutional issues. Overcoming existing barriers and adopting more standardized criteria and processes could enhance GPP's role in facilitating the ecological transition and achieving the EU's sustainability goals.

The Central Europe Green PRocurement and Innovation Network for Circular Economy (CE-PRINCE) project fits into this context and aims to support the transition to Circular Economy in Central Europe leveraging on Circular/Green Public Procurement as a means to improve companies' circularity while reinforcing the public sector capacity to publish tenders containing elements of circularity. Since no common standards exist so far and requirements for incorporating circular criteria into public tenders vary from country to country, CE-PRINCE sets out to standardise circular procurement approaches and standards across central European countries and industries, through a joint strategy and tailored action plans and pilot actions.

This document defines the Transnational Strategy for Circular/Green Public Procurement in Central Europe, one of the main milestones of the project.







## 2. Context, research data and analysis

### 2.1. Existing European thematic policies, national and regional

Starting from the 2000s, the potential of GPP as a policy instrument has grown and increasingly recognized, with political commitment at international (i.e. OECD countries), European and national levels ever expanding. In the European Union, the Commission has encouraged Member States to develop National Action Plans (NAPs) for GPP since 2003, aiming to direct at least 50% of public procurement toward green purchases. As a matter of fact, GPP is a cross-cutting tool that supports multiple EU regulations and strategies by ensuring that public spending drives the transition toward a green, circular, and climate-resilient economy:

- The European Green Deal sets the EU's roadmap for achieving climate neutrality by 2050 and
  explicitly mentions the GPP as a key tool to drive sustainable consumption and production for the
  public purchasing, particularly in sectors such as energy, construction and mobility. The EGD is an
  overarching strategy that calls for a clean and just transition to a new growth model based on
  circular economy.
- The 2020 New Circular Economy Action Plan (CEAP) supports the transition from a linear "take-make-dispose" model to a circular regenerative economy that emphasises resource efficiency, product durability, and waste reduction. CEAP lists the GPP among the EU instruments addressing the sustainability aspects of products, although there is not yet a comprehensive set of requirements to ensure standard of circularity of all products placed in the EU market. As such, CEAP calls for making GPP criteria mandatory in key sectors, including construction, electronics, and textiles.
- GPP supports and enforces objectives of wider legislative and regulatory frameworks and initiatives, such as the Action Plan on Sustainable Consumption and Production and Sustainable Industrial Policy (2008), the Waste Framework Directive (Directive 2008/98/EC, revised in 2018), the Energy Efficiency Directive (Directive 2012/27/EU, updated in 2023), the Fit for 55 legislative package.
- Finally, GPP aligns with the environmental criteria existing at European level related to the sustainability standards of products, including the EU Ecolabel criteria, the *Ecodesign for Sustainable Products Regulation* and the *Sustainable Product Initiative*.

As of the 2008 communication, the European Commission (EC) has been developing <u>voluntary GPP criteria</u> for several product groups. Furthermore, according to the adoption of the 2020 Circular Economy Action Plan, the Commission is working toward a proposition for minimum mandatory GPP criteria and targets in sectoral legislation and phase in compulsory reporting to monitor its uptake (<u>EC, GPP</u>). Nevertheless, adoption of GPP criteria is still fragmented across Member States, where some nations have well-developed GPP policies, while others lag due to weak institutional support or lack of national strategies. Specifically, the research conducted at the initial stage of CE-PRINCE project to assess the status of GPP implementation in Central Europe depicted the following situation in the countries of CE-PRINCE partnership:

Italy: with the Action Plan for Green Public Procurement (PAN GPP) initiated in 2008 and updated in 2023, the use of Minimum Environmental Criteria (CAM) is mandatory in all public procurement processes, covering 21 product groups that align with EU GPP and Ecolabel standards. Despite this strong framework, challenges still exist in evaluating the broader environmental results of GPP. Among the Italian regions, Liguria (lead partner of CE-PRINCE) has been at the forefront of GPP issues since 2007 by promoting and disseminating informative/educational events on GPP and CAMs for regional public procurers and enterprises, when they were still voluntary. It has already concluded two regional GPP tree-years plans (2017-2019 and 2022-2024) and it is in the process of approving a new regional GPP plan for 2025-2027. Furthermore, ongoing discussions and working groups are active at the regional institutional level.







