



LCA4Regions

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Regional Analysis and Benchmarking in Slovenia

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Objectives

Green public procurement

- Green public procurement in Slovenia in the year 2018
- Life-cycle costing (LCC) and life-cycle assessment (LCA) in green public procurement

Activities involving life-cycle assessment (LCA) methodologies in Slovenia

Green public procurement

Green public procurement is a procurement in which the contracting authority, pursuant to the Public Procurement Act (ZJN-3), procures goods, services or works that have a lower environmental impact and equal or better functionality over the entire duration of their lifetime.

Decree on Green Public Procurement (Official Gazette of the Republic of Slovenia, No. 51/17; Law on the Public Procurement Law) defines 20 subjects of green public procurement, for which green public procurement is mandatory.

Green public procurement

The Green Public Procurement Regulation sets targets for individual items in each contract award that contracting authorities must complete when awarding a single green contract.

Environmental requirements may be incorporated by contracting authorities in different ways:

- as technical specifications,
- as a reason for exclusion,
- as a condition of participation,
- as a criterion for the award of a contract, or
- as a specific contractual provision.

Contracting entities may include environmental requirements in one or more of the ways specified for each contract.

Green public procurement

Green public procurement in Slovenia in the year 2018

In 2018, subscribers awarded **16,865 contracts** worth **2,918,594,609 euros**. At least one environmental aspect was included in **5771 contracts**, representing **34.22 %** of all contracts awarded this year. The value of these orders is **559,393,716 euros**, which represents a **19.17 %** share.

Of these, **4539 contracts** were awarded, for which environmental requirements are laid down in the Green Public Procurement Regulation. The share of these amounts to **26.91 %** in number of all contracts awarded in 2018. In the remaining **1232 contracts**, the contracting authorities implemented the environmental aspect voluntarily, which is **7.31 %** of all contracts awarded.

Green public procurement

Green public procurement in Slovenia in the year 2018

Table 1. Number and values and shares of green orders by order area.

Sector	Number of green orders	Contract value	Share of orders in the same field	Share in value in the same field
General	5578	515,671,596 €	36.69 %	22.78 %
Infrastructural	193	43,722,120 €	12.22 %	7.42 %
Defense	0	0 €	0.00 %	0.00 %
Total	5771	559,393,716 €	34.22 %	19.17 %

Table 2. Number and values and shares of green orders by order subject.

Subject of procurement	Number of green orders	Contract value	Share of orders	Share in value
Goods	4734	207,167,638 €	82.03 %	37.03 %
Services	475	73,865,096 €	8.23 %	13.20 %
Construction	562	278,360,982 €	9.74 %	49.76 %
Total	5771	559,393,716 €	100.0 %	100.0 %

The contracting entities most frequently included environmental requirements among technical specifications, i.e. at **3800** contracts, which means that these requirements were included in just under two thirds of contracts.

Green public procurement

Life-cycle costing (LCC) and life-cycle assessment (LCA) in green public procurement

Procurement decisions are often still made on the basis of the purchase price. However, for many products and works, costs incurred during use and disposal may also be highly significant – e.g. energy consumption, maintenance, disposal of hazardous materials. Taking life-cycle costs into account in procurement makes clear economic sense.

Life-cycle costing (LCC) means considering all the costs that will be incurred during the lifetime of the product, work or service:

- Purchase price and all associated costs (delivery, installation, insurance, etc.)
- Operating costs, including energy, fuel and water use, spares, and maintenance
- End-of-life costs, such as decommissioning or disposal

Green public procurement

Life-cycle costing (LCC) and life-cycle assessment (LCA) in green public procurement

Specifically, the use of LCC approach is described in the following measures:

- EU green procurement criteria for the design, construction and management of office buildings,
- EU criteria for green public procurement of sanitary fittings,
- EU green procurement criteria for water heaters.

Example: The Public Procurement Directorate in Slovenia tendered for road transport vehicles, specifying that all vehicles must meet the latest Euro emissions standard or equivalent and not exceed certain maximum CO₂ emissions levels. The award criteria gave a high weighting to operational LCC. The LCC approach and specification led contractors to submit offers for vehicles with lower CO₂ emissions (from 3 to 45 g/km per vehicle, depending on the lot).

Green public procurement

Life-cycle costing (LCC) and life-cycle assessment (LCA) in green public procurement

The legislation governing green public procurement in Slovenia does not define the use of life-cycle assessment (LCA) in public procurement.

However, an EU document entitled "Green Public Procurement Criteria for Waste Water Infrastructure" provides guidance for the use of LCA methodologies in procurement contracts for the construction of wastewater treatment plants. But, contracting authorities in Slovenia are not obliged to adhere to this guideline because wastewater treatment plants are not covered by the subject matter for which green public procurement is mandatory.

Activities involving life-cycle assessment (LCA) methodologies in Slovenia

Fundamental research studies involving LCA methodologies have been conducted in the following academic and research institutions in Slovenia:

- Slovenian National Building and Civil Engineering Institute
- University of Ljubljana, Faculty of Mechanical Engineering
- University of Maribor, Faculty of Chemistry and Chemical Technology
- University of Maribor, Faculty of Economics and Business

Activities involving life-cycle assessment (LCA) methodologies in Slovenia

The Smart Specialization Strategy (SPS) is a strategic document of the Republic of Slovenia, with the help of which Slovenia wishes to determine the investments of development funds in research, development and innovation in the areas that will have the greatest effects on the economy. The NMP project entitled »Advanced materials and pulp and paper products«, conducted within the SPS, is pursuing a key focus for enhancing natural resource efficiency and transition to a circular economy.

Within the scope of NMP project, an LCA workshop was held at the Slovenian National Building and Civil Engineering Institute in October 2016, entitled »Evaluation of Processes, New Solutions and Products in terms of Environmental Impacts«. Almost 80 participants attended the workshop, which testifies to the great actuality of this topic.

Activities involving life-cycle assessment (LCA) methodologies in Slovenia

In support of the implementation of the Slovenian Smart Intelligence Strategy, Strategic Development and Innovation Partnerships (SRIPs) were established. SRIPs provide inputs for the operational programme of the desirable and achievable development projects and also opening up new fields of development paths and future projects.

The Strategic Research and Innovation Partnership – Networks for the transition into circular economy (SRIP – Circular Economy) is a connection of Slovenian business subjects, educational and research institutions (RDI), non-governmental organisations and other interested parties, in collaboration with the state, aiming to establish new value chains according to the economic principles of closed material flows.

In December 2019, SRIP - Circular Economy organized a professional workshop entitled “Making Circular Changes in the Economy Using Product Life Cycle Analysis (LCA)”.

Activities involving life-cycle assessment (LCA) methodologies in Slovenia

Based on personal communication, it was found out that the Ministry of Economic Development and Technology of the Republic of Slovenia might in the near future issue a financially supported initiative called »research voucher«, the purpose of which would be to stimulate the industrial sector to tightly cooperate with academic and research institutions in order to implement LCA methodologies in its activities.

Activities involving life-cycle costing (LCC) methodologies in Slovenia

Ministry of the Environment and Spatial Planning of the Republic of Slovenia is planning, together with the Public Procurement Directorate, to issue model green public procurements in the year 2020 that will consider to implement methodologies of life-cycle costing (LCC) for the following subjects:

- electronic office equipment,
- furniture, and
- road vehicles.

The Ministry will also organize workshops for contracting authorities and tenderers in order to educate them to smoothly prepare the relevant documentation and tenders. These activities have been conducted within the scope of the project »Care4Climate«.



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Thank you!

Questions welcome

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