





# **Sustainable Public Procurement for Policymakers**





Sustainable Public Procurement (SPP) is an essential process to align public procurement for achieving sustainable development and institutionalisation of SPP requires policy support.

# What is Sustainable Public Procurement (SPP)

SPP is a process whereby public organizations meet their needs for goods, services, works and utilities in a way that achieves value for money on whole life-cycle basis in terms of generating benefits not only to the organization, but also to society and the economy, whilst significantly reducing negative impacts on the environment. SPP is also included in Sustainable Development Goals (SDGs) under SDG 12 (Responsible Consumption and Production) indicator 12.7. SPP is also taken in the same spirit as Green Public Procurement (GPP) in many countries.

#### **Natural Resources**



In 2015, Asia and the Pacfic represents 63% of global material use.

# The Challenges

#### **GHG** emissions

330% GHG emissions from the region grew by 330%, including increase in short-lived climate pollutants

### Air pollution

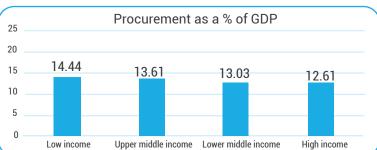


6,300 Mt of plastic waste has been generated as of 2015. Of this waste, 9% has been recycled, 12% incinerated, and 79% has accumulated in landfills or the natural environment.

70% Air pollution is responsible for more than 6.5 million deaths annually, the bulk of which – 70 % – occurs in Asia Pacific.

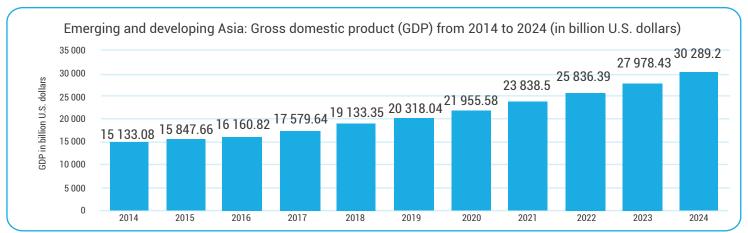
Source: APCAP, 2018

### Scale of SPP in Asia Pacific





Source: World Bank, 2016



Source: IMF, 2019

#### **Benefits of SPP**

There are enormous economic, social, environmental and political benefits of SPP due to the huge volume of public procurement.

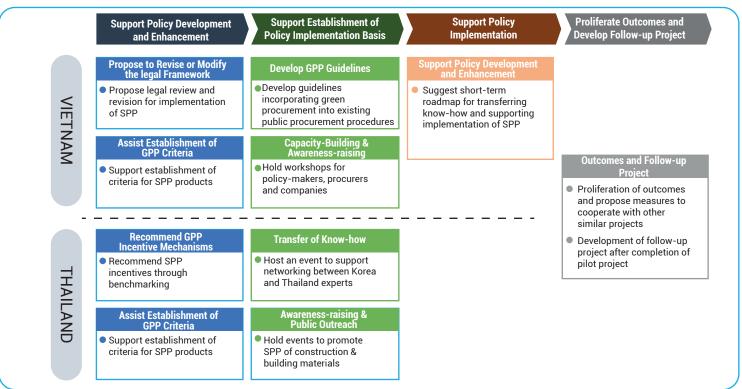
#### As per the switch2Green

(https://www.switchtogreen.eu/?p=1527) the benefits associated with GPP implementation are not limited to environmental impact but can also include social, health, economic or political benefits. Some examples of actual and potential benefits generated by European authorities through GPP are presented below:

- the City of Vienna saved €44.4 million and over 100,000 tonnes of CO<sub>2</sub> between 2004 and 2007, through its EcoBuy programme;
- three million tonnes of CO<sub>2</sub> would be saved in the Netherlands alone if all Dutch public authorities applied the national Sustainable Public Procurement criteria, which include green criteria, while public sector energy consumption would be reduced by 10%;

- If all IT purchases in Europe followed the example of the Copenhagen City Council and the Swedish Administrative Development Agency, energy consumption would be cut by around 30 terawatt hours
  – roughly the equivalent of four nuclear reactors;
- £40.7 million (€47.2 million) could be saved in the UK if the proposed Government Buying Standards (GPP criteria) are applied by all central government departments and executive agencies, according to a cost-benefit analysis which monetised the potential impacts;
- CO<sub>2</sub> emissions would be cut by 15 million tonnes per year if the whole EU adopted the same environmental criteria for lighting and office equipment as the City of Turku, Finland - reducing electricity consumption by 50%.

## **Example of Thailand and Vietnam capacity building projects**



# **Policymakers role for SPP**

Policy support is required for the following main components of SPP:

- Integration of SPP in current public procurement process
- 2. Incentive mechanisms for SPP
- 3. Certification system and ecolabeling
- 4. Stakeholders' engagement
- Market readiness
- 6. Supporting the ministries/department to establish GPP
- 7. Capacity building of relevant procurement departments and personnel

#### **Contact**

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