



Instructions for the Prioritisation Exercise

Objective of Work

UNEP provides support to countries to develop and implement Sustainable Public Procurement (SPP) policies by increasing awareness and building the capacities of policy makers and procurement managers.

The methodology applied at country- level is the “UNEP SPP Approach” which is conceived as a series of steps that must be followed by governments to first design and then implement an action plan (see below graph).

The SPP Approach also stresses the need to reinforce the use of ecolabelling and combined SPP with ecolabels to create a dynamic framework for improving the performance of products throughout their lifecycle and stimulating demand and supply of better products. As such, the project also focuses on the development and implementation of SPP policies, together with awareness-raising activities about the opportunities that ecolabels represent for the strengthening of the national SPP programme. *In particular in countries with national ecolabelling scheme in place (hereby referred to as “core countries”) the project also focuses on the implementation of UNEP’s SPP Approach combined with a proactive use of the national ecolabelling scheme and reinforcement of the national scheme.*

One of the key steps of the SPP Approach is to **identify and prioritise the sustainable products** which are meant to be procured by public entities during the first pilot tenders. This step is referred to as the Prioritisation Exercise. *In core countries with established national ecolabelling schemes, the product selection is synchronised (when feasible) with the ecolabels’ coverage of products to ensure the development of common products policies through SPP and ecolabels.*



Steps of the UNEP SPP Approach

Relationship to other SPP Approach stages

- The Legal Review shall be undertaken prior to the completion of the Prioritization Exercise, in order for the **findings of the Legal review** – such as the review of sustainable development policy and productive sector priorities – to inform the analysis.
- The **Market Analysis will focus on the products and services selected in the prioritization stage**. As a result, the Prioritization Exercise outcomes will be of utmost importance to the completion of the Market Analysis, as well as to the design of the SPP Policy and National Action Plan leading to SPP Implementation. The prioritization exercise includes a preliminary market analysis which is important for the selection of the priority products.

Tasks & Expected Output

Methodology of work

Standard methodological tools to be used for the prioritization exercise are available in the Appendix section. Please kindly refer to them when selecting the sustainable products, and feel free to complement and adapt them with additional selection criteria that reflect national policies and priorities.

Tasks

The Prioritisation Exercise is under the responsibility of the **Steering Committee**.

It is important for the Steering Committee to engage **public procuring entities participating in the future SPP implementation** in the expenditure analysis (Step 2 presented below) and in the risks and benefits assessment. In particular, they will play an important role in determining weighing factors applied to the criteria taken into consideration during the prioritisation exercise (Step 7 presented below).

In order to prioritise sustainable products or services, the following steps are proposed to the Steering Committee. The entire exercise should be included in a report in line with the below structure.

Note:

The methodology described below can be adapted by the Steering Committee as needed. In particular, the criteria proposed for the preliminary prioritisation (steps 2 and 3) can be adapted to take into consideration other criteria such as policy priorities for the national productive sector; the national sustainable development policy priorities; the existence of public procurement framework agreements, etc. The same applies for criteria proposed for the risks and benefits assessment (steps 4 - 6).

It is also for the Steering Committee to decide whether there is need or not to **identify specific product items out of product categories** to undertake the prioritisation exercise. This decision will depend on several factors, including the types of product groups identified in step 1 and the availability of expenditure data in the country.

1. Preliminary prioritisation of products

- **STEP 1: Develop a list of product categories for which technical specifications and criteria have already been developed.**
The Steering Committee may consider for instance the 15 product categories listed on the European Union (EU) GPP portal¹:
http://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm
- **OUTCOME 1: relevant list of product categories (based on the list from EU GPP)**
 1. Cleaning products and services
 2. Copying and graphic paper
 3. Food and catering services
 4. Furniture
 5. Gardening products and services
 6. Imaging equipment

¹ Feel free to use any other relevant list of product categories. What matters is that the product categories have corresponding technical specifications and criteria.

