

Analysis report of procurement standards and procurement praxis in Cyprus

Introduction

The European Commission, in its Communication (COM(2003)302) on Integrated Product Policy, has invited the Member States to prepare, by the end of 2006, a 3-year Action Plan for Green Public Procurement. In order to participate in these efforts to promote Green Public Procurement, Cyprus has developed its national Action Plan for the period 2007 – 2009, which was approved by the Council of Ministers in 2007. The new revised National Action Plan on Green Procurement, for the period 2012 - 2014 has been prepared including the product groups and environmental parameters suggested by the European Commission, through the Educational GPP Toolkit. The new revised National Action Plan on Green Procurement has been submitted to the Council of Ministers for approval.

Current national procurement legislation

The EU Directive 2004/18/EC of the European Parliament and the Council of 31 March 2004, on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts, was transposed into National Legislation, through the Law N12(I)/2006 which was amended by the Law N91(I)/2010. Provisions of both Laws N12(I)/2006 and N91(I)/2010 were amended by the Law N40(I)/2011 but still provisions of all mentioned Laws are in force.

In addition the EU Directive 2004/17/EC, on the coordination of the procurement procedures of entities operating in the water, energy, transport and postal services sectors, was transposed into National Legislation, through the Law N11(I) of 2006 which was amended by the Law N39(I)/2011. Provisions of both Laws N11(I)/2006 and N39(I)/2011 were amended by the Law N175(I)2011 but still provisions of all mentioned Laws are in force.

Furthermore, the Cyprus Regulations Κ.Δ.Π¹ 243/2012 and 242/2012 are in force and related to proper implementation of provisions of the Laws N12(I)/2006, N91(I)/2010 and N40(I)/2011. The Regulation Κ.Δ.Π 249/2009 is in force and related to proper implementation of provisions of the to the Law N12(I)/2006 and finally Regulations Κ.Δ.Π 179/2009 and Κ.Δ.Π 250/2009 are in force and related to proper implementation of provisions of the to the Law N11(I) of 2006.

The Ecodesign Directive 2009/125/EC was transposed into National Legislation, through the Law 17(I)/2011 (“setting of ecodesign requirements for energy-related products”).

The following EU relative regulations were transposed into the National Legislation:

- Regulation (EC) No 106/2008 - Sets out the rules for implementing the Energy Star programme for office equipment (computers, displays, printers, copiers, scanners, etc.) in the European Union.

¹ **Regulatory Administrative Act=ΚΔΠ**

- Regulation (EC) No 66/2010 of the European Parliament and of the Council of 25 November 2009 on the EU Ecolabel.
- Regulation (EC) No 1221/2009 of the European Parliament and of the Council of 25 November 2009 on the voluntary participation by organizations in a Community eco-management and audit scheme (EMAS).

Current national / regional practice

The Green Procurement Action Plan (GPAP) for Cyprus has been formulated for the period 2007-2009 and has been in force since March 2007 after the approval by the Ministerial Council. A new revised GPAP has been formulated for the period 2012-2014 and has been already submitted to the Ministerial Council for approval. Until the political approval of the new GPAP 2012-2014, the first GPAP is still in force.

The associated cost of implementation of the first GPAP was estimated at about €75.000 for the year 2007, €610.500 for year 2008 and €617.000 for 2009. The main sectors and targets of the GPAP that is still in force are related with the following:

- (a) Office Equipment and Supplies
- (b) Electric Equipment and Products
- (c) Cleaning and Hygiene Products
- (d) Water Savings
- (e) New/Refurbished Buildings
- (f) Food and Products
- (g) Cars/Internal Combustion Engines

The knowledge and experiences gained from the formulation and implementation of the first GPAP (2007-2009), the new GPAP that has been formulated for the period 2012-2014 took into account the following:

- a) Problems emerged from the first Plan
- b) Surveys conducted by the Environmental Department (Ministry of Agriculture, Natural Resources and the Environment)
- c) Information and data provided by the Contracting Authorities
- d) The European Commission Communication “Public procurement for a better environment” (COM (2008)400).

Moreover, the new revised GPAP includes the product groups and environmental parameters suggested by the European Commission, through the Educational GPP Toolkit. The GPAP should be implemented by all Contracting Authorities of the Public Sector – central government.

The Public Equivalent Bodies, in case they are not willing to adopt the GPAP, can either prepare and notify the Environmental Department about their own GPAP or in case they

have already developed a GPAP, this should be updated, including, where possible, the new categories indicated by the EC.

Furthermore, the new revised GPAP 2012-2014 aims to sensitize large private organizations regarding GP, in order gradually to promote GP in the field of products and/or services. The new revised GPAP is much more specific, with more binding targets comparing to the first, whose purpose was to spread the GPP policy in the local market. Moreover, the new revised GPAP aims to promote collaboration between private sector and organized groups (industrialists, importers, etc.).

Recognised barriers

The main barriers identified in Cyprus are the following:

- a) The weakness to modify the existing technical specifications of the purchasing products by the corresponding department and to include environmental criteria.
- b) The lack of information about the benefits of green procurement and the phobia that through the inclusion of environmental criteria in the specifications, competitiveness issues will be appeared.
- c) The general perception that eco products are always more expensive.
- d) A great part of the buildings used by the Public Service, are rented and in those cases, measures with modifications in buildings could not be applicable.
- e) The fact that some Departments did not include provisions of a possible increase of the purchased of eco products in their planning for annual Budget.
- f) In most tenders, the technical evaluation of the products, based only on the technical specifications without taking into account the total lifetime cost.

Opportunities

The main benefits of the implementation of GPP in Cyprus, are listed below:

- Natural resources savings
- Energy saving
- Increase of the energy production from RES
- Money saving
- Reduction of the packaging and dangerous wastes
- Increase of the use of recycle products in the market
- Improvement of the public image of the Authority or Organization
- Improvement of the health conditions in the work
- Development of new RES and Energy Saving technologies
- Encourage the Industries to produce green products.

Relevant sources of information

Environmental Department (under the Ministry of Agriculture, Natural Resources and Environment)

<http://www.moa.gov.cy/moa/environment/environment.nsf/>

Public Procurement Directorate of Cyprus (under the Treasury of the Republic)

<https://www.eprocurement.gov.cy/>