



# GLOBAL REVIEW OF SUSTAINABLE PUBLIC PROCUREMENT

# 2017

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## Foreword

Procurement processes that consider social, economic and environmental factors are able to drive sustainability along value chains. This was acknowledged by the international community when it included a target on sustainable public procurement in the Sustainable Development Goals. Target 12.7 focuses specifically on promoting “*public procurement practices that are sustainable, in accordance with national policies and priorities*”.

But what are the keys to making this happen? How can we expand our understanding of the drivers, barriers, needs and expectations that promote or hold back sustainable procurement? The *2017 Global Review of Sustainable Public Procurement* provides an up-to-date overview of the scale and type of sustainable procurement activities undertaken worldwide in the past three years. It addresses a longstanding need of stakeholders to access reliable and comprehensive information on activities and organizations involved in this critical organizational function.

The *2017 Global Review* confirms that sustainable public procurement is progressively embraced by both national and local authorities. Furthermore, and compared to the *2017 Global Review*, an increasing number of organizations and governments were found to monitor their sustainable public procurement policy implementation and results, and to set specific targets. This is key to managing internal performance and shifting from the occasional inclusion of environmental and social factors in procurement processes to a culture in which sustainable public procurement is the norm, and sustainability is seen as a strategic consideration in the purchasing of goods, works and services.

The *2017 Global Review* also recognizes that, in order to transform production and consumption patterns, it will be necessary to foster collaboration among stakeholders throughout the entire value chain. Rather than focusing merely on the purchasing procedures of public organizations, driving the procurement sector to sustainability will require significant cooperation between the public and private sectors. The creation of multi-stakeholder collaboration and knowledge-sharing platforms at local, national and international level will be essential to achieving this goal.

UN Environment is committed to contributing its share to the full implementation of sustainable public procurement. Our organization took the lead in establishing the 10YFP Sustainable Public Procurement Programme, which brings together more than 100 partners to collectively address some key barriers to sustainable public procurement such as insufficient political support and the persistent perception about the higher cost of sustainable products. UN Environment is also actively contributing to the development of a robust methodology for the measurement of SDG Target Indicator 12.7.1 on sustainable public procurement and took part in the development of the ISO 20400 *Sustainable Procurement guidance* standard, which will provide public and private purchasing entities a much needed guidance and benchmarking tool.

Sustainable public procurement has reached a turning point as its relevance as a strategic tool to drive sustainability and transform markets is no longer questioned. We now need to ensure that it is better integrated in broader sustainable consumption and production policies so that, together, they deliver on their promises. We also need to scale up the support to collaborative platforms, such as the 10YFP Sustainable Public Procurement Programme, that will allow us to accelerate the transition to sustainable procurement and ensure the full participation of developing and emerging economies to this global movement.

We hope that the *2017 Global Review* will help raise awareness about the great potential contribution of sustainable purchasing to the achievement of the 2030 Agenda and that it will motivate organizations and countries across the world to engage into sustainable procurement policies.



**Ligia Noronha**  
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Many others also contributed to the *2017 Global Review*, including members of the 10YFP Sustainable Public Procurement Programme's Multi-Stakeholder Advisory Committee; teams at the national governments that completed the questionnaire; the pilot survey participants and final survey participants; subject matter experts that we interviewed; staff at the organizations featured in good practice examples; and leaders of the six working groups of the 10YFP Sustainable Public Procurement Programme featured in Annex 2.

The *2017 Global Review* was made possible by a grant allocated by the Korean Environmental Industry & Technology Institute (KEITI) and the European Union.

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## Interviewees

Hyunju Lee (KEITI, Korea); Jason Pearson (Sustainable Purchasing Leadership Council - SPLC, USA); Farid Yaker (UN Environment); Oshani Perera (International Institute for Sustainable Development - IISD, Canada); Robert Kaukewitsch (European Commission, Belgium); Mark Hidson (ICLEI, Germany).

## National government questionnaire

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Staff from 41 national governments provided information for the research and reviewed the factsheets that are part of this work (see list in Annex 5 and the supplement Factsheets on Sustainable Public Procurement in National Governments). Without their efforts, we would not have been able to provide such detailed information on their policies, programmes and activities related to sustainable public procurement.

## Stakeholder survey

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<sup>1</sup> Ecoinstitut SCCL is a sustainability consulting firm founded in 1999 that support organizations in achieving real changes with a positive environmental, social and economic impact, through policy design and evaluation, direct support and capacity building, among others. <http://www.ecoinstitut.coop/en/>

<sup>2</sup> Industrial Economics, Inc is an economic and environmental consulting firm founded in 1981 that provides policy analysis, programme design, measurement and evaluation work in sustainability. <http://www.indecon.com/>

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Two hundred and one individuals contributed to this study by taking the stakeholders survey. A list of the organizations that these individuals work for is provided in Annex 7. We thank all of them for their time and for sharing their opinions on sustainable procurement.

### Best practice case studies

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## Executive summary

Public procurement wields enormous purchasing power, accounting for an average of 12 percent of gross domestic product (GDP) in OECD countries, and up to 30 percent of GDP in many developing countries.<sup>3</sup> Leveraging this purchasing power by buying more sustainable goods and services can help drive markets in the direction of sustainability, reduce the negative impacts of an organization, and also produce positive benefits for the environment and society. In September 2015, world leaders adopted the 2030 Development Agenda. At its core are 17 so-called Sustainable Development Goals (SDGs) that seek to build on the Millennium Development Goals, and take into account the three dimensions of sustainable development: economic, social and environmental. The SDGs have reiterated the strong link between environmental protection, sustainable development, and public procurement. In fact, one of the targets under Goal 12 on sustainable consumption and production patterns focuses specifically on the promotion of “public procurement practices that are sustainable, in accordance with national policies and priorities”.<sup>4</sup> The advancement of sustainable public procurement (SPP) practices is thus recognized as being a key strategic component of the global efforts towards achieving more sustainable consumption and production patterns.

Against the backdrop of this global interest in the potential of public procurement to drive change towards a more sustainable future, the *2017 Global Review* builds on the findings of the *2013 Global Review*<sup>5</sup> and explores the progress made in the past three years at a global scale, highlighting regional trends. The research investigated what 41 national governments are doing to promote, implement and measure the outcomes of SPP to benchmark results and assess progress over time. To track the progress made on sustainable procurement (SP) across public and private organizations, the *2017 Global Review* also analyzes the views of over 200 stakeholders from 186 different organizations and 62 countries collected through a stakeholder survey. The survey gathered input from stakeholders on their views on the drivers, risks, barriers, and outcomes for sustainable procurement broadly, and as it is practiced within their organizations.

SPP stakeholders have long requested reliable and up-to-date information on activities and organizations involved in SPP. The *2017 Global Review* meets this need and adds to the existing literature by:

- Expanding our understanding of the drivers, barriers, needs and expectations that promote or hinder SPP using stakeholders’ opinions gathered through survey data and expert interviews.
- Illustrating the range of different SPP activities by highlighting short best practice examples from a variety of organizations around the world.
- Reporting on progress made by national governments with data provided and validated by governments themselves.
- Providing insight into SPP practices from world regions that are not typically covered by the literature in English.
- Initiating discussions on the creation of a set of objectives and common indicators to measure progress towards SPP adoption and implementation that can be replicated in future studies, and help support and measure the adoption of the SDG Target 12.7.<sup>6</sup>

Forty country factsheets can be found in the supplement to this report titled *Factsheets on Sustainable Public Procurement in National Governments*. They were developed based on the information that national governments provided in the questionnaire and detail the SPP policy framework, the goals and priorities as well as the SPP implementation activities conducted and the monitoring and evaluation systems in place in each country.

3 United Nations Environment Programme. Undated. “Sustainable Procurement”. Retrieved from: <http://web.unep.org/resourceefficiency/what-we-do/sustainable-lifestyles/sustainable-procurement>

4 United Nations (2015). Transforming our World: The 2030 Agenda for Sustainable Development: <http://sustainabledevelopment.un.org/content/documents/21252030%20Agenda%20for%20Sustainable%20Development%20web.pdf>

5 United Nations Environment Programme. 2013. *Sustainable Public Procurement: a Global Review 2013*, available in the Knowledge Hub of the SCP Clearinghouse: <http://www.scpclearinghouse.org/resource/sustainable-public-procurement-global-review-2013>.

6 Sustainable Development Goal target 12.7 is one of several targets within Goal 12: Ensure Sustainable Consumption and Production Patterns. Target 12.7 is to: “Promote public procurement practices that are sustainable, in accordance with national policies and priorities”. The United Nations Sustainable Development Knowledge Platform. Retrieved from: <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>



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## **SPP is now recognized as a key tool to drive innovation and sustainable development**

Sustainable procurement is now widely recognized as a strategic lever to drive innovation and improve the sustainability performance of both public and private sector organizations across the globe. SPP thus relies on a strong international policy foundation. All the 41 countries participating in this study reported having SPP commitments and provisions in either a sustainable or 'green' procurement policy or in other organizational policies, e.g. general procurement regulations or environmental policies. Compared to 2013, the inclusion of SPP in policy provisions has increased in all policy arenas, from sustainable consumption and production policies to sustainable development strategies more generally. However, the integration of sustainability consideration in procurement processes, procedures, software or tools has still not been fully accomplished. SPP is rarely implemented at a broad scale and is often the initiative of an individual department or agency within the government. This leads to fragmented implementation efforts and results. However, SPP practices are becoming more widespread in all regions with more and more interesting examples to share and leverage.

## **SPP policies vary widely across national governments**

Countries are using different policy vehicles to drive SPP, ranging from single-aspect regulations, such as focusing on procurement from army veterans (e.g. the Republic of Korea) or buying recycled-content products, often characterizing early efforts, to comprehensive action plans. Most national governments participating in this study include SPP provisions in overarching or thematic policies and strategies, while a smaller proportion include them in procurement regulations or in policies specifically dedicated to the promotion of SPP. Countries also show variation in the level of enforcement prescribed by SPP policies. Mandatory policy frameworks for SPP are typically more effective in driving implementation since they do not depend as heavily on the initiative of individual ministries, departments or procurers.

However, one common feature across governments is that the ministries or agencies involved in the design of SPP policies are predominantly those associated with environmental, economic and financial affairs, i.e. procurement agencies and ministries of environment, economy and/or finance.

## **The scope of SPP is widening to increasingly include multiple sustainability objectives**

SPP policies are still most commonly associated with environmental concerns, but a broader scope is progressively being adopted. Public and private procurers increasingly support the idea that sustainable procurement is about more than just purchasing more environmentally friendly products. Most national governments that participated in this study have SPP commitments that cover both environmental and socio-economic issues. Some governments, particularly in Asia, focus exclusively on environmental issues, and are not yet considering the socio-economic dimension. However, others prioritize an impressive range of socio-economic and ethical issues in addition to focusing on the environment. As in 2013, energy conservation continues to be a top priority globally, along with resource efficiency and climate change mitigation. Among the main socio-economic issue areas, diversity and equality have grown in prominence compared to 2013. This suggests an evolution from a focus on the social issues most closely tied to economic performance, for example employment and business development, towards the inclusion of issues related to human wellbeing and social justice.

## **Countries support the implementation of SPP mainly through capacity-building activities and integration in management processes, software and tools.**

National governments undertake a broad range of activities to support and facilitate SPP implementation. The provision of information, guidelines and capacity building to help procurement practitioners to integrate sustainability principles in procurement processes are the most common measures. We may expect the use of guidelines and standards to further increase in the coming years, particularly with the impending release of the ISO 20400 Sustainable Procurement standard<sup>7</sup>. Another measure applied by a large majority of the national governments participating in this study is the integration of SPP into existing procurement and management-related processes, procedures, and tools.

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<sup>7</sup> ISO 20400 is a new standard released in April 2017 that will provide guidelines on the integration of sustainability in the procurement processes of organizations.

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There are many opportunities to take SP consideration into account throughout the procurement process. However, SP policies are most often implemented by developing requirements and technical specifications for the products and services to purchase that incorporate relevant sustainability criteria. However, SP activities are also occurring in other stages of the procurement cycle, including at the needs assessment stage and in the phase of selecting and engaging suppliers.

### **Monitoring continues to be a challenge, but countries are increasingly monitoring different aspects of SPP.**

National governments continue to find challenges in monitoring the adoption of SPP, and, even more so, in measuring outcomes achieved through SPP. However, many countries have made some progress and are adopting specific SPP measurement practices. European and North American countries have relatively more advanced monitoring frameworks for SPP, as the uptake of SPP in these countries is less recent than in most Asian and Latin American countries. However, several countries in Asia, particularly those that were early adopters of SPP, have made remarkable progress in terms of monitoring and the indicators they have adopted.

Having an SPP policy appears to drive specific monitoring and evaluation activities. In fact, governments that have formulated an official SPP policy are also more likely to have a monitoring and evaluation system in place to evaluate results and outcomes. As more and more countries formalize their policy commitments to SPP, monitoring and evaluation activities should also become more common.

Most of the national governments that monitor and evaluate SPP implementation and results have set quantitative targets around the total value of spending on sustainable goods and services to be reached, while a much smaller share of participating governments monitors SPP outcomes in terms of tangible benefits for the environment, economy and society. It is arguably easier to measure quantitative or “process” indicators, but more emphasis needs to be placed on ensuring procurement is delivering the desired environmental, economic and social outcomes such as energy efficiency, emission reduction, waste prevention, local economic development, poverty reduction etc. Estimating these benefits represents a bigger challenge, but Asian and European countries already offer promising examples of new and meaningful impact-measuring approaches.

### **The perception that sustainable products are more expensive and the lack of expertise on sustainable purchasing remain key barriers to a more extensive implementation of SPP.**

Many of the same barriers to SPP implementation identified by the *2013 Global Review* still persist today. The most commonly cited barrier is the perception that sustainable products and/or services are more expensive. While it is true that some sustainable products and services cost more than traditional options (e.g. LED lighting compared to incandescent bulbs), the calculation of costs often changes when the entire life cycle of a product is taken into account. Greater adoption of methodologies based on life-cycle costing will play an important role in helping to address concerns about costs. Another important barrier is the lack of expertise in sustainable procurement implementation in many organizations, where its potential to play a key strategic role is too often overseen. Concentrating more efforts on training and knowledge sharing will also help addressing the concern that sustainable products and services are less available on the market and more expensive. As SP is moving from tactical to strategic, its potential to support the advancement of all types of sustainability policies is increasingly being recognized, together with the need to stimulate the professionalization of the procurement function within public as well as private organizations.

### **Ecolabels, top-down leadership and the support of international initiatives can help overcome these barriers and drive the implementation of SPP**

Ecolabels were created to help purchasers meet the challenge of identifying products and services that exhibit certain characteristics in terms of environmental and social impact.<sup>8</sup> Compared to 2013, a larger proportion of survey respondents are now using ecolabels as mandatory requirements in product or service specifications.

According to the data from the stakeholder survey, SPP seems to be largely driven by policy and top-down leadership. The existence of national legislation on SPP followed by strong political and organizational leadership and policy commitments are among two of the main drivers for SPP implementation. The

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8 ISO 14024: Environmental Labels and Declarations: Environmental Labeling Type I, Guiding Principles and Procedures. ISO, Switzerland.

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existence of legal, environmental, and economic expertise in SPP within an organization was also identified as playing a significant role. Having the policy and commitment is important, but having sufficient numbers of well-trained people to undertake implementation is also critical.

Another crucial element in the advancement of SPP is the support of international initiatives. Stakeholders are looking at various national and international initiatives, for example the UN 10-Year Framework of Programmes' SPP Programme, ICLEI's Procura+ Network or the Sustainable Purchasing Leadership Council, to provide guidance and expertise based on lessons learned. Survey participants recommended that international organizations focus on measuring and communicating the benefits of SP and on building the business case for SP, which is key to overcoming the perception that sustainable products and services are more expensive. Collaboration at both the regional and international level is the key to taking SP to scale, whether it is sustainability and procurement professionals collaborating around best practices and aligning market signals, or the public sector engaging private-sector suppliers to integrate sustainability into vendor performance management.

### **Key success factors are related to private sector engagement, the professionalization of procurement and effective collaboration among stakeholders.**

The general expectation among SPP stakeholders is that the uptake of SPP activities will increase in the near future. In the coming years, we expect to see an enhanced focus on the topics of ecolabels and standards, together with monitoring and reporting. Given the current political momentum in the area of global environmental policy, SPP practitioners will also face the challenge of finding ways to use procurement strategically towards meeting the goal of mitigating climate change. The development of life-cycle costing methodologies and the professionalization of the procurement function will be instrumental to accomplish this goal.

SPP implementation is already benefiting from transformations occurring in the way that procurement is conducted, with greater professionalization of procurement practices leading to more strategic and transparent processes. There certainly are signs of SPP practices becoming more embedded in standard procurement activities and processes, but there is still considerable work to be done before sustainability considerations become regular criteria within bid specifications and contracts.

Transforming sustainable production and consumption patterns will require collaboration among all stakeholders along the supply chain, both in the public and private sector. Engaging private sector actors is of utmost importance both as they will have to react to the public sector's demand for more sustainable products and services, and because they themselves can influence the market through their own procurement practices. It will take a large cooperative effort to transform supply chains and consumption patterns at the global scale. The creation and promotion of knowledge-sharing platforms and other collaboration tools are also central to the advancement of SPP globally.

The 10-Year Framework of Programmes on Sustainable Public Procurement and its 100-plus members and partners will continue to shed light on this activity through new reports in the *Global Review* series that will attempt to capture these trends and share knowledge on the progress made in SPP. We hope that this will in turn encourage the further spread of SPP practices that can drive the shift towards a more sustainable global economy inspired by the core principles behind the SDGs, and in which sustainable consumption and production patterns will have become the norm.





# 1.

## Introduction

# 1. Introduction

## 1.1 PURPOSE AND SCOPE

Public procurement wields enormous purchasing power, accounting for an average of 12 percent of gross domestic product (GDP) in OECD countries, and up to 30 percent of GDP in many developing countries.<sup>9</sup> Leveraging this purchasing power by buying more sustainable goods and services can help drive markets in the direction of sustainability, reduce the negative impacts of an organization, and even produce positive benefits for the environment and society. After two decades of progress, sustainable public procurement (SPP) is now regarded by many organizations as an important instrument in helping to achieve the Sustainable Development Goals.<sup>10</sup>

### Defining sustainable public procurement

Sustainable public procurement is a “process whereby public organizations meet their needs for goods, services, works and utilities in a way that achieves value for money on a 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.”<sup>11</sup>

In some regions, SPP is also known as green purchasing, environmentally preferable purchasing, or socially responsible procurement. In this report, we use “SPP” and “SP” as an umbrella term to cover these activities, recognizing that there are important regional and organizational nuances to how such terms are defined, and that not all organizations that undertake sustainable procurement are governments.

“Public procurement” is used in this report as an umbrella term to describe procurement, purchasing, and acquisition made by governmental organizations. “Procurement” includes any professionally managed purchasing or procurement activities.

Sustainable procurement (SP) is not only practiced by public authorities. Many different organizations in the private and non-profit sectors are also leveraging procurement processes to focus on sustainability issues. In so doing, they are seeking to reduce their organizations’ risks, to encourage sustainability in their value chain as part of their social responsibility and citizenship efforts, and, in some cases, to reduce costs.

Purchasers have a variety of priorities when working to meet their organizations’ needs for products, services and works, including a need to meet expectations on quality, value, and timeliness for delivery. Sustainability-related aspects can be part of those expectations, informing both *what* is being bought, and *from whom* it is being obtained. Procurement professionals can send a signal to the economy by demanding more sustainable products, services and operations.

Recognizing this potential, and to encourage SP by public authorities, the 10-Year Framework of Programmes on Sustainable Consumption and Production (10YFP<sup>12</sup>) established a programme on SPP in April 2014. The United Nations Environment Programme (UN Environment), the Local Governments for Sustainability network (ICLEI) and the Korea Environmental Industry and Technology Institute (KEITI) co-lead the programme, and act as its Coordination Desk.

9 United Nations Environment Programme. Undated. “Sustainable Procurement”. Retrieved from: <http://web.unep.org/resourceefficiency/what-we-do/sustainable-lifestyles/sustainable-procurement>

10 The Sustainable Development Goals are a “comprehensive, far-reaching and people-centered set of universal and transformative goals and targets” that aim to end poverty, hunger and inequality, take action on climate change and the environment, improve access to health and education, build strong institutions and partnerships, and more. Over 150 world leaders adopted the SGDs in September 2015 and committed to implementing them by 2030. United Nations. 2015. “Transforming our world: the 2030 Agenda for Sustainable Development” United Nations Sustainable Development Knowledge Platform. Retrieved from: <https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>

11 Definition adopted by the Task Force on Sustainable Public Procurement led by Switzerland (membership includes Switzerland, USA, UK, Norway, Philippines, Argentina, Ghana, Mexico, China, Czech Republic, State of Sao Paulo (Brazil), UNEP, IISD, International Labor Organization (ILO), European Commission (DG-Environment) and International Council for Local Environmental Initiatives (ICLEI) and adopted in the context of the Marrakech Process on Sustainable Production and consumption led by UNEP, and UN DESA

12 The 10YFP is a global framework of action adopted by the Rio+20 Conference to accelerate the shift towards sustainable consumption and production (SCP) in both developed and developing countries. Details can be found here: <http://web.unep.org/10yfp>



## The Sustainable Public Procurement Programme of the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns (10YFP SPP Programme)



The 10YFP Programme on Sustainable Public Procurement (SPP) is a global multi-stakeholder platform that supports the implementation of SPP around the world. The Programme builds synergies between diverse partners to achieve the Sustainable Development Goals (SDG) target on SPP, i.e. to promote public procurement practices that are sustainable, in accordance with national policies and priorities. The United Nations Environment Programme (UN Environment) leads the 10YFP SPP Programme with ICLEI - Local Governments for Sustainability (ICLEI) and the Korea Environmental Industry & Technology Institute (KEITI) as co-leads.

### What is the 10YFP?

The 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns (10YFP) is a concrete and operational outcome of Rio+20. It is a global framework that enhances international cooperation to accelerate the shift towards sustainable consumption and production (SCP) in both developed and developing countries. It provides capacity building and technical and financial assistance to developing countries, and encourages innovation and cooperation among all countries and stakeholders. UN Environment serves as the Secretariat of the 10YFP and administers the Trust Fund. The 10YFP SPP Programme is one of the **six initial programmes of the 10YFP**.

### Background

The SPP Programme of the 10YFP was launched on 1st April 2014. It brings together a number of governments, local authorities, business sector and civil society from around the world that are interested in collectively promoting the supply and demand of sustainable products through SPP. It builds upon the previous work of the Marrakech Process Task Force on SPP (2005-2011) and the Sustainable Public Procurement Initiative (SPPI) (2012-2013). The SPP Programme's specific objectives are to:

1. Build the case for SPP by improving the knowledge on SPP and its effectiveness as a tool to promote sustainable consumption and production, to support greener economies and sustainable development.
2. Support the implementation of SPP on the ground through increased collaboration and better access to capacity building tools and support through SPP experts.

### 10YFP SPP governance structure

The Coordination Desk is in charge of supporting the overall coordination, implementation, monitoring and fundraising of activities of the programme. It consists of UN Environment, ICLEI and KEITI. The Multi-stakeholder Advisory Committee (MAC) is composed of **22 members** and oversees the implementation of the 10YFP SPP Programme.

