

STA CASE STUDY SERIES

Madrid, Spain

Responsible Timber Procurement: From campaigning to implementing

Contextual background

Over the last few years Madrid has been developing a policy that aims at minimising the impact on the environment and improving social criteria in the purchase of goods and services. In 2005, the city council adopted a 'Code of Good Sustainable Practices in Local Procurement' (*Código de Buenas Prácticas Sostenibles en la Contratación Local*), revised in 2010, in order to “achieve higher levels of cost-effectiveness and sustainability in the midterm, to improve the quality of life of citizens while minimising environmental impacts, to change consumer habits towards more sustainable ones and to anticipate upcoming legislation”.

In 2005, the city started a campaign for adopting measures for the promotion of sustainable timber-based products. In 2008 it adopted a 'Timber Decree' (Decreto de Productos Forestales)¹ requiring the municipal administration, its autonomous affiliations and public enterprises to include ecological criteria in all tenders related to timber. For the public procurement of timber, certification is regarded as 'a good way to support the fight against deforestation, illegal logging and loss of biodiversity, as well as to contribute to the recognition of the human rights of indigenous peoples and their way of life'. In 2010 a new Timber Decree² was adopted. Madrid is listed in the 'green' list of the WWF campaign “Cities Friends of the Forest”, amongst the top scoring in Spain for implementing procurement policies that give preference to suppliers of wood certified with the maximum guarantee of social and environmental criteria.



Madrid shield and FSC label in urban furniture (street benches)

Tender implementation

Subject-matter: The Timber Decree of 2010 includes the following requirements for public tenders executed by the municipal administration, its autonomous affiliations and public enterprises:

¹ Decreto de 15 de febrero de 2008 de los Delegados de Gobierno de Medio Ambiente y de Hacienda y Administración Pública del Ayuntamiento de Madrid para la incorporación de criterios medioambientales y sociales en los contratos celebrados por el ayuntamiento de Madrid, sus organismos autónomos y empresas públicas en relación con los productos forestales.

² Decreto de 15 de junio de 2010 de los Delegados de Gobierno de Medio Ambiente y de Hacienda y Administración Pública del Ayuntamiento de Madrid (...ibid FN1)

Technical specifications

- Source of forest products and use of a specific production process: Products, constructions or services that use in total or in part timber, paper or wood-based products must originate from sustainably managed forests or must come from clean production processes (reduced environmental impact related to resource consumption, emissions and waste production. For paper industry ECF (Elementary Chlorine Free) or TCF (Totally Chlorine Free).
- Compliance with the CITES Convention on International Trade in Endangered Species of Wild Fauna and Flora.
- Compliance with ILO core conventions³. If forest products come from non EU countries compliance with decent working conditions throughout the whole supply chain must be proven. This means that the eight core ILO conventions must be fulfilled.

Evaluation criteria

- **Timber and wood-based products:**
 - Points given for ensured level of protection of biodiversity and sustainable forest management;
 - Points given for ensured level of respect for labour and social conditions of indigenous peoples and local communities.
- **Preference system adopted for timber:**
 1. Timber products from EU forests certified by FSC or PEFC or equivalent consisting of at least 70% of certified wood originating from those forests.
 2. Timber products from FSC certified non-EU forests consisting of at least 70% of certified wood originating from those forests.
 3. Timber products from PEFC certified non-EU forests consisting of at least 70% of certified wood originating from those forests.
 4. Timber products from non-EU countries, certified by systems of certification differing from FSC or PEFC consisting of at least 70% of certified wood originating from those forests.
 5. Non-certified timber products from EU forests provided with an 'Official logging authorisation document' proving the legal source of the timber concerned.
 6. Non-certified timber products from non-EU forests provided with an 'Official logging authorisation document' proving the legal source of the timber concerned.
- **Paper:**
 - The municipal administration should award the supply of paper that contains a higher percentage of recycled content.
 - In the case of virgin fibre paper, preference is given to FSC, PEFC or equivalent.
- **Preference system adopted for paper:**
 1. Recycled paper obtained through a clean production process certified by the Blue Angel, Nordic Swan, FSC 100% recycled or equivalent.
 2. Paper made from recycled paper and virgin fibre from FSC, PEFC certified wood or equivalent, and that has been obtained through a clean production process.
 3. Paper made from virgin fibre only, proceeding from wood certified by FSC, PEFC or equivalent, and that has been produced through a clean production process.

³ For the Core Conventions of the International Labour Organisation see online at: www.ilo.org/public/english/region/asro/bangkok/child/trafficking/downloads/ratificationtable.pdf

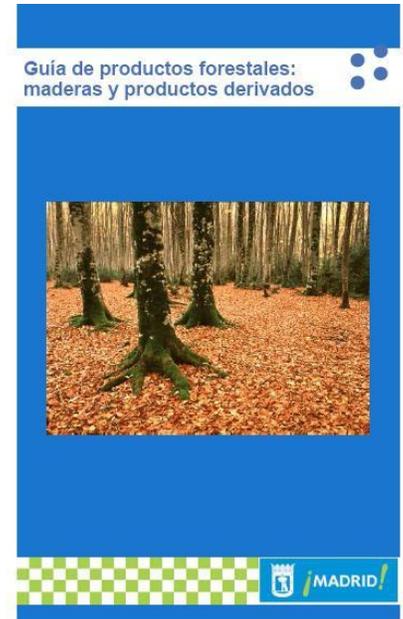
Contract performance clauses

- In accordance with the provisions of Article 102 of the GCA, the contracting authority may establish special contract performance conditions based on the social and environmental requirements contained in the technical specifications.
- Penalties amounting to 8-10% can be imposed for the non fulfilment of these contract performance clauses.

