Sustainable Public Procurement

A Great Opportunity to Implement the SDGs

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Use of Public Procurement to Support Public Policies Is Nothing New

- Early experiences in the 19th and 20th centuries address social justice issues
 - Fair Working Conditions
 - Fair Pay
 - Integration of People Living with Disabilities



Already in the 19th century in the United States

In 1840, President Martin Van Buren of the United States of America issued an executive order establishing a 10-hour workday for those working under government contract.

After the First World War, the British government introduced a program to employ disabled ex-servicemen, whose products were given preference in public contracts.

After the Second World War, this attention was extended to the rest of the disabled population through, for example, sheltered workshops.



At the end of the 20th century, the energy label Energy Star was imposed following the order of the American federal government to use this standard for all public purchases

Source: McCrudden, C. (2004). Using public procurement to achieve social outcomes.



International Recognition of the Role of the Public Procurement





Rio Summit, Agenda 21 Chapter 4

D) Leadership through Government Procurement, 4.23

Governments should therefore **review** the **procurement policies of their agencies** and departments so that they can improve, as far as possible, **the environmental content of government procurement policies**, without prejudice to the principles of international trade.



Johannesburg Summit, Plan of Implementation

Chapter 3: 19. c) Governments should promote public procurement policies that encourage the development and dissemination of green goods and services.





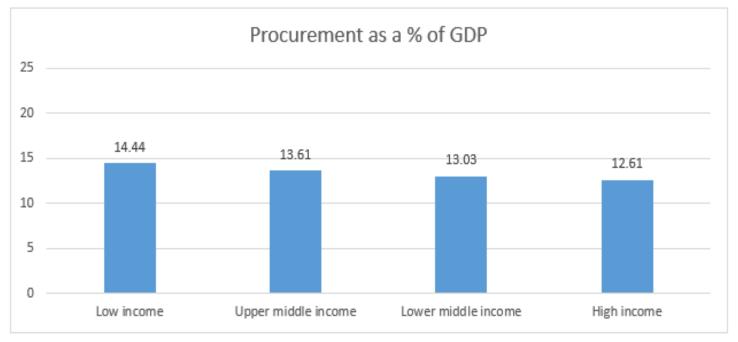
Developed in collaboration with TROLLBÄCK+COMPANY [TheGlobalGoals@trollback.com]+1.212.529.1010 For queries on usage, contact: dpicampaigns@un.org SUSTAINABLE DEVELOPMENT

SDG 12

- **Goal 12**: Ensuring sustainable consumption and production patterns
- **Target 12.7**: Promote public procurement practices that are sustainable, in accordance with national policies and priorities.
- Indicator 12.7.1: Number of countries implementing Sustainable Public Procurement policies and action plans



Public Procurement: a formidable lever



States are the first consumers in all economies

Graph: Procurement as % of GDP in low-income, lower middle income, upper middle income and high income countries (World Bank 2016)

EU : 2 trillion euros EU : \$ 1.7 trillion USD

Global : \$11 trillion

Sources: WTO, 2015; Eurostat, 2017; European Commission 2018





Every purchase has hidden impacts on human health, the environment and society throughout the supply chain





A Multitude of Social and Environmental Impacts











RANA PLAZZA







The Demographic Challenge : from 6.5 trillion In 2005 to about 9,8 trillion in 2050

World population development 9,8 Billions Billions **MIDDLE CLASS** 7,0 2011 : 899 million people x 4 1,6 2019 : 1.34 trillion Developing countries GRID UNEP Arendal Industrialized countries

URBANIZATION

BILLION

Urban population

+2.5 BILLION

Of people will migrate to cities by 2050

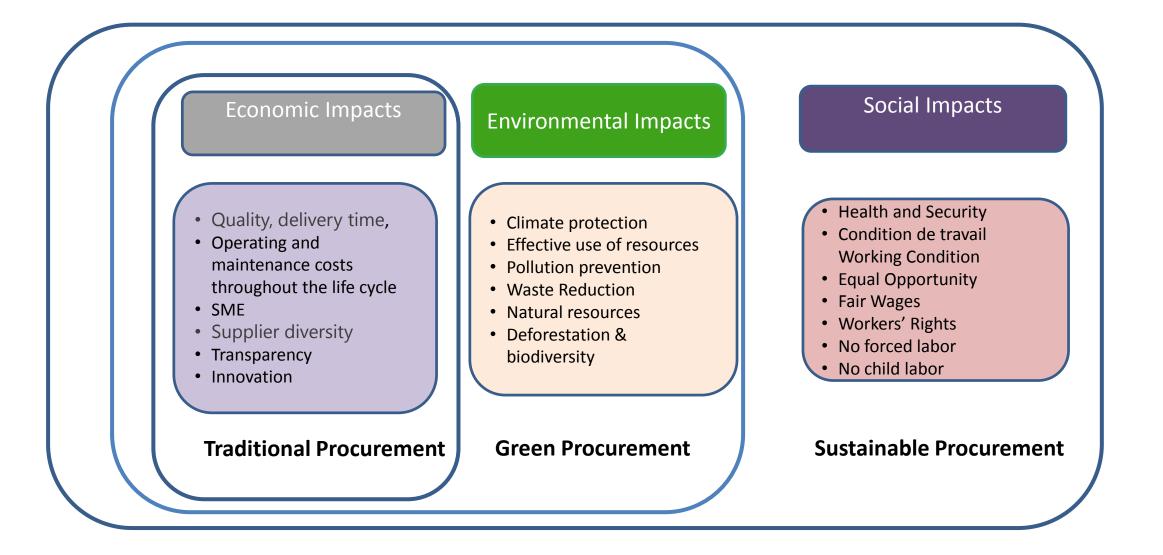
+125%

Of needs in resources up to 2050

 More than 80% of global economic activity is concentrated in cities It is therefore imperative to limit the negative impacts of public ordering and,

to use public procurement to promote the production of sustainable goods, services and works, that is to say with low ecological impact and with positive economic and social impacts.

