



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

Stresemannstr. 23

22769 Hamburg

Germany

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 over €2.6 trillion annually, corresponding to roughly 15% 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.

### About ECONGOOD

ECONGOOD is an international movement built on the principles of the Economy for the Common Good, a values-driven economic model that places human and environmental well-being at the centre of economic activity. It promotes ethical, sustainable, and transparent business practices aimed at strengthening the common good rather than maximizing profit.

The organization supports companies, communities, and individuals through professional tools, educational programs, and the Common Good Balance Sheet, which measures an organization's social and ecological impact.

Active worldwide, ECONGOOD empowers local chapters and members to drive systemic transformation toward a fair and sustainable economy.