

# CAPACITY BUILDING FOR SUSTAINABLE PUBLIC PROCUREMENT IN DEVELOPING COUNTRIES



Schweizerische Eidgenossenschaft  
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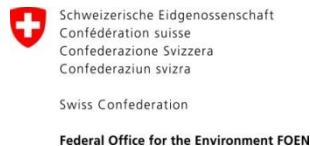
Federal Office for the Environment FOEN



Institut de l'Énergie et de l'Environnement  
de la Francophonie  
IEPF

# OUTLINE

- **Sustainable Public Procurement – What?**
- **Sustainable Public Procurement – Why?**
- **The Marrakech Task Force on SPP**
- **UNEP: Capacity Building for Sustainable Public Procurement**
- **Outlook for SPP**



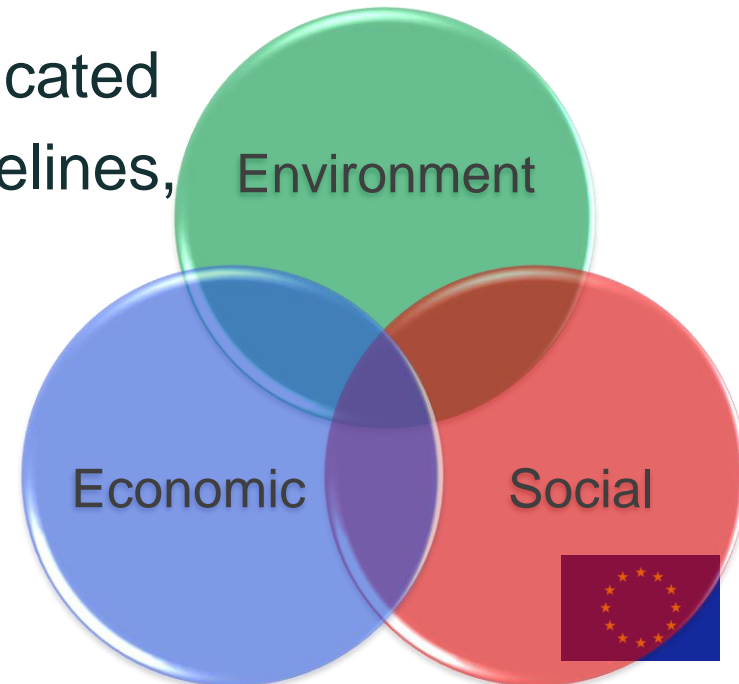
# WHAT IS SUSTAINABLE PUBLIC PROCUREMENT?

- “Sustainable Procurement is a process whereby organizations meet their needs for goods, services, works and utilities in a way that achieves **value for money on a whole life basis** in terms of generating benefits **not only to the organization**, but also to **society** and the **economy**, whilst minimizing damage to the **environment**.”
- Governments are major consumers of goods and services, with their purchasing power representing 10 to 25 % of GDP in most nations.