- **Austria:** naBe Action Plan, revised in 2021, sets binding sustainable procurement criteria for federal entities, encompassing 16 product groups of which 10 are based on EU standards. A monitor system to assess GPP practices has also been established but challenges in regional coordination persist.
- Germany: a Federal Climate Change Act aims at reaching climate-neutral federal administration by 2030 through the life cycle costing in procurement. Also, the Sustainable development Programme promotes the use of eco-label certifications and established the inter-ministerial Committee for Sustainable Public Procurement in 2022. In addition, since January 1, 2023, a "national supply chain due diligence" law obliges companies above a certain size to exercise due diligence to address human rights and environmental risks. Also, the National Circular Economy Strategy was adopted in 2024 to bring the German government's goals and measures together to establish a framework for a comprehensive Circular Economy, focussing on maintaining the value of products and resources for longer. However, the very decentralized German system makes standardisation of environmental criteria across sectors and regions unfeasible under the current conditions.
- **Slovenia:** in 2023, the Green Public Procurement Decree has been updated and mandates EU-aligned environmental criteria for 22 procurement categories. It simplifies procedures to reduce administrative burdens and ensures compliance with Directive 2023/1791. Nonetheless, practical implementation and administrative hurdles remain areas for improvement.
- Hungary: a Green Public Procurement Strategy is in place for 2022-2027 aiming to implement green aspects into at least 30% of public procurements by 2027 and higher targets for specific sectors. It provides intervention areas and tools to enhance GPP practices. In addition to its Green Public Procurement Strategy, the government has introduced binding GPP criteria through a dedicated decree. Government Decree 235/2024 (VIII.8.), entered into force on 1 January 2025, requires contracting authorities to include at least one environmental requirement in public tenders for specific categories. These categories span key goods and services from paper products and cleaning services to furniture, IT equipment, and construction works where EU or national green criteria have been established. The decree applies broadly to procurements above national thresholds (with limited exceptions) and allows the green criteria to be built into technical specifications or contract conditions. However, despite this regulatory push, there is no mandatory reporting or evaluation mechanism to track GPP outcomes.
- Croatia: first adopted in 2015, the National Action Plan for Green Public Procurement has been updated in 2021 and it mandates the application of EU-aligned GPP criteria in central procurement procedures with technical specifications for categories such as office supplies, computers, vehicles, and electricity. In addition, it includes award processes to promote sustainable procurement. Despite this framework is well-structured, expanding these practices to all public sectors could enhance its effectiveness.
- Poland: the State Purchasing Policy for 2022-2025 encourages public administrations to allocate 20% of their procurement budget to innovative solutions, including green materials and services. Despite being voluntary, the policy proposes to develop a mandatory catalogue of products and services with GPP criteria. Yet, its adoption remains inconsistent across regions and sectors. In addition, the national Public Procurement Law obliges public entities in specific cases to conduct an analysis of the needs and possibilities of taking into account environmental aspects in the procedure. Additionally, in the field of construction works, the national Energy Efficiency Act horizontally specifies requirements for public authorities that are obliged to purchase energy-efficient products or implement other measures to improve energy efficiency in the field of energy performance of buildings.







Large differences in economic, social, and territorial issues in Central Europe are also acknowledged by the Interreg Central Europe programme (Interreg Central Europe Programme 2021-2027, Wiiw, 2020). Differences exist not only across countries in the region (West-East unbalanced development) but also within each country, between urban and regional areas, due to disparities in GDP per capita, and are related to policy objectives as well as specific objectives, including the transition to a circular economy. Despite its fast development in central European countries, the circular economy still needs more efforts and investment to reach the EU average level. As such, "taking circular economy forward" is one of the most recommended Specific Objectives (SO 2.3) listed under the Policy Objective (PO2) "Promoting the transition to a circular and resource efficient economy" of the Central Europe Programme. Specifically, the Interreg Programme calls for increased capacities of public and private stakeholders across Central Europe to deploy circular economy approaches (i.e. policy and criteria) through a transnational cooperation that may jointly develop strategies, action plans, trainings, pilot actions, and good practices. This is where the CE-PRINCE project comes into play by leveraging on the Green Public Procurement as a shared scheme with the potential of standardizing circular criteria in public tenders as well as of supporting the capabilities of enterprises to respond to such criteria.

# 2.2. Findings of the Initial Assessments on the GPP implementation at public and private levels

The Initial Assessment, coordinated by Sant'Anna School of Advanced Studies, provided an in-depth analysis of the current state of Circular and Green Public Procurement (C/GPP) adoption across partner countries in Central Europe. It examined both the public sector's ability to integrate circular criteria into procurements and the private sector's readiness to supply circular solutions.

Overall, the findings of the initial assessment reveal a significant disparity between enterprises and public administrations in the implementation of circularity practices. Enterprises demonstrated a higher propensity to adopt circular approaches, with 36% systematically integrating circularity into their business, compared to only 22% of public administrations systematically incorporating circular criteria into their tenders. Furthermore, 30% of public administrations reported never having introduced circularity criteria, more than double the 14% of enterprises that stated they had not adopted any circular practices.

