



ProSME's Newsletter (#8)

Public Procurement in Switzerland – requirements include sustainability and innovation

March 2023

1 – Swiss Public Procurement Mission – June 2023

After having published the market and legal analysis on public procurement in Switzerland, PRO SME is now in the midst of organizing an actual **mission in Bern** for European companies to get to know the different federal and cantonal actors involved and exchange with Swiss companies already implemented in the public procurement market.

The mission will take place from the **6th to the 7th of June 2023** in Bern, the city hosting many federal agencies in Switzerland. The aim of the mission is for the European companies to get a short introduction into business practices in Switzerland, as well as interact with different stakeholders of the public procurement market in Switzerland, on the federal and cantonal level, and finally get to know Swiss companies who might be interesting partners on the public procurement market.

At the same time as the mission of ProSME in Switzerland, the **SUISSE PUBLIC fair** will be held in Bern. It is Switzerland's largest and only specialist trade fair for public procurement, which attracts around 20,000 decision-makers from companies and public administrations. The participating companies will have the opportunity to go to the fair and get introduced to the companies and buyers at the fair.

Places are limited, so we encourage interested companies to sign up via the following link: www.pro-sme.eu

Deadline for registration is the **21st of April 2023**.

2 – Procurement strategies of the Swiss Federal Institutions

The Swiss Federal Law on Public Procurement was modernized in 2019 and harmonized with the WTO Agreement on Government Procurement of 2014. An important change was the weighting of the **basic principles of public procurement** requirements to ensure the economical, ecological, and socially sustainable use of public funds. Public procurement agents must consider not only the price and quality of the tenders, but take greater account of **sustainability aspects**, as well as innovative solutions and consider more SMEs.

It is therefore no longer a question of simply selecting the "most economically advantageous" offer. Today, the principle applies that the "**most advantageous**" offer is awarded the contract, i.e., meaning the company can prove their sustainable practices or innovative solutions. The economic sustainability of the offer should be balanced with environmental and social sustainability, which means that the **purchase price loses weight**. The sustainability criteria, such



as the longevity of the equipment or low power consumption, are useful for the procuring entities from an economic point of view. However, when it comes to higher-value products, higher costs will most likely prevail.

The new criteria for the selection of the tenders are still in a phase of transition. Many procurement authorities are finding their way towards the topic of sustainable procurement. But an important announcement was made in February 2023. Looking at sustainable development and as part of the Swiss Confederation's Exemplary Energy and Climate initiative, **18 important Swiss providers of publicly relevant services** have publicly announced that they will be contributing to the Energy Strategy 2050 and the 2015 Paris Agreement.

The Swiss providers are pursuing individual targets up to 2026 and 2030 for energy efficiency, ecological electricity production, renewable heating and cooling and renewable fuels. But the overall goal is for the share of electricity from renewable sources to be 100 percent for all participants by 2026.

In the field of action climate-friendly financial flows, the participants are setting themselves targets to make investments compatible with the Paris Agreement. Among other things, this includes companies being called on to operate in a more climate-friendly way. The Swiss providers have engaged themselves to report transparently on their target achievement and share their experiences openly, so that other companies and organizations can use this information as a guide.

The following participants are included in the initiative: the Canton of Geneva, the Civil Federal Administration, the ETH Domain, the Federal Department of Defence, Civil Protection and Sport (DDPS), Geneva Airport, PostBus, PostFinance, PUBLICA, RUAG MRO Holding Ltd, SBB, the SBB Pension Fund, SIG, Skyguide, SRG SSR, Suva, Swisscom, Swiss Post and Zurich Airport Ltd..

Sources: [Was Nachhaltigkeit in der IT und im Beschaffungswesen bedeutet | Netzwoche; www.digitale-nachhaltigkeit.unibe.ch](#); Press release 23.02.2023 on [www.admin.ch](#)

3 – Swiss Department of Defense presents its new procurement strategy

The Swiss Federal Department of Defense, Civil Protection and Sport ([DDPS](#)) has published its **new procurement strategy**. The new strategy puts the focus on sustainability and innovation, thereby implementing the agreed requirements from the revision of the Federal Law on Public Procurement.

The Federal Department of Defense, Civil Protection and Sport (DDPS) procures goods, services, and real estate **worth 3.2 billion CHF annually**. Around 150 million CHF flow to civilian contractors. The strategy serves as a procurement guide for the procurement units of the department.

The new procurement strategy implements the new requirements from the revision of the Federal Law on Public Procurement and the associated procurement strategy for the federal administration. The motto is no longer to consider only the "cheapest" variant, but the "most advantageous" variant overall. In addition to prices, factors such as quality, economic, ecological, or social sustainability, or innovations can also be taken into account when awarding



contracts. This has **increased the scope of selection**, while at the same time making the selection process more demanding.

For the procurement units of the department, sustainability with its three dimensions of economic efficiency, ecology and social responsibility is an important point of orientation in the procurement process. At the same time, traditional procurement dimensions must not be forgotten. The quality criteria is to be weighted equally with the price criteria, and innovative solutions are to be permitted with due consideration of the risks. In addition, procurement procedures are to be designed in a **supplier-friendly manner** and the opportunities for awarding contracts to the security-relevant technology and industry base are to be exploited.

Sources: [Das VBS präsentiert seine neue Beschaffungsstrategie | Netzwoche; https://www.news.admin.ch/news/message/attachments/75424.pdf](https://www.news.admin.ch/news/message/attachments/75424.pdf)

4 - Latest news

20.02.2023 - The State Secretariat for Economic Affairs (SECO) and the International Trade Centre (ITC) have released a guide for sustainability standards in the textile sector for public procurement. ([Link](#))

22.02.2023 - 32 agglomerations want to improve their transport infrastructures over the next few years with support from the Swiss federal government. The government intends to co-finance the agglomeration programs submitted for this purpose with a total of CHF 1.6 billion. ([Link](#))

Event announcement:

- 02.05.2023 - Sustainable Public Procurement 2023 Conference in Solothurn ([Link](#))

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