# WHAT IS SUSTAINABLE PUBLIC PROCUREMENT?

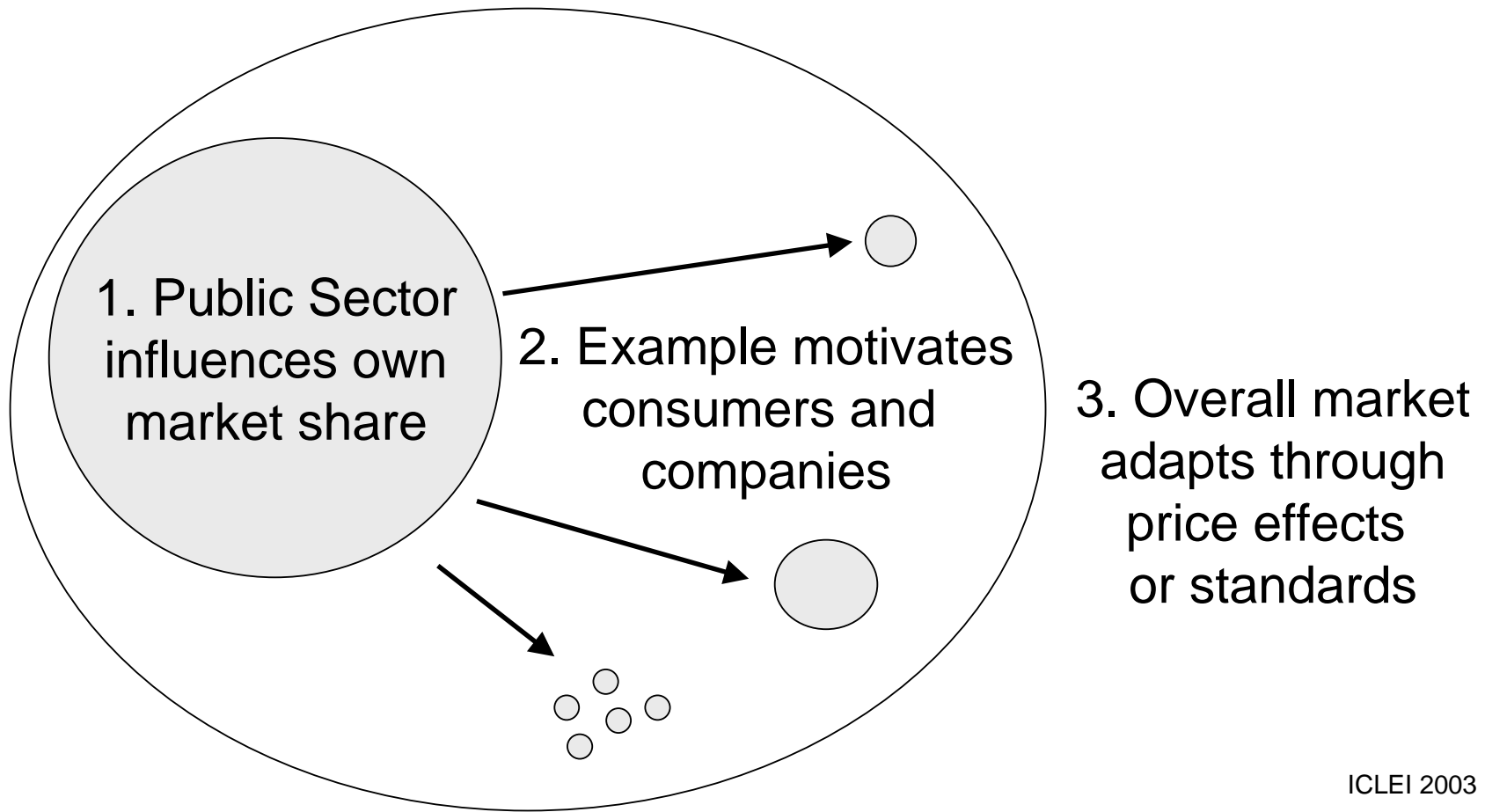
- Whole Life Approach: LCA
- Transparency, fairness, non-discrimination, competition, accountability, verifiability are all requisite in SPP
- Triple bottom-line
- Matter of policy – clearly communicated
- Matter of enabling conditions: baselines, tools, monitoring, adopted to local context



# WHY IMPLEMENT SUSTAINABLE PUBLIC PROCUREMENT?

- More effective public expenditure
- Demonstrates socially/environmentally responsive governance
- Stimulates socially/environmentally conscious markets
  - **increased demand/supply of products that contribute to achieve social and environmental objectives**
  - **development of standards and information for use by other consumers (role model)**
  - **increased strategic co-operation with the supplier base**
- Driver for market innovation and compliance with labour standards
- SPP is Corner stone for Sustainable Development

# WHY IMPLEMENT SUSTAINABLE PUBLIC PROCUREMENT?



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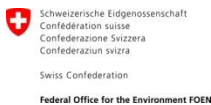
# Green Jobs and SPP

- SPP for services allows the procurers to make requirements also on HOW the company works and is more likely to create directly and locally « green » jobs
- Requirement design can allow you to orient the satisfaction of your needs towards job intensive options
- Suppliers preselection is also an other way to choose more job intensive companies (or companies that hire specific social groups)