A closer analysis of circularity adoption across the public and private sectors highlights fragmentation in the types of actions and strategies implemented. Companies tend to focus on strategies related to proper waste management, with 40% reporting successful implementation in this area. However, they remain in an early stage when it comes to circular product design (25%), the integration of circular criteria into procurement activities (19%), and logistics optimization (27%). Conversely, 53% of public administrations reported that GPP criteria are included in less than 20% of their tenders. Tenders across various product and service categories reveal considerable differences in the integration of green criteria. For example, categories such as furniture, data centres, server rooms and cloud services, and food catering services and vending machines show particularly low integration, with half of the reporting public administrations stating that green criteria are included in less than 20% of related tenders. On the other hand, some product groups display stronger adoption: categories like computers, monitors, tablets, and smartphones; indoor cleaning services; and road design, construction, and maintenance demonstrate higher levels of integration, with approximately 30% of tenders achieving green criteria inclusion in more than 60% of cases.

While small differences exist, the initial assessment results indicate that the levels of circularity integration in both demand and supply are not significantly different across the target countries or within the four analysed sectors.

The initial assessment further provides insight into the mutual perceptions between public buyers and private suppliers regarding innovation and knowledge. Interestingly, companies that have not participated







in GPP tend to perceive public buyers as slightly more innovative than those with direct experience in these processes. This counterintuitive finding may stem from higher expectations among participating companies, who are more likely to encounter procedural rigidity or lack of proactive engagement from public buyers. Non-participating companies, by contrast, may evaluate public buyers from an external viewpoint, influenced more by idealized perceptions than by practical experience. Conversely, public buyers report a moderate overall perception of private suppliers in terms of knowledge, relational behaviour, and commitment to GPP. However, public administrations with high levels of GPP implementation consistently report stronger supplier engagement, suggesting that the implementation of GPP practices may foster more collaborative, informed, and trust-based relationships with suppliers.

Finally, the initial assessment also highlighted key **barriers**, **drivers**, **and opportunities** that shape the transition toward circular procurement, as well as mechanisms to close the gap between the two domains, public and private. Such elements are the foundation for identifying the strategic objectives of the Transnational Strategy and are described as follows.

#### Barriers to Circular Green Public Procurement

Several structural and operational challenges currently hinder the widespread adoption of Circular Green Public Procurement, including:

- Public-private misalignment when implementing circularity: one of the key findings of the
  assessment is the misaligned implementation of circular economy principles between the public and
  the private sectors. This misalignment highlights the gap between public demand and private sector
  supply, emphasizing the need for greater coordination between procurement strategies and market
  capabilities.
- Limited knowledge and technical expertise: many public procurement officials lack the necessary skills and training to integrate circularity into tenders effectively. This is partly due to a shortage of human resources within Public Administrations, as well as insufficient training and education on environmental and circular economy issues. This challenge also resonates with companies' perceptions of a low demand for innovation from public procurers and a general lack of openness to new and alternative solutions.
- Complex and rigid procurement procedures: the absence of clear guidelines and the perceived difficulty in applying circular criteria contribute to administrative inefficiencies. This is true both for enterprises which report a lack of information and clarity in technical specifications in tenders and for public administrations, which point to the absence of standardized guidelines, inconsistencies in tendering procedures, and regulatory gaps.
- Lack of common standards across regions and countries: variability in C/GPP regulations creates
  uncertainty and limits the scalability of circular solutions in different markets. Furthermore, the
  differing pressure for green and circular products across the EU makes the transition uncertain and
  reduces companies' willingness to invest in circular solutions. The lack of standardization also
  discourages the allocation of resources of enterprises toward public markets, as it increases the
  complexity and effort required for bidding.
- Financial constraints: the higher upfront costs associated with circular solutions and limited access to dedicated funding discourage adoption. Public administrations face multiple challenges in integrating green and circular criteria due to budget limitations, the high cost of sustainable options, and restricted financial resources. Conversely, the strong emphasis on price competitiveness in public tenders disincentivizes investments in sustainable and circular alternatives, making it harder for companies to justify the costs of greener solutions.