### 10YFP SPP Programme work areas

The 10YFP SPP Programme's work plan and the activities of the working groups revolve around four main pillars:

1. Implementing SPP on the ground
2. Assessing implementation and impacts of SPP
3. Identifying obstacles and promoting innovative solutions
4. Collaborating with the private sector

### Core activities

The 10YFP SPP Programme engages in various communication and outreach activities:

1. The *Global Sustainable Consumption and Production Clearinghouse*<sup>13</sup> is the online platform dedicated to advancing SCP worldwide through information, knowledge sharing and cooperation. It serves as a one-stop hub on SCP as well as the knowledge-sharing and cooperation platform of the 10YFP.
2. The 10YFP SPP Programme is engaged in an ambitious research project to track the development of SPP worldwide. The results of this effort is presented in the 2017 Global Review of Sustainable Public Procurement three years after *the first edition of the Global Review*<sup>14</sup> was published in 2013. The report examines the state of SPP policies and practices undertaken by national governments and other public sector organizations and stakeholders involved in SPP.
3. The 10YFP SPP Programme organizes a series of information webinars in order to present the work of working groups, upcoming events, disseminate new tools for practitioners and showcase successful initiatives in partner countries. The webinars are then made available on the *SCP Clearinghouse YouTube channel*.<sup>15</sup>
4. The SPP Programme regularly publishes a newsletter to keep partners and SPP stakeholders updated about its activities.

### Trust fund projects

The 10YFP Trust Fund supports projects that aim to shift towards SCP patterns in developing countries and economies in transition. The first call for proposals was launched in December 2014, offering a sum of 500 000 USD for SPP activities. It resulted in the selection of the following three projects:

1. In South Africa: "Mainstreaming Sustainable Public Procurement through the introduction of Product Service Systems in the Western Cape", with the Western Cape Government together with the International Institute for Sustainable Development as executing agencies;

13 Can be accessed at: <http://www.scpclearinghouse.org>

14 UNEP, 2013, Sustainable Public Procurement: A Global Review. UNEP. Retrieved from: <http://www.scpclearinghouse.org/resource/sustainable-public-procurement-global-review-2013>

15 <https://www.youtube.com/user/SCPClearinghouse>

2. In Uruguay: “Towards a Sustainable Public Procurement System in Uruguay (TSPPU1)” with UNOPS as the executing agency;
3. In the Philippines: “Establishment and Implementation of GPP in Quezon City for the Promotion of SCP in the Philippines”, with Quezon City and the Environmental Protection and Waste Management Department (EPWMD) of Quezon City as executing agencies.

For more information on the 10YFP SPP Programme, visit <http://web.unep.org/10yfp/programmes/sustainable-public-procurement>.

The first Global Review of Sustainable Public Procurement was initiated and published by UN Environment in 2013 (the *2013 Global Review*)<sup>16</sup> and was based on data gathered in 2012. As a follow-on to that first report, the *2017 Global Review of Sustainable Public Procurement* is published in the framework of the 10YFP Sustainable Public Procurement Programme, which is committed to conducting a regular review of the state of SPP implementation as part of its work plan. SPP stakeholders have long requested reliable and up-to-date information on activities and organizations involved in SPP. The *2017 Global Review* meets this need and adds to the existing literature by:

- Providing a global overview of the progress made on SPP at international and national level through the analysis of both policies and practices and the provision of insight into SPP practices from world regions that are either not typically covered by the literature, or not usually published in English.
- Initiating discussions on the creation of a set of objective and common indicators for SPP, and reporting on progress made by national governments using data provided and validated by governments themselves.
- Expanding our understanding of the drivers, barriers, needs and expectations for SPP by including stakeholder opinions gathered through surveys and expert interviews.
- Illustrating the range of SPP and SP activities by highlighting short good practice examples from a variety of organizations from around the world.
- Raising awareness among stakeholders about existing initiatives and resources, such as the working groups that operate as part of the 10YFP Sustainable Public Procurement Programme.
- Developing an approach that can be replicated in future Global Reviews to track SPP progress and trends over time. This is particularly relevant considering the adoption of the SDG Target 12.7 and the need to measure progress towards it.<sup>17</sup>
- Engaging and expanding the community of people and organizations working on SPP and related topics such as sustainable supply chain, sustainable sourcing and sustainable production and consumption.

## 1.2 RESEARCH METHODS AND LIMITATIONS

A comprehensive description of the research methods employed to support this *2017 Global Review* can be found in Annex 3. The *2017 Global Review* is informed by primary and secondary research including:

- A literature review and analysis of over 70 sources published between 2012 and 2015 on the topic of SPP and related terms.

<sup>16</sup> UNEP, 2013, Sustainable Public Procurement: A Global Review 2013: <http://www.scpclearinghouse.org/resource/sustainable-public-procurement-global-review-2013>

<sup>17</sup> Sustainable Development Goal target 12.7 is one of several targets within Goal 12: Ensure Sustainable Consumption and Production Patterns. Target 12.7 is to: “Promote public procurement practices that are sustainable, in accordance with national policies and priorities”. The United Nations Sustainable Development Knowledge Platform. Retrieved from: <http://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals>

- Six in depth, semi-structured interviews with experts in SPP from different world regions.
- A questionnaire to gather data on SPP submitted to 56 national governments.<sup>18</sup> Forty-one countries responded and forty factsheets, developed based on the data collected through the questionnaire, can be found in the supplement to this report entitled “Factsheets on Sustainable Public Procurement in National Governments”.
- A survey conducted online between May and June 2016, targeting a broad range of stakeholders from international to local public authorities, companies and enterprises, consultants involved in SPP, NGOs, standards and certification organizations and research institutions.
- Four best practice examples were compiled to suggest possible solutions to the needs and barriers identified. They present new approaches and innovations in SPP and SP from a range of organization types worldwide.

The results presented in the *2017 Global Review* are limited by some important research constraints. One such limitation was language: the primary research was conducted in English and Spanish only. Another limitation was that the questionnaires on the SPP policies and implementation activities of national governments were completed by a limited set of 41 national governments, and do not reflect the total extent of SPP activity by all national governments worldwide. For example, the governments of the United Kingdom of Great Britain and Northern Ireland and of Costa Rica did not participate in the study, but nonetheless run active SPP programmes. It should also be noted that this analysis is mostly focused on SPP at the national level, and does not take into account SPP activities undertaken by sub-national public authorities (state, province, county, local and city-level public authorities), nor SP activity taking place within either the private or non-profit sectors. Cities are oftentimes forerunners on SP, but a comprehensive review of their activities was not feasible for the *2017 Global Review*.

The survey generated over 201 responses from a wide range of countries. Survey participants were predominantly public authority stakeholders, with fewer stakeholders responding from private and non-profit sectors. Given that the survey was distributed by invitation to practitioners in communities already working on SPP and related topics, the survey results are influenced by a “self-selection bias” (individuals selecting themselves into a group, causing the sample to be biased). Moreover, given the open nature of the survey invitation, we are unable to determine the total number of potential participants and therefore cannot determine if the survey participants are representative of the totality of potential participants. The survey results should therefore be treated as indicative, and not representative.

Data informing the *2013 Global Review* and the *2017 Global Review*, gathered in 2012 and 2016 respectively, are not always directly comparable. This is because different questions were asked, similar questions were worded differently, and a different set of stakeholders completed the national government questionnaire and stakeholder survey. Even so, some topics allowed for comparison and, where possible, high-level trends and parallels are drawn in the conclusions of each chapter.

### 1.3 STRUCTURE OF THE REPORT

The *2017 Global Review* is organized in accordance with the key research steps taken:

- Chapter 2 reports on aggregate results from national governments, providing coverage of the policy frameworks guiding their SPP work and information about SPP implementation, including priorities, tools and procedures, and monitoring and evaluation activities.
- Chapter 3 reports on trends in SPP, drawing upon the stakeholder survey that was conducted, including methods of integrating SPP into the procurement process, priority issues and categories, the use of ecolabels, monitoring, drivers and barriers for SPP, and expectations for the future.
- Chapter 4 concludes the *2017 Global Review* with reflections on the global state of SPP, how it has changed in recent years, and what is still needed to support its future growth.

<sup>18</sup> The national government questionnaire can be found in Annex 2B.

- Annexes 1 and 2 provide an overview of the 10YFP Sustainable Public Procurement Programme as well as the activities and outputs of its working groups.
- Annex 3 provides details on the research methods used and limitations encountered for the primary research supporting the study, including the national governments' questionnaire, stakeholders' survey questions and glossary.

### **The supplement “Factsheets on Sustainable Public Procurement in National Governments”**

This report is complemented by a supplement containing detailed factsheets on the SPP work undertaken by 40 national governments that provided information through the questionnaire. In these factsheets, more detail is available about the policies, activities, programmes and monitoring systems that national governments have put in place to promote and implement SPP.





# 2.

**Sustainable public procurement in national governments**

# 2. Sustainable public procurement in national governments

The 2017 Global Review shows that in each of the studied regions the use of procurement to meet the Sustainable Development Goals (SDGs) is a growing trend. European countries are working to embed sustainable procurement (SP) within environmental, social, innovation and public procurement policies. Europe provides some of the best examples of good sustainable public procurement (SPP) practices. North American countries continue to effectively blend the themes of green procurement, ethical procurement, for example to avoid labour abuses in the supply chain, and social impact procurement aiming to provide economic opportunities for local businesses and targeted employee populations. In Asia, countries such as China, Thailand and Malaysia are following the steps of the regional leaders, Japan and the Republic of Korea, and are progressively adopting SPP. In Latin America, an increasing number of countries are also developing, adopting and implementing SPP policies.

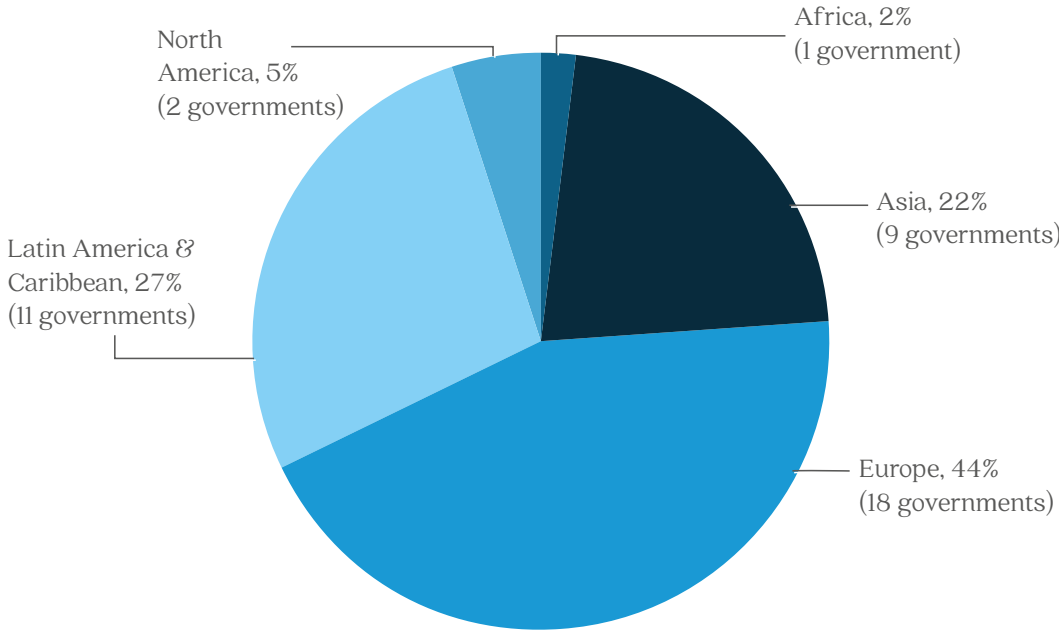
Documenting the current landscape of SPP adoption helps governments to benchmark results and assess progress over time. The information presented in this chapter examines the policy frameworks, implementation activities and monitoring approaches put in place by national governments - sometimes called federal or central governments - around the globe. More information on the methodology and limitations of this research is presented in Annex 3.

To gather information on SPP at the national government level, a standard questionnaire was developed.<sup>19</sup> The questionnaire had two objectives:

- 1. To provide an overview of the state of SPP implementation by national governments worldwide that will allow for evaluation of progress over time.
- 2. To present the state of SPP in each national government and to benchmark results, documented in the form of national government factsheets included in the supplement *Factsheets on Sustainable Public Procurement in National Governments*.

The questionnaire was sent to 56 national governments. A contact person in each country coordinated the collection of information internally, and produced a single response for each national government. Forty-one national governments completed the questionnaire, representing a 73 percent response rate. Figure 1 provides the geographic distribution of the participating national governments, shown by world region. The list of national governments contacted and participating can be found in Annex 5.

Figure 1. Participating governments by region



<sup>19</sup> The national government questionnaire can be found in Annex 4

## 2.1 POLICY FRAMEWORKS SUPPORTING SPP

The use of public procurement as a tool to advance national priorities can be traced back to the 19<sup>th</sup> century when procurement was used to tackle social justice issues such as fair labour conditions and wages or improved opportunities for disabled people.<sup>20</sup>

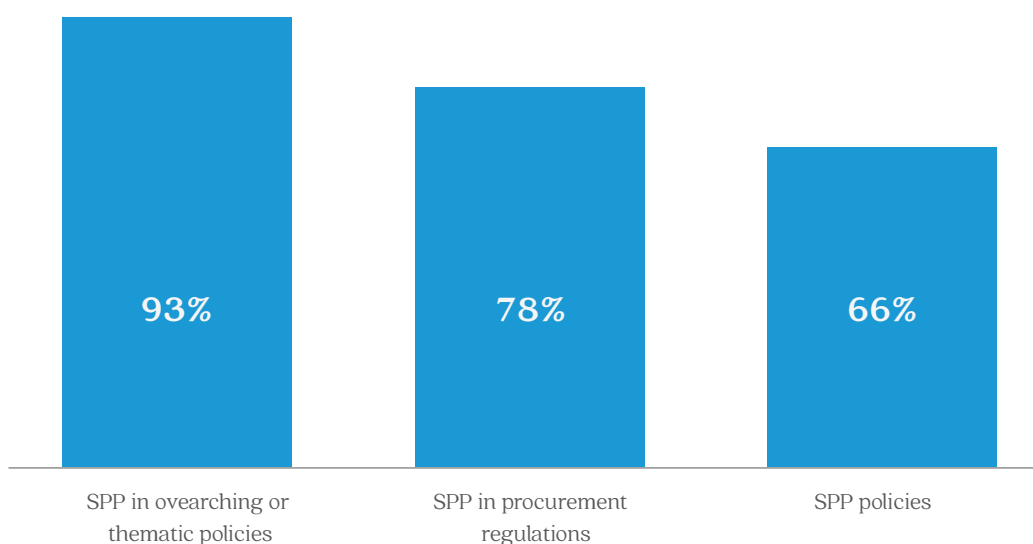
The use of public procurement to effect change in environmental impacts originated more recently; it was not until the end of the 20<sup>th</sup> century that a strong relationship between environmental protection and public procurement was developed. At the international level, this relationship was formally established by the Rio Declaration on Environment and Development in 1992,<sup>21</sup> which included a call for national governments to review their procurement policies to encourage more sustainable consumption patterns.<sup>22</sup> This process culminated with the adoption of the Sustainable Development Goals in 2015, with one target focusing on the promotion of “public procurement practices that are sustainable, in accordance with national policies and priorities”.<sup>23</sup>

To see how national governments have adapted and reviewed their policies and regulations to use their purchasing power as a tool for sustainable development, we asked national governments about the policy framework they have in place to support SPP implementation. Specifically, we inquired about overarching policies, thematic policies, and procurement regulations that include SPP provisions, as well as their dedicated SPP policies defined in the questionnaire as: “...any type of document (law, act, executive order, strategy, policy, programme, action plan, etc.), dedicated to the promotion and implementation of sustainable public procurement in any of its environmental and/or socio-economic dimensions”.

### SPP in policies and regulations in national governments

As shown in Figure 2, 38 of the 41 (93 percent) responding national governments include SPP provisions in overarching or thematic policies and strategies, 32 (78 percent) include it in their procurement regulations and 27 (66 percent) have policies specifically dedicated to the promotion of SPP. Most of the national governments that do not have policies dedicated specifically to SPP explained that they are currently developing their SPP action plans. Considering the three types of policies and regulations together, all participating national governments have SPP provisions in their policy and/or regulatory framework.

Figure 2. Types of policies including SPP provisions



20 McCrudden, C. (2004). Using public procurement to achieve social outcomes. *Natural Resources Forum*, 28, Issue 4, pp. 257–267.

21 United Nations (1992). Rio Declaration on Environment and Development: <http://www.un.org/documents/ga/conf151/aconf15126-lannex1.htm>

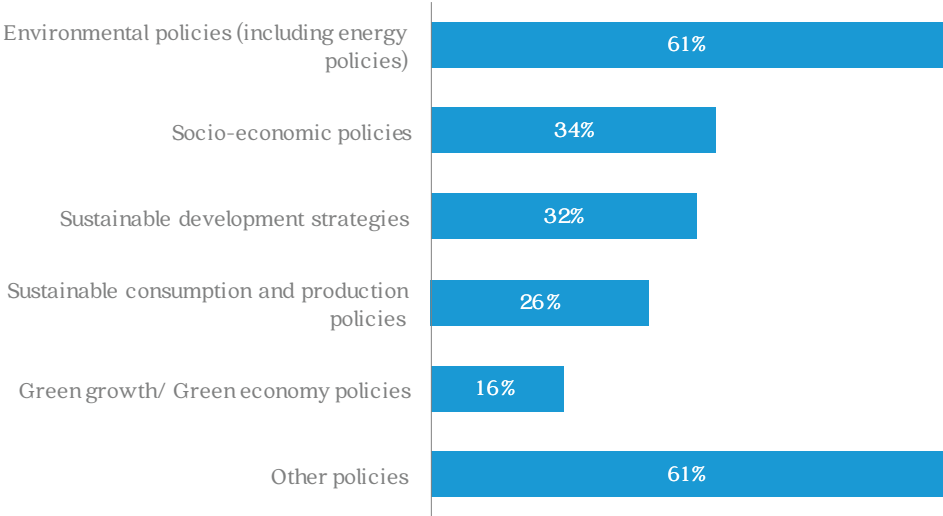
22 United Nations (1992). Agenda 21: Earth Summit - The United Nations Programme of Action from Rio, chapter 4: <http://sustainabledevelopment.un.org/content/documents/Agenda21.pdf>

23 United Nations (2015). Transforming our World: The 2030 Agenda for Sustainable Development: <http://sustainabledevelopment.un.org/content/documents/21252030%20Agenda%20for%20Sustainable%20Development%20web.pdf>

As stated above, the questionnaire defined a dedicated SPP policy as “...any type of document (law, act, executive order, strategy, policy, programme, action plan, etc.), dedicated to the promotion and implementation of sustainable public procurement in any of its environmental and/or socio-economic dimensions.” This broad definition allowed for the nature of these dedicated SPP policies to vary substantially from country to country.

The types of overarching or thematic policies that include SPP provisions are presented in Figure 3. European countries and Canada were the only countries in which SPP policies are part of sustainable development strategies. Countries from Latin America and the Caribbean tend to include SPP in sustainable consumption and production policies, whilst socio-economic policies with SPP provisions – such as policies to further the competitiveness of micro-, small- and medium-sized enterprises – can be found in Europe, Latin America, the Republic of Korea and Lebanon.

**Figure 3. Types of overarching and thematic policies that include SPP provisions**



Other types of policies that include SPP provisions are corporate responsibility policies; public authorities’ reform and efficiency policies, and similar policies focusing on the leadership role of public authorities; circular economy policies; innovation policies and specific sectoral policies in the field of agriculture or technology. These emerging policy vehicles for SPP demonstrate a change in the perception of SPP. As Mark Hidson from ICLEI stated:

**“ One of the new trends is looking at sustainable public procurement far more strategically and embedding it more into governments’ policies and, most importantly, action plans.**

In other words, SPP is being integrated into existing polices and is being increasingly used as a key tool in implementing strategic policy objectives.

**Development and approval of SPP policies**

National governments reported a broad range of SPP policies, from single-aspect regulations – often characterizing early efforts, such as focusing on procurement from army veterans, or buying recycled-content products – to comprehensive action plans. In addition, many national governments have adopted more than one SPP policy, covering different sets of sustainability aspects and issues.



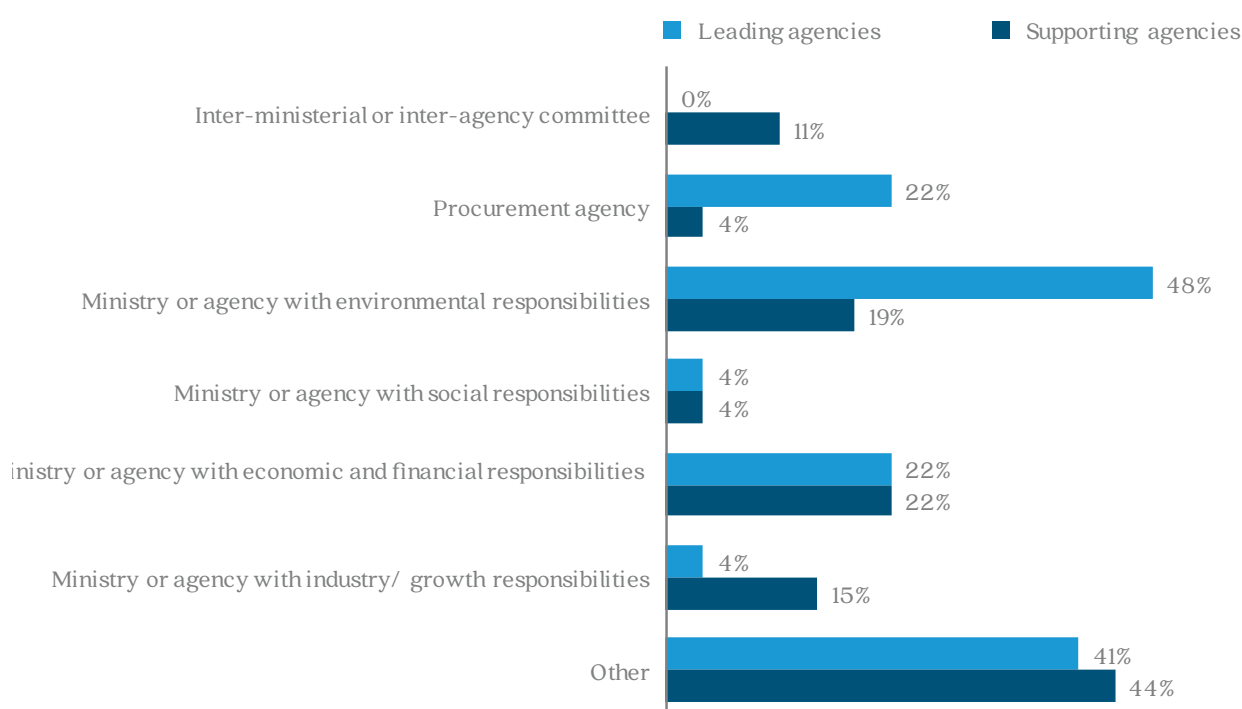
The earliest SPP policy mentioned by respondents was adopted by the Republic of Korea in 1981 and mandates the preferential purchase of products produced by army veterans. Korea reported nine additional acts and regulations on SPP, most of them regarding the preferential purchase of products fulfilling various environmental or social criteria.