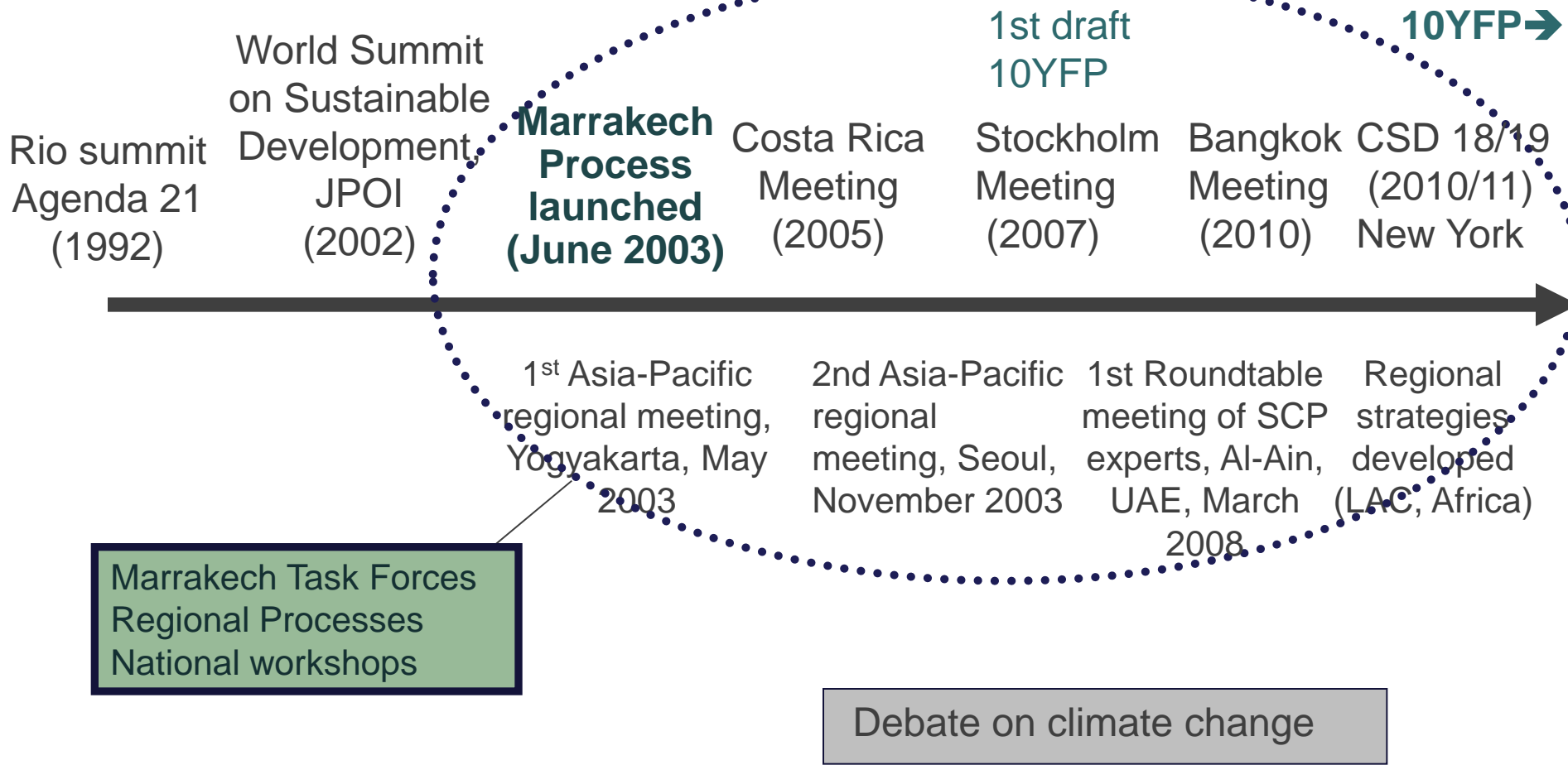
# Marrakech Task Force on SPP

## THE 10YFP: MANDATE

“Fundamental changes in the way societies produce and consume are indispensable for achieving global sustainable development. All countries should promote sustainable consumption and production patterns, with developed countries taking the lead and with all countries benefiting from the process, taking into account the Rio principles,.....” JPOI



# Some milestones of the Marrakech Process



# Marrakech Task Forces

Policy tools  
and  
Programmes

Sustainable  
Products

Sustainable  
Public  
Procurement

Regional  
Focused

Cooperation  
with Africa

Sector  
Focused

Sustainable  
Buildings &  
Construction

Sustainable  
Tourism

Social and  
Behavioral  
Issues

Education for  
Sustainable  
Consumption

Sustainable  
Lifestyles

# Marrakech Task Force on Sustainable Public Procurement (MTF on SPP)



The objective of the MTF on SPP is that **14 countries** distributed in all regions will have tested the SPP approach **by 2010/11**



Task Force led by Switzerland

Chaired by: Eveline Venanzoni  
Swiss Federal Office for the Environment  
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Co-Chaired by: Sheila Encabo, Philippines

Members: China, Argentina, Mexico, Ghana, Philippines, UK, Norway, Czech Republic, USA, State of São Paulo, Switzerland, UNEP, UNDESA, ILO, European Commission Services, ICLEI, IISD

# UNEP and the MTF on SPP

In 2008, the Swiss government and UNEP established a partnership **to** implement the MTF methodology in up to 14 countries worldwide.

