

Does Sustainability Limit Competition?

Insights from EU Construction Tenders

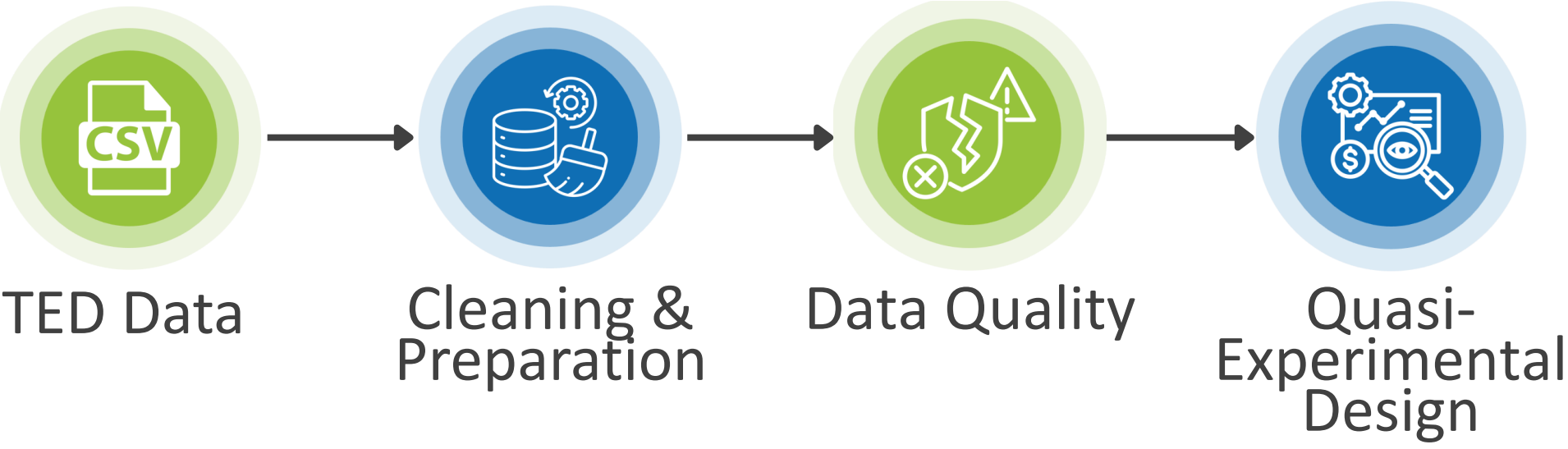
Context



Research Objectives

1. Investigate the role of **GPP** and **green criteria**
2. Evaluate the **impact** on **procurement outcomes**
3. Balance between **sustainability** and **competition**
4. Provide **recommendations** for future research

Methodology



PSM-DiD
Staggered DiD

2-period one-way Fixed Effects Difference-in-Differences (DiD)

2-period: 2 **aggregated** synthetic time periods
One-way FE: controls for unobserved time-invariant **CAE-specific** characteristics (**within-unit variation**)
DiD: compares **pre-** and **post-treatment** changes between **groups** to isolate the **causal effect** of the treatment
Clustered Robust SE: adjusts for **within-CAE correlation**

Assumptions

Treatment definition and scope

- cut-off date: 26-02-2014
- award criteria as identifier
- no non-green M contracts