The Potential Benefits of Sustainable Procurement



•Sustainable public procurement is a process by which public organizations meet their needs for goods, services, works and utilities to optimize resources throughout the life cycle by generating benefits **not only** for the organization, but also for society and the economy, while significantly reducing negative impacts on the environment.

UNEP

• Green Government Procurement (GPP) is defined as a process by which public authorities seek to acquire goods, services and works with a reduced environmental impact throughout their life cycle compared to goods, services and works having the same main function that would otherwise be purchased.

 Sustainable procurement is a process that integrates sustainability considerations throughout the procurement process to achieve optimal cost/benefit ratio in achieving development goals.

World Bank



Union European

How to proceed?

Share of U.S. GDP allocated to final consumption



Household Consumption Institutional Procurement

Exports

Procurement Agencies



... are particularly well placed to demand transparency on the upstream and downstream impacts of the production and distribution of goods and services.

... are able to integrate sustainability criteria into purchasing decisions on a scale that can transform markets.

The good news is that the move towards ODA is underway !

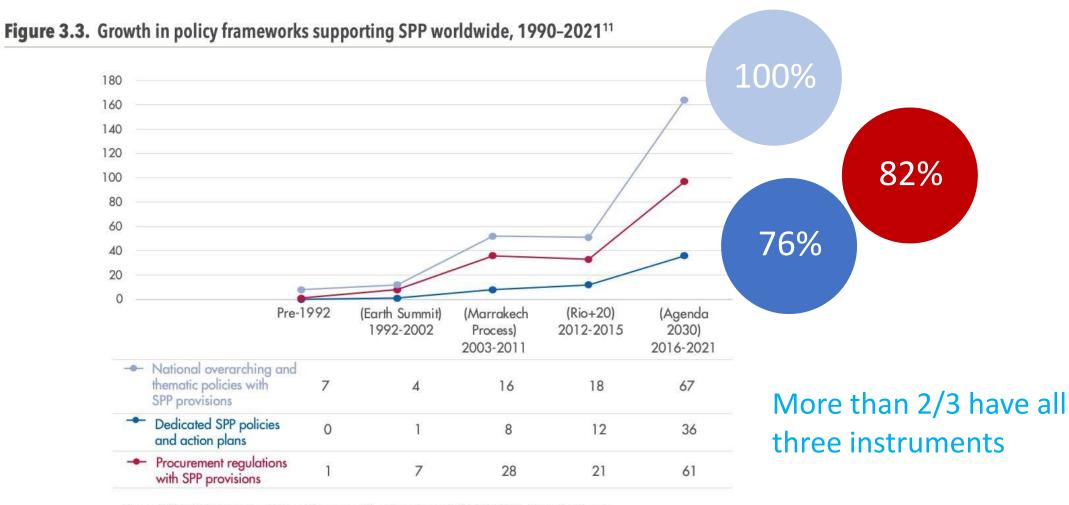
ODA World Panorama 2013 to 2022



- Provide a global overview of the current state of sustainable public procurement (SPP) in national governments, highlighting progress in areas such as SPP policy **development**, **implementation** and **monitoring**.
- Evaluate progress towards the UN's SDG 12.7of the UN.
- Create a broader view of ODA practice by identifying how private sector actors engage.
- Understand how international organizations, universities and networks support development, implementation and research of ODA policies
- Expand understanding of ODA **drivers**, **barriers**, **needs** and **expectations** around the world by reflecting stakeholder views across a range of countries, organizations and professions.



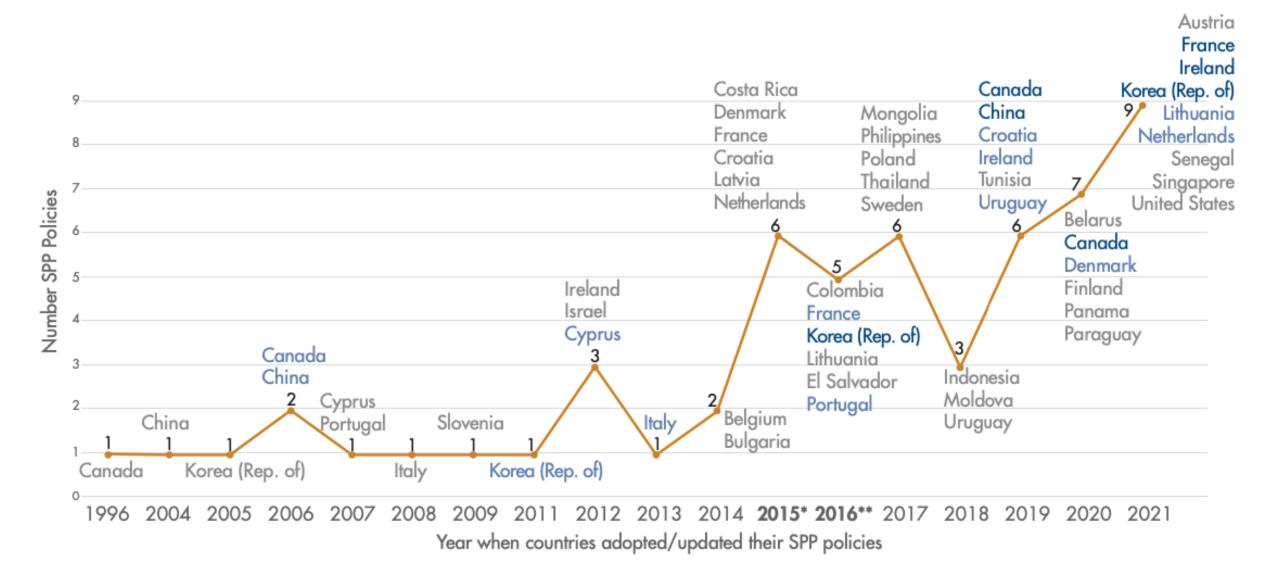
The Role of the DA as a Political Instrument Is Increasing