The first procurement policy focusing on environmental aspects was the U.S. Government's *Executive Order 12873: Federal Acquisition, Recycling and Waste Prevention*, adopted in 1993.<sup>24</sup> Executive Order 12873 was subsequently renewed several times, and was most recently updated in 2015 with the adoption of *Executive Order (EO) 13693: Planning for Federal Sustainability in the Next Decade*.<sup>25</sup> Another example comes from Canada, where the *Procurement Strategy for Aboriginal Business* was adopted in 1996,<sup>26</sup> and where the *Policy on Green Procurement* was adopted 10 years later.<sup>27</sup>

Nearly all European and Asian national governments participating in the survey adopted their first SPP policies between 2001 and 2009. Most of the countries in Europe approved their National Green Public Procurement Action Plans after 2006, following policy recommendations from the European Commission. Since 2012, many European countries have revised and renewed their National Green Public Procurement Action Plans.

Commensurate with the *2013 Global Review*, and as shown in Figure 4 below, the ministries or agencies involved in the design of SPP policies were predominantly those associated with environmental affairs and those with economic or financial responsibility, i.e. procurement agencies and ministries/agencies of economy or finance. The “other” agencies are mainly the Prime Minister or President's Office, or ministries with public governance authority. In European countries, a high number of different ministries or agencies are involved in the design of SPP policies.

**Figure 4. Types of ministries and agencies leading and supporting the design of SPP policies**



24 US National Archives and Records Administration. 1993. *Executive Order 12873: Federal Acquisition, Recycling, and Waste Prevention*. Available at: <http://www.archives.gov/federal-register/executive-orders/pdf/12873.pdf>

25 Federal Register Vol. 80, No. 57 *Executive Order (EO) 13693, Planning for Federal Sustainability in the Next Decade*. Available at: <http://www.gpo.gov/fdsys/pkg/FR-2015-03-25/pdf/2015-07016.pdf>

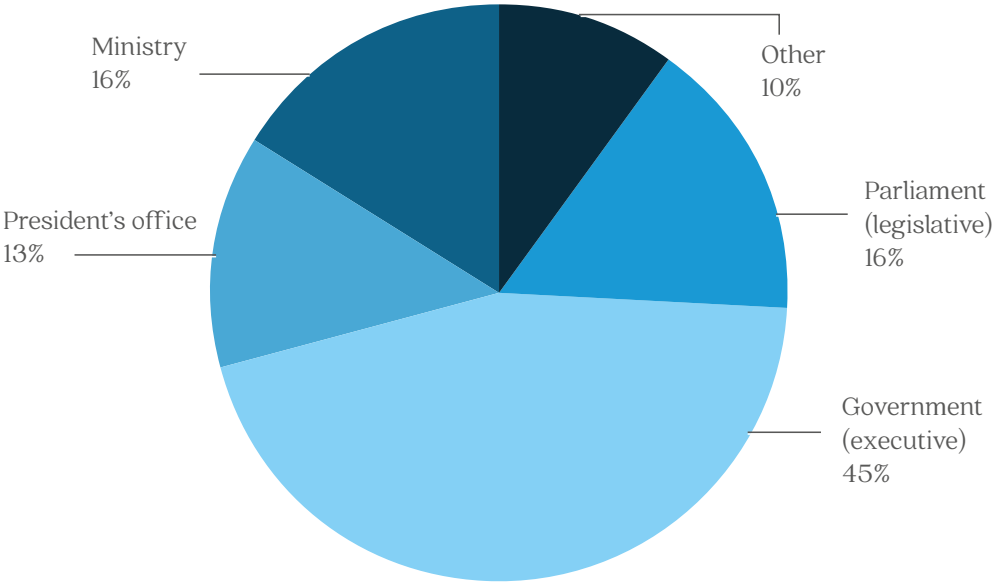
26 Government of Canada, Indigenous and Northern Affairs. 1996. *Procurement Strategy for Aboriginal Business*. Available at: <http://www.aadnc-aandc.gc.ca/eng/1354798736570/1354798836012>

27 Government of Canada, Public Works and Government Services. 2016. *Policy on Green Procurement*. Available at: <http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html>



Two main factors tend to dictate which body within a national government is responsible for adopting SPP policies: the type of legal document used (a law, executive order, action plan or similar), and the policy and regulatory tradition in each country. As shown in Figure 5, this can be the Parliament, the Government, the President, ministries, or others, depending on the type of policy at hand.

**Figure 5. Authorities in charge of approving policies specifically dedicated to SPP**



**Target, scope and enforcement of SPP policies**

**The most common form of target consists in setting a quantitative goal on the proportion of purchases driven by SPP principles.**

Twenty-five of the 41 (61 percent) national governments that responded to the questionnaire have set specific SPP targets either in policies dedicated to SPP or in overarching or thematic policies. As shown in Figure 6, the most common form of target consists in setting a quantitative goal on the proportion of purchases driven by SPP principles, such as:

- the amount of expenditure or number of contracts or tenders with SPP provisions (e.g. “50 percent of all tenders in the year 2020”);
- the percentage of purchases with SPP criteria in certain product groups, or the procurement from preferred companies.<sup>28</sup>

Two national governments (Japan and Sweden) have goals on defining SPP plans or the integration of SPP into environmental management systems. Few governments have set impact-related targets: only two national governments (Finland and the United States of America) have impact-reduction goals on energy, water or waste efficiency. Other targets include, for example, professionalization in procurement like in the Netherlands.

<sup>28</sup> Depending on policy priorities and complementary legislation it might include: Micro and SMEs; social, sheltered, or set-aside enterprises (i.e. employing individuals such as Aborigines, disabled persons, veterans, groups at risk of social exclusion etc. and/or women-owned companies); companies with environmental management systems and/or corporate social responsibility reporting.

**Figure 6. Types of objectives defined in SPP policies (multiple answers possible)**

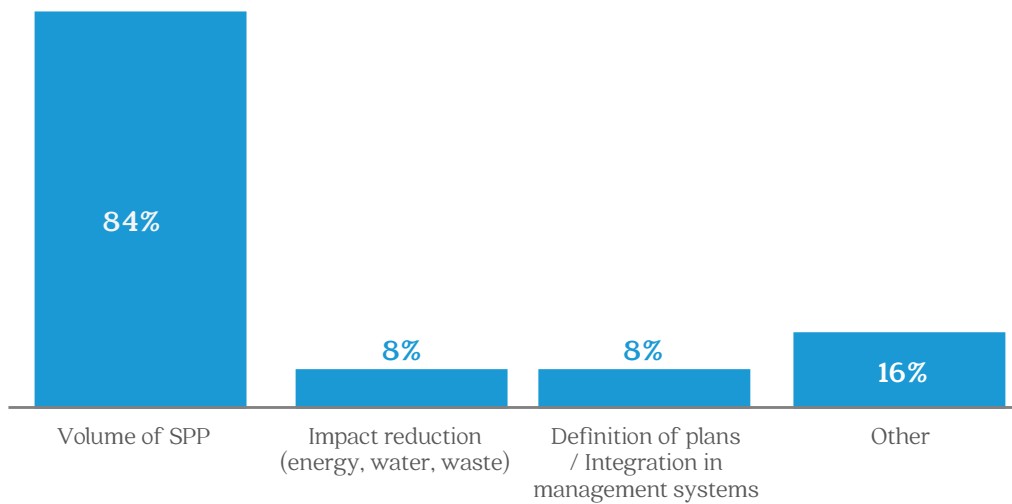
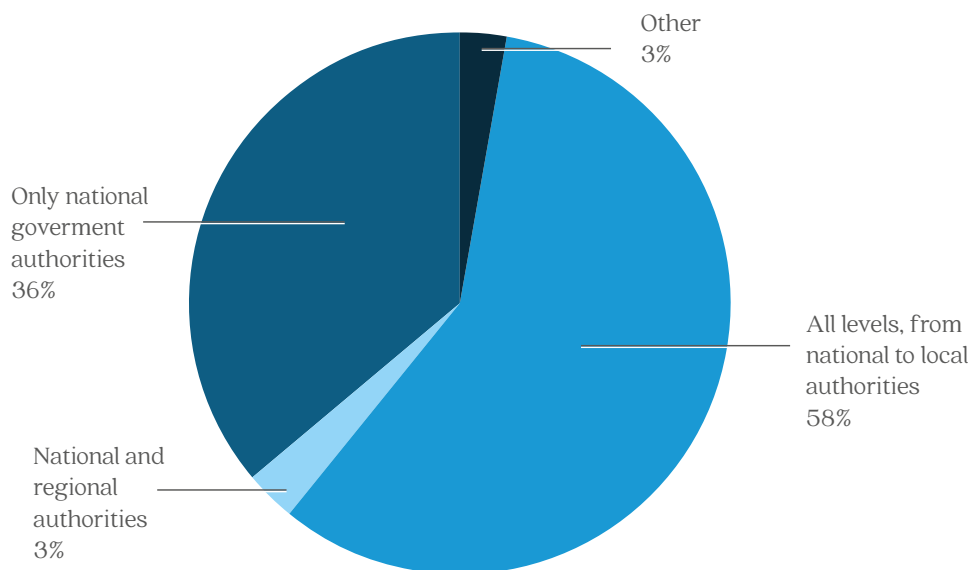


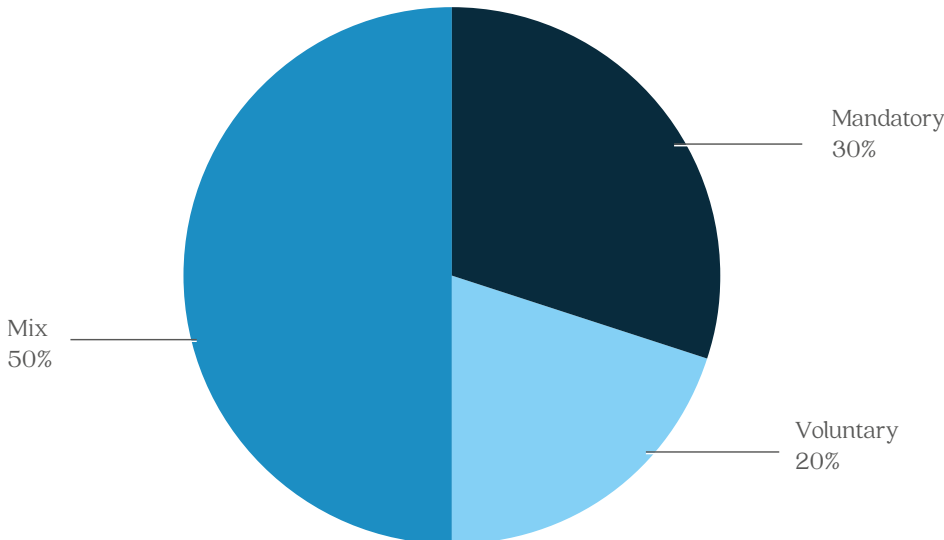
Figure 7 shows that in nearly 60 percent of the national governments surveyed, SPP policies cover all government levels - from national to state and local public authorities – whilst a third of the national governments participating have policies applicable only to national government authorities. In all the responding Asian countries, except Malaysia, SPP policies cover all government levels – national, state and local.

**Figure 7. Types of public authorities concerned by SPP policies**



Countries showed variation in the level of enforcement prescribed by SPP policies. SPP policies can be mandatory, voluntary, or a mix of both, as shown in Figure 8. When they are a mix, it is most common for them to be mandatory at the national government level, and voluntary for regional and local public authorities (as is the case in Finland, Japan or Slovakia). In some cases, SPP policies are mandatory for certain priority product groups or for a single environmental or socio-economic issue. This applies to most Asian, Northern American, and European national governments. Voluntary application of SPP policies is more common in Latin America and in some European national governments such as Croatia, Spain, and Switzerland.

Figure 8. Enforcement of SPP policies



Sustainability issues addressed by SPP policies

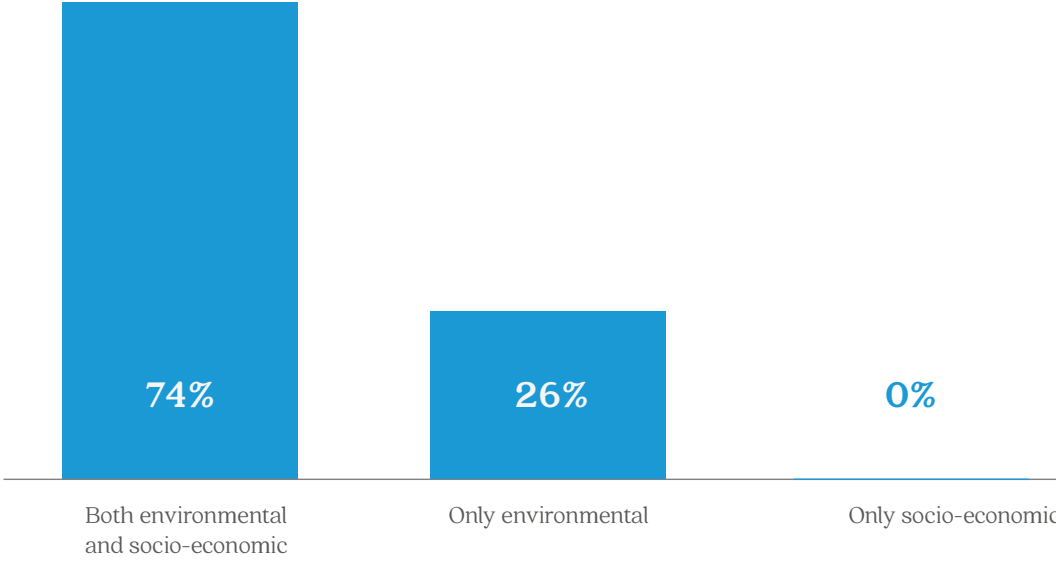
**Most national governments have SPP commitments that cover both environmental and socio-economic issues.**

Figures 9 and 10 show that most national governments have SPP commitments that cover both environmental and socio-economic issues. Some governments, particularly in Asia, focus exclusively on environmental issues, and are not yet considering the socio-economic dimension. This is also the case in certain European countries. However, others, such as Belgium, prioritize an impressive range of socio-economic and ethical issues in addition to focusing on the environment (see the factsheet on Belgium in the supplement Factsheets on Sustainable Public Procurement in National Governments for more details).

Market transformation and the promotion of green products can also be a clear objective of SPP policies. As noted by Hyunju Lee from KEITI: “In Korea, the main justification for sustainable public

procurement is to expand the market share of sustainable products at national level – e.g. the legal basis for green public procurement is the Act on Promotion of Purchase of Green Products of 2005. Unlike EU countries, there is no environmental policy goal (climate change, renewable energy, etc.) for green public procurement at the national level”.

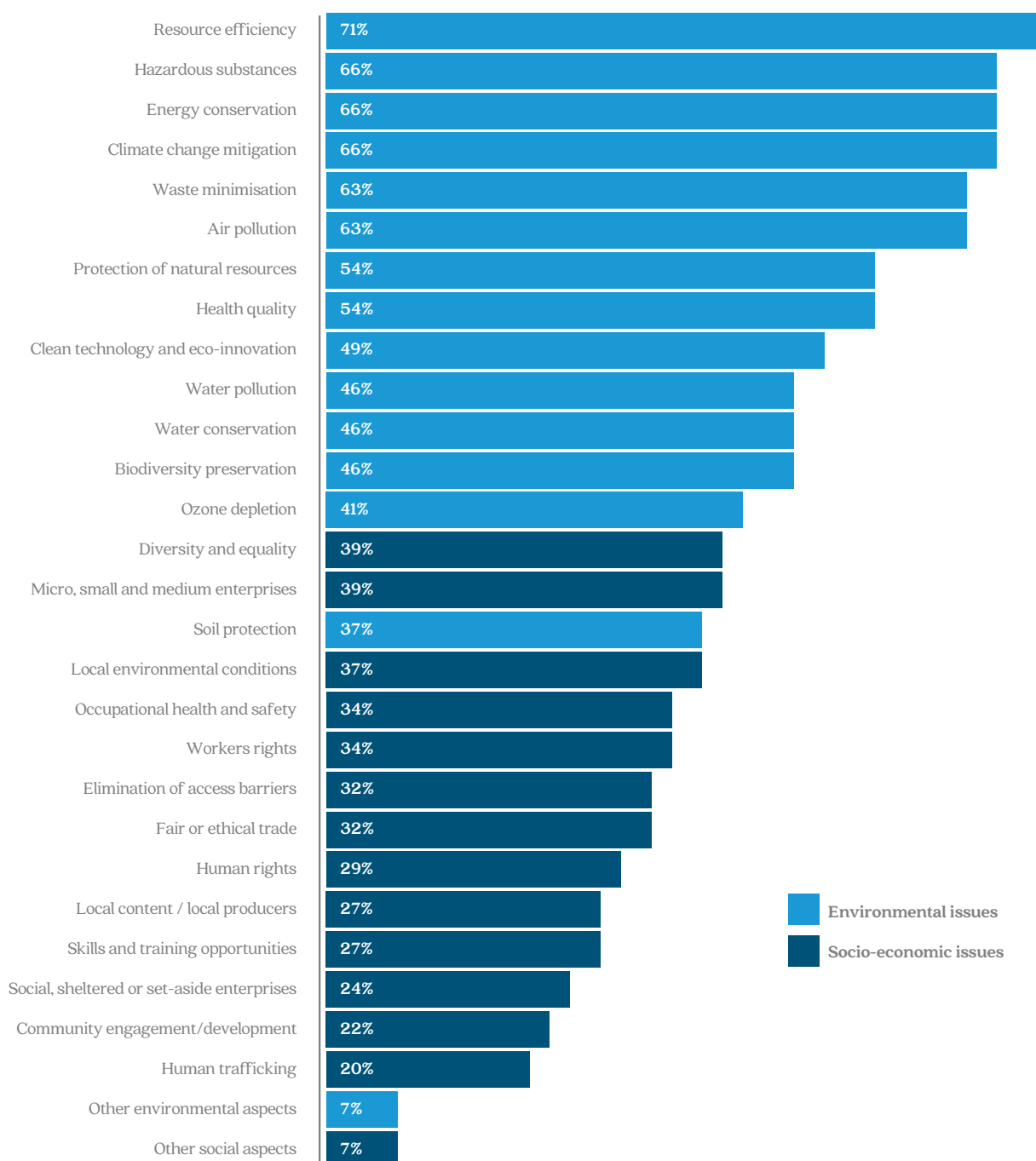
Figure 9. Types of sustainability issues addressed by SPP policies



SPP policies typically have some specific priority issue areas, and national governments were asked to identify these; the results are shown in Figure 10. Compared to 2012,<sup>29</sup> when energy was the most frequently mentioned environmental priority area, concerns related to hazardous substances have gained prominence compared to other environmental issues. This may reflect a growing public consciousness of the detrimental health effects that hazardous substances can pose. At the same time, energy conservation continues to be a top priority globally, along with resource efficiency and climate change mitigation.

On the social side, diversity and equality have shown a significant growth in prominence compared to 2012, when “diversity” appeared in the least amount of policies of all social issues considered. This suggests an evolution from a focus on the social issues most closely tied to economic performance, e.g. employment and business development, toward the inclusion of issues related to human wellbeing and social justice. However, small and medium-sized enterprise development continues to be an important priority, as do health and safety.

**Figure 10. Specific sustainability issues addressed by SPP policies (multiple answers possible)**



29 UNEP, 2013, Sustainable Public Procurement: A Global Review 2013: <http://www.spcclearinghouse.org/resource/sustainable-public-procurement-global-review-2013>

## 2.2 IMPLEMENTATION OF SPP

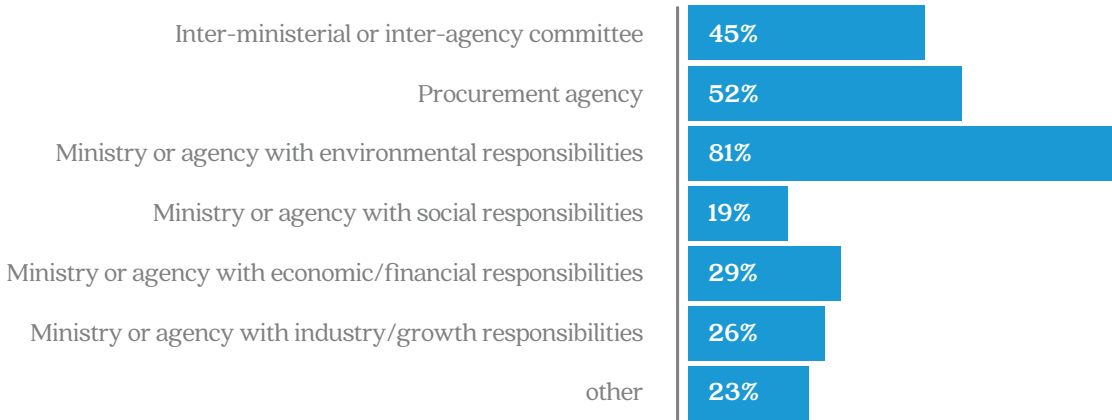
Most national government SPP policies have been adopted or updated in the last 20 years; often starting with an emphasis on ‘green’ or ‘environmental procurement’ and evolving into more comprehensive SPP policies, with a great emphasis on human rights and other social considerations. In this section, we provide an overview of the different activities being undertaken by national governments to implement SPP policies.

### Agencies leading the implementation of SPP policies

Given that the focus of SPP policies is diverse, it is natural that the ministries or agencies leading their implementation will vary from country to country. Frequently, several agencies will take responsibility for leading different aspects of SPP implementation based on their specific priorities and competencies.

In nearly all cases, the same ministries or agencies that lead the development of the SPP policies are also leading their implementation. This rule of thumb does not apply when the leading agency for the development of the policies is the President’s Office or Prime Minister’s Office. In this case, implementation leadership is taken over by an inter-ministerial or inter-agency committee. Figure 11 shows the percentage of SPP policies that are led by each different type of ministry or agency. These results are similar to those observed in 2012, suggesting that there has been no conclusive shift in the types of departments responsible for policy implementation.

Figure 11. Agencies leading the implementation of SPP policies



### Activities by national governments to implement SPP

National governments undertake a broad range of activities to support and facilitate SPP implementation, as shown in Figure 12.

The most commonly implemented measures are the provision of information, guidelines and capacity building to help procurement practitioners integrate sustainability principles in procurement processes.<sup>30</sup> We may expect the use of guidelines and standards to further increase in the coming years, particularly after the recent release of the ISO 20400 Sustainable procurement – Guidance in April 2017.

30 When SPP guidelines and criteria are provided, their use in almost half of the cases is voluntary (46 percent), and in the other half, mandatory (46 percent). In two cases, both guidelines and criteria are mandatory for certain product groups or sustainability issues, but voluntary for others.



## About ISO 20400

A new standard, ISO 20400,<sup>31</sup> Sustainable procurement – Guidance provides guidelines for organizations wanting to integrate sustainability into their procurement processes. It was launched in April 2017.