7. Indoor lighting
 8. Office IT equipment
 9. Sanitary tapware
 10. Street lighting and traffic signals
 11. Textiles
 12. Toilets and urinals
 13. Transport
 14. Wall panels
 15. Water-based heaters
- **STEP 2: Select initial products or product groups based on the analysis of public expenditures and additional sustainability criteria to be defined by the Steering Committee²**
 - For each product category identified in Step 1, analyse the procurement value and/or the number of procurement contracts recorded for the various products or product groups in the last three years. If available, please also collect data related to upcoming procurement contracts.
 - For each product category, identify the product or product group most purchased by the public procuring entities which would participate in the future SPP implementation. (See Table A in the Appendix section).
 - Apply any additional sustainability criteria deemed relevant by the Steering Committee.
 - **OUTCOME 2: Example of list of products or product groups selected based on the expenditure analysis and sustainability considerations (drawn from the categories provided by EU GPP):**
 1. Sanitary cleaners
 2. Copying paper
 3. Drinks and beverages
 4. Chairs
 5. Soil improvers
 6. Printer
 7. Fluorescent tubes
 8. Personal computers
 9. Taps
 10. Street lighting equipment
 11. Textile clothing and accessories
 12. Flushing toilet equipment
 13. Public transport vehicles and services
 14. Gypsum Plasterboard Wall Panels
 15. Water-based heater
 - **STEP 3: Conduct a preliminary market study to shortlist the products or product groups**
 - Carry out a preliminary market study focusing on items identified under Step 2 to assess the availability of alternatives (“green”/sustainable) items on the local market and the average price difference between conventional and alternative items applying, when it is justified, the life cycle approach (Total Cost of Ownership). (See Table B in the Appendix section). *In core countries, consider alternatives with ecolabels in particular.*
 - Exclude from your list the types of products for which the market cannot supply sustainable alternatives, or for which sustainable products are assessed as being too expensive compared to conventional products, when looking both at upfront costs and the Total Cost of Ownership.

² These criteria can include: policy priorities for the national productive sector; the national sustainable development policy priorities; the existence of public procurement framework agreements, etc.

- OUTCOME 3: Example of products selected out of the 15 products (or product groups), for which sustainable alternatives are locally available, at a reasonable cost, including when considering the Total Cost of Ownership:
 1. Sanitary cleaners
 2. Copying paper
 3. Drinks and beverages
 4. Chairs
 5. soil improvers
 6. Printer
 7. Fluorescent tubes

The 7 products selected in Step 3 will now undergo a risks and benefits assessment.

2. Risks and benefits assessment

Using the methodological tools featured in the Appendix section and the description of steps 4-6 below, analyze and reflect on **which types of products will have the greatest sustainability impacts**. Base your reasoning on the **assessment of the possible risks and benefits** which could be gained from the purchase of alternative products versus conventional ones. Recommended criteria for this selection are described below (step 4-6) considering environmental, socio-economic impacts, and the existence of certification schemes.

- STEP 4: **Measure environmental impacts**
 - **Identify the environmental issues** generated by the products identified in STEP 3 throughout their life cycle. *Examples of impacts:* greenhouse gases emissions, other polluting air emissions, emissions to water, waste to landfill, hazardous substances, raw materials, energy consumption, water consumption, biodiversity impact, other (noise, mercury content), etc. Refer to national priorities, if known.
 - **Assess the positive environmental impacts** that could be obtained through the purchase of alternative products (vs conventional products) for these types of products
 - **Define a scoring methodology** and allocate a score to each type of product or product group (see Table C in the Appendix section).
- STEP 5: **Measure socio-economic impacts**
 - **Identify socio-economic issues** generated by the products throughout their life cycle. *Examples of impacts:* impacts on health, employment conditions, community, diversity, etc.
 - **Assess the positive socio-economic impacts** that could be obtained through the purchase of alternative products (vs conventional products) for the selected types of products. *Example: promote gender balance, improved working conditions, fair trade, etc.*
 - **Define a scoring methodology** and allocate a score to each type of product (see Table D in Appendix section).
- STEP 6: **Assess the existence of certification schemes**
 - Find out if the types of product selected have appropriate schemes, standards or labels in place enabling the verification of sustainability criteria.
 - **Define a scoring methodology** and allocate a score to each type of product (see Table E in Appendix section).