Source: 2021 SPP Global Review National Government Questionnaire and 2021 SDG 12.7.1 Monitoring Exercise.



Adoption of Global Sustainable Procurement



In the policies dedicated to AD, the social objectives become important

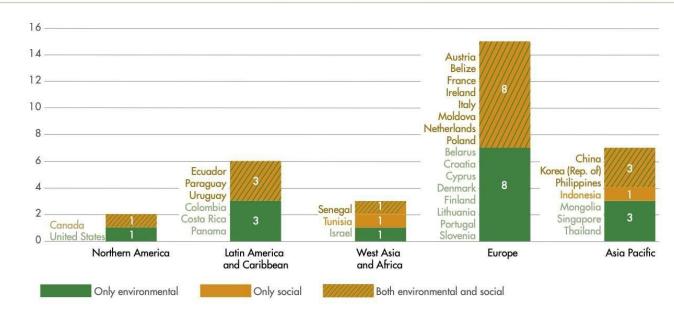


Figure 3.13. Sustainability objectives in SPP policies of participating national governments by region

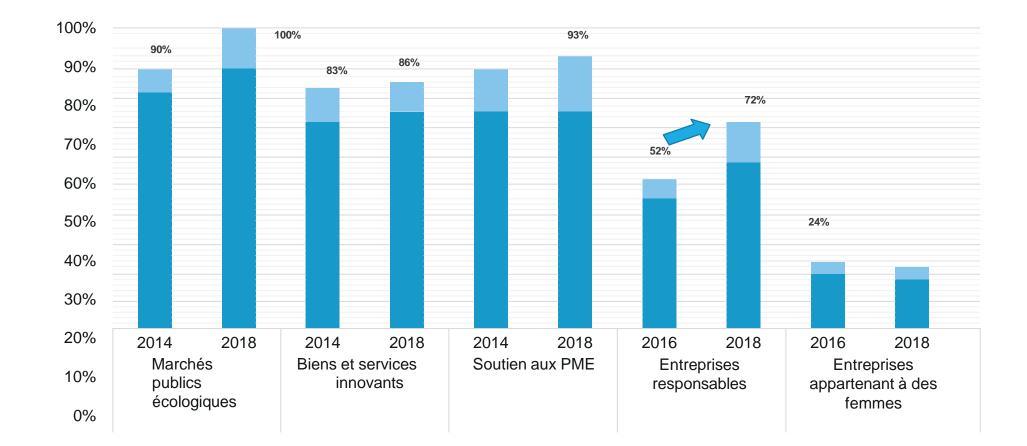
Source: 2021 SPP Global Review National Government Questionnaire.

56% resource efficiency
36% reduced energy consumption
36% climate change mitigation
31% waste reduction
22% clean technologies and eco-innovation

53% SME	promotion	
36%	anti-corruption	and
transpare	ncy	
31% prote	cting at-risk groups	
24% huma	an rights	
22% comp	liance with ILO labo	r conventions



Situation in OECD countries: public procurement is increasingly used to achieve a variety of policy objectives

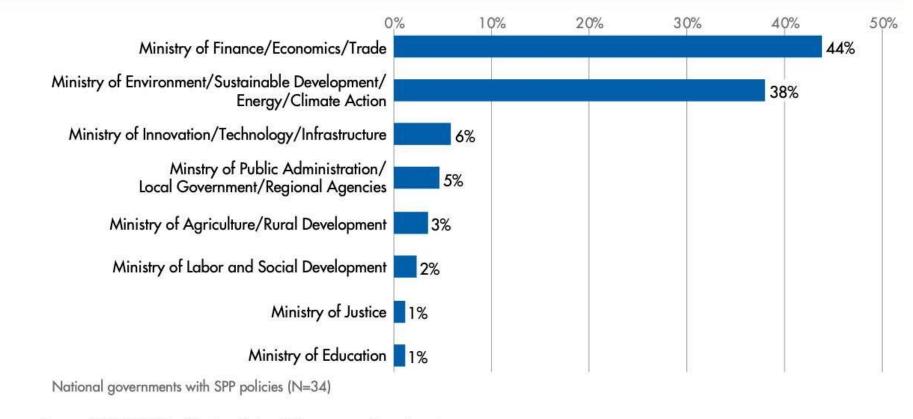


Seules quelques entités adjudicatrices ont élaboré une stratégie/politique interne

Une stratégie/politique a été élaborée au niveau central

Environment and Finance Lead the Development of Sustainable Procurement Policies

Figure 3.17. Public authorities leading the development of the most recent SPP policy