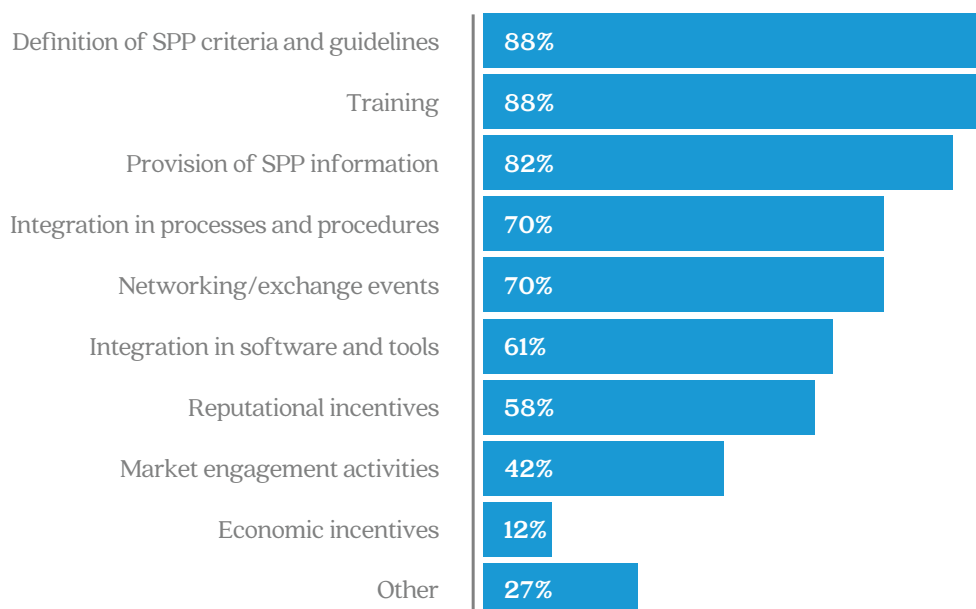
“Sustainable procurement is a key aspect of social responsibility, thus ISO 20400 complements ISO 26000, Guidance on social responsibility, by enabling organizations to contribute to sustainable development efforts by minimizing their impact on the environment, tackling human rights issues and contributing to society and the economy.”

From: [http://www.iso.org/iso/home/news\\_index/news\\_archive/news.htm?refid=Ref2105](http://www.iso.org/iso/home/news_index/news_archive/news.htm?refid=Ref2105)

Another measure applied by 70 percent of the national governments is the integration of SPP into existing procurement and management-related processes, procedures, and tools. This is followed by “knowledge sharing during networking events” and by “reputational incentives”. Other actions are also taken to encourage SPP. For example, the Government of the Republic of Korea uses green public procurement results as one of the measures to evaluate the annual performance of public entities and local government agencies. Economic bonuses are distributed based on performance results, and this has had a positive effect on green public procurement implementation.

Nordic European countries have been notable in their efforts to foster more sustainable and innovative procurement processes. Support activities in this region include the establishment of a “Partnership on Sustainable Public Procurement” in Denmark, a “Green Deal on Sustainable Public Procurement” in the Netherlands, a “National Programme for Supplier Development” in Norway, and a “Smart Procurement Programme” in Finland. More information on each of these programmes can be found in the respective *Factsheets on Sustainable Public Procurement in National Governments*.

**Figure 12. Common measures to support SPP implementation**



Some national governments also highlighted the importance of support from international agencies to promote SPP implementation. For example, Mongolia initiated its work on SPP with the support of UN Environment in the framework of the *Partnership for Action on Green Economy*<sup>32</sup> (consisting of experts from five UN agencies working closely with national government representatives) in a project on SPP

31 More information at: [http://www.iso.org/iso/home/store/catalogue\\_tc/catalogue\\_detail.htm?csnumber=63026](http://www.iso.org/iso/home/store/catalogue_tc/catalogue_detail.htm?csnumber=63026)

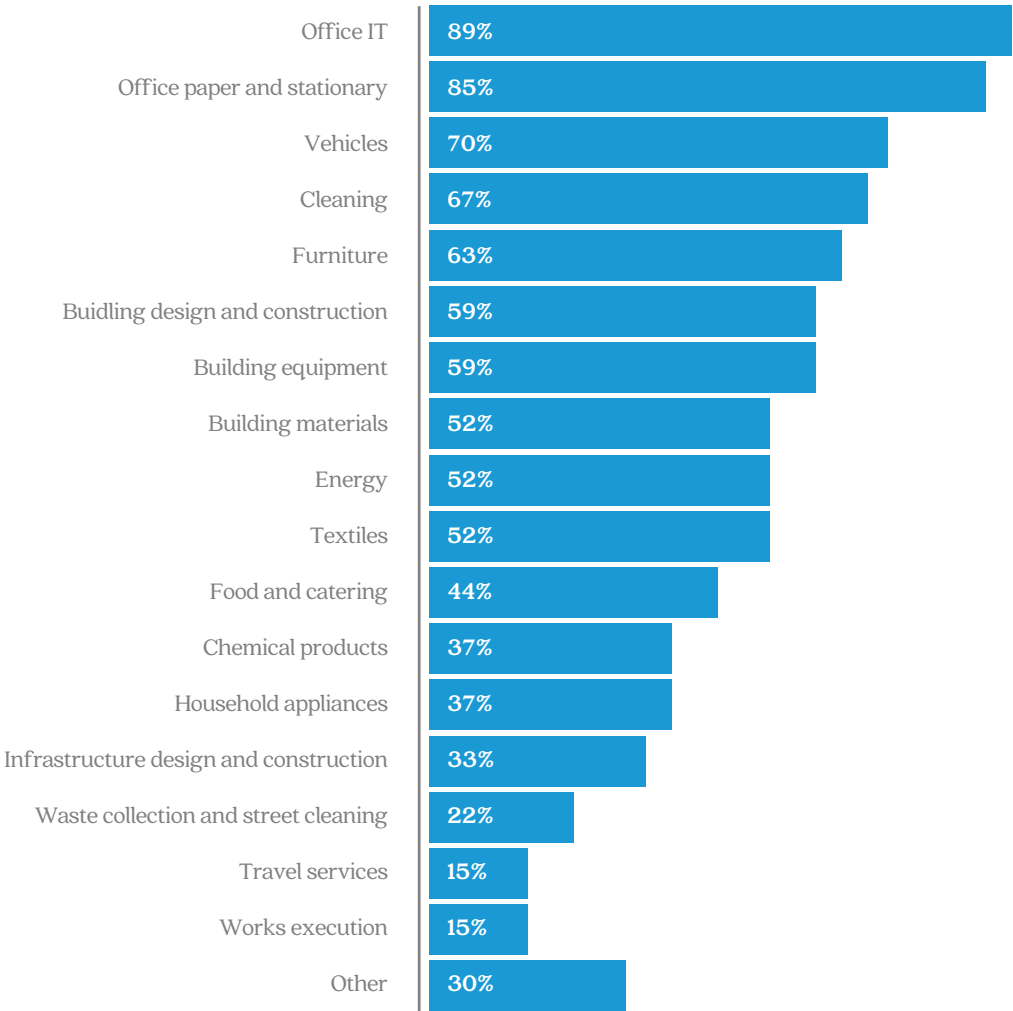
32 <http://www.un-page.org/about/who-are-we>

and green buildings. In Mexico, the government participates in a cooperation project with the German government and the member countries of the Pacific Alliance ([Sustainable Production and Consumption project](#)<sup>33</sup>) to implement SPP. Furthermore, it is also working with the Inter-American Network on Government Procurement (of the Organisation of American States, OAS) on a project to implement the Sustainable Public Procurement Manual for Procurers. In Argentina, the national government is working on the definition of measures to further promote SPP in the framework of the UN Environment-led, EU-financed project [Sustainable Public Procurement and Eco-labelling \(SPPEL\)](#) project.<sup>34</sup>

### Prioritization in SPP implementation

Even though environmental and socio-economic issues can be included in almost all, if not all, procurement opportunities, two thirds of the national governments with SPP commitments (that is 27 national governments) have prioritized certain categories of products, services, or works in which to implement sustainability criteria, as shown in Figure 13.

**Figure 13. Prioritized categories of products, services and works in participating national governments (multiple answers possible)**



First order priority categories are those that are often purchased centrally or for basic day-to-day operations, such as office IT, office paper and stationary, vehicles, cleaning products and services or furniture. The second group of priority categories is those with high expenditure related to building design and construction, including building equipment and materials, and energy. This contrasts with 2012, when construction was cited as the category for which guidelines had most frequently been developed. The increased focus on operational procurement or ‘common use’ categories may be resulting from the lower

33 <https://www.giz.de/en/worldwide/36061.html>

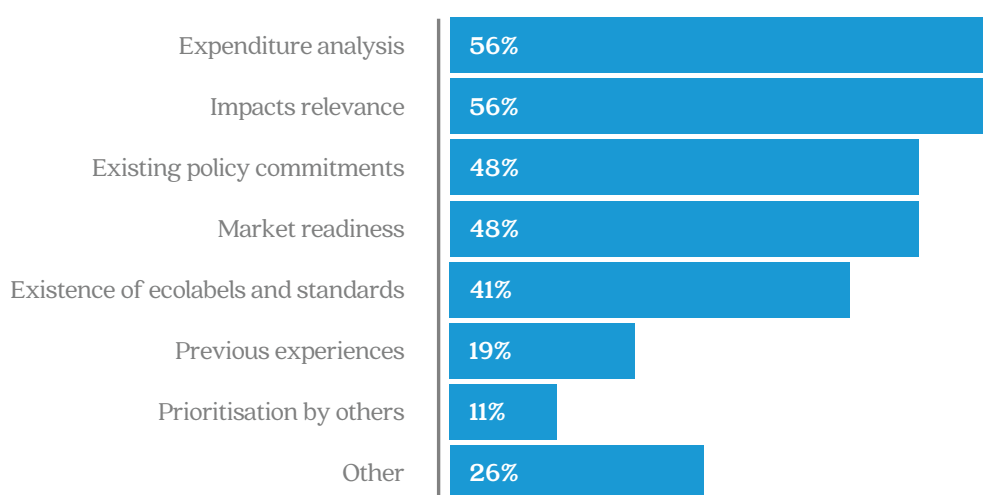
34 <http://web.unep.org/resourceefficiency/sustainable-public-procurement-and-ecolabelling>

complexity of introducing in public procurement greener versions of products such as green office supplies, energy efficient IT equipment, non-toxic cleaning supplies, and even alternative fuel vehicles.

In the category “other”, national governments mentioned products or services as diverse as event organization, gardening services, printing and graphic services and telecommunication services among others.

Diverse methods and criteria are used by governments to identify priority categories of products, services and works, as can be seen in Figure 14. Primary criteria are related to the materiality of the categories – that is their relevance both in terms of expenditure by the national government and sustainability impacts. Following closely are the existence of policy commitments and instruments that relate to the categories in question, the market readiness and response capacity to deliver sustainable alternatives in the country, and the existence of ecolabels and sustainability standards for those categories. Other prioritization criteria mentioned by some national governments include frequency in the use of the product or service, changing behaviour in the workplace and the capacity to show government leadership.

**Figure 14. Prioritization criteria used by participating national governments (multiple answers possible)**



In the coming years, we might see a shift in this approach. Identifying priority categories is typically done in the initial stages of development of SPP policies. Today, the focus of policy-makers seems to be moving towards inserting SPP provisions across all categories of products and concentrate on achieving wider environmental goals e.g. fighting climate change, achieving a circular economy etc.

#### **GOOD PRACTICE EXAMPLE: Market engagement to buy innovative and sustainable products in Norway**

The Norwegian national government procures goods and services worth about NOK 208 billion a year (around USD 25 billion). The new Government Procurement Centre (established on 1 January 2016) drafts and administers state framework contracts (SFC). The Norwegian government has since 1999 had SPP provisions for environmental issues, while social sustainability aspects, such as salary and working conditions for employees of state contractors, were integrated in 2008.

## The challenge

The Norwegian Government recognized that innovative solutions are necessary to promote a more efficient use of public resources, and that the procurement of sustainable goods and services can also create a more robust and competitive private sector in the country.

However, since this will not happen by itself, suppliers and buyers require training and guidance, as well as increased cooperation in the early stages in the procurement cycle.

## The solution

The National Programme for Supplier Development project (*Nasjonalt Program for Leverandørutvikling*) which is co-led by the Confederation of Norwegian Enterprise (NHO), the Norwegian Association of Local and Regional Authorities (KS), the Agency for Public Management and eGovernment (Difi) and 19 partners, was created in 2010 to promote the procurement of innovative products and services in state and municipal procurement processes. The National Programme for Supplier Development seeks to stimulate and encourage the production of innovative goods and services, and assist public entities in conducting innovative procurement processes. The focus is on the stage of the procurement cycle that takes place prior to the publication of a tender notice, and on promoting a dialogue with the market to gain knowledge on innovative approaches that can be implemented to best meet the procurement needs of public organizations. This dialogue also helps to communicate to the suppliers what the buyers' needs are, and encourages the emergence of research and development projects that could lead to pre-commercial procurement. Several pilot projects with a focus on low-carbon and green public procurement have already been conducted. Currently, a variety of platforms focused on different national challenges are emerging, with climate and energy as two main priorities. The platforms will serve as exchange spaces for procurement entities, suppliers, and research and development institutions.

## Lessons learned

A small and effective leading administration team including managers from the industry, the state and municipalities has been key to the success of the initiative. Another important factor has been the involvement of a wide variety of agencies, business organizations and stakeholders. This level of engagement at an early stage in the procurement cycle ensures that the work does not interfere with the typical competitive bidding process.

## The outcome

In 2014, the programme underwent a formal evaluation by an independent evaluator who noted that, since 2010, over 40 pilot projects have achieved benefits for both buyers and suppliers. The main benefit for the Norwegian society has been the creation of an effective method of innovation that leverages the procurement needs of the public sector as a motivation factor to implement sustainable and innovative products and solutions in the country.

**Learn more about the National Programme for Supplier Development at:**

<http://leverandorutvikling.no/for-naeringslivet/category705.html>

## 2.3 MONITORING AND EVALUATION OF SPP IMPLEMENTATION

**Monitoring and evaluation demonstrate political commitment, contributes to keeping each agency accountable, and enhances transparency when results are communicated.**

Monitoring and evaluation allows policy makers to make better-informed decisions and helps managers improve programme efficiency. In addition, monitoring and evaluation demonstrate political commitment, contributes to keeping each agency accountable, and enhances transparency when results are communicated.<sup>35</sup> Monitoring and evaluation is also an important factor in making the business case for SPP, thus ensuring that it is a priority activity by decision-makers.

To identify SPP monitoring practices at the national government level, we inquired about governments' SPP monitoring and evaluation systems, that is whether they have them in place, the type of issues monitored, indicators calculated, data gathering sources, etc.

As in 2012, national governments continue to find challenges in monitoring the adoption of SPP, and, even more so, in measuring

outcomes achieved through SPP. However, many countries have made some progress, and more are adopting specific SPP measurement practices.

### National governments monitoring SPP and reporting results

Of all the countries with SPP commitments that responded to the survey, 27 national governments (66 percent) currently monitor the implementation of SPP. Although not statistically comparable, this is a notable increase from the 49 percent that reported conducting monitoring on SPP in 2012. At the global level, both Canada and the United States of America monitor SPP, as well as 15 European countries and six out of the nine Asian governments and four out of the eleven governments in Latin America and in the Caribbean that responded to the questionnaire. These results are not unexpected, given the relatively more recent uptake of SPP in most Asian and Latin American countries, compared to those in Europe and North America.

It is notable, however, that several countries in Asia, particularly those that were early adopters of SPP, have been very progressive in the monitoring processes, and in some cases in the indicators that they have adopted. For example, the Republic of Korea tracks both the purchase of green products and services and the purchase from preferred companies, both in absolute and percentage terms. The Korean government then uses this data to estimate the sustainability impacts of their SPP efforts, including the reduction in CO<sub>2</sub>-equivalent emissions and the economic benefits related to CO<sub>2</sub> emissions reductions. Similarly, the government of Japan measures several indicators related to expenditure on eco-friendly goods and services, and estimates the greenhouse gas reductions achieved from SPP (See the Factsheets for Korea and Japan for more details in *Factsheets on Sustainable Public Procurement in National Governments*).

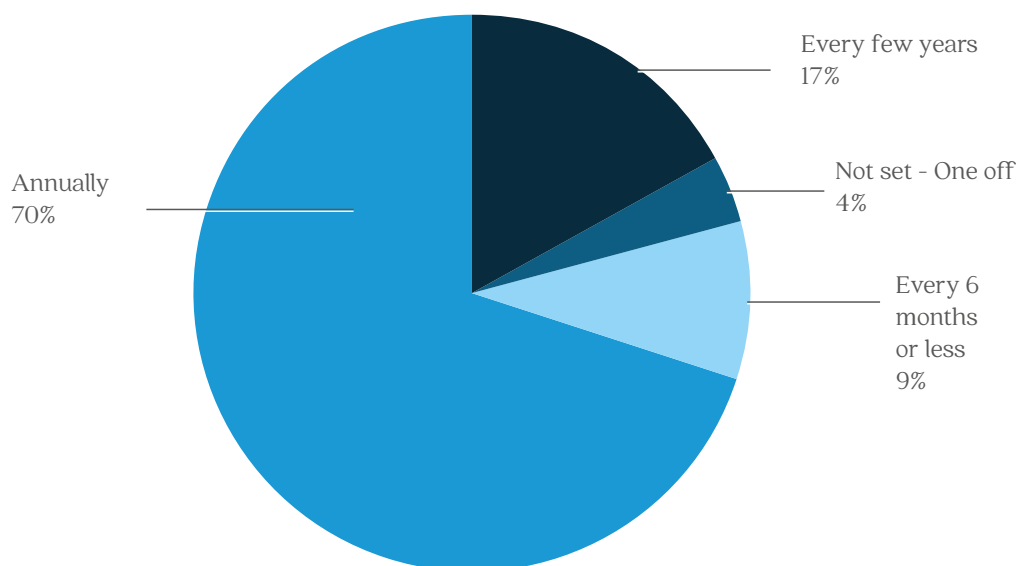
Out of the 27 national governments that monitor SPP, 23 national governments have policies dedicated to SPP in place. The remaining four measure instead SPP implementation based on commitments stated in other policies or procurement regulations. Twenty national governments (74 percent of those that monitor SPP) also have explicit SPP targets - either quantitative or qualitative.

As shown in Figure 15, the frequency of the monitoring exercises is annual for 16 national governments. Four national governments monitor results every few years (at least every two to four years). In two cases, the frequency is either significantly higher – peaking with monthly monitoring in Chile – or conducted on a one-off or *ad hoc* basis. Sixteen national governments (59 percent) publish results on SPP, whereas 11 national governments do not.

35 Ecoinstitut (2016). *Monitoring Sustainable Public Procurement Implementation. Recommendations and Case Studies*. 10YFP Sustainable Public Procurement programme: <http://www.spcclearinghouse.org/resource/monitoring-sustainable-public-procurement-implementation>.



Figure 15. Frequency of the monitoring exercises



### Aspects of SPP monitored by national government

National governments monitor different aspects of SPP based on their unique policies, priorities, and the objectives of their monitoring exercises. These aspects can be classified into three main areas, as defined in the report “Monitoring Sustainable Public Procurement Implementation Recommendations and Case Studies” of the 10YFP Sustainable Public Procurement Programme:<sup>36</sup>



- **Institutionalization** refers to the process and actions undertaken by an organization to integrate and embed SPP in that organization’s culture and daily operations.
- **Outputs** are the direct results of the procurement activities and can be divided into four groups: i) procurement processes (tenders, contracts, procurement orders) including sustainability criteria; ii) sustainable products, services or works purchased; iii) contract with or purchase from preferred companies; and iv) direct generation of employment opportunities, the latter being an output as well as an outcome.
- **Outcomes** are the benefits to, or impact on, the environment and society generated by the SPP practices.

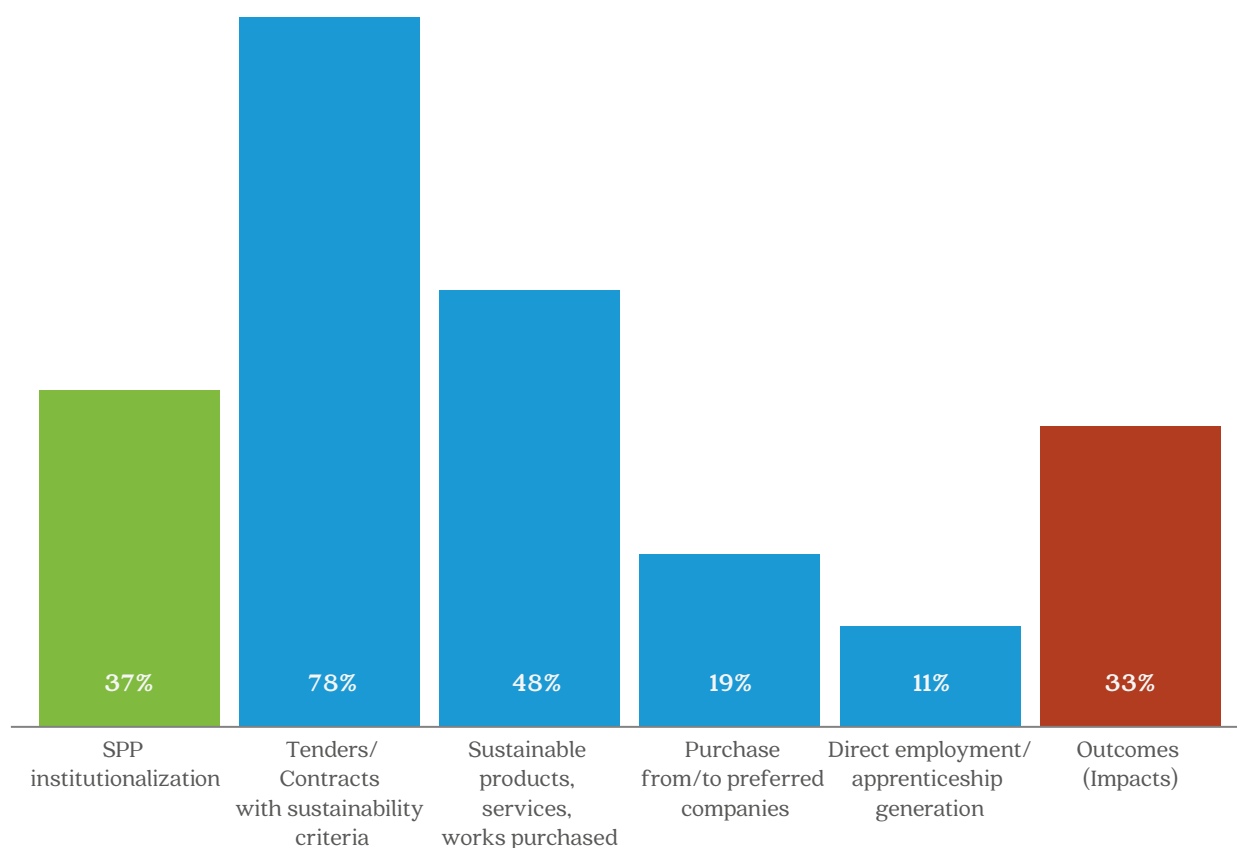
Of the 27 national governments that monitor and evaluate SPP implementation and results, almost all of them (96 percent, 26 national governments) monitor at least outputs. As shown in Figure 16, about one third of governments only monitor institutionalization (ten national governments), and a similar proportion evaluates outcomes (nine national governments). All the national governments monitoring SPP institutionalization (*process*) and outcomes (*benefits/impact*) have dedicated SPP policies, and 85 percent of national governments that monitor outputs (*procurement activities*) also have such dedicated SPP policies in place.

<sup>36</sup> Ecoinstitut (2016). *Monitoring Sustainable Public Procurement Implementation. Recommendations and Case Studies*. 10YFP Sustainable Public Procurement programme: <http://www.spclearinghouse.org/resource/monitoring-sustainable-public-procurement-implementation>.