As a result, a UNEP project entitled “Capacity building for Sustainable Public Procurement in developing countries” was designed and launched in January 2009 with the support of the European Commission and the Swiss Government.



# Capacity Building for Sustainable Public Procurement

## Objectives

- Creation of a **pool of SPP experts**;
- Tested/verified the MTF Approach
- Capacity building in up to 14 countries
- Produce **policy conclusions** to be presented to the CSD Special session on SCP in 2010/2011

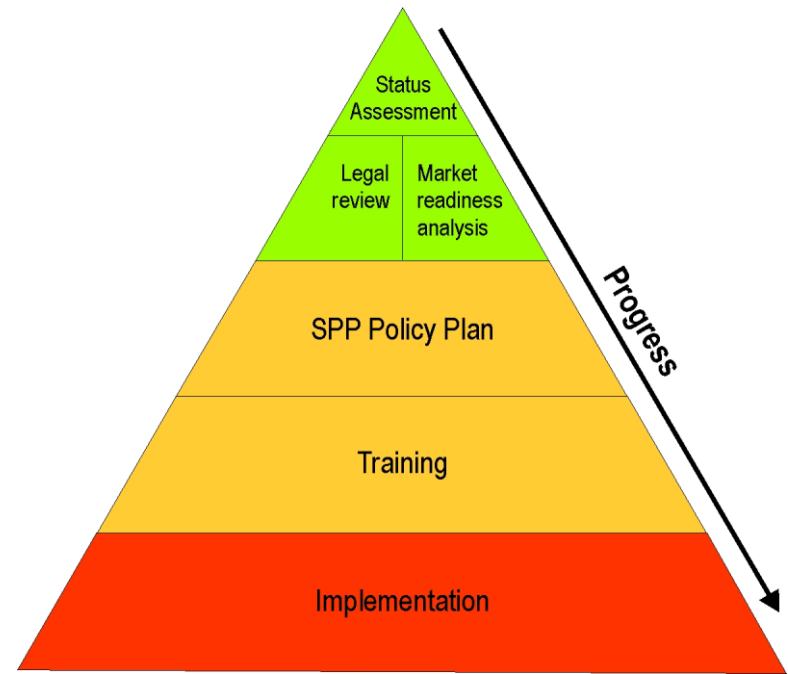
## Funding

- EU funding for Costa Rica, Colombia, Mauritius, Tunisia
- Switzerland for Uruguay , Chile, Argentina and Ghana
- Francophonie for Lebanon
- Funding from pilot countries



