

# Public procurement in Interreg

## From policy to practice

### A strategic tool for sustainable Interreg delivery

Green public procurement enables Interreg programmes to contribute directly to EU climate and environmental objectives while ensuring sound financial management. When applied correctly, GPP strengthens both sustainability impact and compliance with core procurement principles.

### Preparing programmes for evolving expectations

This brochure supports Interreg practitioners in preparing for the expected revision of the Public Procurement Directives beyond 2027. It builds on existing rules and practices and provides practical guidance on how to integrate environmental considerations throughout the procurement lifecycle in a proportionate and achievable manner, without adding unnecessary administrative burden

### From legal framework to operational models

The brochure outlines the existing legal framework (Directive 2014/24/EU and Financial Regulation) and translates these provisions into practical, transferable models suitable for Interreg. It demonstrates how to incorporate environmental considerations throughout the procurement processes, how environmental considerations can be integrated across the procurement lifecycle.

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## Models | Green public procurement

### 1. What is the definition

Green Public Procurement (GPP) refers to the acquisition of works, supplies, or services with a **reduced environmental impact over their life cycle**. It contributes to EU policy objectives while ensuring efficient use of public funds.

Under Directive 2014/24/EU, public procurement supports **smart, sustainable, and inclusive growth** and enables contracting authorities to contribute to broader societal goals.

### 2. Clear integration of GPP as a strategic tool

GPP is positioned not just as good practice, but as a **core delivery mechanism for EU policy objectives** (Green Deal, circular economy, sustainability).

### 3. Interreg context

#### In the Interreg context:

- Beneficiaries apply national procurement laws aligned with EU Directives.
- Managing authorities ensure compliance with:

- the current legal framework (Directive 2014/24/EU and Financial Regulation)
- the anticipated revision of the Public Procurement Directives (Post-2027 perspective)
- the operational guidance and control and auditable logic

#### What this means for Interreg programmes:

- GPP should be embedded in programme strategy and calls for proposals
- Simplicity and auditability remain key design principles
- Cross-border cooperation on sustainable solutions
- Innovation, circular economy, and resource efficiency
- Long term value for money through life cycle approaches

#### 4. Defining the subject matter

EU Public Procurement Directives provide a solid legal basis for integrating environmental considerations without restricting competition. Contracting authorities may explicitly set the sustainability ambition, include key elements and define the subject matter in environmental terms, such as the supply of electricity from renewable energy sources or the provision of low-emission transport services.

**Environmental requirements** may be included in technical specifications, such as energy efficiency thresholds, emission limits, durability and reparability requirements.

**Eco label criteria** (EU Ecolabel, national or equivalent labels) may be referenced, provided that **equivalent labels or alternative proof** are accepted.

**Selection and suitability criteria:** environmental management systems such as **ISO** may be used as evidence of technical capacity, while respecting the principle that equivalent evidence must be accepted. Case law confirms that certified systems may be treated as strong, but not exclusive, proof.

**Award criteria and life-cycle costing:** environmental performance may be rewarded at award stage through qualitative criteria and life-cycle costing (LCC). LCC enables contracting authorities to account for operating and maintenance costs, energy and resource consumption, end-of-life and disposal costs, environmental externalities, where objectively measurable.

#### 5. What does it mean for Interreg programmes

- Managing authorities can **explicitly encourage** the use of labels, ISO in programme guidance without creating additional eligibility rules
- Programme templates can already integrate references to environmental objectives at the subject-matter level
- Controllers and auditors should focus on verifiability and equivalence, not on the choice of a specific label or scheme

#### 6. Models relevant for Interreg

Each model (LCC, quality-based, performance-based, circular) reflects practical application in Interreg, control and auditability requirements, Post 2027 evolution, from optional to expected practice.

Each model (LCC, quality-based, performance-based, circular) now reflects:

- Practical application in Interreg
- Auditability and control requirements
- Post-2027 evolution (from optional to expected practice)

Stronger alignment with procurement directives

- Clear separation of **selection vs. award vs. performance criteria**
- Reinforced principles, transparency, equal treatment, proportionality
- Emphasis on life cycle costing and strategic criteria, consistent with directive logic

### **Model 1: Life cycle costing (LCC) based procurement**

This model moves beyond lowest price and assesses the **total cost of ownership**. It is particularly relevant for energy-intensive assets such as vehicles, buildings, or IT infrastructure. Weighting systems can combine price with environmental performance indicators (e.g. CO<sub>2</sub> emissions, fuel or electricity consumption).

