Empowering Sustainable Governance: The Role of Green Public Procurement and Certifications in Hungary

Melinda Majláth, Zsuzsánna Regina Reicher
Budapest University of Economics and Business, Faculty of Marketing and Business Communication, Budapest, Hungary
majlath.melinda@uni-bge.hu, reicher.regina@uni-bge.hu

DOI
https://doi.org/10.18690/um.epf.7.2026.29

ISBN
978-961-299-166-1

Agenda 2030 aim is to create a global framework for a sustainable economy in the EU. Green public procurements play a key role in this transformation in three aspects: (1) supports sustainable governance and management by embedding ESG principles into the decision-making process, also (2) it provides significant demand for environmental-friendly products and services and with that, motivation for green innovations. Thirdly, (3) completed procurements contribute to better environmental conditions improving quality of life. Green certifications support the process by providing credible, standardized proof that products and services meet the sustainability criteria. The aim of the chapter is to analyse how green public procurements have changed in Hungary in recent years and where the emphasis has shifted. The primary and secondary analyses are based on two sources from the Public Procurement Authority's database. In addition to the development of the proportion of green public procurements, the study focuses on the importance of environmental certification as an expectation for bidders.

Keywords:
Green Public Procurement, Hungary, environmental certifications, procurement, eco-label

University of Maribor Press

1 Relevance of green public procurements in Hungary

AGENDA 2030 is a global action plan adopted by the UN in 2015, which defined 17 Sustainable Development Goals (SDGs), including climate protection, sustainable economy, resource efficiency, and social justice (UN, 2015). Focusing on the environmental protection elements of the Agenda, the European Green Deal sets out a comprehensive plan to achieve a net greenhouse gas reduction of at least 55% by 2030 for the European Union compared to 1990 levels, and a more ambitious goal: climate neutrality for 2050. (European Commission, n.d.-b)

Green public procurement (GPP) is public procurement in which the contracting authority takes environmental protection into account at every stage of the procurement process and encourages the spread of environmentally friendly technologies and the production of environmentally friendly products by seeking and prioritizing solutions that have the lowest possible impact throughout the life cycle (European Commission, 2008). With that, public authorities can lower their negative environmental effects (Pouikli, 2021, Eisenger et al. 2022), while with their significant and stable demand they can motivate entrepreneurs to improve their environmental performance and they can promote the importance of green transition (Lundberg et al., 2015). Luo and Zhao (2026) also highlight the advantages of GPP for bidders in the form of contribution to the green reputation and in easing the financial pressure on companies.

2 Development of green public procurements in Hungary

In line with the EU Agenda, Hungary's Green Public Procurement Strategy for 2022-2027 aims to achieve 30% of public procurement by 2027 (Hungarian Government, 2022). Based on the provisions of Act CXLIII of 2015 on Public Procurement (Kbt.), environmental considerations can be applied in public procurement procedures based on regulations that can be classified into four categories, in accordance with EU law, which are the following: selection criteria (exclusion or suitability requirements), award criteria (evaluation criteria), specifications of the public procurement specifications, and clauses relating to the performance of the contract. (Paksi, 2020)

According to the latest available data on the Hungarian Central Statistical Office webpage, 15.3% of public procurement procedures conducted under the national procedure included environmental considerations in 2023. Both the number and value of green public procurements were in a rise in 2023, following a quite volatile period between 2016-2022. (HCSO, 2024)

Table 1: Number and value of green public procurement in Hungary (2016-2023)

Year	Number of green public procurements	Value of green public procurements in billion HUF / in million EUR
2016	613	43,4 / 138,7
2017	831	102,9 / 332,8
2018	1080	136,8 / 429,0
2019	916	119,8 / 368,3
2020	474	68,5 / 195,1
2021	501	63,7 / 177,6
2022	470	61,7 / 157,7
2023	695	80,8 / 211,7

Source: Hungarian Central Statistical Office, https://ksh.hu/kiadvanyok/fenntarthato-fejlodes-indikatorai/2024/4-7-sdg-8 , EUR calculated based on the average annual exchange rate of MNB (own edition)

Contracting authorities continued to pay the most attention to environmental aspects in construction projects: more than 20% of the number of construction projects conducted and, in their value) (HCSO 2024).

