

New: Guide for Climate and Environmental Requirements in Municipal Public Procurement

Why GRIP – and why now?

Following the City Council's decision of May 2022 ("Climate Decision Aachen"), the City of Aachen has set itself the ambitious target of achieving climate neutrality by 2030. This target was adopted by the City Council and accompanied by a mandate to further develop the Integrated Climate Action Plan.

Against this background, the City of Aachen regards public procurement as a key instrument for delivering public services and, at the same time, as an effective means of contributing to its climate objectives.

The newly developed **GRIP Guide – Guide for Climate and Environmental Requirements in Municipal Public Procurement** translates these political commitments into a practical management instrument that systematically brings together **climate action, economic efficiency and regional economic development**.

Green Responsible Innovative Procurement (GRIP) combines strategic economic development, a resilience strategy and responsible public financial management. With GRIP, Aachen is turning its climate ambitions into concrete procurement practice, strengthening the regional economy and safeguarding the long-term competitiveness of local SMEs.

Strategic benefits for Aachen

1. Climate action with measurable impact

The Guide is intended to enable the City of Aachen to systematically plan and measure reductions in greenhouse gas emissions caused or influenced by municipal procurement, with the aim of contributing to a reduction of at least **80% of CO₂ emissions by 2030 compared with the 2020 baseline**.

Public procurement has significant potential to contribute to climate action. This potential is to be harnessed through new procurement rules that give greater priority to, and systematically integrate, environmental and climate criteria.

2. Resilient regional markets through reliable demand

The Guide is intended to establish transparent and predictable criteria for the market that enable competition and transformation, strengthen the resilience of the markets serving the City of Aachen, and at the same time safeguard the city's climate ambition, with particular consideration given to the interests of SMEs.

By adopting multi-year and transparent procurement strategies with clear climate standards, the City of Aachen provides greater planning certainty for regional businesses.

Small and medium-sized enterprises are given the opportunity to make targeted investments in climate-friendly technologies, machinery and processes because they can rely on municipal contracts to provide a basis for recovering these investments.

Without such predictability, regional SMEs in particular risk being displaced by financially stronger companies from outside the region that already have the necessary capacities and certifications.

GRIP therefore strengthens **regional value creation** and makes Aachen's economic structure more resilient to crises by strengthening local supply chains and reducing dependencies on suppliers from outside the region.

3. Life-cycle economic efficiency

The Guide is intended to strengthen **life-cycle cost-effectiveness** by considering not only initial acquisition costs but all relevant costs over the useful life of a product, service or asset. In the long term, this creates not only environmental but also economic benefits for the municipal administration.

For construction, supply and service contracts above **EUR 216,000**, a **CO₂ shadow price** is to be applied. For 2026, this amounts to **EUR 320 per tonne of CO₂e**, thereby assigning a monetary value to greenhouse gas emissions.

Implementation: Pragmatic, differentiated and legally compliant

The Guide applies to all procuring departments of the City of Aachen, including its municipal enterprises. It follows a graduated internal threshold model:

- **Level 1:** from EUR 40,000
- **Level 2:** from EUR 100,000
- **Level 3:** from the applicable EU procurement thresholds

The level of requirements is linked to the significance and scale of the procurement.

As a standardisation tool for procurement practitioners – including specialist departments and procurement offices – the Guide is designed to simplify the implementation of climate-conscious procurement.

The City of Aachen is not treating climate-conscious procurement as an exceptional procedure, but is establishing it as a **standard procurement process**. This includes:

- a documented assessment of needs incorporating climate-related considerations and an economic efficiency assessment;
- implementation in accordance with public procurement law through the appropriate design of procurement requirements; and
- binding contractual requirements and verification mechanisms.

Leading by example and sending a strong signal

Given the particularly significant climate impact that public procurement can have in this area, the City of Aachen is placing a particular focus on **building and civil engineering, including the planning stages**, while the Guide also applies to supplies and services.

As the first city in Germany to take into account a **proportionate residual greenhouse gas emissions budget**, Aachen is sending a strong signal with GRIP:

Public procurement becomes a driver of regional ecological transformation.

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