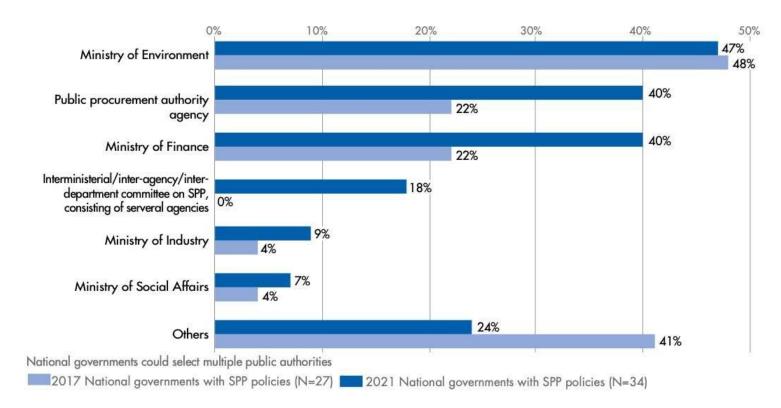


Source: 2021 SPP Global Review National Government Questionnaire.



And the implementation of these policies

Figure 3.19. Public authorities leading or co-leading the administration of SPP policies, 2017 and 2021



Source: 2017 SPP Global Review and 2021 SPP Global Review National Government Questionnaire.



Governments provide a range of supports

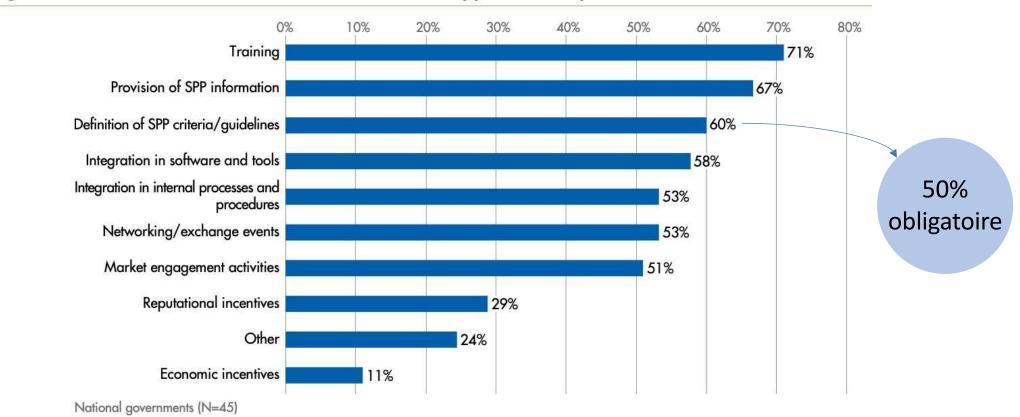
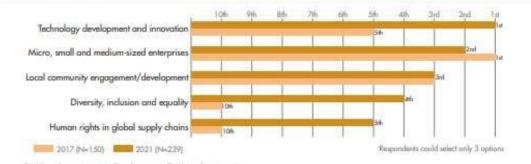


Figure 3.20. Common activities and measures to support SPP implementation

Source: 2021 SPP Global Review National Government Questionnaire.



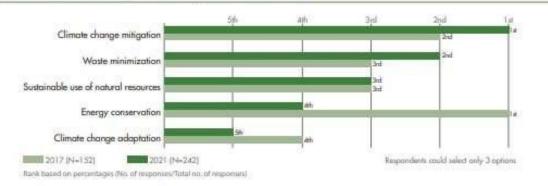
Figure 2.10. Socio-economic issues ranking, 2017 and 2021



Rank based on percentages (No. of responses/Total no. of responses)

Source: 2017 SPP Global Review and 2021 Stakeholder Survey.

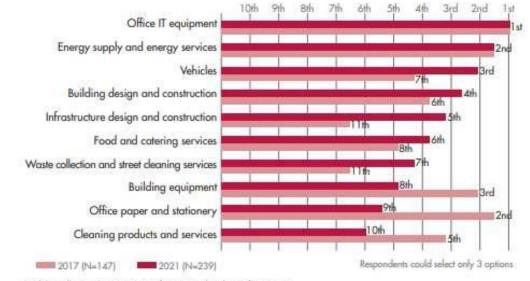
Figure 2.8. Environmental issues ranking, 2017 and 2021



Source: 2017 SPP Global Review and 2021 Stakeholder Survey.

Environmental and socio-economic issues and priority products ODA

Figure 2.14. Priority product and service categories for applying SP practices according to survey participants ranking, 2017 and 2021



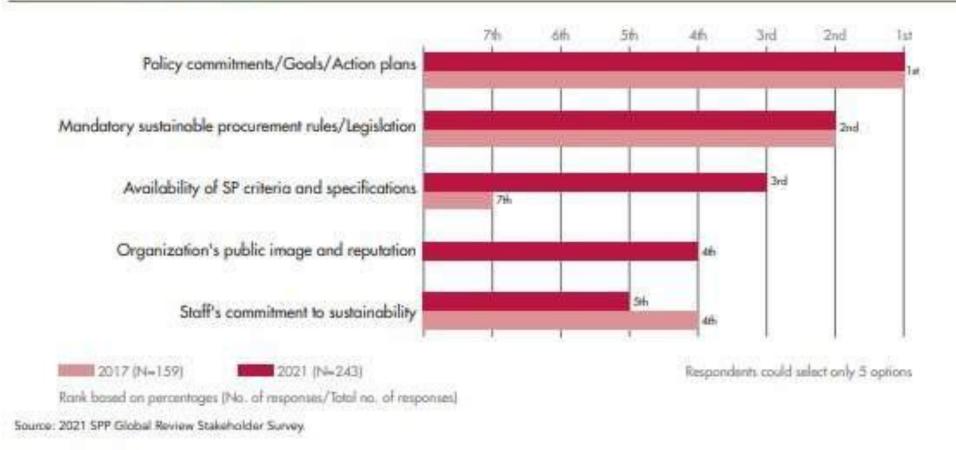
Rank based on percentages (No. of responses/Total no. of responses)