One strategy to succeed in SPP monitoring is to focus on a few specific priority products or service categories. For example, in Germany, specific quantitative targets have been set under the National Programme on Sustainability.<sup>37</sup> Among them are the following:

- Increase the procurement of recycled paper complying with the ecolabel “The Blue Angel” to 95% by 2020.
- The average emissions of official car fleet should be 110 g CO<sub>2</sub>/km until 2018 and 95 g CO<sub>2</sub>/km by 2020.
- Increase the procurement of sustainable textiles (e.g. certified with “The Blue Angel”) to 50% by 2020.

**Figure 16. SPP aspects monitored by national governments**

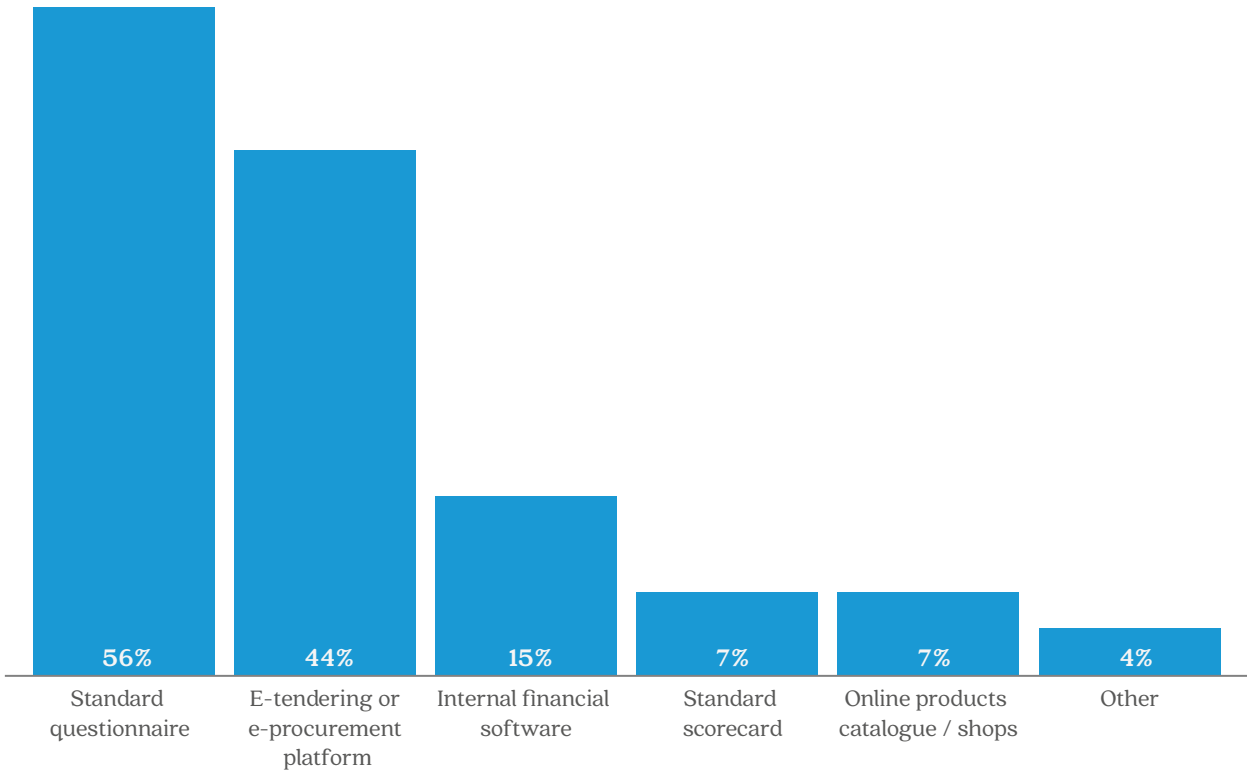


### Methods and tools to gather SPP data

As shown in Figure 17, when monitoring SPP institutionalization and outputs, the two most commonly used data-gathering methods are standardized questionnaires and e-procurement platforms, which range in complexity from electronic bulletins, where simple tenders and contract notices are posted, to full e-procurement systems in which the whole procurement process is conducted. Mexico, for example, monitors the economic value of purchases made from preferred companies through *CompraNet*, the e-procurement platform where Federal authorities publish their procurement processes (please see more details in the Factsheet for Mexico in the *Factsheets on Sustainable Public Procurement in National Governments*). Other tools used include internal financial software, online product catalogues, scorecards, or plans and performance reports.

<sup>37</sup> More details are available at [https://www.bundesregierung.de/Content/DE/\\_Anlagen/2015/03/2015-03-30-massnahmenprogramm-nachhaltigkeit.pdf?\\_\\_blob=publicationFile&v=3](https://www.bundesregierung.de/Content/DE/_Anlagen/2015/03/2015-03-30-massnahmenprogramm-nachhaltigkeit.pdf?__blob=publicationFile&v=3) and in the SPP Factsheet for Germany in the *Factsheets on Sustainable Public Procurement in National Governments*.

Figure 17. Tools used to gather and/or report SPP implementation data



The data sources used to estimate SPP outcomes vary depending on how these outcomes are calculated. In some cases, such as in Japan and in the Republic of Korea, the national governments estimate impact based on the quantity of green products, services and works purchased. In other cases, such as in the United States of America’s Federal Government, SPP outcomes are evaluated indirectly based on energy, water, and fuel consumption performance indicators reported through scorecards. A third approach used in countries such as Denmark, is to estimate benefits for specific case studies to showcase the positive impact of SPP.

**Indicators used to measure and evaluate SPP results**

**When estimating SPP outcomes, the indicators mentioned most frequently are greenhouse gas emissions reduction, job creation, and cost savings.**

A variety of indicators are tracked by national governments to monitor SPP institutionalization. These include: the percentage of staff that include SPP in their performance evaluations, the percentage of procurers trained in SPP, the number of local authorities with SPP policies or that are addressing SPP, and the number of product groups for which SPP criteria have been developed.

National governments monitor SPP outputs – which may include the measurement of procurement with sustainability criteria, sustainable products purchased, or purchases from preferred companies – both in number of transactions and in economic volume (eight and thirteen national governments respectively). These figures are expressed either in absolute terms, as a percentage of the total volume of procurement, or as a percentage over prioritized product groups.

When estimating SPP outcomes, the indicators mentioned most frequently are greenhouse gas emissions reduction (four national governments), job creation (two national governments), and cost savings (two national governments). They are summarized in Figure 18.

Figure 18. Type of indicators used by national governments to estimate SPP outcomes

ECONOMIC	SOCIAL	ENVIRONMENTAL
Costs savings Economic benefits	Job creation Hours worked by protected workers Number of people benefiting	Green House Gas reduction Water saving Energy saving

### GOOD PRACTICE EXAMPLE: Effective SPP monitoring with an e-procurement platform - Argentina's SIBYS system

#### About the organization

The mission of the *Oficina Nacional de Contrataciones (ONC)*, Argentina's national office responsible for procurement policies, is to strengthen the efficiency, effectiveness, simplicity and sustainability of Argentinian national government. The ONC manages an estimated yearly procurement of approximately USD 2.5 billion. The ONC manages the e-tendering portal *Argentina Compra*, utilised by the national government, and all ministries, security forces, hospitals and other entities of the national government. The portal can also be used by state-owned companies, private companies and other authorities such as provinces and cities. *Argentina Compra's* e-procurement system, *Sistema de Identificación de Bienes y Servicios (SIByS)*, was created in 1997 to establish common criteria to use when purchasing goods and services, and to improve the classification, coding, and tracking of both mobile and stationary property.

#### The challenge

The ONC recognized the need to better integrate sustainability considerations into management and procurement-related software and tools. The challenge was to integrate reliable information into the existing and most used platforms rather than to establish a stand-alone system.

#### The solution

The SIByS catalogue was chosen, as it includes a unique code number for each good or service purchased and owned. The catalogue also usefully connects to a Supplier Information System (SIPRO) for the registration and monitoring of suppliers.

Today, the SIByS system includes information about the environmental sustainability of products, which enables *Argentina Compra* to evaluate the volume and cost of the green products and services procured by different agencies. To identify the green products and services within the system, *Argentina Compra* made an analysis of the main procurement categories, conducted market surveys, and organized meetings with relevant stakeholders, including suppliers and service providers. The developed criteria and guidance were incorporated into a manual and are also disseminated during events, on websites and in online training courses organized for suppliers, purchasers, NGOs, and citizens. A help-desk service answers queries, and complements the platform.

In addition, the ONC is now streamlining SPP provisions into special processes such as framework agreements and reverse auctions for goods and services such as computers, scanners, packaging, office paper, cars, trucks, appliances, computer accessories, furniture, amongst others. Going forward, sustainable and green criteria will be identified for new products and services such as housekeeping, waste management and catering services, using the established process for the development of criteria.

### The outcome

In 2015, sustainable products or services from the SIByS represented approximately 14 percent of the \$2.5 billion in spend. This is expected to grow in the future thanks to the incorporation of sustainability principles into framework agreements.

### Lessons learned

The ONC has been pleased with the initial results from the use of the new platform, which were above initial expectations. Political support and the legal recognition of the criteria played an essential role in achieving this result. The ONC has recommended the formulation of a policy or legislation that requires the creation of a catalogue for goods and services for public procurement, and that integrates sustainability criteria using standardised codes and existing platforms. Given the wide variety of sustainability criteria that could be implemented across different categories of products and services, the programme found that it was important to establish clear definitions and procedures for selecting sustainability criteria. Key to the success of this programme was the meaningful engagement of suppliers, who appreciated the ability to provide input on the identification of green products and services and provided information accordingly. Additional informational tools such as manuals, events, help-desk and training courses contributed to raising awareness among key stakeholders about the programme.

### Learn more about SIBYS at:

[https://www.argentinacompra.gov.ar/prod/onc/sitio/Paginas/Contenido/FrontEnd/documentos/SSTG-Manual\\_Unico\\_de\\_Procedimiento\\_de\\_Catalogacion.pdf](https://www.argentinacompra.gov.ar/prod/onc/sitio/Paginas/Contenido/FrontEnd/documentos/SSTG-Manual_Unico_de_Procedimiento_de_Catalogacion.pdf)

<https://www.argentinacompra.gov.ar/prod/onc/sitio/Paginas/Contenido/FrontEnd/index2.asp>



## 2.4 CHAPTER CONCLUSIONS

### SPP policy framework

**The policy foundation for SPP is solid.** All 41 participating national governments reported SPP commitments and provisions in either a sustainable or 'green' procurement policy or in other organizational policies, e.g. general procurement regulations or environmental policies. Compared to the *2013 Global Review*, the inclusion of SPP as a key organizational process has increased in all policy arenas e.g. in sustainable development strategies it increased from 19 percent to 32 percent, in sustainable consumption and production policies from 8 percent to 26 percent.

**Countries are using different policy vehicles to integrate SPP, where possible.** SPP policies vary widely across national governments depending on their sustainable production and consumption or sustainability objectives. In many cases, the mandate for SPP comes from other sustainable development policies that almost always reference public procurement as a mechanism to facilitate action and impact. **SP policies are still most commonly associated with environmental concerns, but a broader scope is increasingly being used.** Most national governments do not have a single, comprehensive SPP policy that covers the complete range of sustainability issues; but rather have several distinct policies that cover specific environmental and socio-economic issues. In some cases, national SPP policies cover environmental aspects only, which suggests the continued predominance of green public procurement. At the same time, the trend appears to be towards broader and more inclusive definitions of sustainability. In comparison with 2012, social issues such as equity and diversity seem to be on the rise.

**The shift toward strategic procurement is an opportunity to drive SPP impacts and results.** In the coming years, we may see a shift towards a focus on a general professionalization of the procurement function and its broad use as a tool for sustainability policy advancement. Although SPP is now more integrated across organizational policies, there continues to be a sense that procurement is most often seen as transactional, rather than strategic, and this poses a challenge to the full integration of SPP and to the progress that can be made. As procurement becomes more strategic, SPP activities are likely to rise in prominence.

As in the *2013 Global Review*, **the responsibility for policy development and implementation continues to lie predominantly in Environment and Finance ministries.** In nearly all cases, the same ministries or agencies that lead the development of the SPP policies are also leading its implementation. While Environment ministries have a critical role to play championing and supporting SPP programmes, they cannot be solely responsible for implementation. SPP exists at the nexus of environmental and financial policies; accordingly, implementation needs to be a partnership between the Environment and Finance ministries.

**As measurement capabilities mature, SPP targets should evolve and become more ubiquitous.** Many national governments have set specific SPP targets, most of which are quantitative targets, focusing on the share of total public procurement that takes sustainability criteria into account. Indicators and targets vary widely and are defined differently within each national government. However, most national governments are struggling to measure these activities due to the difficulty to include sustainability concerns in existing financial and procurement reporting systems.

**SPP is being implemented under both mandatory and voluntary frameworks.** The results on the extent to which SPP policies are mandatory or voluntary do not differ substantially from the *2013 Global Review*. The latest policies and those that have been recently revised keep a similar proportion of mandatory, voluntary and a mix of both mandatory and voluntary implementation. Notwithstanding this continued trend, it is typically observed that mandatory policy frameworks for SPP are more effective in driving implementation, since they do not depend as heavily on the initiative of individual ministries, departments or procurers to participate in SPP, and instead set an obligation that all must adhere to regardless of personal interest. Therefore, although voluntary SPP policies may achieve significant uptake and results over time, countries with mandatory procurement policies can be expected to attain more rapid results.

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## SPP implementation activities

**Ensuring that staff has the knowledge to get the job done is a priority issue.** When implementing SPP, the provision of information, guidelines, and training are typically the most important activities for all national governments, even for those with a longer history of working on SPP. We may expect the use of guidelines to increase even further in the coming years, also thanks to the recent release of the new ISO 20400 sustainable procurement standard.

**The transformation of procurement processes offers an important opportunity to advance SPP.**

Other often mentioned activities are the integration of SPP into public procurement processes and procedures and into software and e-procurement tools, as described in the Argentina good practice example. However, such integration is not always at a broad scale and often only concerns some departments or agencies within the government. As more national governments begin to transition to e-procurement and other streamlined solutions, the opportunity should be seized to ensure that SPP is fully integrated into new processes and procedures.

**SPP priority categories are a mix of those that can be more easily controlled at a central level, and those that have high financial and sustainability risks or opportunities.** Most national governments have developed criteria and guidelines for categories of products, services, and works in which SPP implementation is prioritized. Criteria have been developed both for categories that are purchased centrally or used for regular operations such as office IT, office paper and stationary, vehicles, cleaning products, and services, or furniture, and for high impact and expenditure categories, such as those related to building design, construction including building equipment and materials, and for energy.

**There is a growing international collaboration on SPP and countries are leveraging these opportunities.** Some national governments highlighted the role of, and support from international agencies to promote SPP implementation in their national governments, showing the commitment of the international community to SPP.

## SPP monitoring

**Monitoring continues to be a challenge, but countries are making some progress.** Disclosure of SPP results varies widely, with 41 percent of national governments not yet publishing results. At the same time, compared to 2012, more national governments appear to be measuring SPP policy implementation and results.

**Having an SPP policy appears to drive specific monitoring and evaluation activities.** As per the data, governments that have formulated an official SPP policy are also more likely to have a monitoring and evaluation system in place to evaluate the results and outcomes. As more and more countries formalize their policy commitments to SPP, monitoring and evaluation activities should also rise.

**SPP procurement activities (outputs) are still monitored more than institutionalization or outcomes.** Output indicators were found to be the most common type of indicator used. Monitoring activities will likely increase, as e-procurement systems become the norm and measurement more automated. Integrating processes into the procurement cycle that allow for such data to be collected will be a key step toward improved monitoring. Estimating or calculating the sustainability benefits of SPP remains a significant challenge.





3.

## Global trends in sustainable procurement

### 3. Global trends in sustainable procurement

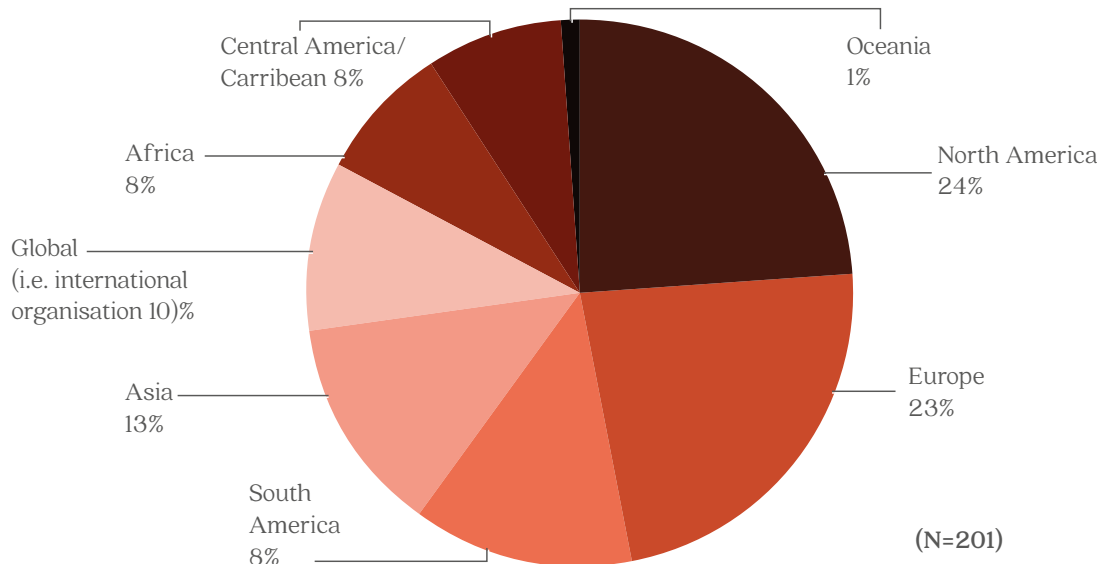
Sustainable procurement (SP) practices are not limited to national government agencies. In fact, some private sector and other NGO organizations are also showing global leadership with their sustainable public procurement (SPP) practices. Not surprisingly, the way SP is implemented varies widely across organizations, as do the drivers, risks, barriers, and anticipated outcomes. To better understand this organizational variation, a stakeholder survey on SP was conducted between May and June 2016. Survey respondents expressed their perceptions and opinions on SP trends in both their organizations and in their countries.

#### 3.1 ABOUT THE STAKEHOLDER SURVEY PARTICIPANTS

A total of 201 individuals completed the survey, from 62 countries and 186 different organizations.<sup>38</sup> Participants were spread across regions and organization types. Details on the research steps taken, limitations, the survey questions asked, and a survey glossary can be found in Annex 3. Survey participants had varying levels of experience in sustainable development and in procurement. Many had worked in the two fields for an extended period, although participants were more likely to have accrued long-term experience in sustainable development than in procurement. Forty-four percent of survey participants have worked in sustainable development for more than ten years and 30 percent for five to ten years. By contrast, only 35 percent of respondents reported having worked on procurement for over ten years, while 30 percent have worked in the field for five to ten years.

As shown in Figure 19, survey participants are based in many different world regions, the most represented regions being the United States of America (with 24 percent of respondents) and Europe (23 percent).

Figure 19. Stakeholder survey participants by world region

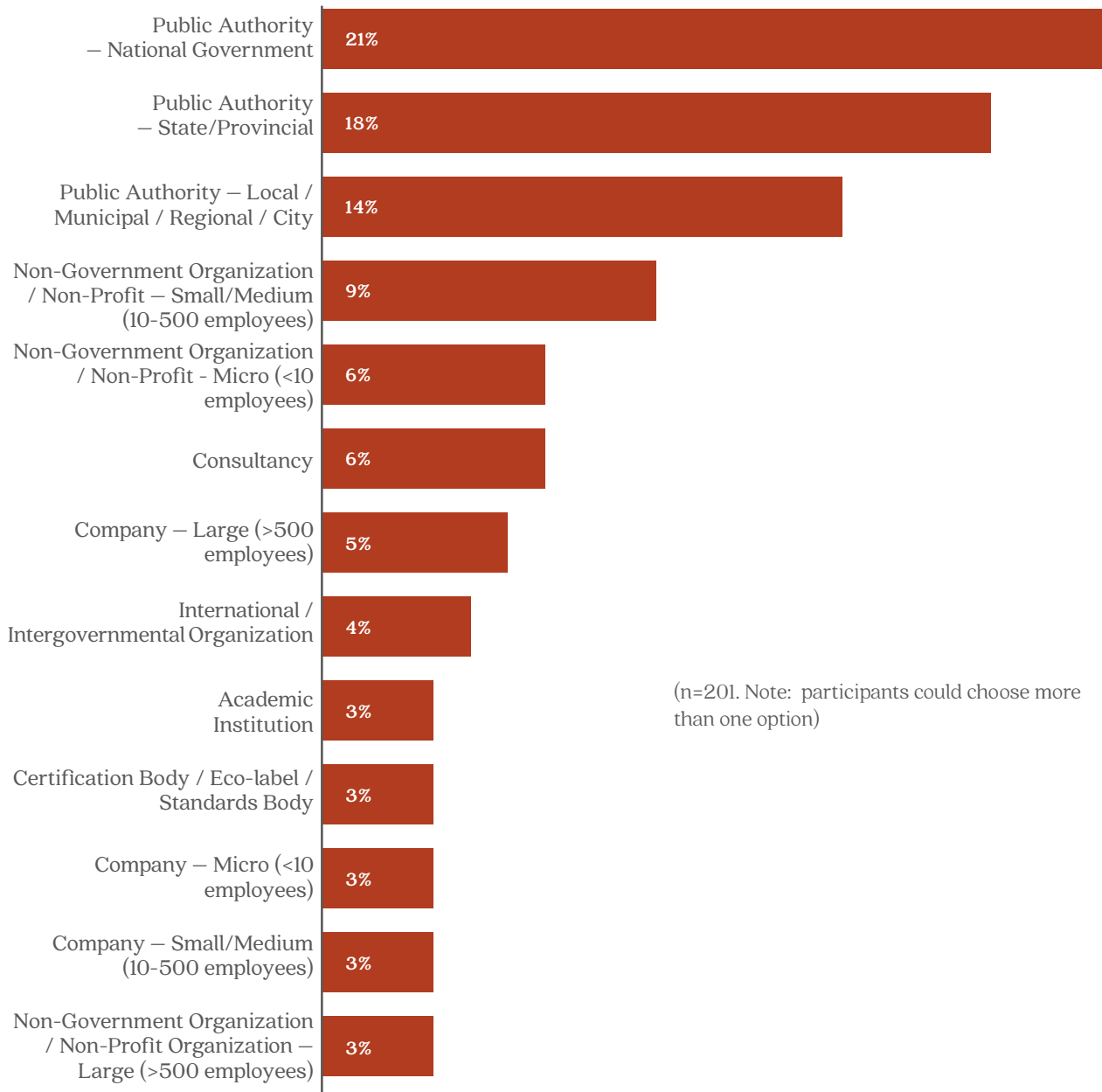


<sup>38</sup> A list of these organizations is provided in Annex 7



Survey participants were also working in a range of different types of organizations, as shown in Figure 20. The largest group of survey participants works in public authorities, with 51 percent of participants representing a national, state, provincial, or local authority.

