International Federation of the
Economy for the Common Good e.V.

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Transparency Register: 339093641078-19

Position Paper: Public procurement as a lever for a resilient, sustainable and secure European economy

1. Introduction: Why Public Procurement Matters to ECOnGOOD

The Economy for the Common Good (ECOnGOOD) is a European and global movement advocating for an economic system that serves human dignity, social justice, environmental sustainability, transparency and democratic participation. Thousands of companies, municipalities, schools and civil-society organisations across Europe already apply the Common Good framework to align economic activity with societal well-being.
Public procurement is one of the most powerful yet underused policy tools to accelerate this transformation. Across the European Union, public authorities spend around €2 trillion annually, corresponding to roughly 14% of EU GDP. How this purchasing power is used directly shapes markets, business models, innovation pathways and supply chains.

At a time of climate crisis, geopolitical instability, resource scarcity and growing social inequalities, public procurement must move beyond a narrow focus on price and short-term efficiency. Strategic, value-based procurement can:

- strengthen European economic resilience and security of supply,
- support regional value creation and SMEs,
- reduce dependencies on fragile global supply chains, and
- accelerate the socio-ecological transition of European markets.

Public procurement should therefore be treated as a strategic governance instrument, fully aligned with EU sustainability, resilience and security objectives.

2. ECOnGOOD's position: key recommendations

ECOnGOOD calls on EU institutions and Member States to reform public procurement frameworks so that they systematically prioritise value beyond price, strengthen regional economies, and build long-term resilience.

- ***Recommendation 1: Make socio-ecological criteria binding in all public procurement***

Public procurement rules should require contracting authorities to systematically integrate social, environmental and human-rights criteria at all stages of procurement.
This includes:

- binding minimum requirements on climate impact, resource use, biodiversity, human rights and social standards,
- evaluation based on life-cycle costs rather than lowest upfront price, and

- mandatory consideration of supply-chain impacts, not only direct contractors.

Binding criteria create legal certainty for contracting authorities, reward responsible companies and ensure that public money does not undermine EU climate, social and human-rights commitments.

- ***Recommendation 2: Prioritise resilience, regional value creation and security of supply***

Procurement policy should explicitly contribute to European economic resilience and strategic autonomy.

To achieve this, ECOnGOOD recommends:

- favouring shorter, transparent and resilient supply chains,
- recognising regional value creation and contribution to local employment as legitimate award criteria, and
- reducing dependence on environmentally or socially high-risk global supply chains.

Stronger regional and European supply networks increase crisis-resilience, reduce emissions, and enhance long-term economic security.

- ***Recommendation 3: Enable fair access for SMEs and value-based enterprises***

Small and medium-sized enterprises (SMEs) and purpose-driven companies are essential for innovation, sustainability and regional economic strength, yet they remain structurally disadvantaged in procurement procedures.

Public procurement frameworks should therefore:

- systematically divide large contracts into smaller lots,
- simplify administrative and documentation requirements,
- reduce excessive certification burdens, and
- improve transparency and early information about upcoming tenders.

This ensures fair competition based on quality, sustainability and innovation, not administrative capacity alone.

- ***Recommendation 4: Use procurement as a strategic management and transformation tool***

Public procurement should be embedded in strategic public management, not treated as a purely administrative function.

ECOnGOOD recommends:

- integrating sustainable procurement into public-sector strategies, climate plans and resilience frameworks,
- using procurement to actively support innovation, circular economy models and social inclusion, and
- recognising procurement as a driver of market transformation, not merely cost control.

- ***Recommendation 5: Establish robust monitoring, transparency and accountability mechanisms***

To ensure credibility and effectiveness, sustainable procurement must be measurable and transparent.

We recommend:

- the development of EU-wide sustainability KPIs for procurement,
- regular monitoring of compliance with socio-ecological criteria, and
- public reporting on procurement decisions and their social and environmental impacts.

Transparency strengthens trust in public institutions and creates learning effects across administrations.

- ***Recommendation 6: Create enabling infrastructure: platforms, networks and competence centres***

Sustainable procurement requires capacity, coordination and knowledge-sharing. ECOnGOOD calls for:

- EU-wide, standardised digital procurement platforms that improve access for SMEs and regional suppliers,
- structured regional market dialogues between contracting authorities and suppliers, and
- well-resourced national and regional competence centres to support contracting authorities with expertise, tools and training.

- ***Recommendation 7: Align public procurement with EU sustainability and accountability frameworks***

Public procurement must be coherent with broader EU legislation and policy goals.
We recommend full alignment with:

- the Corporate Sustainability Reporting Directive (CSRD),
- the Corporate Sustainability Due Diligence Directive (CSDDD), and
- EU climate, circular economy and social policies.

Public contracts should prioritise companies that demonstrably manage their impacts, risks and contributions to society, thereby reinforcing a level playing field for responsible business conduct.

3. Conclusion: Public procurement for Europe's future

Public procurement is not neutral. It either reinforces unsustainable, fragile economic structures or actively contributes to resilient, fair and future-proof European markets.

By prioritising socio-ecological value, regional resilience and security of supply, EU and national procurement policies can:

- accelerate the socio-ecological transition,
- strengthen European SMEs and local economies,
- reduce strategic dependencies, and

- ensure that public money serves the common good.

ECOnGOOD calls on EU institutions and Member States to fully unlock the transformative potential of public procurement, for a resilient Europe that works for people, planet and future generations.