- **STEP 7: Prepare the Master Table for the final ranking**
 - Depending on the priorities of participating public procuring entities, **determine a weighing factor** for the expenditure criteria, the availability and price criteria, the environmental criteria, the socio-economic criteria and the product verification schemes. Apply the weighing factor to the total score obtained through the previous steps.
 - Rank the products listed in Step 3 based on the total score obtained through these steps (see Table F in Appendix section).

3. Selection of final categories of products to be used for the SPP implementation

For the results of the prioritization, to be approved by the Steering Committee, the “master table” summarizing the main outcomes of the prioritization (see Table F in Appendix section) shall be shared during the prioritization workshop with the members of the Steering Committee for their final approval.

In core countries, priority products not covered by the national ecolabelling scheme should be identified and reported to the Steering Committee for future discussion and decision.

As a result, 3 products will be selected to be the main focus and subject of the Market Analysis and the SPP Action Plan.

Deliverables

- **A PowerPoint presentation** in English to be used during the Prioritization workshop highlighting the results of the preliminary prioritisation exercise.
- **A detailed Prioritization report** in English, in line with the above proposed content (approx. **20-30 pages** including appendices).
- All material prepared must feature the SPPEL logo, which will be provided by UNEP.

Experts skills

- Demonstrated experience in organizing and carrying out a study on the categories of products considered in the national market, using both quantitative and qualitative methods;
- Extensive experience with eco-labeling products and procedures;
- Ability to apply the method of prioritization of the UNEP SPP Approach or similar methods;
- Extensive experience in the environmental, sustainability and/or business sector;
- Experience working with Chambers of Commerce, the Ministry of Industry or universities;
- Knowledge of the country’s economy and business sector particularly in the areas related to sustainable development, sustainable business practice, environmental technologies and service provision;
- Independence from any given sector’s or stakeholder’s interests; and
- Excellent writing and analytical skills.

Recruitment qualifications

Education:	Degree in economics, business, engineering, environmental management or related field. Post graduate degree is an asset
Experience:	Expert in economics, business, engineering, environmental management or related field with at least 5 years of relevant experience
Language Requirements:	Fluency in the local official language. Good knowledge of English is an asset.

APPENDIX: PRIORITIZATION METHODOLOGY

Table A: Most purchased products or product groups

Objective: identify products or product groups most purchased by public entities falling within the categories listed in Step 1.

Categories of products	Types of products	Total Amount of purchase (currency)	Share in total purchase (%)	Total number of contracts (frequency of purchase)	Share in total purchase (%)	Most purchased products or product groups
1. cleaning products and services	1. Sanitary cleaners					Sanitary cleaners
	2. window cleaners					
	3. Hand dishwashing detergents					
	4. Laundry detergents					
	..etc.					
2. copying and graphic paper	1. Copying paper					Copying paper
	2. Paper for printed publications					
	..etc.					
3. food and catering services	1. fruits and vegetables					Drinks and beverages
	2. aquaculture, marine, meat and dairy products					
	3. drinks and beverages					
	..etc.					
4. furniture	1. chairs					Chairs
	2. tables					
	3. wardrobes					
	4. shelves					
	..etc.					
...(etc.)						Etc.