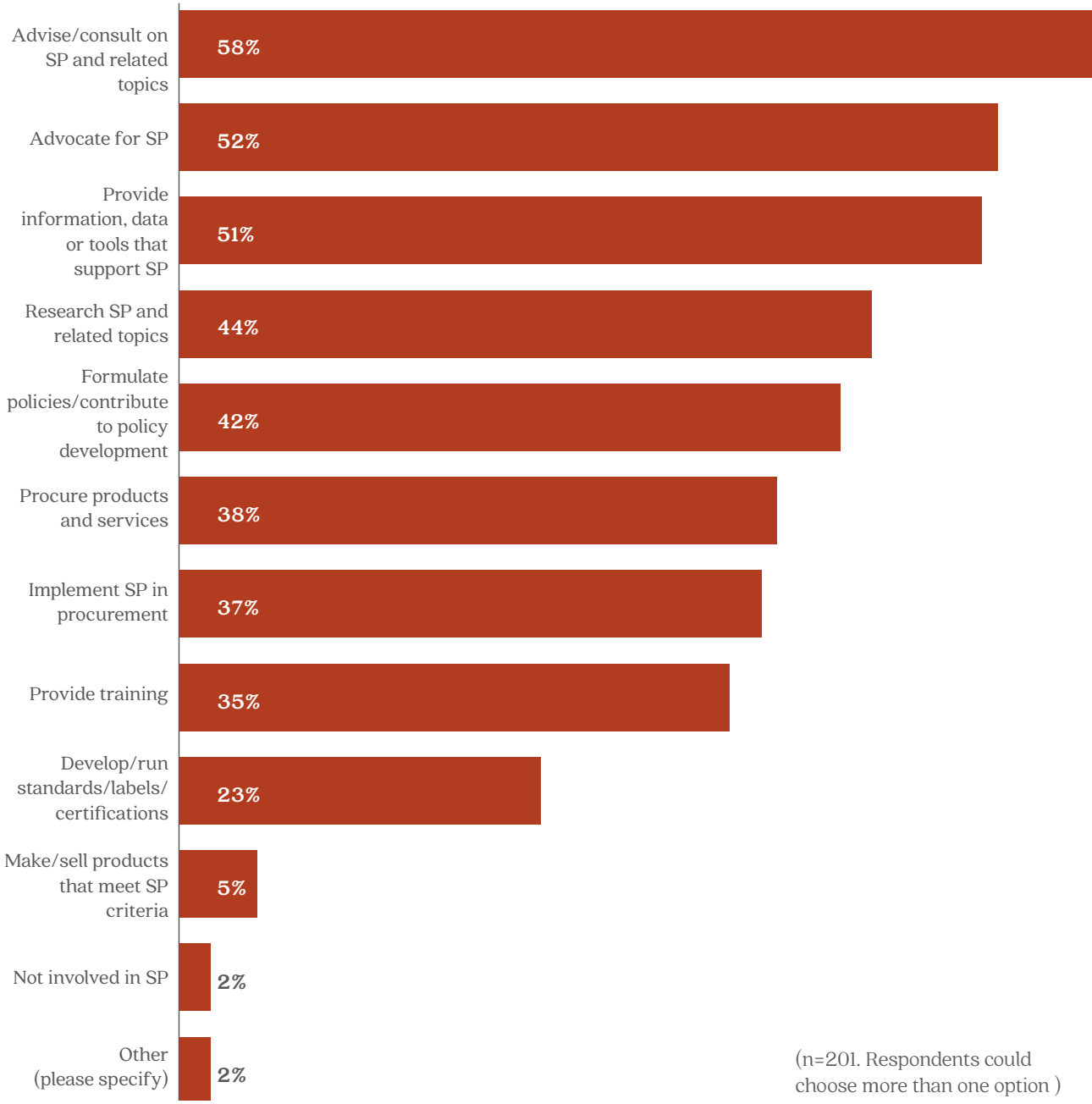
**Figure 20. Stakeholder survey participants by organization type**



Survey respondents contribute to the development of SPP in a variety of ways. As shown in Figure 21, the most common role of survey participants was to 'advise or consult on SPP and related topics', followed by 'providing information and tools that enable it'. Far fewer survey participants were specifically responsible for procurement in their organization.



**Figure 21: Activities run by survey participants to advance SPP**



### 3.2 TRENDS IN SP

#### Terms and activities classified as “sustainable procurement”

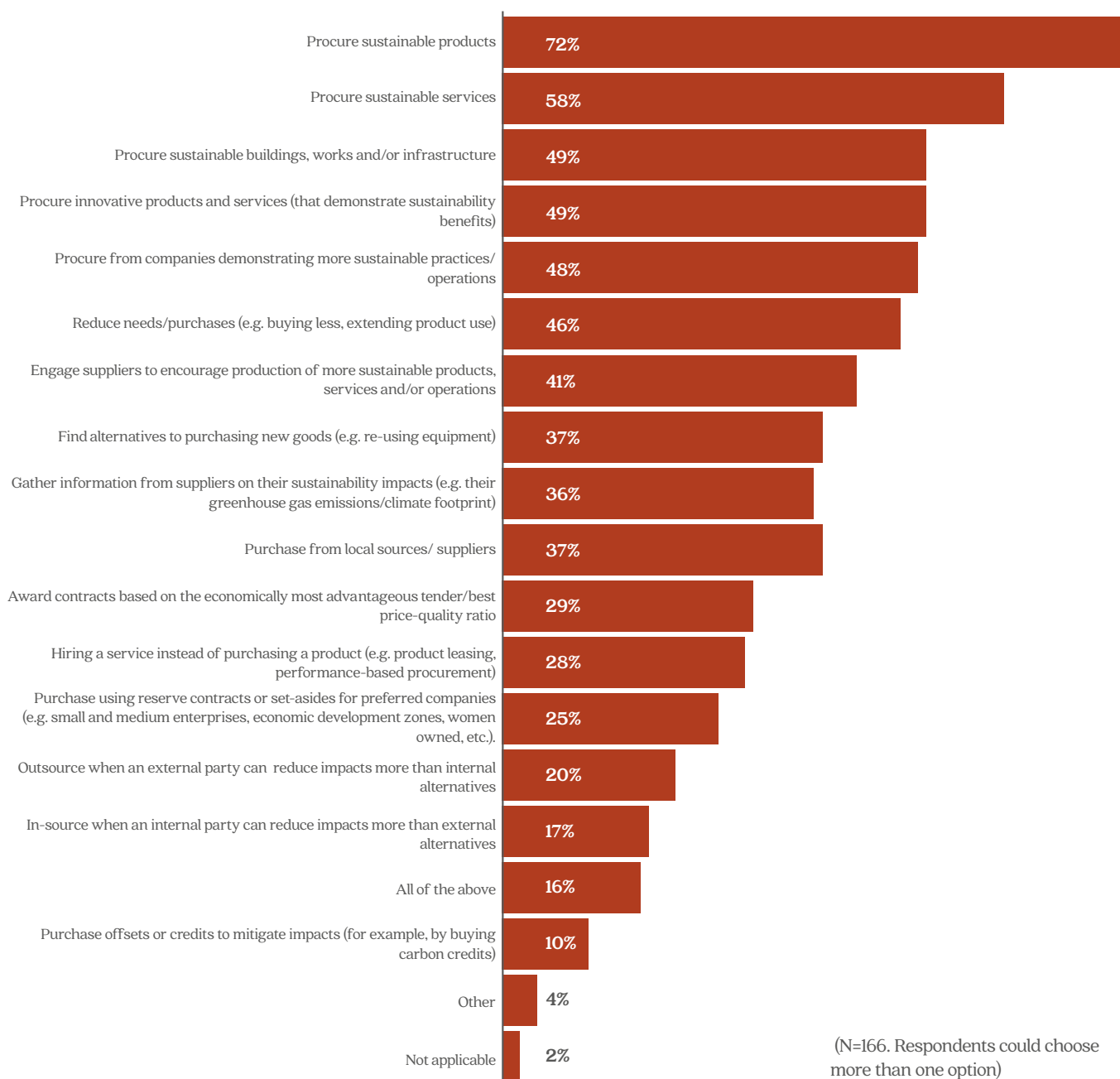
The term “sustainability” covers a variety of socio-economic and environmental issues. To uncover what various organizations are including under the terms “sustainable procurement” and “sustainable public procurement”, stakeholders were asked what these terms encompassed, according to their organization’s definition. Fifty-one percent of survey participants reported that, in their organizations, SP encompasses social, environmental and economic factors. This is a lower percentage than in 2012.<sup>39</sup> However, this is likely due to the mix of participating respondents, rather than any trend away from this broader definition of SPP. Other participants reported a focus on one or two categories, with environmental issues being selected the most often across all types, as was the case in 2012.

39 UNEP, 2013, Sustainable Public Procurement: A Global Review 2013: <http://www.spclearinghouse.org/resource/sustainable-public-procurement-global-review-2013>

The terms used to describe SP vary as well, and responses suggest strong regional preferences in terminology. As in 2012, “sustainable procurement” and “green procurement”, and their equivalent terms in Spanish, continue to be the most frequently used terms to broadly describe the activity of incorporating environmental and possibly social issues in the procurement process. In 2016, “sustainable procurement” was reported most often as the term of choice in participants’ organizations across all regions, followed by “green procurement”. “Environmentally preferable procurement” and “responsible procurement” are more popular in North America than other regions; “socially responsible procurement” and “circular procurement” were more popular among European participants; “eco-friendly procurement” and “low carbon procurement” were more popular among Asian participants.

Survey participants were asked to identify the types of activities that are considered part of SP within their organizations. As shown in Figure 22, the three most commonly cited SP activities are “procuring sustainable products”, “procuring sustainable services”, and “procuring sustainable building/works”. The fourth most selected activity was “procuring from companies that demonstrate more sustainable practices at an enterprise level”. This means that for many stakeholders, SP activity is primarily associated with the consideration of *what* they buy, and then secondarily associated with some consideration of *from whom* they buy. The optimization of procurement processes is less frequently associated with SP – for example, taking a strategic or category-management approach to SP to increase efficiency. These patterns persist across different regions and types of organizations.

**Figure 22: Actions defining SP according to survey participants**

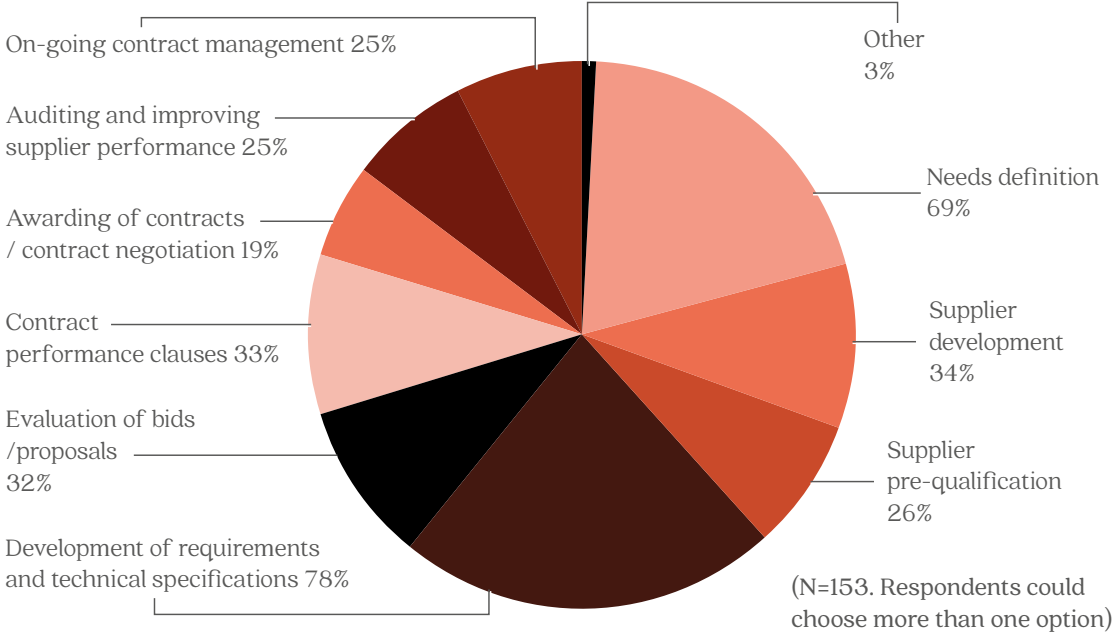


### Opportunities to integrate sustainability into the procurement cycle

In most organizations, the procurement process follows a standard set of steps from needs identification, procurement planning, specifications, issuing bid documents, evaluating responses, negotiating and contract management. In the public sector, this process is usually formalized in a set of standardized procurement procedures that are typically defined by law. There are many opportunities to improve how sustainability is considered throughout the procurement process, including finding alternatives to buying new goods, or improving suppliers' operations through engagement. To uncover the most effective methods of integrating sustainability into procurement, survey participants were asked: "In which stages of a typical procurement cycle do you think it is most effective to implement sustainable procurement considerations?"

Figure 23 shows that 78 percent of participants considered the "development of requirements and technical specifications" as the most effective stage at which to implement sustainability into procurement, followed by "needs definition," which was chosen by 69 percent of participants. These two stages were also the most frequently chosen in 2012. The 2016 findings may be somewhat skewed as a result of the sample including a very large number of representatives from public authorities (national, state or local), who were more likely to choose "needs assessment" than participants from other types of organizations. By comparison, participants from private-sector companies, large or small, were more likely to choose "supplier development", "pre-qualification," and "contract management".

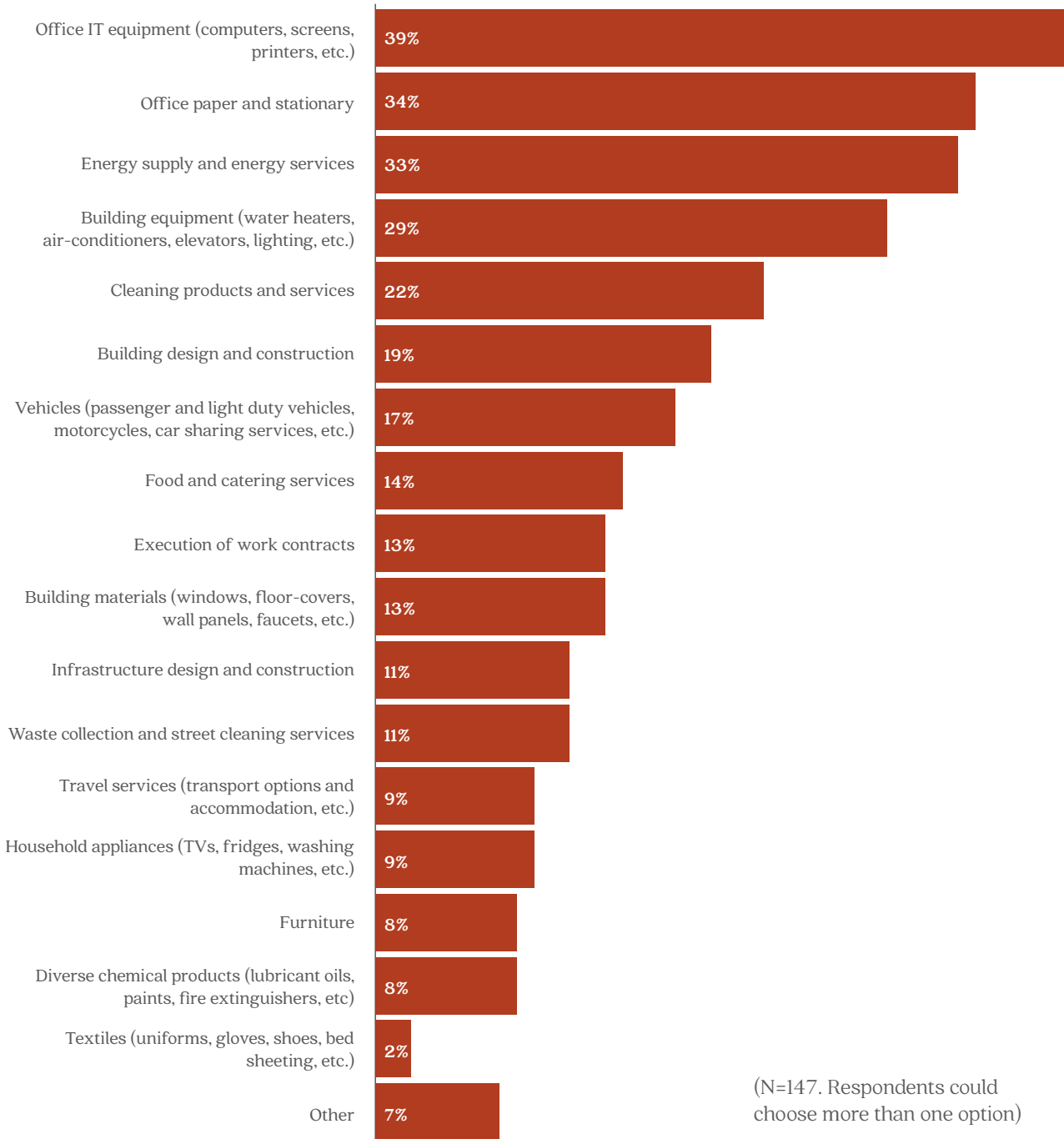
**Figure 23: Stages of the procurement cycle at which it is most effective to implement SP considerations.**



## Priority product and service categories

We asked survey participants to identify the particular product or service categories that they believe should be a priority for SP in their organization. “Office IT equipment” was the most commonly chosen category, followed by “office paper and stationary”, and “energy supply/energy services”, as shown in Figure 24.

**Figure 24: Priority product and service categories in which to apply SP practices according to survey respondents**



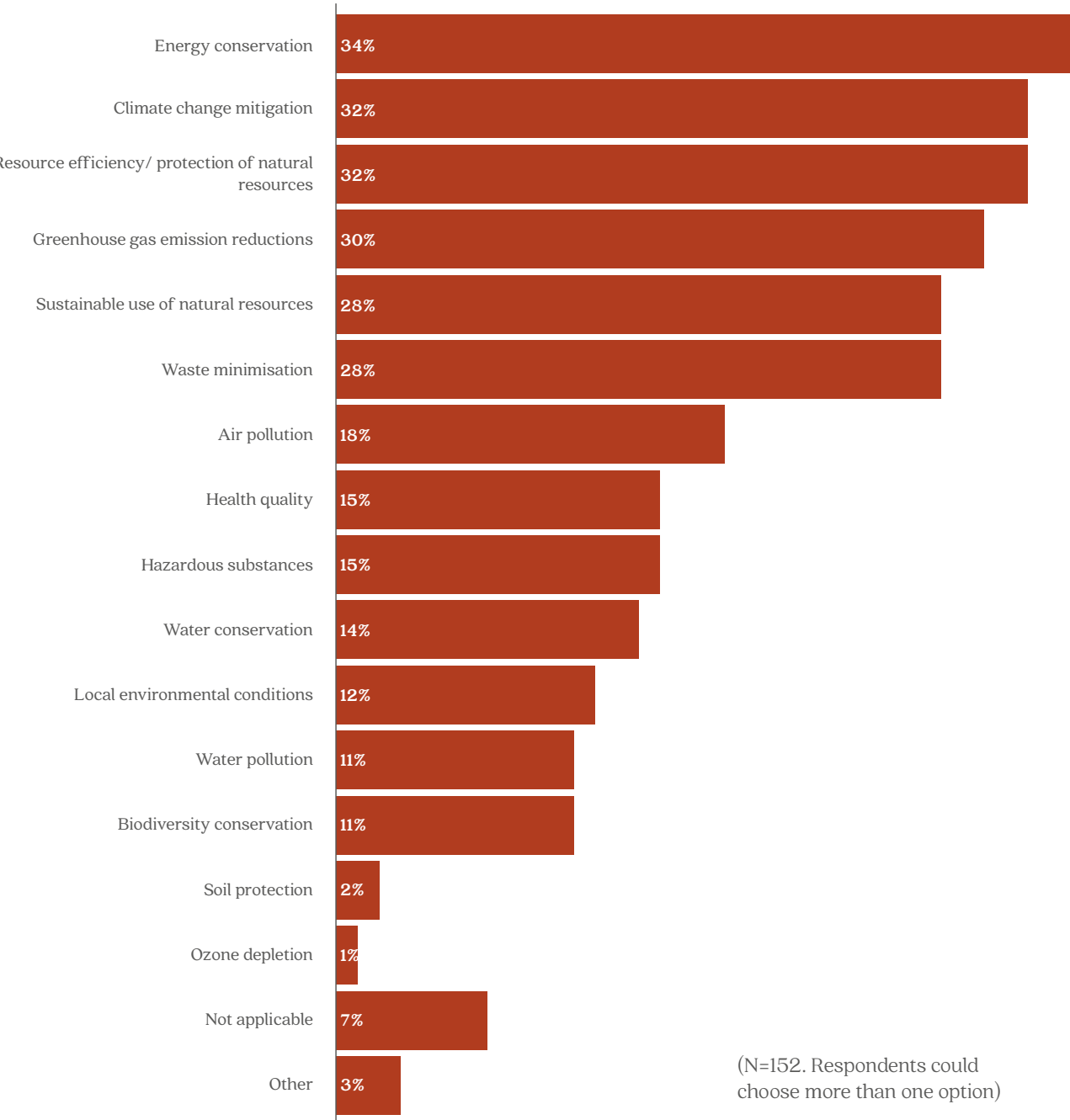
## Priority environmental and socio-economic issues

Sustainability is a diverse subject, encompassing a wide range of environmental and socio-economic issues. Organizations often prioritize issues to reduce complexity, and ideally, to focus on those issues that are critical to them. Survey participants were asked, “In your opinion, which three environmental issues should be a priority for sustainable procurement activity for your organization?” It should be noted that, rather than asking

respondents to identify their organizations' actual priorities, we asked for their opinion on the issues they believe *should* be prioritized.

Resource use, including energy resources, and pollution at both the global and local scale are major concerns around the world. Figure 25 shows that three of the five highest priority environmental issues identified were energy and climate change-related, with “greenhouse gas emission reductions” chosen by participants based in North America and “energy conservation” chosen more often by participants based in Asia. Two of the five highest priority issues were “resource efficiency” and the “sustainable use of natural resources” – and these were chosen equally by participants from all regions. Participants based in Europe were more concerned about “biodiversity conservation” than participants from other regions, and participants based in Africa were more concerned about “local environmental conditions” and “air pollution”.