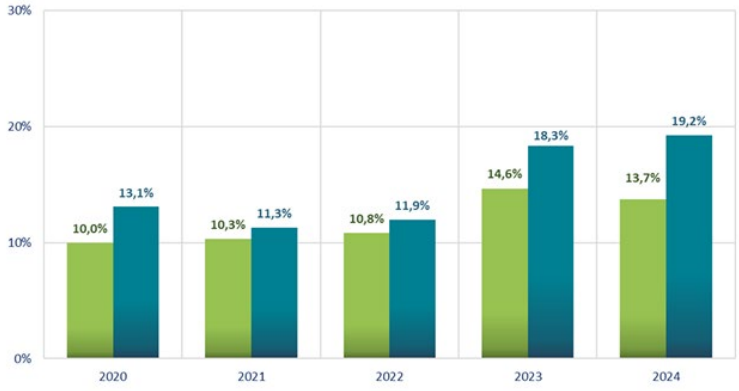

Figure 1: Green public procurement in proportion of number (light green) and value (dark green) of all procurement (in national procedure) in Hungary between 2020-2024
Source: Public Procurement Authority, 2025, p.24

Within the public procurement procedures having environmental aspects in 2021, green conditions were mentioned as contracting criteria in 52,7% of the tenders, in 47,3% it was an evaluation aspect and in 32,2 % of the cases it was a technical parameter (Hungarian Government, 2022). The 2024 Report on Public Procurement shows the increasing value proportion of green public procurements in national procedures, while the proportion of the numbers of these procurements is slightly decreased from 2023 to 2024.

3 Green certifications – their roles and their forms

Third party, independent environmental certifications play a significant role in helping transition to a green economy. Besides summarizing relevant features of a given product into one communication element, they promote the purity and fairness of competition. It is an important feature till the growing demand for environmentally friendly solutions have increased the probability of greenwashing activities on consumer markets (Santos et al., 2024). However, Lou and Zhou (2026) found evidence that GPP significantly constrains corporate ESG greenwashing, and this effect was more visible for companies working in highly competitive industries in the maturity stage.

Green labels play a significant role in decreasing greenwashing. Greenwashing is the act of misleading consumers about the environmental practices of an organization (firm-level) or the environmental benefits of a product or service (product/ service-level) (de Freitas Netto et al., 2020). Greenwashing is extremely harmful as it leads to a non-optimal resource allocation and puts truly green companies at a disadvantage. From this perspective, using false labels can be categorized as product/service level greenwashing. They also differentiate claim and executional greenwashing types. Claim greenwashing occurs when an explicit textual environmental claim (e.g. "CO_2-neutral", "derived from sustainable forestry") is in fact false or exaggerated, while executional greenwashing can be detected by using implicit visual/colour elements (e.g. green images, leaves, nature images) that create an impression but do not reflect the actual environmental performance (de Freitas Netto et al., 2020). Fake, not independent, not official green seals can mislead buyers who would like to enforce green aspects in their buying behaviour; therefore, it is important to educate consumers and businesses about the meaning and conditions

of different green labels. The higher the need for this compact and reliable information the more companies will strive to obtain the certificate.

In the EU there are voluntary GPP criteria for certain product categories like computers, monitors and smartphones; data-centres, furniture, food catering services, indoor cleaning services, electricity, imaging equipment, consumables and print service; office building design, construction and management, public road design, construction and maintenance and public space maintenance, road lightning and transport and textile products.(EC, Green Forum) Typically, Type I ecolabels are required to meet the criteria of a GPP. The common features of these environmental-friendly certifications are that they are based on multiple criteria and a life-cycle analysis, and an independent third-party organization awards it. Practically, they are the EU Ecolabel, the Nordic Swan, or the Blue Angel.

The Hungarian National Eco-label is the Green Cedar. The Green Cedar is a competitive tool that increases turnover, "which allows the manufacturer, distributor and service provider to earn more income and in public procurement, these goods are suitable for most Western distributors" and can also "take advantage of the discounts provided by law; (discounts and exemptions provided by the product fee law; or the market opportunity provided by green public procurement)" (Herman Otto Institute Ltd, n.d.). This would be an important motivator for companies to improve their market competitiveness by meeting the requirements of the label and communicating their achievements. Compliance with the criteria also results in multi-level cost-savings by resource saving and waste reduction.

