



# ComPact - Pillar III - Greening Public Administration

## Context

Public administrations manage the public sector, which is responsible for over half of EU GDP [1], employs around 21% of the EU workforce [2], and creates every year a market worth about EUR 670 billion through contracts for public works and supply [3]. Reducing the environmental footprint of the assets, investments, and resources under management by the state can have huge impact on climate and sustainability. Green public finance management serves as a crucial facilitator for a unified government strategy in addressing climate change. A greater use of green budgeting tools will help to redirect public investment, consumption, and taxation to green priorities and away from harmful subsidies [4]. In addition, greening public administration may have leverage effects for promoting innovation,

efficiency, effectiveness, cost savings, and better services. The flagship would help Member States better define and deliver “greening their public administration” in practice. This flagship fully aligns with and supports implementation of the pillar on *Capacity to lead the green transition* of the ComPact [5].

[1] [Government expenditure by function – COFOG - Statistics Explained \(europa.eu\)](#) [2] This includes data from the [EU Labour Force Survey](#) for public administration, defence, compulsory social security, education, and health sectors (2022). [3] This figure refers to public tenders above specific contract values published in the Supplement to the Official Journal of the European Union (S series):[https://simap.ted.europa.eu/en\\_GB/web/simap/european-public-procurement](https://simap.ted.europa.eu/en_GB/web/simap/european-public-procurement) [4] [https://commission.europa.eu/publications/communication-european-green-deal\\_en](https://commission.europa.eu/publications/communication-european-green-deal_en) [5] [Enhancing the European Administrative Space \(ComPact\) - European Commission \(europa.eu\)](#)

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## Objectives

The objective of this flagship is to help Member States’ public administration bodies **reduce the environmental footprint of the state** through organisation of work and management of resources, by adapting public finances and operations at national, regional, and local level to the requirements of the green transition. The focus is on building governance and systems taking a **whole-of-government approach**, and not individual sector applications. This flagship will focus on some “core functions” of the state, including policy making and implementation, budgeting, public investment and asset management, public procurement, multi-level governance.



## Indicative support measures

The below is an indicative, non-exhaustive list of support measures:

- Promoting new ways of **overcoming institutional fragmentation** or silos when dealing with greening of the state. This includes promoting whole-of-government and multi-level governance approaches, cross-sector collaboration and arbitration in policy design, monitoring and evaluation, strategic workforce planning, or service provision to be able to better meet green objectives.
- **Greening public asset and investment management.** This could include strengthening infrastructure governance for climate-responsive public investment promoting the use of methodologies for calculating and reducing the carbon footprint, risk management, or promoting the Eco-Management and Audit Scheme [1].
- **Integrating green Public Financial Management (PFM)** reforms. This encompasses elements like fiscal transparency, external oversight, and collaboration with state-owned enterprises and subnational/local governments. Different tools and methods like green budgeting [2], implementing the “Do No Significant Harm” principle or identifying and assessing environmentally harmful subsidies are key in this respect.
- **Greening public procurement** [3], for example by developing systems that put the entire life cycle cost of a contract at the centre, and by supporting contractors in adapting to new requirements.

[1] [Regulation \(EC\) No 1221/2009 of the European Parliament and of the Council of 25 November 2009 on the voluntary participation by organisations in a Community eco-management and audit scheme \(EMAS\), repealing Regulation \(EC\) No 761/2001 and Commission Decisions 2001/681/EC and 2006/193/EC](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32009R1221) <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32009R1221>

[2] [https://economy-finance.ec.europa.eu/economic-and-fiscal-governance/green-budgeting-eu\\_en](https://economy-finance.ec.europa.eu/economic-and-fiscal-governance/green-budgeting-eu_en); [EU Green Budgeting Reference Framework](#)

[3] [Green public procurement - European Commission \(europa.eu\)](#)