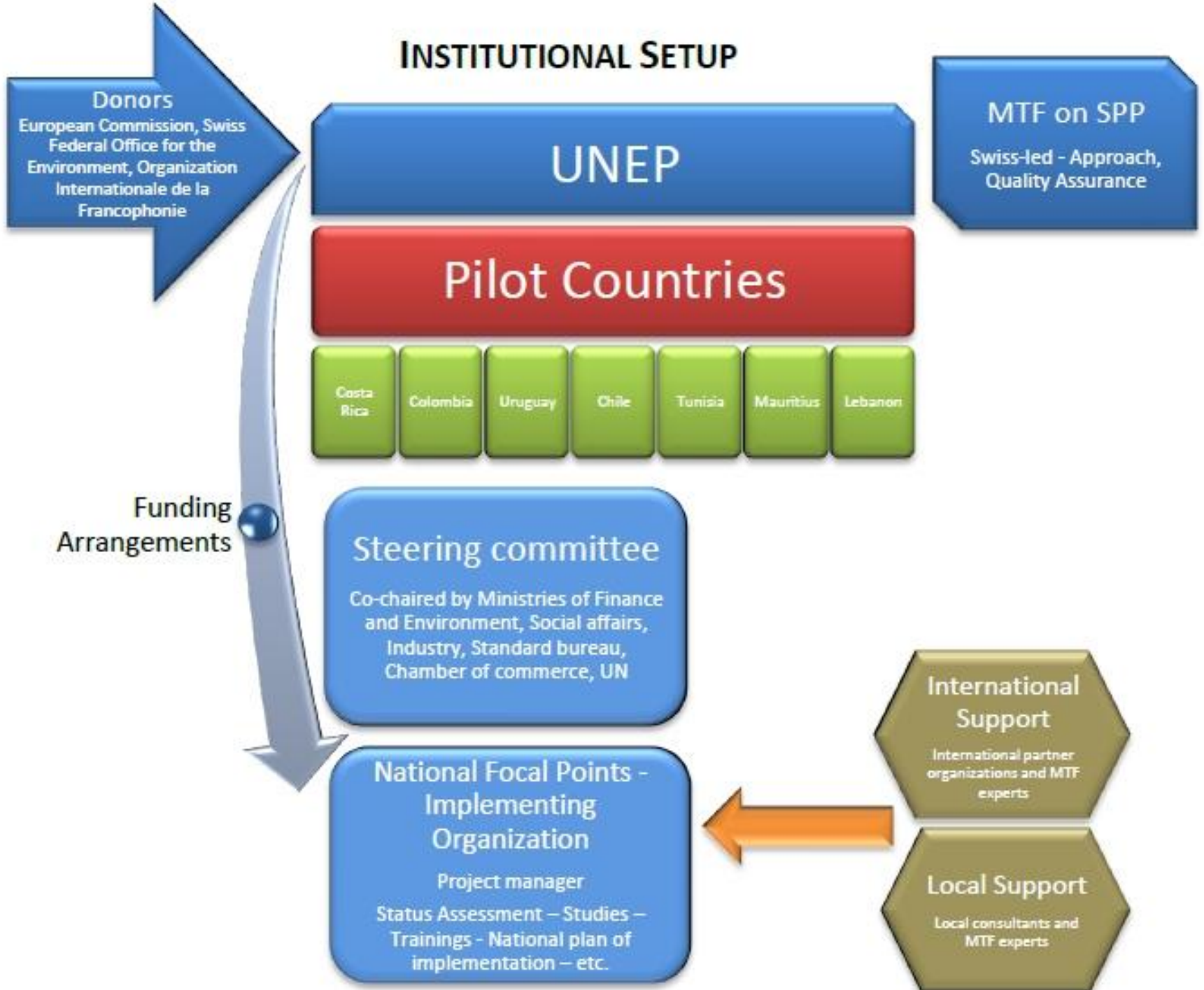
# THE MTF'S METHODOLOGY TO INTRODUCE OR FURTHER DEVELOP SPP

1. SPP Principles
2. Status Assessment
3. Legal Review
4. Market Readiness Analysis
5. SPP Policy Plan
6. Training
7. Implementation



Country implementation

# INSTITUTIONAL SETUP



# Where are we now?

- Participating countries as of June 2010: Costa Rica (UNEP/EC), Tunisia (UNEP/EC), Colombia (UNEP/EC), Mauritius (UNEP/EC), Uruguay (UNEP/Switzerland), Chile (UNEP/Switzerland), Ghana (MTF/Switzerland), Lebanon (UNEP/Francophonie)
- A group of 120 experts from 30+ countries have been trained during 5 regional trainings (Europe, Asia, Africa, Latin America)
- SPP approach introduced to multilateral development banks and regional procurement networks



# Where are we now?

- Training of international trainers initiated
- Study on impact of SPP:
  - Existing and concrete experiences from SPP: market transformation, availability of sustainable goods & services, green jobs, exports-imports, and environmental impacts
- Learning Center on SPP at CSD 18 ⇒ Senegal joins
- Elaborate a work programme for SPP under the 10 Year Framework Programme for SCP
  - Draft to be elaborated by February 2011



# Where are we now?

- UNEP to provide institutional support for a global SPP Initiative: Intention to establish permanent SPP function in UNEP
  - Top level ownership
  - Geographical balance (developing and transitional)
  - Based on broad partnership between governments, UN institutions and multilateral development banks, etc.
  - Strong link with cleaner production program



# CHALLENGES

- SPP is still controversial for many developing countries
  - ✓ **Misperceptions related to costs**
  - ✓ **Lack of a direct proof of a job creation potential or other economic advantage**
  - ✓ **Lack of suppliers base**
  - ✓ **Procurement culture still based on cheapest offer**
  
- To some extent a similar situation as in Europe  
...but

# European context

- In the EU there is a target of 50% of procurement contracts to be green by 2010
- The impact on the « green economy » will be massive...

...still most European products (or components of them) are manufactured elsewhere....

# Conclusions

- SPP is a corner stone for sustainable development – also recognized in the CSD process
- A program of methodology testing and capacity building is underway through UNEP/MTF
- A Global SPP Initiative is under build-up for the 10 YFP on SCP
- Important to get political and financial support to achieve market transformation

# THANK YOU

For more information and access to reports, please refer to:

[www.unep.fr/scp/sun/procurement](http://www.unep.fr/scp/sun/procurement)