#### **Interreg relevance:**

- Stronger alignment with procurement directives
- Requires early market engagement and stakeholder involvement
- Early market consultation can be promoted as a risk-prevention measure
- Circular requirements should be clearly linked to contract performance conditions

### **Model 2: Quality environment driven award model**

The contracts are awarded primarily on quality, with environmental sustainability forming a significant share of award criteria. Environmental aspects may include circular solutions, reduced emissions, sustainable materials, and innovation.

#### **Interreg relevance:**

- Suitable for strategic or pilot projects
- Encourages market innovation
- Requires clear evaluation methodologies to ensure auditability

### **Model 3: Performance and outcome based procurement**

Instead of prescribing technical solutions, contracting authorities define **performance requirements**, such as energy efficiency outcomes or emission reductions. Suppliers retain flexibility in how objectives are achieved.

#### **Interreg relevance:**

- Encourages cross-border innovation;
- Reduces risk of over-specification;

- Requires strong monitoring and performance indicators.

#### **Model 4: Circular and resource efficient procurement**

This model integrates circular economy principles, such as reuse, recycling, and waste prevention approaches. Examples include circular demolition, material reuse.

##### **Interreg relevance:**

- Strong alignment with EU policy priorities;
- Supports regional and local value chains;
- Requires early market engagement and stakeholder involvement.

### **7. Implementation, challenges and risk mitigation**

Experience shows that the implementation of green public procurement faces **recurring challenges**:

- Limited administrative capacity and expertise
- Market readiness and price volatility
- Difficulties in quantifying environmental benefits
- Increased complexity for controls and audits

To mitigate these **risks**, Interreg programmes should:

- Prioritise ex-ante guidance
- Use standardised templates and criteria
- Promote dialogue with the market before launching procedures

### **8. Why these matter**

The **revised EU public procurement directives** are expected to be published by the **end of June 2026**, following a consultation process with experienced practitioners, programmes, public authorities, businesses, civil society, and social partners. This initiative aims to modernise and simplify the rules, align them more closely with EU priorities and support a more efficient public investment system.

Public procurement reforms expected will not rewrite the rules. However, these will raise expectations on how Interreg programmes use procurement as a strategic tool for sustainability, resilience, and value for money. Practitioners should anticipate a shift from compliance-driven approaches to performance- and impact-oriented procurement, while preserving legal certainty.

Interreg programmes will be assessed not only on compliance, but increasingly on how effectively public procurement delivers sustainability, resilience, and long-term value, while continuing to meet sound financial management and control and audit requirements.

##### **Further perspective:**

- Circular procurement is likely to move from good practice to mainstream expectation, especially in construction and infrastructure

- Interreg programmes may need to support beneficiaries with standard clauses and examples to reduce implementation risks

## 9. What does it mean for Interreg programmes

- Green public procurement should be framed as a programme wide strategic priority, not only a beneficiary level choice
- Programme guidance should clarify where and how environmental criteria can be used safely under different national systems
- Cross-border projects benefit from common green public procurement approaches, even when procurement is implemented nationally

## 10. What will change

- **Procurement as a policy delivery tool**  
Public procurement will be more explicitly linked to EU priorities (Green Deal, climate neutrality, innovation, resilience).
- **More flexible procurement models**  
Revised Directives are likely to promote simpler procedures and wider use of performance
- **Green procurement becomes standard practice**  
Environmental and circular considerations are expected to move from optional good practice to a baseline expectation
- **Life-cycle value over lowest price**  
Life-cycle costing and cost-effectiveness approaches will increasingly underpin award decisions to demonstrate long-term value for money
- **Higher expectations on programme guidance**  
Interreg programmes may be expected to provide clearer, harmonised guidance, templates, and examples to support beneficiaries across diverse national systems.

## 11. What will stay the same

- **Fundamental procurement principles**  
Transparency, equal treatment, non-discrimination, proportionality, and competition remain unchanged.
- **Financial Regulation obligations**  
Sound financial management, conflict of interest prevention, anti-fraud measures, and audit trails continue to fully apply.
- **Application of national procurement law**  
Beneficiaries will still apply national law aligned with EU Directives within the Interreg governance framework.
- **Programme guidance**  
Managing Authorities remain responsible for preventing errors through procedures, guidance, and capacity-building.
- **Risk based approach, controls and audits**  
Verification will continue to rely on proportionality and risk assessment, not systematic over-control.

## 12. Strategic implications

- The reform is an evolution, not a rupture: Interreg programmes must combine simplified, greener procurement practices with strong preventive guidance, provided that proportionality and legal certainty are preserved.
- Interreg programmes are well placed to act for innovative, green, and cross-border procurement: preventive guidance, capacity-building, and scalable green procurement models will reduce future error

### What does it mean for Interreg programmes:

- **No fundamental legal shift**, but higher expectations in practice
- **Greater need** for clear templates, guidance, and standard clauses
- **Stronger focus** on demonstrable value for money and impact.

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