The other important certification is the EU Ecolabel which is also an official and voluntary label for proving the compliance with green requirements. (European Commission, n.d.-d) EU Ecolabel is quite successful as nowadays more than 109.000 products can use its certification all over Europe. EU ecolabel has been awarded in highest number to paint and varnishes, paper products, cleaning up and clothing and textile categories so far. However, in the past 6 months, the most increasing product groups awarded by the label belong to tourist accommodation services, indoor cleaning services, furniture, and lubricant categories. (European Commission, n.d.-c)

According to the EC Ecolabel Facts and Figures site, in Hungary there are 104 products certified with EU Ecolabel (Sept 2025), which seems relatively much compared to the neighbouring Slovakia, where the number is just 15 products, but seems very low, if we compare it to Austria, where there are 1240 products certified by EU Ecolabel. And there is even more room for development as in Spain recently 16280 products have the right to use the EU Ecolabel on them. (European Commission, n.d.-c).

Table 2: Recent users of official eco-labels in Hungary

	National Environmental-friendly Product certification	EU Ecolabel
Logo	KÖRNYEZETBARÁT TERMÉK	EU Ecolabel www.ecolabel.eu
Number of certified Hungarian companies in January, 2026	9 companies[2]	7 companies[2]
Number of products	13 product categories[2]	104 product [1]

Sources: [1]European Commission (Sept 2025 data) c); [2]https://www.hermanottointezet.hu/nemzeti-okocimkerol (own edition, own compilation)

This significant difference between the number of certified products is explained at least partly with the voluntary or mandatory implementation of GPP directives by member states in the EU. Spain decided to foster the green transition by being more focused on green aspects of public procurements with stricter expectation in the procurement process (Rossell, 2023). Also, Italy took big steps as "Public procurement in Italy allows Type 1 ecolabels to be used as the only means of conformity for sustainability criteria." This has motivated companies to follow ISO 14024 and being awarded by the EU Ecolabel (European Commission, n.d.-d)

4 Expectation of green certifications in green public procurements

In the period 2020-2024 in Hungary, most green aspects were prescribed by contracting authorities in construction projects and applied in procurements financed from EU funds (Hubai, 2025). In 2024, 900 green public procurement

procedures were conducted under national procedures and the proportion of public procurement contracts having green aspects was 13.7%. (Public Procurement Authority, 2025)

The slow increase in the proportion of green public procurement in the last few years shows that, despite the different available aids and training, and presumably without a legal obligation, green public procurement cannot be expected to spread more widely. Therefore, there are grand expectations toward the new Government Decree 235/2024. (VIII. 8.) on environmental protection requirements in public procurement, which sets out mandatory environmental features for various procurements. This new legislation could bring significant and positive changes to this area in the short term. The scope of the Government Decree covers 11 product groups, two services and a part of construction projects. Except for existing buildings and public roads, the regulations must be applied in both national and EU procedural rules (Hubai, 2025)

4.1 Research method

Based on the Decree, products that comply with the technical specifications and have an ISO type I (environmentally friendly product) or an international eco-label (e.g. EU Ecolabel), as well as equivalent certificates specified in Sections 59-60 of the Public Procurement Act, are 'environmentally friendly products'. The product offered is equivalent if it meets the EU Ecolabel qualification requirements. Therefore, in our study, we used content analysis method as a primary research method to show how intense the usage of green aspects in public procurements is and how detailed the related descriptions in the notices are - especially focusing on the expectations of eco-labels. For that, the online database of the Hungarian Public Procurement Authority was used, and we have collected notices from 1st January 2025 till 31 December 2025. We used the following terms, to find those notices which fit to our study: "environmentally friendly", environmental-friendly certification", "eco-label", "EU ecolabel", "Environmentally Friendly Product label" (the Green Cedar) and "ISO 14024". The difficulty of this search was the unique feature of the Hungarian language since inflections and suffixes are attached to the word stem; therefore, expressions often appear in inflected and suffixed forms in the text. The result of this search is shown in Table 3.

4.2 Research results

Numbers in the table reflect the legislation changes: significantly higher number of public procurements mentioned environmental-related conditions in their notices, and half of them required eco-label-certified products or services in 2025. Comparing it to 2024, it is remarkable that environmental certifications now clearly and inescapably demonstrated as a need for public institutions.