Verification

To ensure compliance with the various requirements the supplier must provide the following documents:

- Certificates issued by public or private, national or international bodies evidencing compliance with requirements for sustainable forest management, clean production processes of timber products, the percentage of certified paper, timber or wood-based content of the final product.
- "Official authorisation document for wood logging," which guarantees the provenance of the wood in order to distinguish products from EU and non-EU forests. Moreover, the supplier must provide proof that the timber does not come from illegal logging or conflict countries.
- If finished products are made of wood that do not physically carry the seal or mark of a forest certification, the tenderer must provide an invoice of the supplier of the timber product that indicates clearly that the product is certified by an independent entity, which the scheme used, and the percentage.



Madrid City Council Guide of Forest products and derivatives

Additional/complimentary measures

Creation of complementary documents for facilitating green public procurement application:

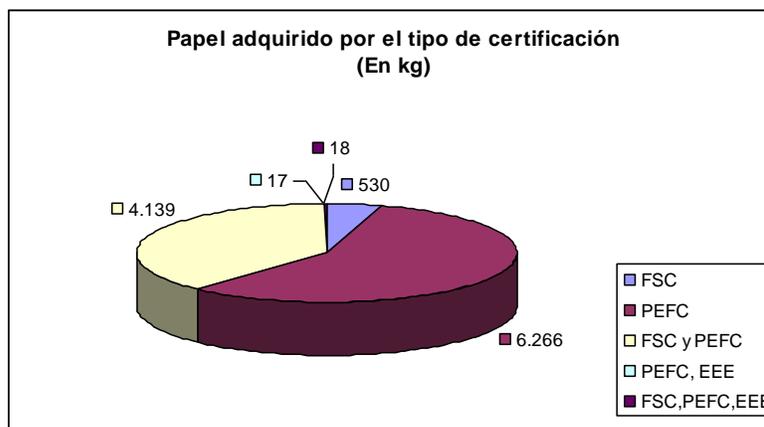
- To support the implementation of the Forest Decree the City administration developed a series of guidance papers on the different existing certifications, on timber typologies including mechanic and physical aspects in the production process and specifically on sustainable paper.
- The City Council is encouraging the private sector to be part of the sustainable timber procurement process, thanks to the 'Foro Proclima', a forum in which the majority of large Spanish companies are engaged. A Voluntary agreement has been promoted focused on timber issues. As a result 26 leading companies have committed to ensure that at least 50% of all the paper consumed at their premises is recycled or certified and to develop a Procurement Plan of Forest products and derivatives in order to introduce sustainability and certification measures.

Barriers encountered⁴

- Lack of knowledge of possible environmental criteria to be used.
- There is a general lack of supply of green products and services.

Results achieved

- Results from the first Progress Report (2008 & 2009):
 - Timber: out of a total of 13,805 m³, 198m³ (1.43 %) of timber products were certified (179m³ PEFC). The introduction of certification schemes is still at the first stages.
 - Paper: a 67.1 % of the paper purchased is recycled or has some type of certification.



Types of certificate in paper purchased

FSC: Forest Stewardship Council
 PEFC: Programme for the Endorsement of Forest Certification
 EEE: European Eco-Label

Lessons learned

- The lack of knowledge of environmental criteria can be overcome by using appropriate labels. Green Public procurement is a cross dimensional process that requires coordination among different areas.
- Monitoring tools and coordinated internal procedures of follow-up must be implemented within local administration to ensure the effective application of codes and agreements
- Awareness-raising of the different sectors such as suppliers, transport, buyers, etc. is essential.



Mayor of Madrid City Council, Alberto Ruíz Gallardón, receiving WWF recognition "Cities for forests" (June 2010)

⁴ *Resumen ejecutivo del Código de buenas prácticas en Contratación sostenible del Ayuntamiento de Madrid,*
 Online version at :

Further information:

Juan Azcárate Luxán, Área de Gobierno de Medio Ambiente,
Seguridad y Movilidad – Ayuntamiento de Madrid, azcaratelj@madrid.es
Website: www.madrid.es

Authors of case study:

Laura Carniel and Peter Defranceschi, ICLEI – Local Governments for Sustainability

For more information on the Sustainable Timber Action (STA) project please visit
www.sustainable-timber-action.org



This document has been produced with the assistance of the European Union.
The contents of this publication are the sole responsibility of the Sustainable Timber Action Project Consortium and can in no way be taken to reflect the views of the European Union.