



PRIME MINISTER'S OFFICE

*PROMOTING GREEN PUBLIC PROCUREMENT IN HUNGARY,
WITH FOCUS ON LIFE-CYCLE COSTING (TSI 2021)*

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Context

- Public procurement can contribute to the implementation of the *2030 Agenda on Sustainable Development*
- In the 2020 Country Report for Hungary, the European Commission emphasised the need for *“raising awareness through training and guidance materials on the use of quality-based criteria in tender selection ..., especially at the local level, in order to enable contracting authorities to use public procurement as a strategic tool for sustainable development”*
- Country Specific Recommendations on the 2020 National Reform Programme of Hungary also highlighted that professionalization of public procurement
- The development of Green Public Procurement is ongoing, and a Strategy is being prepared
- In Hungary the use of green (environmental) criteria in public procurement procedures is quite limited, and specifically life-cycle costing (LCC)



Objectives

- General objectives:
 - to support Hungary in its efforts to strengthen institutional and administrative capacity
 - to facilitate socially inclusive, green and digital transitions
 - address the challenges identified in the country-specific recommendations and to implement Union law
- The technical support is provided in the area of strategic public procurement, with the purpose of promoting green public procurement, with special focus on life cycle costing
- Beneficiaries:
 - the National authority that requested technical support – PMO
 - Public Procurement Authority
 - Contracting Authorities
- Specific objective: design, develop and implement a reform in Hungary



Impacts and outcomes

Impacts:

- greater uptake of green public procurement in Hungary
- wider use of LCC tools in public procurement

Outcomes:

- establishment of comprehensive and user-friendly methodologies and tools for green criteria in public procurement, especially for life cycle costing
- increased awareness amongst Hungarian authorities, business sector and other relevant stakeholders about LCC methodology and other gpp criteria



Outputs and activities

- Stocktaking report on the current practices of LCC use in Hungary by the OECD
 - *Mapping current practices of LCC in Hungary and mapping the existing LCC tools in other EU Member States, Drafting the Stocktaking report*
- Product/service-specific LCC tools and supporting materials with practical examples and sample documents
 - *Identification of the purchasing categories for the product specific LCC tools; developing product/service specific LCC tools and green award criteria for selected purchasing categories;*
- Capacity building workshop on LCC to strengthen expertise and capacities required to implement LCC approach
 - *workshops, closing conference to raise awareness on green criteria and life cycle approach, and promote the product specific LCC tools, preparation of a final report*



Experiences on the implementation

- the Project period is expected to last 18 months; was official launched in September 2021;
- the tool development activity (selection of the categories) has just started;
- Identified challenges:
 - Stakeholder involvement
 - *to involve and find more capable and committed stakeholders for the tool-development process*
 - Decision on products/product groups which will be the subject of the tool-development exercise.



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Thank you!