#### **Drivers for Circular Procurement Adoption**

Despite these barriers, the assessment identified several positive drivers that can accelerate the adoption of C/GPP:

- Economic benefits for enterprises: companies acknowledge the economic advantages offered by the circular economy, particularly in terms of long-term gains, increased resource efficiency, and enhanced market competitiveness. Public administrations, on the other hand, value the financial incentives associated with GPP provided by administrative bodies and recognize the long-term cost savings generated through GPP adoption.
- Growing alignment through transnational cooperation: collaboration between regions and countries supports progressive standardization and the exchange of best practices. This is especially valuable as companies often face difficulties in the bidding process due to unclear documentation and a lack of harmonization in procedures across different public bodies.
- Greater stakeholder engagement in procurement processes: involving enterprises early in the procurement cycle enhances market readiness and fosters innovation in circular solutions. Transparent and timely communication helps companies develop more effective bids. At the same time, pressure from stakeholders, suppliers, and local communities for green and circular transitions can further encourage public administrations to integrate circular criteria into procurement practices.
- Openness to innovation and sustainability: Enterprises increasingly view public procurement as a lever for innovation. The emphasis placed by public tenders on sustainability and digital innovation is recognized as a key driver for both greater engagement in public procurement and the broader adoption of circular practices.

#### Opportunities: Strengthening Public-Private Collaboration

Building on the barriers and drivers identified, the assessment highlights key opportunities to reinforce the transition to Circular Green Public Procurement:

- Capacity-building initiatives and specialized training: providing procurement officials and businesses with targeted training programs can bridge knowledge gaps and improve implementation capacity. Moreover, capability-building activities and internal education focused on developing sustainability skills and reporting practices can raise companies' awareness of the benefits of the circular economy and highlight public procurement as a lever for circular development.
- Development of shared guidelines and best practices: establishing common reference frameworks
  can help simplify procurement processes and increase clarity for both public and private actors. The
  creation of user-friendly toolkits, guides, and practical tips especially tailored for micro, small,
  and medium-sized enterprises can reduce entry barriers for businesses.
- Better public-private partnerships: strengthening cooperation and dialogue between public
  administrations and enterprises can facilitate knowledge exchange and support the scalability of
  circular solutions. Specifically, building stronger relationships with small businesses supports local
  economies while promoting circular supply chains. Public administrations can also provide guidance
  on green certifications, sustainable production methods, and compliance with evolving regulations.
- Digital platforms for procurement and communication: The development of platforms for publishing and disseminating public tenders could significantly improve outreach to potentially interested companies. Moreover, standardizing the use of such platforms across public







administrations within the same country would help streamline the bidding process and documentation requirements as well as make communication between companies and public administrations timely and effective.

#### Closing the gap between the circular economy in the demand and supply

According to the findings of the initial assessment, four key levels of actions are identified for all stakeholders involved in a transition process with the aim to streamline and promote circular economy practices and bridge the gap between demand (public procurement) and supply (business capacity) (See Figure 1 in Annex 1). These levels are organized into two internal dimensions — focused on the organizations' itself — and two external dimensions — focused on the interaction between buyers and suppliers within value chains and broader systems.

The first level is Awareness representing the foundational step toward building an organizational vision of circularity and fostering an innovation-oriented mindset. In general, stakeholders must begin to be aware of a *long-term perspective*, recognizing the strategic advantages of sustainability over the short-term benefits of linear models. For enterprises, awareness involves *developing a circular economy vision*, where *internal education and training* are key levers: it may benefit from continuous upskilling programs, workshops, and learning opportunities targeting employees at all levels. For public administrations, awareness is equally critical: capacity-building activities such as seminars, technical training, and regulatory knowledge, can enable staff to manage complexity.

The second level aims to transition from awareness to action by embedding circular principles at the core of the organization, both strategically and operationally. For enterprises, this requires a *structured circular strategy* that is relevant to the business development based on current and future market trends. Therefore, firms should allocate resources through *market analysis*, benchmarking against competitors, and identifying technological enablers. Firms should also leverage on tools to operationalize the strategy by redesigning production processes, flows of resources and even business models. On the other hand, public administrations should *manage the complexity* of rigid regulatory frameworks. In this case, development of straightforward and standardized templates and compliance tools can significantly enhance the capacity to integrate circularity in procurement.

The third level emphasizes the **mutual alignment and interaction** between the stakeholders across the supply chain. Companies, especially SMEs, often face difficulties in entering GPP markets due to challenging processes and a lack of clarity on expectations. Public sector buyers can provide support by **simplifying requests for proposals**, providing information and technical support. Conversely, companies can **build internal capacity** to prepare for GPP opportunities and adapt their offers to meet GPP requirements. Both enterprises and public entities should operate to stimulate the circular transition. Public sector buyers hold a significant influence in creating predictable, circular-driven demand, while companies have an opportunity to further stimulate demand through awareness, certification, and service innovations.