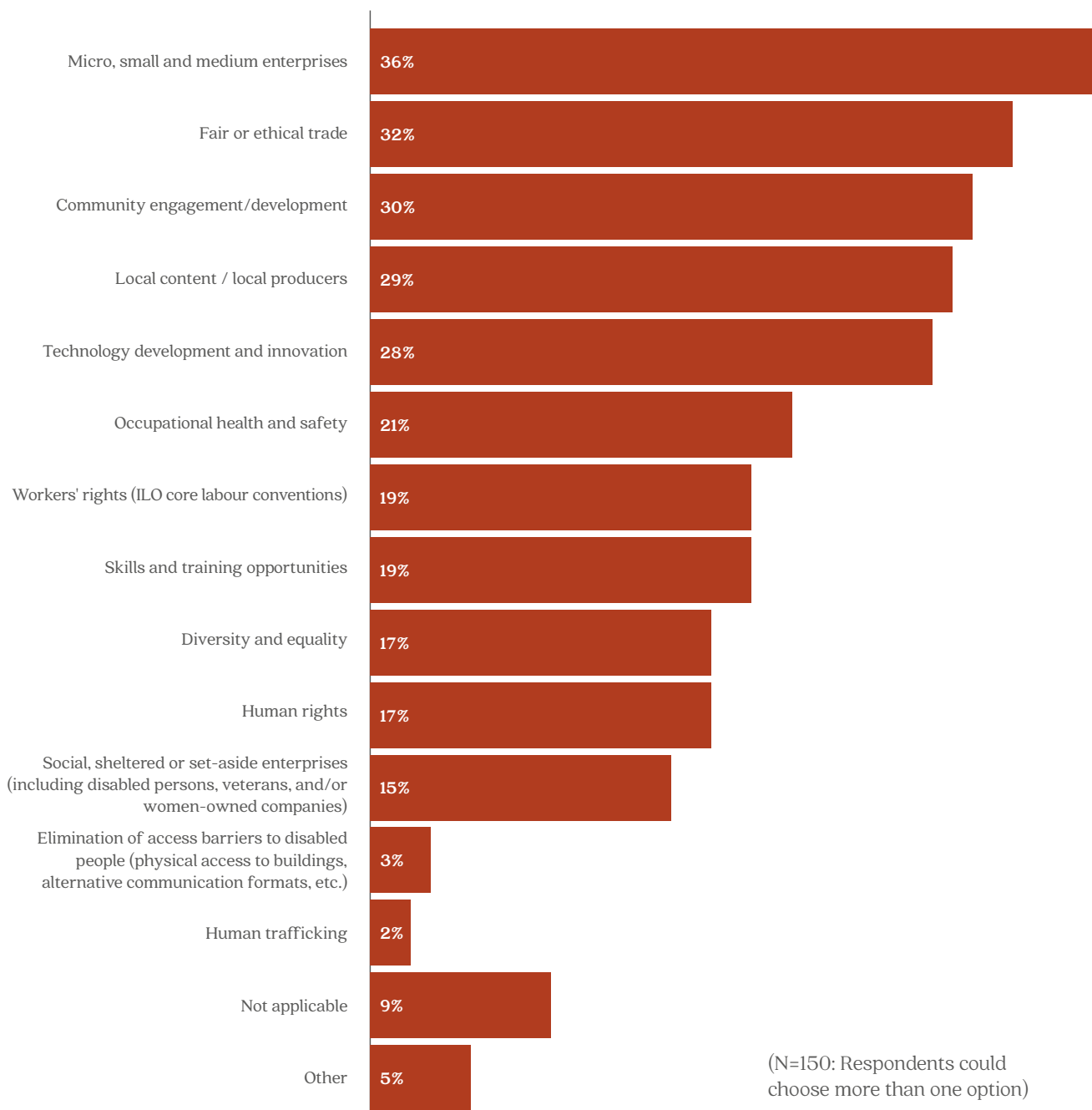
**Figure 25: Environmental issues selected by survey participants as a priority for their organization to address through SP**





Survey participants were also asked to choose the socio-economic and governance issues that they believed their organizations should treat as a priority for their SP activity. As shown in Figure 26, the socio-economic issue most often identified as a priority for SP is the support to micro, small and medium enterprises. Community engagement and local content/local producers were also frequently mentioned issues, suggesting a link between SP and regional economic development activities. “Local content/local producers” stood out for participants based in Asia, and “ethical and fair-trade” was also a priority for many, especially those based in Europe and working in international organizations. “Technology development and innovation” was chosen most often by participants based in North and South America, and this priority also tended to be most supported by survey participants from local, state, and national public authorities.

**Figure 26: Socio-economic issues selected by survey participants as a priority for their organization to address through SP**



## The use of ecolabels, standards and certifications in SP

In implementing SP, challenges include:

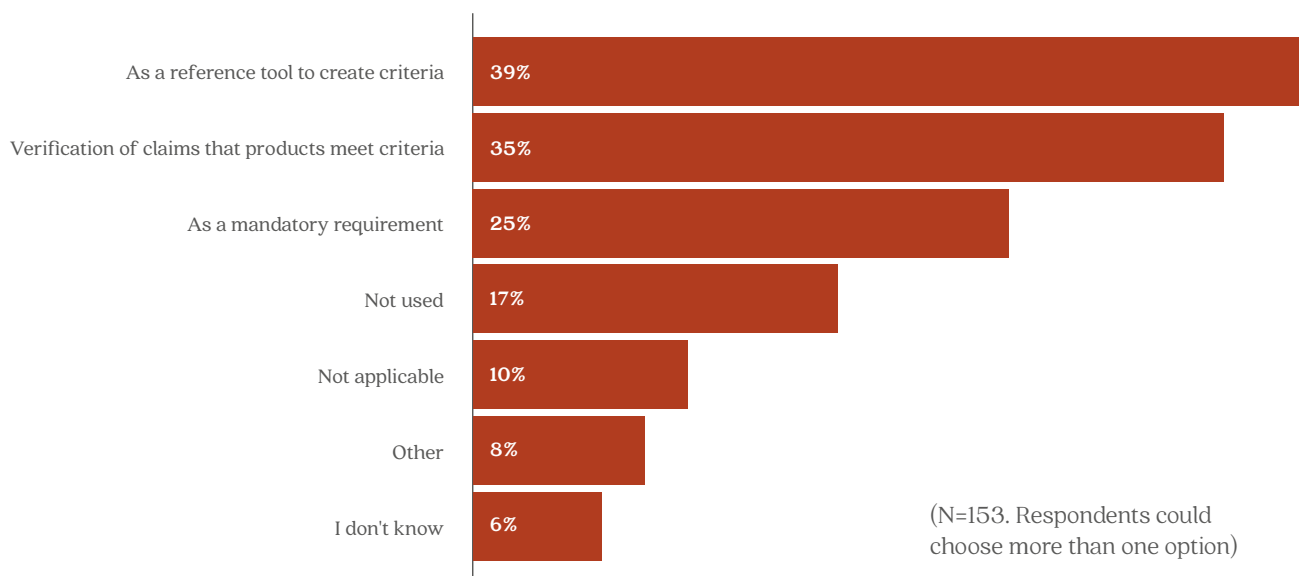
1. Identifying environmental and socio-economic issues that are relevant to the purchase at hand,
2. Determining innovative, yet reasonable, sustainability specifications for a product or service, and
3. Verifying that the product or service procured actually meets the required specifications.

Ecolabels were created to meet these challenges, helping procurers and consumers to identify the products and services that exhibit preferable environmental or social performance compared to available alternatives.<sup>40</sup>

There are many ways in which ecolabels, standards, and certification systems can be used by procurers, especially given the large number and variety available. There are in fact at least 465 ecolabel programmes and many more sustainability standards according to Ecolabel Index.<sup>41</sup> To understand how such tools are being used, survey participants were asked, “How are ecolabels and voluntary sustainability standards used today by procurement entities in your organization”? Commensurate with 2012 results, and as shown in Figure 27, the two most commonly cited uses were “as a reference tool to create criteria” and “to verify that products meet criteria”. Compared to 2012, a larger proportion of respondents are now using ecolabels as mandatory requirements in product or service specifications. However, survey participants noted that this varies greatly by product category and depends on the availability of relevant and credible ecolabels and standards, as well as the availability and cost of products meeting the standards and/or ecolabels.

Some regional variation in the use of ecolabels can be noticed too. For example, until recently, public authorities in the European Union have been limited in their ability to directly refer to ecolabels as a mandatory legal requirement. Under previous EU Procurement Directives (2004/18/EC and Directive 2004/17/EC), the degree to which ecolabels could be used in public procurement was limited. In more recent EU Procurement Directives (2014/24/EU and Directive 2014/25/EU), ecolabels may be used in public procurement as part of product or service criteria, or as proof of compliance with criteria. Other conditions for using ecolabels in the European Union are also applied and must be met.<sup>42</sup> As a result, European participants to the survey were more likely to use ecolabels as a reference tool, and no respondents from European national governments selected the use of ecolabels as a mandatory requirement. These findings are very similar to those of the *2013 Global Review*.<sup>43</sup>

**Figure 27: Uses of ecolabels, standards and certifications in SP**



40 ISO 14024: Environmental Labels and Declarations: Environmental Labeling Type I, Guiding Principles and Procedures. ISO, Switzerland.

41 Big Room Inc, Ecolabel Index, Accessed online on July 28, 2016 at: [www.ecolabelindex.com](http://www.ecolabelindex.com)

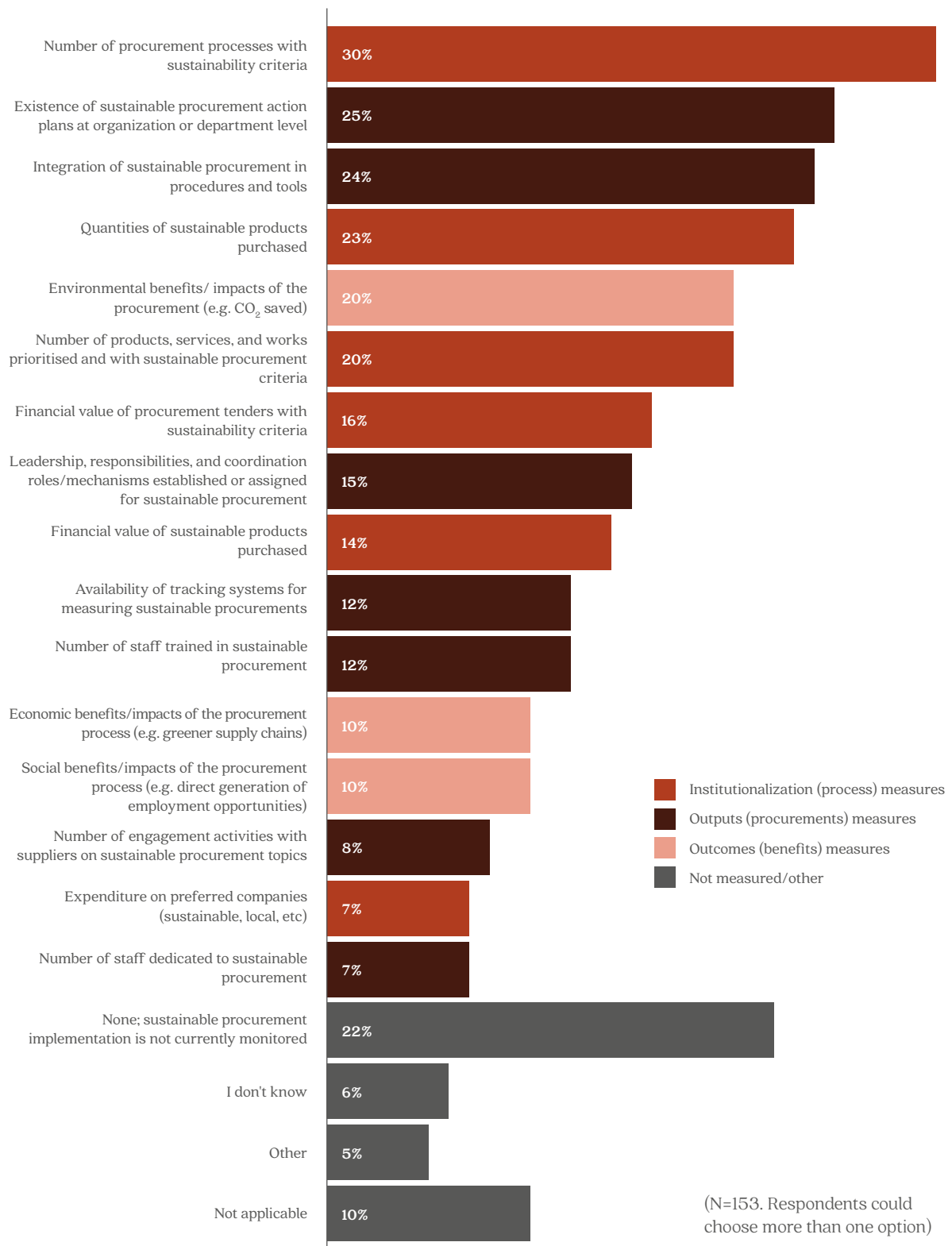
42 See European Commission, 2016, “Frequently Asked Questions” on GPP, Accessed online July 20, 2016 at: [http://ec.europa.eu/environment/gpp/faq\\_en.htm#policy1](http://ec.europa.eu/environment/gpp/faq_en.htm#policy1); and European Commission “Buying Green Handbook: Third Edition: Chapter 3”. 2016. Accessed online September 20, 2016 at: <http://ec.europa.eu/environment/gpp/pdf/Buying-Green-Handbook-3rd-Edition.pdf>

43 In the *2013 Global Review*, researchers found that 34 percent of respondents used ecolabels as a reference criteria, and 26 percent used them as a tool to verify that claims met criteria. UNEP, 2013, Sustainable Public Procurement: A Global Review 2013, p 31: <http://www.spclearinghouse.org/resource/sustainable-public-procurement-global-review-2013>

### 3.3 MONITORING AND MEASURING SP IMPLEMENTATION

Monitoring and measuring SP activity is critical to knowing whether an organization is meeting its policy commitments and goals. At the same time, such measurement can be challenging given the variety of activities that SP can encompass, the division of responsibility among various organizational stakeholders, and the extent to which data are accessible and accurate. Survey participants were asked, “What aspects of sustainable procurement implementation does your organization currently monitor and measure?” As seen in Figure 28, participants typically use more than one metric to measure SP activities, and, not surprisingly, no single metric dominates. The most commonly tracked SP metric was the “number of procurement processes with sustainability criteria,” which was chosen by 30 percent of the participants. Twenty-two percent said that no SP monitoring is currently conducted within their organization.

**Figure 28: Aspects of SP being monitored or measured in survey participants’ organizations**



### 3.4 DRIVERS FOR SPP IMPLEMENTATION

The drivers most often selected by survey participants all suggest that a “top down” approach to implementation is the most common.

Survey participants were also asked to identify the top three factors that are driving the implementation of SP in their organization. The drivers most often selected by survey participants, as can be seen in Figure 29, all suggest that a “top down” approach to implementation is the most common. Fifty-seven percent of participants chose “policy commitments, goals and action plans” as top drivers in their organization. The next most commonly cited drivers were “strong political leadership on sustainable public procurement” and “mandatory sustainable public procurement rules/legislation.” These results are similar to those obtained in 2013, although the comparative importance of policy as a driver has grown. In fact, “policy” fell behind “national legislation” and “political and organizational leadership” in 2013. It is unsurprising to see the

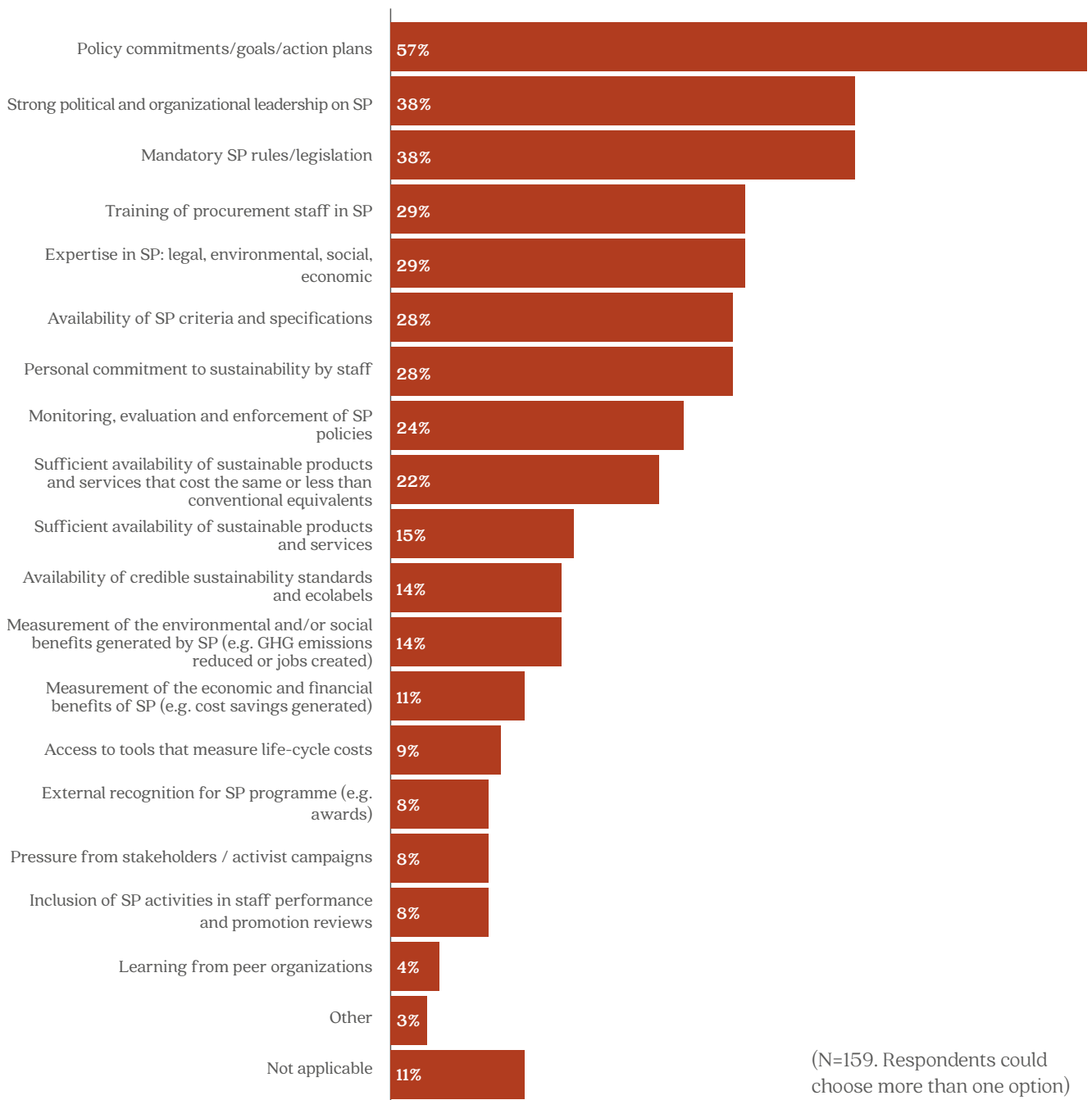
importance attached to the role of policy and mandatory rules in encouraging SP, given the proportion of respondents from the public sector; however, “policy commitments/goals and action plans” were identified as being top drivers for implementation even by private sector respondents.

Survey participants from Europe and South America were the most likely to choose “policy commitments and goals”, while participants from North America were more likely to select “mandatory rules and regulations.” Jason Pearson of the Sustainable Purchasing Leadership Council (SPLC) explained that, “in the U.S. today, what drives the mandates is the opportunity to use procurement as an alternative to other less efficient processes for rule-making; especially in contexts where government policy-making is stuck in political deadlock.”

The existence of “expertise in sustainable public procurement (legal, environmental, social and economic)” was ranked the next most important driver for implementation. Participants based in Asia selected “expertise in SPP” as the strongest driver, and it was also ranked highly by participants based in Central America and the Caribbean and in Europe, as well as by respondents from national government agencies, certification bodies, and small and medium enterprises. “Training of procurement staff in sustainable procurement” was considered a strong driver by many participants across all sectors, but especially by participants from state and national government agencies. Clearly, having the policy and commitment is important, but having sufficient numbers of well-trained people to undertake implementation is also critical. Robert Kaukewitsch of the European Commission agreed with this conclusion, stating:

**“ The main enabler and driver is the existence of political mandates (even obligations). Having a professional procurement team is a precondition, as is the provision of sustainable public procurement criteria, market availability of products, and having a follow-up or monitoring system in place to evaluate progress**

**Figure 29: Strongest drivers for the implementation of SP in survey participants' organizations**





## **GOOD PRACTICE EXAMPLE: Implementation of SPP in the City of Ghent**

The City of Ghent in Belgium is a large municipality with more than 250 000 inhabitants. The city employs over 5 000 staff, and has an annual procurement spend of approximately €400 million.

### **The challenge**

In 2008, the City established an action plan for sustainability, “Ghent 2020”, outlining more than 105 actions and initiatives, including SP activities. City managers were charged with implementing and integrating SP principles into all contracts throughout the City. This proved to be a challenge due to the decentralized nature of many types of procurement processes. While there is a central procurement department responsible for a large number of company-wide contracts, many technical contracts (e.g. energy, fleet, cleaning services, construction projects) and smaller contracts are managed directly by each relevant department.

### **The solution**

In 2012, in order to build a more robust and integrated SPP programme, track its progress, and expand its reach, the City published its first Procurement Strategy with a central focus on sustainability. The Strategy was updated in 2014 to better reflect the priorities of the new City Council. The Procurement Strategy establishes the seven SPP-related priorities for the City of Ghent:

1. Minimizing the ecological footprint throughout the life-cycle of products purchased with a focus on energy, air quality and waste;
2. Encouraging employment of disadvantaged groups focusing on youth, and on growing the social economy sector;
3. Promoting sustainable innovation;
4. Fostering local economic growth, focusing on start-ups and innovative companies;
5. Integrating international labour standards and fair trade principles throughout the supply chain;
6. Encouraging sustainable entrepreneurship amongst suppliers; and
7. Increasing the maturity of the procurement function, and striving towards excellence in procurement.

Targets and indicators were identified for each priority area. These include a 10% growth (year-on-year) in contracts awarded to the social-economy sector and a reduction of 10% of CO<sup>2</sup>-emissions for deliveries in 2016.

A central feature of the City’s approach to implementation is a strong reliance on quality management techniques: establishing clear targets, assigning responsibilities and key performance indicators, measuring progress through the use of management dashboards, and adapting processes based on past results so as to achieve continuous improvement. Strategic priorities are assigned to policy advisors with the goal of facilitating and ensuring implementation. These policy advisors are chosen as subject experts with a close link to the City Council representatives, rather than as procurement professionals. Contracts are cross-referenced to strategic priorities by means of a strategic roadmap, and policy and criteria documents assist purchasers in developing the contract specification documents.

A reporting structure is being set up according to which progress and findings will be communicated twice a year to the City Council. Information is provided to citizens and other communities via a dedicated website and through partnerships with international networks. The programme management team is currently working on preparing a custom-made digital toolbox that will help procurers and suppliers to better manage their contracts and incorporate strategic priorities. The team is also working on the creation of a procurement coordination platform within the municipality, which will enable better cooperation among partners – both internally and externally – in order to share methodologies, expertise and tools.

### Lessons learned

According to programme managers, recognizing that making your procurement more sustainable is mostly a change process was key to their successful implementation of SPP. Approaching the work through this lens led them to prioritize awareness-raising and the provision of a solid framework with tools and methodologies to facilitate the adoption of new procedures and change established practices. Other recommended actions included:

- Achieving stakeholder buy-in from all parties involved early on in the process. This means on a City administration level, but even more so on a political level. For Ghent, this was achieved through the formal endorsement of the Procurement Strategy.
- Ensuring that the programme has dedicated resources and staff that have – or can develop - the expertise to run the programme successfully. The City of Ghent had to develop deep knowledge of methodologies linked to quality management and disseminated it by organizing trainings as well as on-the-job guidance.
- Showcasing initial successes within the organization helps to build support.
- Documenting and sharing lessons learned to help facilitate the process.
- Given that public procurement is traditionally a technical, legal, and administrative process, showcasing the successes achieved and gaining support from politicians can help to motivate procurers, and to assure them that the initial effort to establish a comprehensive SPP programme is worth the investment.

### The outcome

The City of Ghent's SPP achievements to date include:

- A clear strategic agenda supported by key performance indicators and clear targets for SPP.
- The implementation of measurement and reporting mechanisms on SPP.
- Exclusive use of 100% renewable electricity for all the City services since 2008.
- The first city to use cradle-to-cradle certified cleaning products for all its buildings.
- Socially sustainable cleaning services provided by socially vulnerable groups.
- A policy of passive-house buildings and nearly energy-neutral building renovations since 2012.
- Adoption of sustainable vehicles (hybrid electric, plug-in hybrid electric, battery electric, and natural gas vehicles) into the fleet.