Source: 2017 SPP Global Review and 2021 Stakeholdier Survey.



Drivers of ODA Implementation

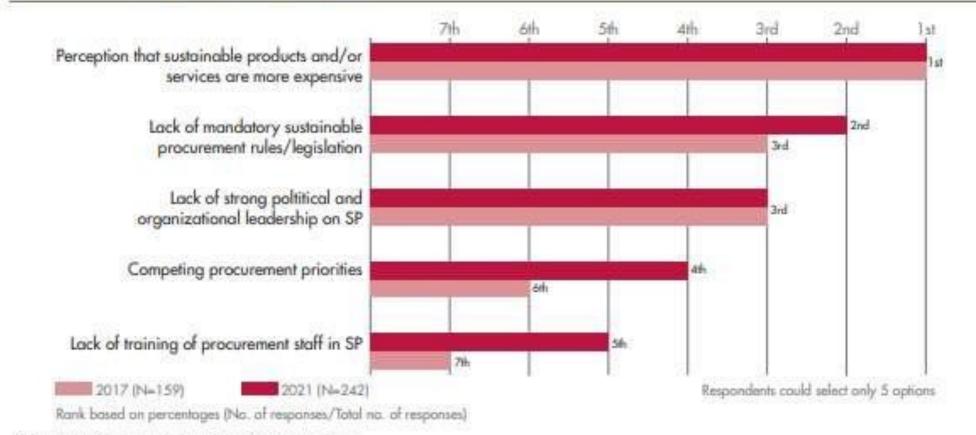
Figure 2.20. Strongest drivers for the implementation of SP in survey participants' organizations ranking, 2017 and 2021





Obstacles to ODA Implementation

Figure 2.22. Strongest barriers to the implementation of SP in survey participants' organizations ranking, 2017 and 2021







Stakeholder Expectations for Future Sustainable Procurement Trends

60% 54% Participants' organization (N=238) 49% Participants' country or region (N=235) 509 40% 37% 32% 375. 20% 12% 11% 2% 1% Substantially more SP About the same level of Substantially less SP Somewhat less SP Somewhat more SP SP activity as today activity than today activity than loday activity than today. activity than today

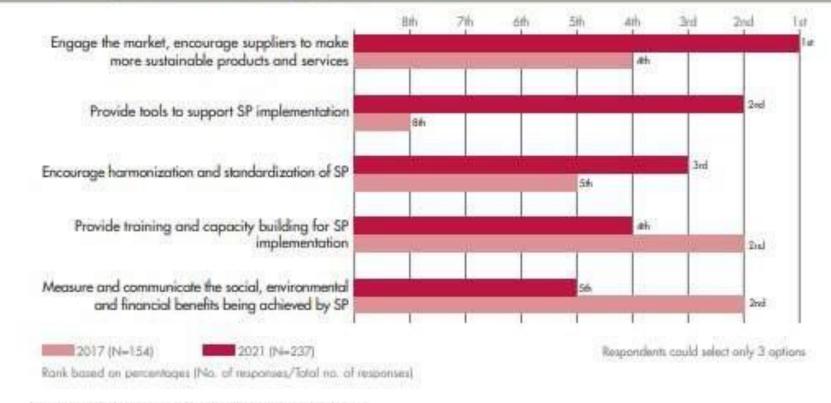
Figure 2.27. Expectations for the development of SP activities in the next five years

Source: 2021 SPP Global Review Stakeholder Survey.



Role of International Organizations in Supporting ODA

Figure 2.30. Survey respondents' recommendations for international organizations supporting SP implementation ranking, 2017 and 2021



Source: 2017 SPP Global Review and 2021 Stakeholder Survey.



