

Organisation of Eastern Caribbean States (OECS) Model Policy on Sustainable Public Procurement (SPP) of Construction Materials

(Final Version as of 11 May, 2021)

A. Preamble

The Organisation of Eastern Caribbean States (OECS) acknowledges that public procurement decisions made by the Organisation and its Member States have inherent social, environmental and economic impacts, which may occur either at present or in the future and at the level of the Organisation, of individual Member States or, indeed, regionally or globally.

The OECS recognizes the power of public procurement as an essential strategic lever for governments to drive innovation in sustainability and promote sustainable development in a manner that is wholly consistent with the objective of the Eastern Caribbean Economic Union - to facilitate “economic and social progress and cohesion that are balanced and sustainable”¹ - and with the national procurement legal regimes of member states.

B. Objective

Acknowledging the impact that public procurement can have on promoting sustainable development, the OECS aims to integrate social, environmental and economic sustainability considerations into the public procurement of construction materials and contracts for the execution of civil works in a proportionate manner in such a way as to meet its needs for such materials while achieving value for money, generating benefits to society, minimizing or avoiding damage to the environment and promoting climate resilience and climate change mitigation.

C. Implementation Actions

The OECS will apply Sustainable Public Procurement to:

- Contribute to the implementation of the OECS Development Strategy, the national sustainable development strategies of Member States and the UN Sustainable Development Goals (SDGs) across the following three areas of sustainable development.

Environment -

- Minimise environmental impacts and deliver benefits to OECS communities through better selection and improved usage and disposal of construction materials.
- Maximize the productive use of materials over their entire life cycle through designing out waste and applying sustainable materials management that support circular

¹ Revised Treaty of Basseterre Protocol of Eastern Caribbean Economic Union, Article 2(b).

economy practices, including better material recoverability, repair, reuse, maintenance, recycling and responsible end-of-life management, including environmentally responsible disposal of all materials.

- Promote a transition from materials made from rapidly depleting natural resources to materials made from renewable resources.
- Reduce the consumption of water and improve the efficiency of water usage.
- Promote compliance with relevant environmental laws, regulations and policies, regional or international quality and sustainability standards, OECS and national building codes as they apply to public procurement.

Economy -

- Take appropriate measures to develop local industries and ensure that Micro, Small and Medium-sized Enterprises (MSMEs) are encouraged to participate in public procurement.
- Harness the power of governments to reshape supply markets and, through the conduct of public procurement, to set a positive example of sustainability to private-sector businesses and individual citizens.
- Foster innovation in regional supply markets to increase the availability and effectiveness of sustainable solutions that meet organisational procurement requirements.
- Encourage, engage and partner with suppliers to develop proactive approaches to sustainability challenges, so to deliver innovative solutions that continually improve performance over time.
- Encourage suppliers to work collaboratively and support the ambitions of the OECS to improve its sustainability performance continuously through the selection and supply of sustainable products, innovative solutions and the application of industry best practices to meet the objectives and targets articulated in this policy and in the UN SDGs.

Society –

- Promote the participation of disadvantaged groups in public procurement.
- Where relevant in procurement contracts, encourage the protection and enhancement of historical and cultural heritage.
- Promote compliance with relevant social laws, regulations and policies.

Governments will seek to -

- Embed sustainability considerations throughout the procurement process, including in bidding documents, by ensuring that they make up a proportionate element of the evaluation criteria for the evaluation of bids, consistent with regional or national public procurement laws, regulations or policies.
- Identify, review and manage the sustainability risks and impacts of construction materials procured by the OECS, whether procured directly or through contracts for the execution of civil works.
- Procure construction materials that limit or avoid negative environmental impacts and optimize positive social impacts in accordance with applicable national, regional or international quality and sustainability standards.

- Undertake training and provide practical tools and approaches for public procurement practitioners to increase their knowledge of SPP and increase their understanding of the importance of promoting sustainability in the procurement of construction materials.
- Where the procurement of construction materials is financed under loans, credits or grants from international financial institutions (IFIs), whether bilateral or multilateral, Member States will use their best efforts to ensure that the application of this policy is accepted by the financier and that the policy is implemented in a manner consistent with both the financier's procurement rules and the Member State's own sustainable development priorities and national procurement legislation.
- Develop and systematically apply appropriate verification measures to ensure that the anticipated sustainability benefits are realised through public contracts.
- Achieve a target of (*n%*) of public contracts for construction materials awarded by the OECS annually containing appropriate sustainability requirements by (*yyyy*).

D. Anticipated Outcomes

By applying this policy on Sustainable Public Procurement, the OECS expects to reap a range of environmental, economic and social benefits, among them:

Environmental benefits -

- improved environmental performance, including reduced pollution, waste and emissions to air, land and water;
- increased energy and water efficiency;
- improved biodiversity;
- better resilience of OECS countries to climate change;
- use of fewer resources and more efficient use of those resources procured by the OECS;

Economic and social benefits -

- availability of innovative materials, products and services, and creation of new types of jobs, as suppliers respond to governments' demands for more sustainable solutions;
- strengthened sustainable supply markets and industries, characterised by increased capacity of suppliers and manufacturers, including those in the OECS, to supply sustainable construction materials, resulting in their improved competitiveness both within and outside the OECS;
- greater participation by MSMEs and disadvantaged groups in public procurement, with resulting economic benefits accruing to those groups;

In addition, governments will benefit from -

- development, over time, of greater public-sector capacity to integrate environmental stewardship and life-cycle principles in procurement planning, practices, usage and disposal of materials;
- establishment of management processes and controls to identify sustainability risks and to develop effective mitigation and adaptation strategies where such risks arise;
- improved enforcement of applicable social, labour, health and safety and environmental laws.

E. Implementation Arrangements

The OECS will deliver on the commitments made under the policy by:

- including social, environmental and economic sustainability provisions into procurement legislation, regulations, policies and procurement documents;
- establishing a baseline status of sustainable procurement practices against which future progress can be measured, monitored and reported;
- supporting each Member State in translating this policy into a country-specific Sustainable Public Procurement Strategy and Action Plan, designed to enable each Member State to mainstream SPP into its public procurement programmes so as to achieve the sustainability targets identified in Section C;
- supporting Member States in the application of the Sustainable Public Procurement Guidelines;
- where the procurement of construction materials is financed under loans, credits or grants from IFIs, whether bilateral or multilateral, using its best efforts to ensure that the application of this policy is accepted by the IFI and that the policy is implemented in a manner consistent with both the financier’s procurement rules and the Member State’s own sustainable development priorities and national public procurement legislation;
- implementing this policy at the level of the OECS Commission and of each Member State in accordance with its own procurement legislation, procedures and practices.

F. Periodic Review, Monitoring and Impact Assessment

The *(insert name of body)* will review this policy annually in light of emerging knowledge and taking into account the results of benchmarking against the performance of other countries.

The OECS will develop and systematically apply appropriate monitoring, evaluation and verification measures, which may include baseline measures and future targets for specific sustainability indicators or Key Performance Indicators and periodically measure the sustainability impacts of this policy.