Table 3: Mentioning eco-related terms in Green Public Procurement notices in 2024 and 2025 in Hungary

	Number of green public procurements where notice mentions:	
	2024	2025
Environmental-friendly	27	44
Environmental-friendly product	2	24
Type I. ecolabel	2	23
EU ecolabel	0	3
Hungarian eco-label (green cedar)	1	23
Eco-label	5	9
ISO 14024 standard	0	1

Source: www.kozbeszerzes.hu/adatbazis (own compilation) (database used with the given terms, search 01.01-31.12. 2025 and 01.01-31.12, 2024)

Almost half of the tenders using the expression „Environmentally friendly" was connected to buying cleaning products and services and they all mentioned at least one-type of ecolabel needed in the notice. The standard text in almost every public procurement notice was the following:

"During the performance of the contract, in accordance with point a) of Section 5 of Government Decree 235/2024. (VIII.8.), at least 70% of all cleaning products to be used for the performance of the tasks related to the contract must continuously comply with criteria 1 (toxic effect on aquatic organisms) and 4 (excluded and restricted substances) of the Annex to Commission Decision 2017/1217/EU establishing the criteria for the award of the **EU Ecolabel** for cleaning products for hard surfaces or with the criteria of the **Environmentally Friendly Product Label** with the same content, and at least 50% of all cleaning products made of textile material to be used for the performance of the tasks related to the contract must be

made of microfiber material, and at least 70% of sanitary and household paper products and household hygiene papers must have a **Type I ecolabel**." (own highlight) (17731/2025 PP).

Type I eco-labels have often been required in procedures. However, there would be a significant need for a list of Type I eco-labels, as contracting authorities find it difficult to decide whether a given eco-label – especially if it is less well-known – meets the definition set out in Section 2, Section 1 of the Government Decree (Hubai, 2025)

In some cases, the description uses the term 'environmentally friendly' in general term without specifying under what conditions a particular solution can be considered environmentally friendly. "Road salt should not be used in the immediate vicinity of green areas; the materials and methods used here must be environmentally friendly and must not harm the environment." (13289/2025 PP) In other cases there are added regulations needed to be considered by the bidders: "…environmentally friendly anti-slip and weed control materials may be used. The anti-slip material must follow the provisions of the Balaton-Felvidéki National Park Directorate's Resolution No. 3761-2/2015, Section 19 of Government Decree No. 282/2024 (IX. 30.), and the environmental protection regulations applicable to local conditions." (19398/2025 PP)

The other extreme is the example of Kazincbarcika School District Centre's Procurement notice in which the exact product types are mentioned with EU Eco-label ("liquid soap, refill 5 l Lucart Hand Care Soap hand protection liquid soap (EU ECOLABEL); disinfectant hand cleaning liquid soap, 5 l Sure Antibac liquid hand disinfectant soap, environmentally friendly (EU ECOLABEL); hand cleaning paste, 0.4 kg Kroll Octima Ecolabel (EU ECOLABEL)" while other products are also on the list with not-at-all environmentally friendly features like "stain remover, 1 l Vanish Oxi Action Stain Remover and Whitening Gel Concentrate; fabric softener, 5 l Coccolino Professional Pure Concentrate; air freshener, 0.3 l Ambi Pur Spring Awakening Air Freshener; hand-held carpet and upholstery cleaner, 0.5 l Vanish Gold hand-held carpet and upholstery shampoo." (17503/2025 PP) This list clearly shows purchases that are not well thought out and have not changed their perspective strategically.

Only two tenders focused on green aspects in other than cleaning products or services: one related to IT equipment "the imaging equipment must have a Type I eco-label. c) a document certifying compliance with the prescribed environmental protection (ENERGY STAR or Type I eco-label) requirement" (18536/2025 PP); and the other was about hygiene paper products for Central Buda School District Centre (paper towels and toilet papers) (3097/2025 PP). The only notice mentioning ISO 14024 standard was a furniture procurement tender for a nursing home.

5 Conclusion and discussion

The relatively low level of green public procurements, the voluntary nature of green public procurement and the low knowledge of the official green certifications among consumers were all responsible for the low incidence rate of expecting EU Ecolabel or Hungarian Green Cedar as a criterion for bidders in public procurement procedures. Under the new regulations, there will be greater pressure on entrepreneurs to have their products certified by the EU or national eco-labels to successfully bid for green public procurement.

In the analysed cases, majority of the contracting authorities specified the green requirements as part of the technical specifications, but contract performance conditions were also often prescribed. The criteria included in the Government Decree and other environmental requirements also appeared as evaluation criteria in the calls for tenders, although not very often.