The fourth level relates to the **broader systemic level**. It requires stakeholders to play a proactive role through policy advocacy, cross-sector collaboration and shared innovation. Enterprises can approach policymakers to *advocate for consistent circular procurement standards*, more stated funding mechanisms, or more stable regulatory environments. Public administrators can, in turn, work to *shape the policy* to eliminate barriers to circular procurement. Collaboration is often key: enterprises and institutions should break silos through industry coalitions, multi-sector stakeholder platforms and cross-sector partnerships.







# 2.3. Focus on the 4 key sectors: agri-food, constructions, manufacturing, and tourism-related services and goods

Public procurement for the purchase of services, works and supplies accounts for approximately 14% of the EU's GDP (EC, Public Procurement), and the GPP is the process through which public authorities use their purchasing power to select goods, services, and processes with a reduced environmental impact throughout their life cycle. EU GPP voluntary criteria apply to a variety of product groups, which are periodically updated and enlarged. For the implementation of the CE-PRINCE activities, the focus is on four key economic sectors - agrifood, manufacturing, construction, and tourism-related goods and services - because of their value, potential and importance in relation to the circular economy and the GPP:

- Agri-food: According to EU circular Economy Action Plan, the main challenge related to this sector, included in the key product value chain list, is the reduction of food waste, but also distribution, consumption practices and packaging can be improved in a circular way. Among approved GPP Criteria, the one applicable to Food catering services and vending machines covers agrifood products, as well as a number of aspects where circularity can be applied. Based on the initial assessment, firms in the agri-food industry have implemented circular strategies mainly in processes that involve food waste reduction and a preference for organic products. Furthermore, firms reported that logistics for product distribution have improved as well as a preference for suppliers who sell local products. Moreover, packaging of products is of substantial concern, along with collaboration and partnerships with local communities.
- Manufacturing: the manufacturing sector encompasses the production of a large number of goods falling under letter "C" of NACE list; according to Eurostat (Businesses in the manufacturing sector) it contributes to one-quarter of the EU's business economy net turnover, with €9.8 trillion in 2022. In the EU circular Economy Action Plan, five out of seven key product value chains requiring urgent, comprehensive, and coordinated actions refers to the manufacturing sector, notably Electronics and ICT products, Batteries and Vehicles, Packaging, Textiles and Food. Moreover, a number of already approved Environmental Criteria cover manufactured goods, computers, monitors, tablets and smartphones; furniture; Imaging equipment, consumables and print services; paints, varnishes and road markings; textile products and services; some of them already include circular requirements, but an increase of circular principles can make GPP a better lever to boost circular economy. As a result of the broad diversity of activities in the manufacturing sector, the initial assessment showed that there is a high level of fragmentation regarding the circular economy practices by manufacturing businesses. Businesses are focusing on streamlining processes and waste optimization, and, overall, businesses are moving toward circular purchasing, or self-generating renewable sources of energy through the installation of photovoltaic panels. It is also becoming common practice to renew corporate vehicle fleets with electric vehicles in support of circular economy practices.
- Construction sector: the gross value added (GVA) generated by the construction activities represents 5.6% of the total European GVA (Eurostat Housing in Europe 2024), it provides 18 million direct jobs and accounts for approximately 9% of EU GDP (EC, 2016), thus playing a key role in the EU economic growth. However, it is also one of the most environmentally impactful industries as it is intensively based on resource consumption (50% of all extracted materials), waste generation (35% of total EU's waste generation), energy use (40% of EU energy consumption) and emissions (35% of EU GHG emissions), and land use, all of which contribute to climate change and biodiversity loss. Yet, the role of construction in the ecological transition is crucial as both the EU GPP Criteria (2008) and the European Circular Economy Action Plan (CEAP 2020) highlight it as one of the priority sectors for improving resource efficiency, recovery and recycling as well as for implementing circularity principles throughout the lifecycle of buildings. By integrating GPP and circular economy principles,







this sector can reduce its carbon footprint while fostering innovation, job creation, and long-term sustainability thus providing solutions for social, climate and energy challenges. Based on the initial assessment, construction businesses had a notable focus on circular and sustainable materials for both structural components, as well as improvements in thermal insulation and energy efficiency. In a regulatory context of limited opportunities to reuse materials and recycling of materials from deconstruction, construction businesses place high value on working with other companies and collaborations for research and innovation.

• Tourism-related services and goods: tourism industry contributes significantly to EU's economy as it accounted for nearly 13% of gross value added and nearly 16% of employment in 2019. After the dramatic drop of net value due to the COVID 19 pandemic, tourism has strongly recovered since 2023 both in terms of economic output and employment (WTTC). While it contributes significantly to EU development thanks to its cross-cutting dimensions in several economic sectors, tourism is also a resource-intensive industry and thus represent a key sector for supporting the transition policies toward the circular economy. By integrating circular economy principles and GPP, the tourism sector can reduce its environmental impact, improve resource efficiency, and set a global example for sustainable travel. Based on the initial assessment, businesses engaged in tourism services, local maintenance, and urban green spaces prioritize logistics and distribution services. They exhibit great interest in buying local products and stimulating efforts centred on social sustainability and strengthening local communities.