Table B: Preliminary market study³				
Objective: Identify what is the market availability for sustainable products for the listed types of products (results from Table A), how expensive they are vs conventional products, and how their total cost of ownership compare vs conventional products				
Type of product	Availability of sustainable alternative on the market for this type of product	Comparing the average purchase price premium in % (sustainable vs conventional products)	Comparing the average total cost of ownership (TCO) of conventional and sustainable products	Score
1. Sanitary cleaners				
2. Copying paper				
3. Drinks and beverages				
4. Chairs				
5.				
6.				
7.				
8.				
.... (etc.)				

³ Define the scoring methodology to measure the market availability and assess the sustainable products' costs

Types of products	Table C: Environmental impacts⁴								Total Score
	Objective: Out of the listed types of products or product groups, identify those with a high negative environmental impact, which could be addressed by the purchase of sustainable products								
	Impact 1⁵	Impact 2	Impact 3	Impact 4	Impact 5	Impact 6	Impact 7	Etc.	
1. Sanitary cleaners									
2. Copying paper									
3. Drinks and beverages									
4. Chairs									
5.									
6.									
7.									
8.									
...(etc.)									

⁴ Define the scoring methodology to measure the environmental impact

⁵ Identify relevant environmental impacts generated by the products throughout their life cycle. Please see examples of impacts proposed in Step 4, page 4

Type of products	Table D: Socio-economic impact⁶				
	Objective: Out of the listed types of products or product groups, identify those for which the purchase of sustainable products can have stronger socio-economic impact compared to conventional products				
	Impact 1⁷	Impact 2	Impact 3	Etc.	Total score
1. Sanitary cleaners					
2. Copying paper					
3. Drinks and beverages					
4. Chairs					
5.					
6.					
7.					
8.					
...(etc.)					

⁶ Define the scoring methodology to measure the social impact

⁷ Identify relevant socio-economic impacts generated by the products throughout their life cycle. Please see examples of impacts proposed in Step 5, page 4

Types of products	Table E: Ecolabels and certification schemes⁸ Objective: for these listed types of products or product groups, identify those for which sustainable products have ecolabels, standards or verification schemes that can guarantee their quality and “greenness”/sustainability.	Total score
1. Sanitary cleaners		
2. Copying paper		
3. Drinks and beverages		
4. Chairs		
5.		
6.		
... (<i>etc.</i>)		

⁸ Define the scoring methodology and allocate a score for each type of product

**Table F : Master Prioritization Table
(Example)**

Objective: Summarize outcomes from previous tables to take all aspects into account for the final prioritization.
Determine a weighing factor for each criteria (A, B, C, D, etc.) depending on the priorities of the procuring entities, by adjusting their maximum score

Types of products	Expenditures			(B) Average price premium of sustainable product (max score 8) ⁹	(C) Market availability of sustainable product (max score 10)	(D) Environmental impact max score 7)	(E) Socio-economic impact (max score 2)	(F) Eco-labels or certification systems in place (max score 5)	Total Score (A+B+C+D+E+F)	Final ranking
	Total amount of contracts value (currency)	Share of the total amount (%)	(A) Score based on the total amounts (max score 10)							
1. Sanitary cleaners	3 258 913 880,72	45,90	10	5	8	7	2	0	32	1
2. Copying paper	1 016 920 909,23	15,19	7	5.5	4	7	0	5	28.5	2
3. Drinks and beverages	691 509 287,71	9,74	2	4	6	7	2	3	24	3
4. Chairs	338 183 930,25	4,76	1	3	7	4	1	3	19	4
.....	177 133 339,45	2,50	1	4	2	5	1	4	17	5
	276 924 986,19	3,90	1	3	5	3	2	2	16	6
.....	109 577 776,41	1,54	0.5	0.5	1	7	2	4	15	7
	70 241 340,63	0,99	0.5	1.5	1	2	2	5	12	8

⁹ Depending on the priorities of participating bodies & entities, determine a weighing factor for the expenditure criteria, the availability and price criteria, the environmental criteria, the socio-economic criteria and the product verification schemes. Apply the weighing factor to the scores obtained through the tables A, B, C, D, E and F.