Regional Comparison: Barriers to ODA Implementation

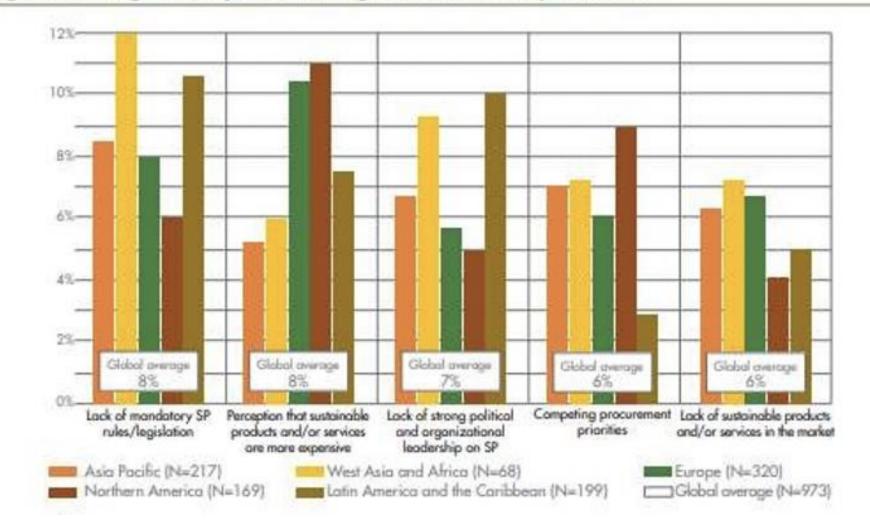
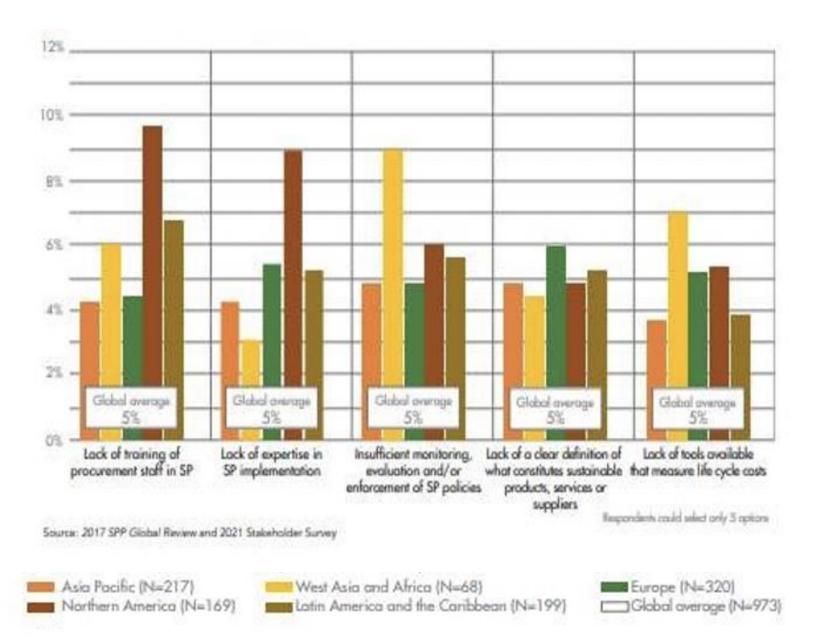


Figure 2.23. Regional comparison of strongest barriers to SP implementation



Regional Comparison: New ODA Themes





Conclusion : Global Trends

- **Continued increase** in ODA commitment
- Environmental issues remain priority issues with growing interest in the socio-economic dimension of ODA
- Growth in the level of maturity of ODA implementation, particularly in relation to product categorization
- Largely untapped strategies to integrate ODA at all stages of the procurement cycle
- Political commitments, targeted objectives and action plans remain the main drivers of ODA, with the presence of laws and legal mandates becoming increasingly important.
- The **perception that sustainable products and services are more expensive** remains the most cited barrier to ODA.
- Having tools to implement ODA requires international support.



Conclusion : National Policies

- There is an increase in policy and regulatory development in support of DA at all levels.
- Sustainability issues addressed in SD policies are also evolving, with the **socio-economic dimension increasingly present**.
- Public authorities with **economic/financial responsibility** play a leading role, thus underlining the strategic importance of the DA.
- In addition, many countries make ND criteria **mandatory**.
- DA tracking is also increasing, thanks to electronic platforms.



2020/21 data collection results for indicator 12.7.1

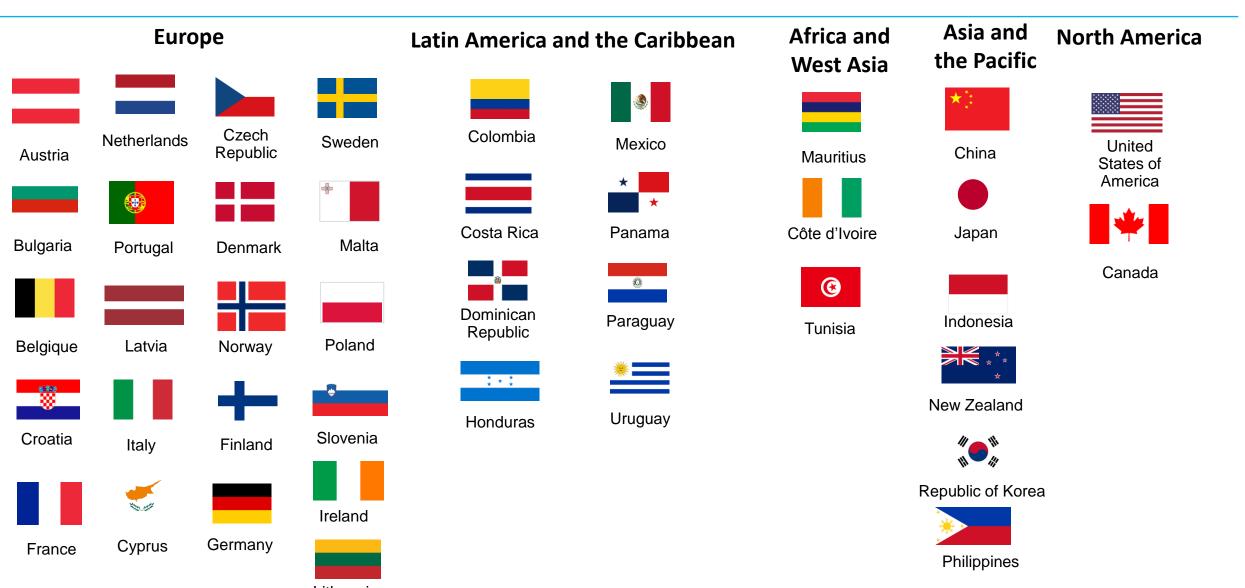
Indicator 12.7.1 Number of countries implementing sustainable public procurement policies and action plans Goal 12: Ensuring sustainable consumption and production patterns

Target 12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities.