While acknowledging that the selected sectors are diverse from each other and inherently quite large in their applications, this document aims at defining Strategic Objectives and Specific Objectives of C/GPP practices that may be generally applicable.

## 3. Strategic objectives

The Transnational Strategy for Circular Green Public Procurement (C/GPP) aims to create a structured and scalable approach to enhancing circular procurement practices across Central Europe.

Based on the findings of the Initial Assessment, European policy frameworks, and the challenges identified in the project regions, the strategy is built around the following three strategic and overarching objectives, each addressing key challenges identified in the project as well as guiding targeted interventions for both public authorities and private sector actors:

1. Facilitate the growth in the adoption of C/GPP practices among partner countries, leading to a positive impact on environmental sustainability.

By increasing the integration of circularity principles into public procurement and fostering the transnational cooperation, the strategy aims to strengthen the role of **green demand as a driver** for market transformation.

This objective also promotes better alignment between **public procurement policies and market readiness** through a harmonized framework to streamline circular procurement across Central Europe region, thus reducing implementation barriers.

2. Contribute to the development of C/GPP criteria that can be shared across project regions.

The strategy seeks to create a **more coherent regulatory and operational framework** to improve procurement clarity for a circular economy.

Ensuring clearer and more predictable requirements will help public buyers improve procurement processes and support businesses in adapting to green market demands.







Spread awareness and promote cultural shift towards sustainability and procurement priorities through the enhancement of skills and competencies of public and private stakeholders in sustainability and circular procurement.

The adoption of C/GPP practices requires both technical and procedural knowledge to be embedded within procurement departments and business operations.

By promoting **capacity-building actions**, specific for each stakeholder, this objective supports long-term **cultural**, **behavioural**, **and operational change** in procurement practices.

These **three objectives** serve as the foundation for the **specific objectives** for the public and private sectors as outlined in the next section.

## 4. Specific Objectives

To translate the strategic objectives into actionable steps, the Transnational Strategy defines the following **specific objectives**, tailored separately for the **public** and **private sectors**, addressing the key challenges and opportunities identified in the Initial Assessment.

		Specific objectives	
Drives, barriers, opportunities	Strategic objectives	Public Administrations	Private Companies
Barriers: - Public-private misalignment when implementing circularity - Financial constraints  Drivers: Economic benefits deriving from the adoption of circular criteria  Opportunities: Greater stakeholder involvement in the early stages of procurement procedures	1. Facilitate the growth in the adoption of circular and sustainable practices functional for C/GPP among partner countries, leading to a positive impact on environmental sustainability	Enhance institutional awareness, capacity and cross-departmental coordination to systematically integrate circularity criteria in public procurement. Ensure that circular procurement knowledge is embedded in long-term administrative practices.	Support enterprises in understanding and aligning their production processes with C/GPP criteria adopting circular economy practices, also by exploring financial mechanisms (i.e. incentives, subsidies, tax benefit) that can support businesses in meeting C/GPP criteria.
Barrier: Lack of common standards between different countries and regions  Driver: Progressive alignment of practices also through transnational collaboration  Opportunity: increase clarity of procedures in tenders also developing shared guidelines	2. Contribute to the development of C/GPP procedures and criteria that can be shared across project regions	Leverage on the transnational cooperation to recommend and promote the adoption of more consistent environmental and circular criteria by public entities across different governance levels and regions, while contributing to	Promote a simpler adaptation of businesses to the requirements set out in tenders through clearer criteria, while contributing to the integration of new standardized tools into business production processes to facilitate the application of





		the integration of new standardized tools in public procurement processes to facilitate the application of GPP and its alignment to EU-wide circular economy objectives.	circular and sustainable approaches more aligned with public demand. The approach should be tailored depending on the size and the capacity of each enterprise, as their capacity to participate in tenders varies significantly.
Barrier: - Lack of training and technical capacity in public administrations - Difficulties in integrating environmental criteria in tenders  Driver: Creation of public-private partnerships for knowledge exchange  Opportunity: capacity building and specific training.	3. Promote the enhancement of skills and competencies of public and private stakeholders in sustainability and circular procurement	Strengthen capacity-building programs (and leverage on existing ones) for public procurement officials to improve technical expertise and confidence in implementing C/GPP criteria	Facilitate knowledge exchange and partnerships between enterprises and public institutions to increase awareness and technical capability in participating in sustainable and circular procurement

## 5. Means of implementation and realization

The successful implementation of the Transnational Strategy for Circular Green Public Procurement (C/GPP) relies on two dedicated Action Plans, each designed to translate strategic objectives into concrete measures for the public sector and the private sector.