Parallel trends

Data aggregation

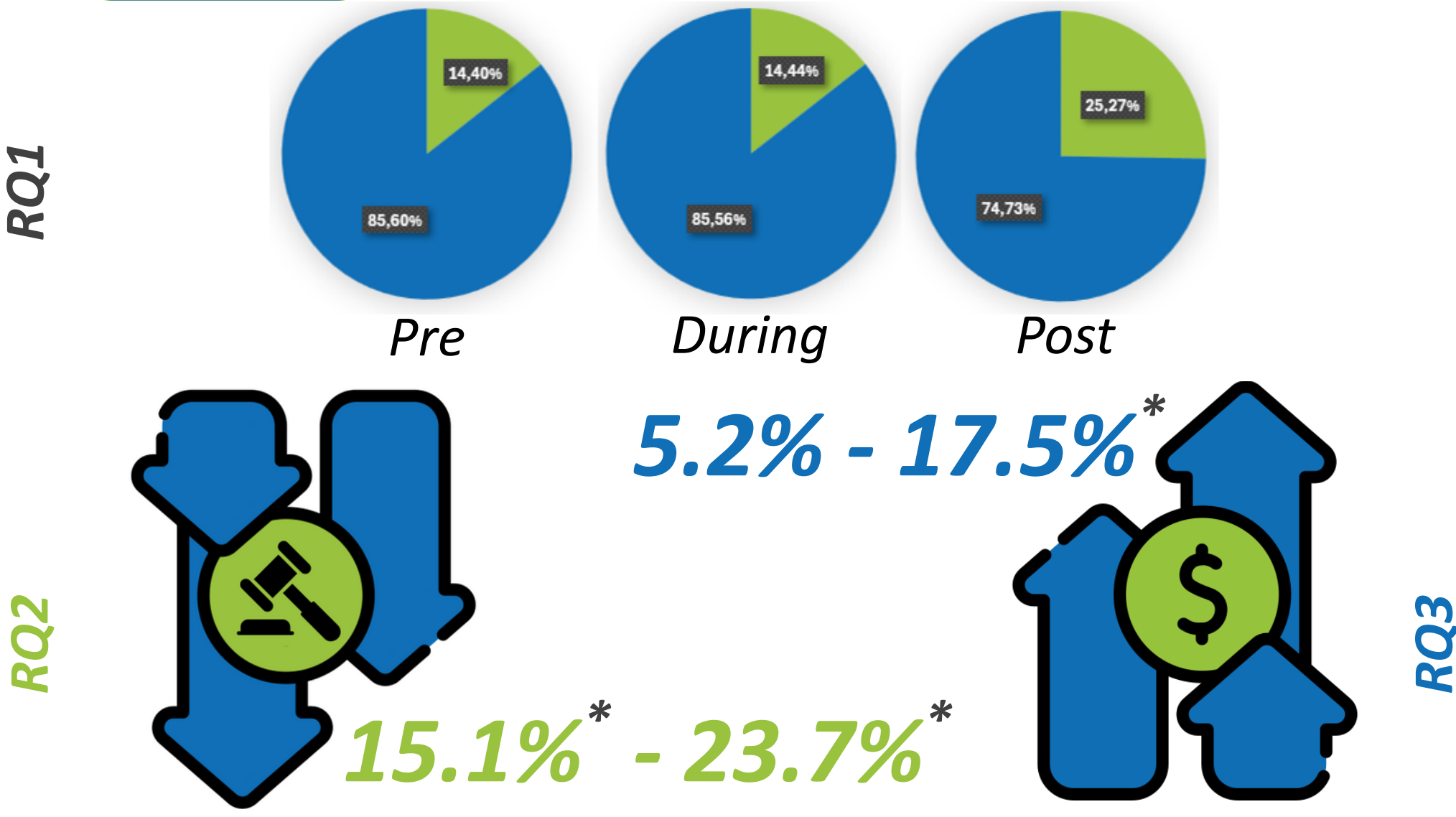
Configurations

26-02-2014



Findings

(* = stat. significant at 5% level)

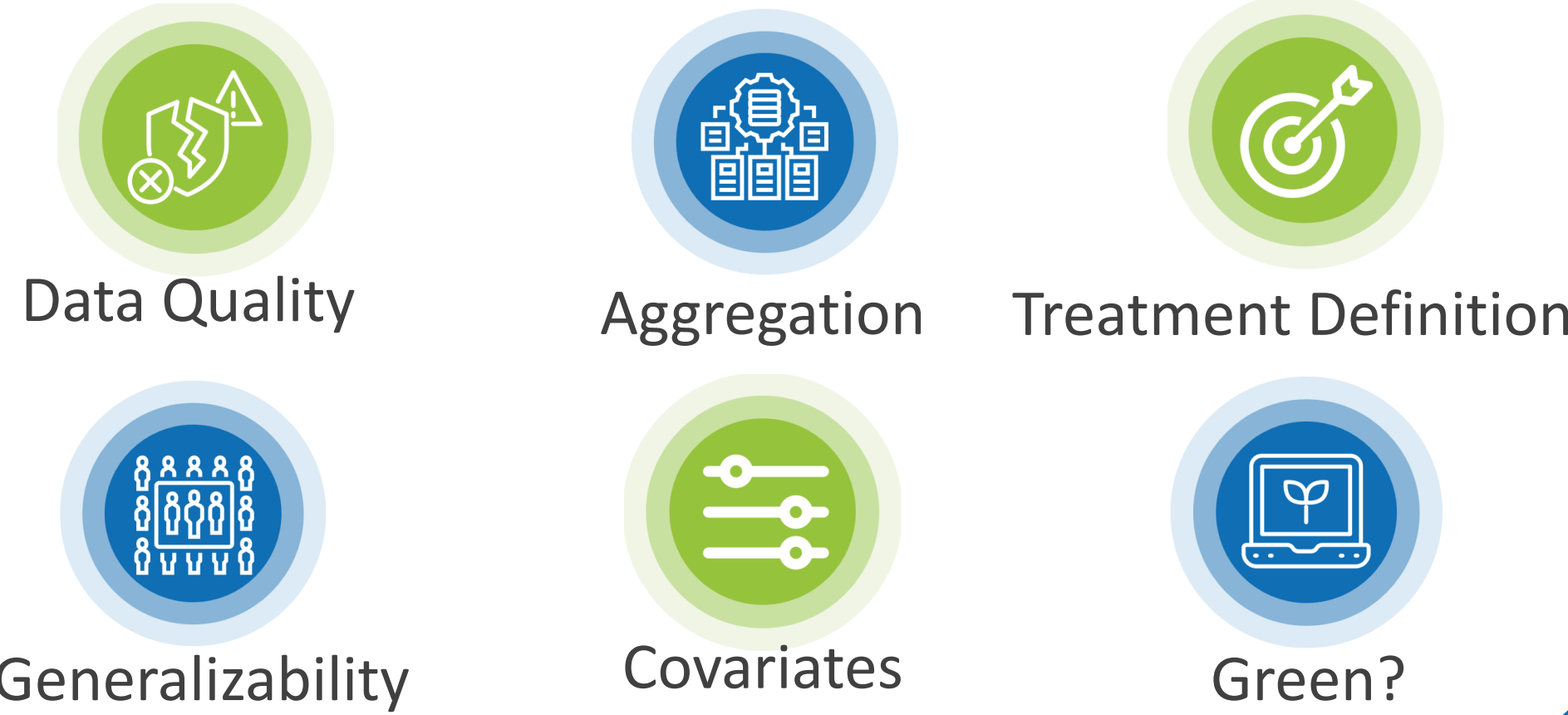


Key Takeaways

1. Soft Barriers
2. Competition & Costs
3. Acceptable Levels
4. Mixed vs. Pure Users

"Yes, it can!"

Limitations



"Contests the EU's beliefs in GPP"

Recommendations and Future Research Directions