Indicator 12.7.1: Number of countries implementing Sustainable Public Procurement policies and action plans



National/federal governments participating in the 2020/2021 reporting exercise on indicator 12.7.1



Lithuania

2020/21 Data Collection Results for Indicator 12.7.1

Regional Distribution and Bid Performance Levels based on information and documentation provided (December 2020)

				21/44
Note: numbers indicated above the columns represent the total number of existing countries		Belgium		
per region, as per the official classification used by UN SDG database unstats.un.org/sdgs			Bulgaria	
				France
4 - High level				Italy
3 - Medium-high level			Latvia	
2 - Medium-low level			Lithuania	
= 1 . Laur laural				Netherlands
1 - Low level			Portugal	
N/A - Insufficient data or no policy/legal instrument explicitely supporting SPP			Croatia	
				Denmark
				Germany
				Norway
			8/53	Poland
			Colombia	Slovenia
		6/63	Costa Rica	Sweden
		China	Dominican Republic	Cyprus
		Japan	Panama	Czech Republic
	3/72	Korea	Paraguay	Finland
2/5	Côte d'Ivoire	Philippines	Uruguay	Ireland
USA	Mauritius	New Zealand	Honduras	Austria
Canada	Tunisia	Indonesia	Mexico	Malta
Northern America	Africa and Western Asia	Asia Pacific	Latin America and the	

21/44



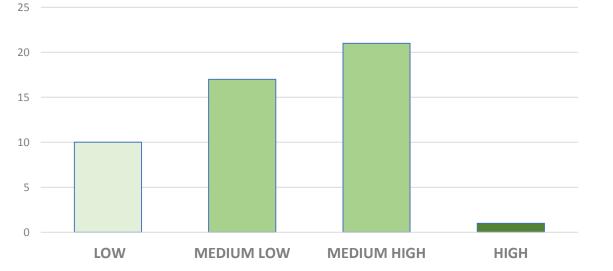
PRACTICES



2022 Data Collection Exercise

67 participating countries49 compliant24 non compliant

Distribution of compliant countries



LOW	MEDIUM LOW	MEDIUM HIGH	HIGH
Uganda	Uruguay	Switzerland	USA
Tunisia	UK	Slovenia	-
Tobago	Serbia	Korea	1
Trinidad and		Republic of	
Spain	Philippines	Portugal	
Singapore	Peru	Poland	
Panama	Norway	Paraguay	
Morocco	New Zealand	Netherlands	
Kenya	Malaysia	Malta	
El Salvador	Japan	Lithuania	
Czechia	Israel	Latvia	
	Germany	Italy	
10	Estonia	Ireland	
	Cyprus	Greece	
	Colombia	France	
	Chile	Finland	
	Canada	Croatia	
	Argentina	Costa Rica	
		China	
	17	Bulgaria	
		Belgium	
		Austria	

https://unstats.un.org/sdgs/dataportal/database

Governments have a responsibility to decarbonize their procurement



 Public procurement is responsible for the release of 7.5 billion tons of CO2 into the atmosphere, or nearly 15% of annual GHG emissions (World Economic Forum, 2022).

Up to 70% of the total comes from the activities of six sectors :

- Defence et security (1,3 billion tons),
- Transports (0,9),
- Waste management services (0,9)
- Construction (0,9),
- Industrial products (0,6),
- Public Services (0,6)

Despite the potential role of government procurement in climate change mitigation and adaptation, only 10% of the 194 Parties to the Paris Agreement submitted their first nationally determined contributions (NDCs) specifically indicated that government procurement was a strategic policy instrument to support their NDCs.

High-performance tools for governments and international organizations

Second Edition of the UNEP Implementation Manual for Sustainable Public Procurement

- Provide guidance to policy makers, experts and consultants on the design and implementation of sustainable public procurement (ODA) policies.
- Use a specific, adaptable approach, called the "ODA approach", refined on the basis of experience and feedback received from countries using this methodology.
- Can be used as a step-by-step guide on how to set up and strengthen a country's long-term ODA work
- Incorporates a large number of best practices and case studies mainly collected in the countries supported by our organization since 2012.