These Action Plans will serve as roadmaps, ensuring that C/GPP principles are embedded in procurement policies and business practices, fostering a transition to circularity in the 4 key economic sectors.

Both Actions Plans will be delivered by the end of **May 2025** and submitted to the project Advisory Board for a technical review.

#### 5.1. Introduction to Action Plan for the Public Administrations

The Transnational Action Plan to enhance the Circular Market through GPP Practices provides a structured framework to strengthen the capacity of public administrations in designing and implementing circular public tenders. The plan builds on the country-specific needs identified in the Initial Assessment







and focuses on closing the gap that hinders a more widespread adoption of GPP as a driver of the circular economy.

Key areas of intervention will include:

- Training and capacity building: Addressing knowledge gaps and strengthening the technical skills
  of public procurement officials, also building on existing materials and tools developed by EU
  initiatives.
- Leverage on or Design and development of tools and methodologies: Supporting contracting authorities with practical guidelines and tools to incorporate circular criteria.
- Exchange of experiences and networking: Facilitating peer-to-peer learning and collaboration among procurers through best practice sharing and pilot actions.
- **Strategic engagement with policymakers:** Encouraging clear political commitment to mainstream C/GPP in national and regional procurement policies.

#### 5.2. Introduction to Action Plan for the Private Companies

The Transnational Action Plan to Improve Enterprises' Circularity and Compliance with C/GPP Criteria is designed to help businesses align their production models with GPP requirements.

This plan acts as a roadmap for companies, guiding them through progressive steps to increase circularity and compliance with procurement criteria.

Key interventions will include:

- Sector-specific guidelines: Identifying tailored solutions for enterprises in agri-food, manufacturing, construction, and tourism-related services to enhance circularity and meet GPP standards.
- **Differentiated strategies based on company readiness:** Supporting both businesses that are new to circularity and those looking to scale up their sustainability efforts.
- Integration of best practices: Showcasing successful case studies to provide practical insights for companies adopting circular business models.
- **Testing solutions through pilot initiatives**: Ensuring that proposed actions are practical and scalable, with real-world implementation across different market conditions.

### 5.3. Synergies with other projects

The dissemination and implementation of this Strategy will benefit from the creation of synergies with initiatives, networks and projects related to circular economy and GPP at international and national levels. The CE-PRINCE partnership will interact with such existing realities to reinforce circular economy principles and practices related to GPP by promoting Project activities, achievements and results to local entities as well as by opening a dialogue on C/GPP at higher levels with policymakers.

Depending on the phase of the project and the planned activities, CE-PRINCE will leverage on the synergies on 3 different levels: 1) setting up of Circular Criteria in public tenders, 2) development of capacity building activities with Public Administrations and Private companies, and 3) Advocacy strategies. Per each level, single initiatives are described as follows:

1) Setting up of circular Criteria in public tenders: following the Action Plans, the partnership will develop at least one set of environmental criteria per project country and will test these criteria







into actual tenders (at least one per country) related to the 4 selected economic sectors (see Section 2.3). Synergies in this phase will be built with other EU Transnational projects focused on circular economy topics with a specific focus on single sectors, to avoid duplication of efforts, enhance efficiency, and maximise the overall impact. Projects for collaboration are:

- <u>CIREVALC:</u> Interreg central Europe project on the circular economy models in value chains related to food, catering and packaging sectors.
- SYMCRAFT: Interreg central Europe project focused on the craft sector and key industries for industrial symbiosis in circular economies.
- FoodCIRCUS: Interreg central Europe project on circular solutions for tackling food waste issues in schools.
- SMART CIRCUIT: Interreg central Europe project aiming at leveraging on existing digital innovation hubs to promote circular economy practices in the manufacturing sector.
- ReBuilt: Interreg central Europe project on circular and digital practices to reduce impact
  of the construction sector.
- <u>CE4CE</u>: Interreg central Europe project on developing circular economy models in the public transport sector.
- 2) Development of capacity building activities with Public Administrations and Private companies: the partnership will implement capacity building activities for public administrations and private companies with the aim of stimulating knowledge and soft skills related to circular principles and GPP of public procurers as well as for improving business circularity of enterprises. In this context, synergies with existing initiatives and programmes will be leveraged for inspiration, adaptation, and consideration:
  - <u>Circular Minds:</u> Interreg Europe project aiming at driving change by embedding circular economy principles into regional governance and public procurement. The project promotes new Circular Economy projects, improves governance by inserting practical capacity building tools and implements a mindset shift in organizations through the review of Policy instruments and dissemination of practical insights.
  - ProcurCompEU: a tool designed by the European Commission to support professionalization
    of public procurement, by setting up a competency framework that may represent a
    common reference for public procurement professionals.
  - <u>Circular Procurement in 8 steps</u>: a book by the European Circular Economy Stakeholder Platform (ECESP) providing a practical approach to integrate circular economy principles into a procurement process.
  - The EU Urban Agenda: an integrated and coordinated approach to deal with the urban dimension and national policies and legislation. It seeks to improve the quality of life in urban area and one the key themes is "innovative and responsible public procurement".
- 3) Advocacy strategies: activities, achievements and results will be disseminated across Europe thanks to the engagement of international experts participating in the Advisory Board of CE-PRINCE project. Synergies will be potentially created with the following networks and organizations:
  - GPP European Advisory Group: an expert group composed of representative of the EU Member States and the following stakeholders: Business Europe, UEAPME (small and medium enterprises association), European Environment Bureau/BEUC (European Consumer Organisation), ICLEI. The role of the Group is to provide advice to the European Commission on the development and implementation of GPP policies.
  - European Circular Economy Stakeholder Platform (ECESP): a joint initiative by the European Commission and the European Economic and Social Committee that brings together stakeholders active in the broad field of the circular economy in Europe.







- <u>Enterprise Europe Network:</u> an international world-wide support network for small and medium enterprises to help them innovate and grow on an international scale.
- Procura+ Network: a network of European public authorities and regions that connect, exchange and act on sustainable and innovation procurement.
- C-PRONE network (Circular Procurement Network): a digital platform serving as a comprehensive knowledge hub to share and seek support on circular procurement issues. It connects users with other procurement initiatives and offers a rich repository of past and ongoing projects, including a collection of case studies, tools, and guidance to support informed decision-making. Additionally, the platform provides access to a circular procurement helpdesk, offering expert assistance and resources tailored to circular procurement practices.
- <u>Eurocities:</u> a network connecting over 6,000 city politicians, officials, and experts from more than 200 cities to exchange, learn, and collaborate on shared challenge, including circular economy.
- Plus possible other existing programmes at national or local level in the CE-PRINCE countries that the partnership may explore in detail.

This strategy is the cornerstone of the following CE-PRINCE activities, defining the roadmap to develop Action Plans and capacity building activities for public Administrations and Private companies with the ultimate aim to enhance GPP implementation and thus reinforce the circular economy practices in Central Europe.

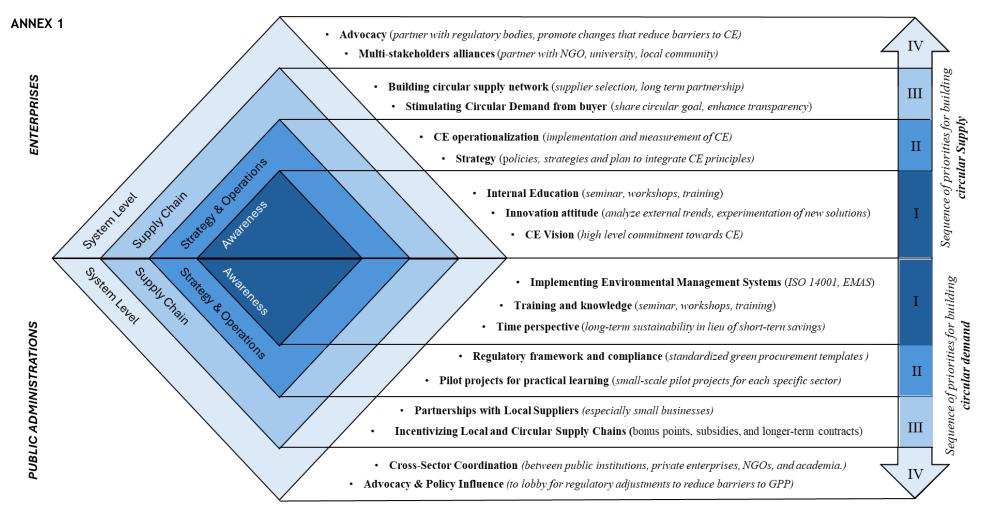


Figure 1: The four key levels to streamline and promote circular economy practices and bridge the gap between demand (public procurement) and supply (business capacity). SOURCE: Sant'Anna School of Advanced Studies own Elaboration