As the number of Hungarian products awarded by the Hungarian seal or the EU eco-label is relatively low, the stricter conditions of green public procurements will lead Hungarian companies to be least likely successful on green public procurements if they do not have the proper certificates. It may create a boom in requirements for certification processes. Those companies who think about a larger market on the long run, should focus on being awarded by the EU Ecolabel. However, smaller Hungarian SMEs can still find competitive advantage in communicating the Hungarian Green Cedar in relation to their products.

Not surprisingly, the biggest cost of being an environmentally friendly producer or service provider is the investment and effort needed. However, communicating it in a reliable and trustful way also worth to pay for. In connection with the EU Ecolabel,

the legislator made significant differentiation in the fees, considering the interests of smaller businesses. For micro entrepreneurs, the fees for whole certification procedure count in general one third-fourth of the fee paid by a big company. The certification is valid for 3-5 years. Unfortunately, similar generous distinctions are not available for the Hungarian certification related to the application fee or the annual fee – although the latter is proportional to the revenue.

It has only been the first year since the tightening of regulations, so far-reaching conclusions cannot be drawn from the data. Of course, it is necessary for public procurement professionals who apply the rules to gain experience of the difficulties of adapting to the new conditions, both from the applicants and tenderers sides. The Government Decree stipulates that the contracting authority is obliged to specify in the public procurement documents the control method of compliance with the requirements. So, it is not enough for companies to be environmentally friendly; they must also prove this in a credible manner. It is more convenient for clients to check the existence of a certificate than to conduct a full review of company processes to decide compliance. Therefore, we can expect that more companies will recognize the long-term benefits of obtaining official, third-party green certifications.

Table 4: Comparison of fees for the application processes for EU Ecolabel and Hungarian Environmentally Friendly Product certification for a micro enterprise (in HUF and in €)

	Fee structure for micro enterprise	
	EU Ecolabel [1]	**Hungarian Environmentally Friendly Eco-label [2]**
Application fee	HUF 80.000 (220 €) +VAT	HUF 150.000 (413 €) +VAT
Discounts from application fee	EMAS: 30% ISO 14001: 15%	EMAS: 30% ISO 14001: 15%
Annual fee	HUF 90.000 (248 €) +VAT	up to HUF 1 bn revenue it is HUF 120.000 (EUR 330 €) +VAT
Examination fee	HUF 20.000 (55 €) +VAT	HUF 20.000 (55 €) +VAT

Sources: [1]https://www.hermanottointezet.hu/az-eu-okocimkerol); [2] https://www.hermanottointezet.hu/vedjegy-megszerzese (own edition, own compilation) - prises in EUR added by the authors

The remarkably similar formulation of green requirements - especially in connection with cleaning services - shows that in majority of cases the simplest environmental conditions were specified in the GPP. This result is in line with Hubai's experience (Hubai, 2025).

Type 1 eco-labels help to make the competition fairer. Chen et al., (2023) highlights the role of rewarding or punishing government policy combinations to decrease greenwashing in public procurements. Factors which cause limited rationality in the process are information asymmetry, economic interests and social roles. They emphasize the role of setting red lines and creating a system where the potential benefits of government reward and earned reputation overcome the benefits of using greenwashing practices. (Chen et al., 2023)

Limitations of these study results arise on one hand, from the fact that a relatively short time has passed since the introduction of the new regulation. On the other hand, keyword search focuses only on the existence of an expression but not on its importance in decision making processes. Tender documents can focus only on what bidders want to receive, what are their expectations, but the reality is, that the implementation of the project may result in a very different outcome. In the future, the study should go further in analyzing tenders also based on technical specifications and on performance clauses. Moreover, examining the implementation processes can add an additional aspect to the research on green public procurements.

References

Chen, Y., Li, Z., Xu, J., Liu, Y., & Meng, Q. (2023). How does the government policy combination prevent greenwashing in green building projects? An evolutionary game perspective. *Buildings*, *13*(4), 917. https://doi.org/10.3390/buildings13040917

de Freitas Netto, S.V., Sobral, M.F.F., Ribeiro, A.R.B., & Soares, G.R.L. (2020). Concepts and forms of greenwashing: a systematic review. *Environ Sci Eur* **32**, 19. https://doi.org/10.1186/s12302-020-0300-3

Eisinger, B., Németh, A., Major, Z., & Kegyes-Brassai, O. (2022). Comparative life cycle analyses of regular and irregular maintenance of bridges with different support systems and construction technologies. *Chemical Engineering Transactions*, *94*, 571-576. DOI:10.3303/CET2294095

European Commission. (2008). Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Public procurement for a better environment. EUR-Lex - 52008DC0400 - EN - EUR-Lex

European Commission. (n.d.-a). GPP Criteria and Green Forum. Retrieved [02 21, 2026], Green Forum: https://green-forum.ec.europa.eu/green-business/green-public-procurement/gpp-criteria-and-requirements_en

European Commission. (n.d.-b). The Green Deal -Striving to be the first climate-neutral continent Retrieved [02 21, 2026], https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en.