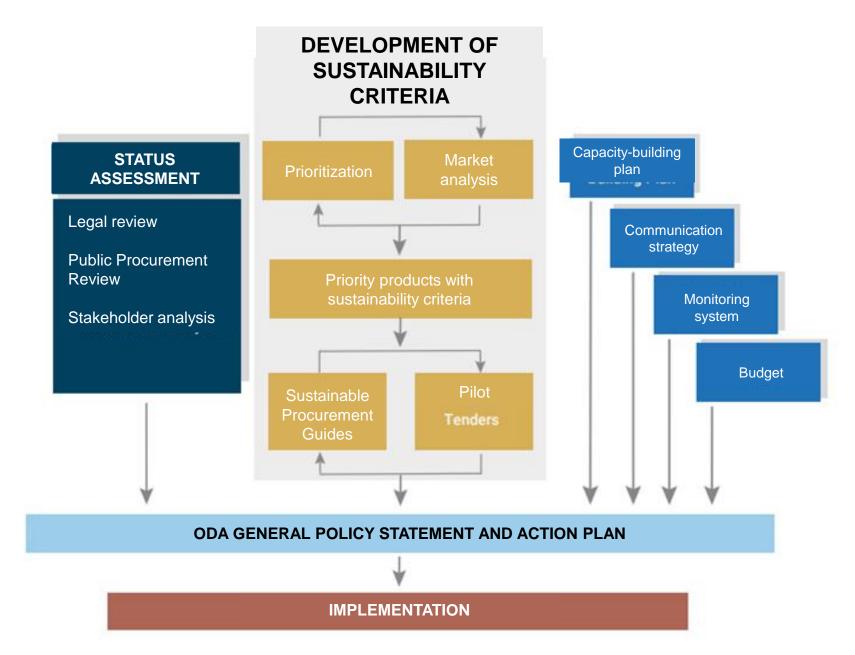
Sustainable Public Procurement How to "Wake the Sleeping Giant"

Introducing the United Nations Environment Programme's Approach



https://www.unep.org/resources/publication/second-edition-unepssustainable-public-procurement-guidelines

UNEP's ODA APPROACH



WORLD BANK 2021

Green Public Procurement: an overview of green reforms in national public procurement systems

 Provides an overview of international experience in implementing Green Public Procurement (GPP). Focuses on the institutional framework needed to support the integration of GPP practices across government. The intention is to give practitioners a general understanding of the issues they need to consider in designing and implementing GPP reforms. The report draws on a wide range of country examples. It provides links to manuals and tools for practitioners.



Green Public Procurement: An Overview of Green Reforms in Country Procurement Systems



https://www.worldbank.org/en/events/2021/12/09/greenpublic-procurement-an-overview-of-countries-greenprocurement-practices

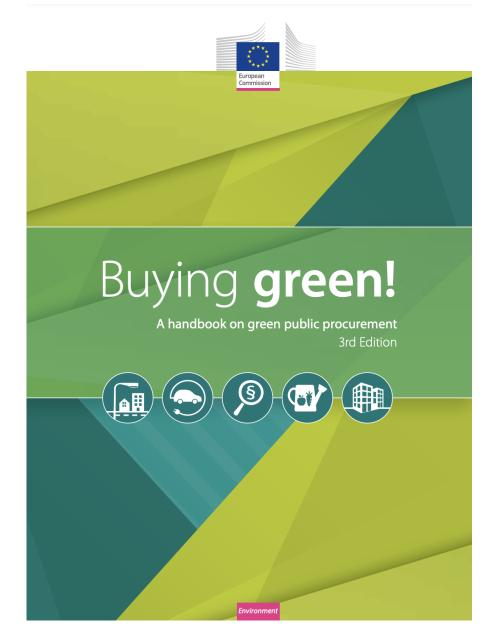
COMMISSION EUROPÉENNE

Third Edition of Buying Green! Manual (2016)

 The handbook is the European Commission's main guidance document to help public authorities purchase goods and services with a lower environmental impact.

The third edition of the Handbook includes::

- Guidance on how environmental considerations can be included at every stage of the procurement process within the current EU legal framework (adopted in 2014)
- Practical examples drawn from contracting authorities in EU member states
- Sectoral approaches for buildings, catering and restaurant services, road transport vehicles and energy-consuming products



https://ec.europa.eu/environment/gpp/buying _handbook_en.htm 48

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PARTIE OFFICIELLE	Décret nº 2022-2295 du 28 décembre 2022 portant Code des marchés publics					
DECRET	RAPPORT DE PRESENTATION Dans une perspective d'adjuttion aux exigences de transparence et de clérité, d'appropriation des sundarts interna- tionaux en la matière et d'internalisation, dans l'ordre juridique interne, des directives commanauteries y telatives, le cadre normati régissant les marchés publies a cennu, au gré des réformes, de répulsions miseres.					
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2022 28 décembre : Décret n° 2022-2295 portant Code des mar- chés publics	 à la désagrégation du cadre juridique par une multiplication des dérogations consacrées ; au détérissement du champ d'application du Code de 					
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	Dès lors, il a paru nécessaire d'abroger et de remplacer le déer nº 2014-1212 du 22 septembre 2014 portant Code des march publies, modifié.					

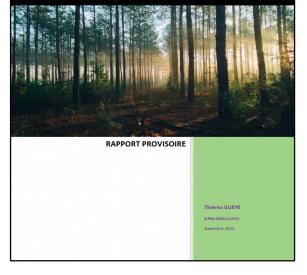


Africa is joining the movement, but we need to speed things

up!

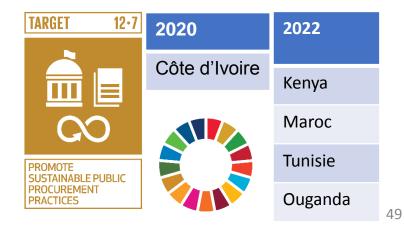


DE DURABILITE ET CLAUSES ENVIRONNEMENTALES ET SOCIALES DANS LES DIFFERENTES ETAPES DE LA PROCEDURE DE PASSATION DES MARCHES PUBLICS



RAPPORT

Développer les Achats publics durables (APD) au Sénégal : révision du cadre juridique



Thanks!

Tout seul, on va plus vite. Ensemble, on va plus loin.

> - Proverbe Africain

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