

## **ANNEX 1**

**While this translation was carried out by a professional translation agency, the text is to be regarded as an unofficial translation of circular of 20 June 2014. Only the Danish document has legal validity.**

June 2014, GlobalDenmark Translations

### **Circular on ensuring procurement of sustainable timber in state contracts on goods, services, as well as building and construction work**

(to all ministries and associated institutions)

In its strategy for intelligent public procurement from October 2013, the Danish Government made a decision to ensure procurement of documented sustainable timber on state purchases of timber and wood-based goods, as well as on use of timber for state building and construction work. As part of the implementation of the strategy, in collaboration with the Danish Ministry of Finance, the Danish Ministry of the Environment laid down the regulations below for state institutions. Guidelines on ensuring procurement of sustainable timber in state contracts on goods, services, as well as on building and construction work have also been published.

#### *Scope and definitions*

**1.-(1)** This Circular shall apply to agreements entered into by the state on procurement of goods, services, as well as building and construction work, including the purchase or use of timber products as further specified in section 3(1), no. 3.

(2) This Circular shall not, however, apply to the purchase and use of products for energy generation.

**2.-(1)** This Circular shall apply to all ministries and other government institutions subject to powers of instruction from the ministries.

(2) The institutions covered shall be responsible for implementing the provisions of this Circular, including the organisation of measures.

**3.** For the purposes of this Circular, the following definitions shall apply:

- 1) "Timber" means: Wood and other materials made of timber, including wood-based fibres in plates, paper products, etc.
- 2) "Sustainable timber" means: Sustainable wood as defined in the Guidelines on ensuring procurement of sustainable timber in state contracts on goods, services, as well as building and construction work.
- 3) "Timber products" means: Products of one or more of the categories below, in which wood makes up a significant part:
  - a) Pulp timber, sawn timber, plates of timber and other semi-finished products and goods made of timber.
  - b) Furniture.
  - c) Office supply articles.
  - d) Copy and printed paper products, and printed matter.
  - e) Other paper and cardboard and articles thereof.

#### *Liabilities*

**4.-(1)** On calls for tenders or collection of offers for contracts to purchase timber products, minimum requirements shall be set that the timber used in wood products shall be sustainable.

(2) On calls for tenders or collection of offers for contracts on services or building and construction work, minimum requirements shall be set that the timber used in wood products which are supplied to the state as part of the service or work, or which will be used for building work or other construction work owned by the state, or for which the state takes over ownership, shall be sustainable.

(3) On calls for tenders or collection of offers for contracts on services or building and construction work, procurement considerations shall also take into account that the timber used in wood products which, to a significant extent, are used by the tenderer as part of the service or work, including for example supporting

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timber for major building and construction work, moving boxes for moving services, etc. should be sustainable.

(4) If agreements are made, without prior calls for tender or collection of offer, about purchasing goods, services or building and construction work, including the purchase or use of wood products, procurement considerations shall take into account that the timber used in wood products should be sustainable.

**5.-(1)** The minimum requirements laid down in section 4(1) and (2) may be limited to solely comprising a further specified type of wood products, or may be completely deviated from, if, on the basis of a prior specific market assessment, it is assessed that use of the minimum requirement for all relevant wood products will

- 1) entail excessive financial or administrative burdens for the tendering institutions,
- 2) restrict competition significantly among potential providers, or
- 3) make it particularly difficult to procure certain wood products.

(2) If the minimum requirement in section 4(1) or (2) is deviated from wholly or partly pursuant to subsection (1), the evaluation of the offer shall take into account that the timber used in wood products which are exempted from the minimum requirement, shall be sustainable.

(3) Subsection (2) shall not apply to small contracts, or contracts where the quantity of timber makes up an insignificant part of the total acquisition, if such method is associated with excessive financial or administrative burdens for the tendering institutions.

**6.-(1)** On entering into contracts on procurement of goods, services and building and construction work, which pursuant to section 4(1)-(4) or section 5(1) and (2), set minimum requirements, request or emphasise that the timber used in wood products shall be sustainable, the relevant contract documents and the contracts entered into regarding documentation shall state the supplier's documentation hereof.

(2) Contracts entered into shall also state that the supplier, according to further provisions stipulated in the individual contracts, on request, be able to supply this documentation, cf. subsection (1).

### *Entry into force and transitional provisions*

**7.-(1)** This Circular shall enter into force on 1 July 2014, cf. however, subsections (2) and (3). This Circular shall apply to contracts entered into from the entry into force, however, not contracts entered into on the basis of the contract documents issued before the entry into force.

(2) For products covered by section 3(1), no. 3b-d, this Circular shall apply to products supplied from 1 January 2015.

(3) For products covered by section 3(1), no. 3a and e, this Circular shall apply to products supplied or used in building or other construction work from 1 January 2016.

**8.** This Circular shall not extend to the Faeroe Islands and Greenland.

*The Danish Ministry of the Environment, ...2014*

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