European Commission. (n.d.-c). EU Ecolabel Facts and Figures. Retrieved [01 29, 2026], https://environment.ec.europa.eu/topics/circular-economy-topics/eu-ecolabel/businesses/ecolabel-facts-and-figures_en (

European Commission. (n.d.-d). EU Ecolabel. Retrieved [01 21, 2026], https://environment.ec.europa.eu/topics/circular-economy-topics/eu-ecolabel_en

Herman Otto Institute Ltd (n.d.). A nemzeti ökocímkéről (About the national eco-label) Retrieved [01 30, 2026], https://www.hermanottointezet.hu/nemzeti-okocimkerol Accessed 30.01.2026)

Herman Otto Institute Ltd. (2021). Pályázati tájékoztató – az európai uniós ökocímke terméktanúsítási rendszeréről (Application information on the European Union Ecolabel product certification scheme) Retrieved [01 22, 2026], https://www.hermanottointezet.hu/az-eu-okocimkerol

Hubai, Á. (2025). A 235/2024. (VIII. 8.) Korm. rendelet alkalmazásának első gyakorlati tapasztalatai First practical experiences of the application of Government Decree 235/2024. (VIII. 8.) Közbeszerzési Értesítő Plusz 2025. 7(9) pp. 39 - 50 DOI: 10.37371/KEP.2025.9.4

Hungarian Central Statistical Office. (n.d.) https://ksh.hu/kiadvanyok/fenntarthato-fejlodes-indikatorai/2024/4-7-sdg-8

Hungarian Government (Magyarország Kormánya). (2022). Magyarország zöld közbeszerzési stratégiája 2022–2027. Retrieved [01 22, 2026], ttps://kormany.hu/dokumentumtar/magyarorszag-zold-kozbeszerzesi-strategiaja-2022-2027-1

Lundberg, S., Marklund, PO., Strömbäck, E. *et al.* Using public procurement to implement environmental policy: an empirical analysis. *Environ Econ Policy Stud* **17**, 487–520 (2015). https://doi.org/10.1007/s10018-015-0102-9

Luo, Z., & Zhao, H. (2025). The Impact of Green Public Procurement on Corporate ESG Greenwashing: Evidence from China. *Sustainability*, *18*(1), 72. https://doi.org/10.3390/su18010072

Paksi, G. (2020). Zöld értékelési szempontok a fenntartható közbeszerzések megvalósítása érdekében (Green evaluation criteria for implementing sustainable public procurement) I. rész. *Közbeszerzési Értesítő Plusz*, 2(6), 44–54. https://doi. org/10.37371/KEP.2020.6.4

Pouikli, K. (2021). Towards mandatory Green Public Procurement (GPP) requirements under the EU Green Deal: reconsidering the role of public procurement as an environmental policy tool. In Era Forum (Vol. 21, No. 4, pp. 699-721). Berlin/Heidelberg: Springer Berlin Heidelberg.

Public Procurement Authority: Hungarian Public Procurement in Numbers, Flash Report, Q1-Q3 2025. Retrieved [01 29, 2026], https://english.kozbeszerzes.hu/media/documents/flash-report-q1-q3-of-2025-final.pdf

Public Procurement Authority (2025) Report on Public Procurement. Retrieved [01 22, 2026], https://www.kozbeszerzes.hu/statisztika/gyorsjelentes-2024/

Rosell, Jordi. (2023). Green Public Procurement in Spain. Revista Hacienda Pública Española. 245. 10.7866/HPE-RPE.23.2.4.

Santos, C., Coelho, A. & Marques, A. A systematic literature review on greenwashing and its relationship to stakeholders: state of art and future research agenda. *Manag Rev Q* **74**, 1397–1421 (2024). https://doi.org/10.1007/s11301-023-00337-5

United Nations (2015). Transforming our world: the 2030 Agenda for Sustainable Development https://sdgs.un.org/2030agenda