### Learn more about Ghent City SPP:

<https://stad.gent/voorbeeldconsument> (in Dutch, in progress)

Global Lead City Network on Sustainable Procurement: <http://glcn-on-sp.org/cities/ghent/>

Procura+ European Sustainable Procurement Network: <http://www.procuraplus.org/public-authorities/ghent/>

## 3.5 BARRIERS TO SPP IMPLEMENTATION

A combination of factors drives successful SP implementation, and it is often a combination of factors that impedes progress. According to the stakeholders surveyed, there are several typical barriers to SP, with no one barrier standing out significantly compared to others. In fact, six to eight different barriers were all frequently mentioned by respondents. Figure 30 shows that the two most commonly cited barriers to SPP implementation were the “perception that sustainable products and/or services are more expensive” and the “lack of expertise in sustainable public procurement implementation”.<sup>44</sup> The most important barriers persist from 2013, when the perception of added costs, lack of information and knowledge of SPP, and lack of technical capacities in environmental and social issues topped the list. Some barriers are more specific to regions and/or types of organizations, while certain other barriers are widely experienced by organizations working on SP. Oshani Perera of the International Institute for Sustainable Development (IISD) noted that in many regions and organizations, there is a general lack of professionalization in public procurement itself, stating that:

**“ Oftentimes, people don’t see public procurement as strategic or even as a profession; and this is a real barrier to doing sustainable public procurement well.**

The barrier cited most often by participants based in North America was “competing procurement priorities”, while for participants based in Europe the most common barrier was “insufficient monitoring, evaluation and/or enforcement of SPP policies”. For participants based in Asia and South America, the barrier mentioned most frequently was the “lack of sustainable products and/or services to procure”. This suggests that in these regions, the market for sustainable products and services has yet to mature, and availability continues to be an important barrier to be addressed.

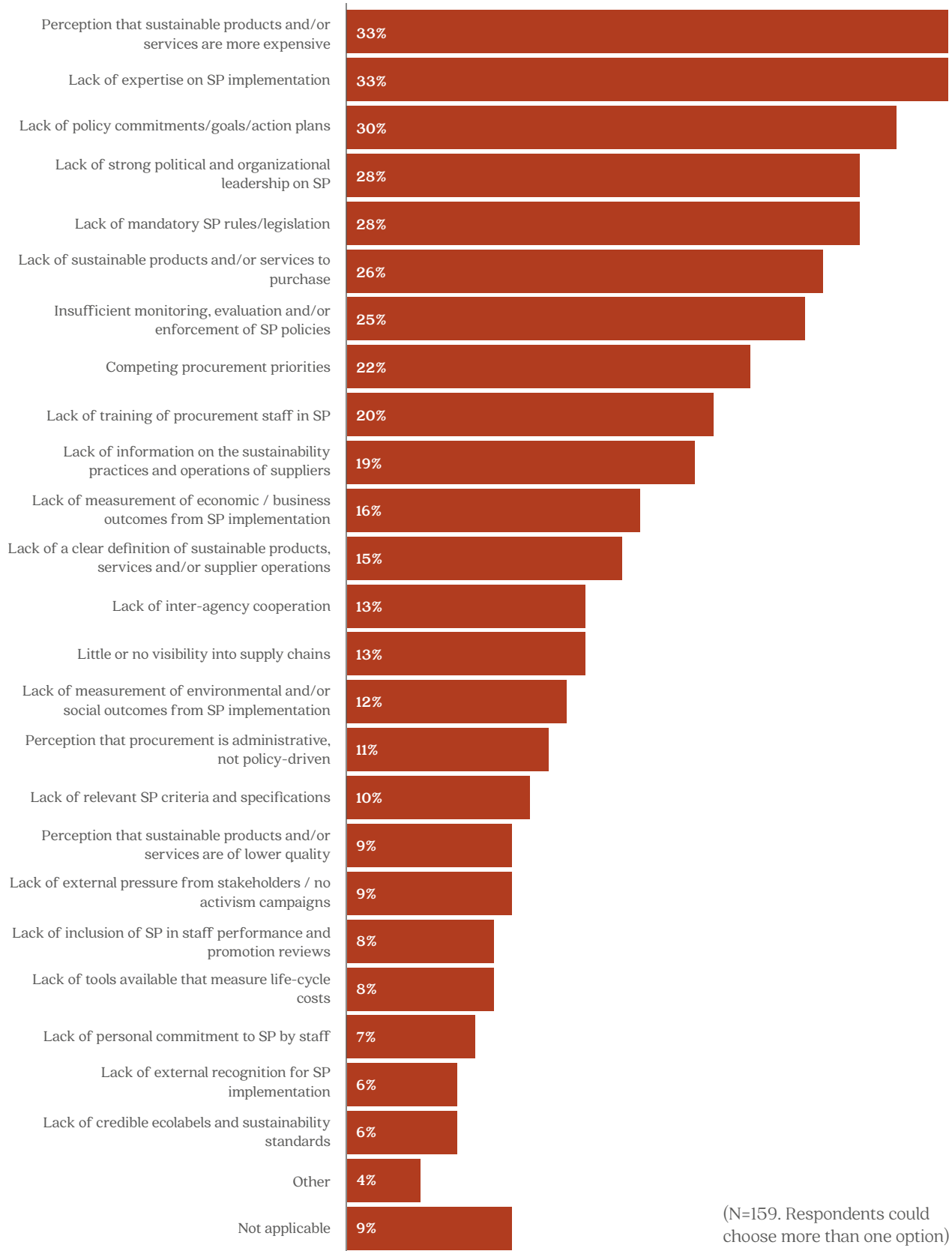
National government participants tended to choose “lack of expertise in sustainable public procurement” most often, and were much less likely than other groups to choose the “perception that sustainable products and or services are more expensive”, which is notable given their intimate knowledge of actual contract and bid pricing.

While some of these barriers are significant or persistent, it is encouraging to note that they can be overcome. Greater adoption of methodologies based on life-cycle costing will play a big role in helping to address concerns about costs. This is critical, as almost all national governments are seeking methods to be cost effective, and greater consideration of the full life-cycle costs of products and services is a key element of fiscal responsibility. The EU Procurement Directive should help to deepen the practice of life-cycle costing. Other barriers such as a lack of expertise in SPP can be overcome with more focus on training and knowledge sharing, and concerns about the local availability of sustainable products and services should diminish as the ‘green’ marketplace matures and ecolabelling programmes continue to expand. However, it will be more difficult to address the barrier related to ‘competing priorities’; stakeholder interviews indicate that it is commonplace for procurement groups to be under-resourced and often overwhelmed by

<sup>44</sup> The wording in the 2013 *Global Review* for this barrier was “lack of technical capacities on environmental/social issues” (“capacity” is a very similar concept to “expertise” used in 2016). UNEP, 2013, *Sustainable Public Procurement: A Global Review 2013* p.40: <http://www.spclearinghouse.org/resource/sustainable-public-procurement-global-review-2013> .

the volume of work delegated to them. Until procurement teams are adequately resourced for their core operations, it will be difficult for them to adopt best management practices. This means that the business case for SP must be linked to, and integrated within, procurement modernization programmes.

**Figure 30: Largest barriers to SP implementation in survey participants' organizations**

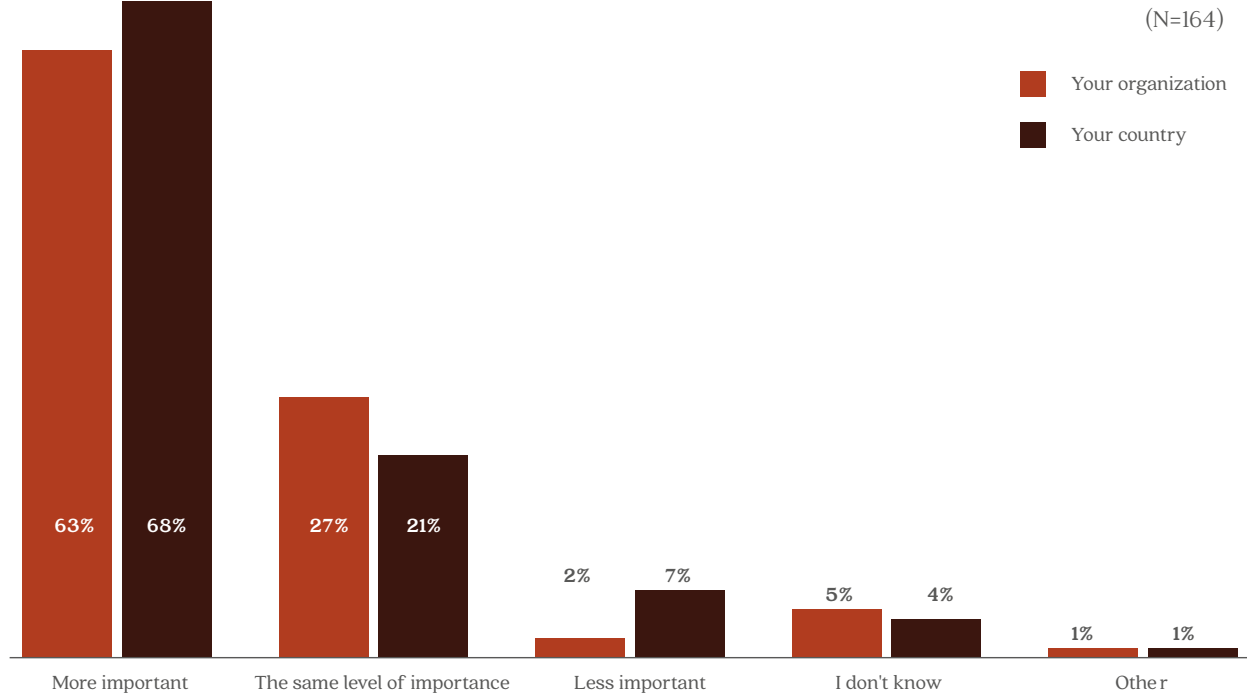


### 3.6 STAKEHOLDER EXPECTATIONS FOR FUTURE TRENDS IN SP PRACTICES

In the *2013 Global Review*, we asked stakeholders whether they expected their national governments to do more SPP in the coming five years. Over 84 percent of the survey participants stated that it would grow either more or substantially more.<sup>45</sup> In 2016, to understand whether these expectations had been met, we asked stakeholders whether they thought that SPP had in fact grown in prominence since 2012, both in their own organizations and in their country. While it must be noted that the 2016 sample does not include the same individuals as the 2013 sample, results shown in Figure 31 suggest that expectations largely have been met: respondents perceive that SP has become more important in both their country and their own organization. Remarkably, all public-authority participants stated that SP has become more important for their organizations since 2012. Participants based in Central America/the Caribbean and South America saw a sharp rise in the perceived importance of SP since 2012.

Some caution is warranted in interpreting this result, as those who agreed to participate in the survey are likely to have a strong interest in SP, giving rise to a self-selection bias and a possible under-representation of other views.

**Figure 31: Perceived change in importance of SP in participants' organizations and/or countries since 2012**



**85% of the stakeholders surveyed expect that both their organizations and their national governments will conduct substantially more or somewhat more SP activity in the next five years.**

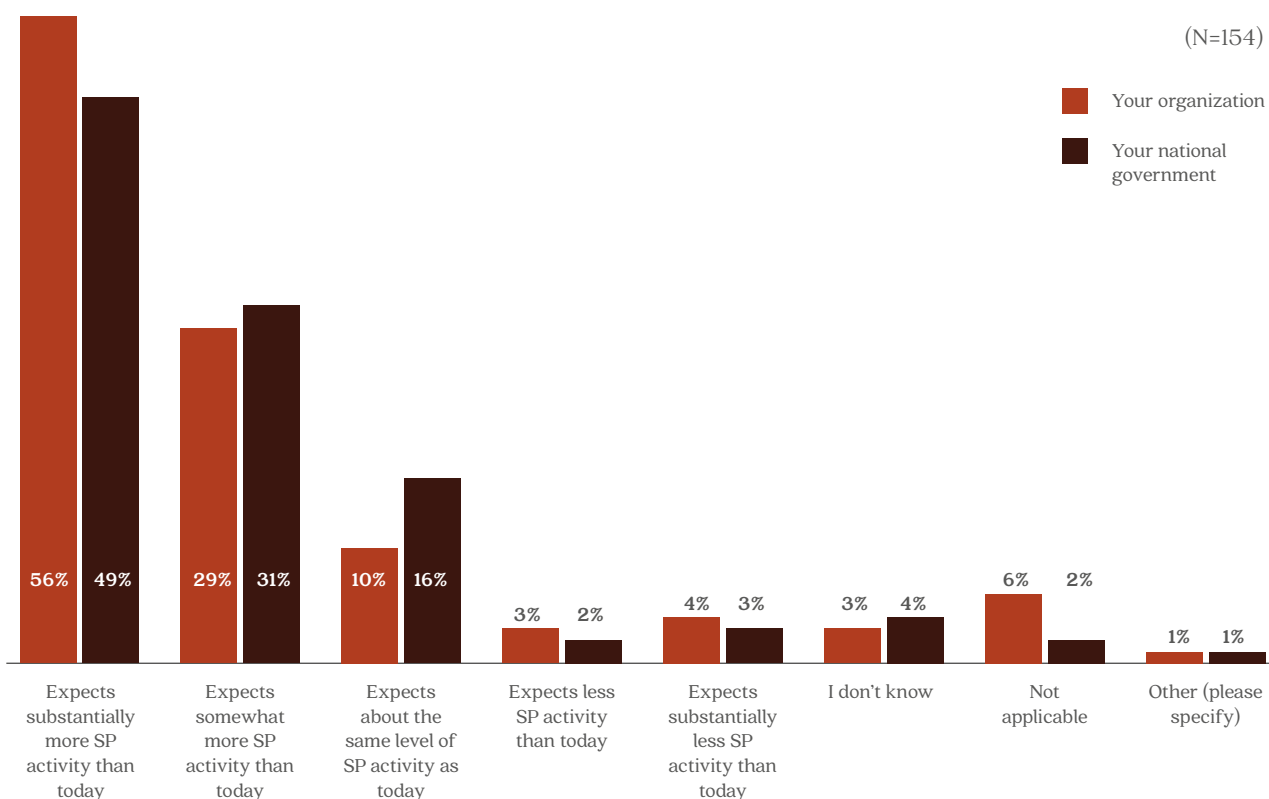
Looking forward, survey participants were asked, “Do you expect your organization and/or your national government to change the level of sustainable procurement activity in the next five years?”. Figure 32 shows that, as in 2012, 85% of the stakeholders surveyed expect that both their organizations and their national governments will conduct substantially more or somewhat more SP activity in the next five years. Very few participants believed that SPP activity would decline (7%). Participants generally had higher expectations for an increase in SPP activity from their organization than from their national government. This pattern is constant across world regions, except for participants in Europe, whose expectations were higher for national governments compared to their own organizations. One respondent from Asia commented that their expectation was contingent upon “whether or not the awareness and capacity-building work is done”. Another respondent from the U.S. said that their

45 UNEP, 2013, Sustainable Public Procurement: A Global Review 2013, p. 48: <http://www.spclearinghouse.org/resource/sustainable-public-procurement-global-review-2013>



expectations will likely change “depending on the results of the U.S. presidential election in 2016”. The results suggest that, despite changing political climates, organizations are likely to continue their SP work.

**Figure 32: Expectations for the development of SP activities in the coming five years**



### 3.7 EMERGING TOPICS AND TRENDS IN SP

The dialogue on SP shifts over time and certainly has trended from an early emphasis on green procurement to a more holistic SP perspective that is common today. To gauge the emerging trends, survey participants were asked, “What sustainable procurement related topics, strategies and activities are becoming more prominent in your organization? (Choose the top three)”.

Figure 33 shows that “ecolabels, standards and certifications” was the most frequently chosen topic, especially by national government representatives. This makes sense given that governments are looking for credible and meaningful sustainability standards for their buyers and internal clients to use within tenders and other bid specifications. “Monitoring and reporting of sustainable public procurement implementation”, was the second most frequently selected option, and was of particular interest to public authority participants, as was “meeting climate change policy goals” – a result that is perhaps reflective of recent attention to climate change policies, partly because of the momentum created by international agreements reached at the UN Climate Change Conference in Paris in December 2015 (COP21)<sup>46</sup>. Another interesting finding is a growing awareness of the links between environmental, social and economic aspects within procurement, suggesting that themes such as the sharing economy or sustainable services, which have not yet been given much prominence, will become more important over time.

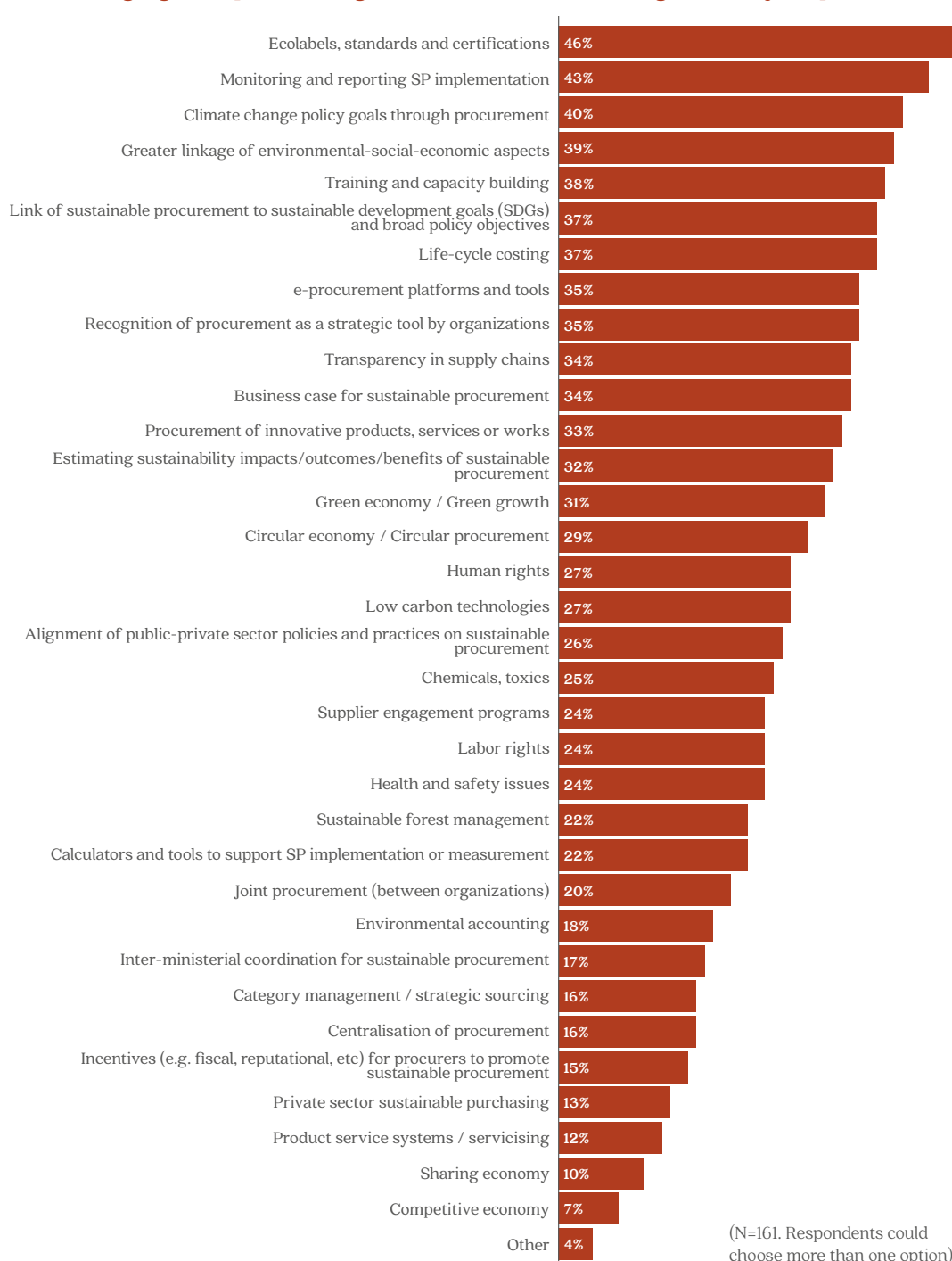
“Training and capacity building,” much like the 2012 results, continues to be amongst the top five issues for practitioners and survey participants. The results confirm that practitioners believe that SPP can only be successful when it is widely adopted and procurement professionals feel confident in both the technical aspects of the practice and in effectively engaging other stakeholders, e.g. end-users and specification developers to adopt and apply SP methods.

<sup>46</sup> Details of the 2015 UN Climate Change Conference are available at: <http://www.un.org/sustainabledevelopment/cop21/>

Life-cycle costing, which was identified as a top SPP aspect needing work in 2013, also continues to rise in prominence according to survey respondents. This may further increase in the coming years as more legal frameworks allow for the use of life-cycle costing methods, although the use of this methodology is not without challenges. The European Commission's 2014 Public Procurement Directive permits the use of life-cycle costing by procurement agencies, but there continues to be debate about how best to ensure that methodologies are harmonized and validated, whilst still being adequately tailored to the issues paramount to a specific procurement tender. Despite such challenges, we are likely to see a continued evolution and uptake in this evaluation method, because it allows purchasers to better determine the full costs inherent to their acquisitions.

Other activities related to SP such as category management, environmental accounting, and joint procurement were not mentioned as often, but are nonetheless being implemented by countries such as the Netherlands, which is often considered to be a front runner in SPP. The Netherlands was named as one of the "Green Seven" countries in GPP in the Report "Collection of statistical information on Green Public Procurement in the EU" by PricewaterhouseCoopers (PwC), Significant and Ecofys.<sup>47</sup>

**Figure 33: Emerging SP topics, strategies and activities according to survey respondents**



47 Report "Collection of statistical information on Green Public Procurement in the EU" by PricewaterhouseCoopers (PwC), Significant and Ecofys, 2009. Accessed online July 20, 2016: [http://ec.europa.eu/environment/gpp/pdf/statistical\\_information.pdf](http://ec.europa.eu/environment/gpp/pdf/statistical_information.pdf)

## GOOD PRACTICE EXAMPLE: Impact sourcing at Microsoft

Microsoft, a large software, service, devices, and solutions company, employs 114 000 people worldwide and operates in 21<sup>48</sup> countries. Microsoft works with thousands of companies and spends billions of dollars on both direct and indirect purchasing. To further its mission, it is increasingly sourcing from social enterprises.

### The challenge

Microsoft has established a comprehensive corporate social responsibility department, which focuses on human rights, environmental sustainability, and transparency.<sup>49</sup> Their corporate social responsibility work aims to empower “every person and every organization to achieve more”; however, in such a large organization with a dispersed procurement operations, reflecting social responsibility and sustainability goals in everyday procurement practices can be a challenging task.

### The solution

Impact sourcing is a way of using procurement to generate tangible positive social impacts. Large companies such as Microsoft contract with IT training, solution and business process outsourcing organizations that recruit under-employed and underprivileged youth.<sup>50</sup> To provide these services, providers such as Samasource and Techno Brain Group recruit, train, and manage high-potential youth, oftentimes from developing countries such as Kenya, India, and the Philippines, for jobs in the information, communications and technology (ICT) sector.<sup>51</sup> Impact sourcing enables employees to launch long-term careers and have a higher quality of life. The value of the services procured, and the commercial terms of those contracts, are on a par with other commercial providers.

### Lessons learned

- *Test the business case:* For organizations concerned about the viability of this model, its effectiveness can be tested through small pilots before scaling it up.
- *Develop a realistic costing model:* To be realistic, any costing model should factor in the time required for explaining and training on impact sourcing with internal and external stakeholders. Upfront investment may also be needed: the cost drivers for impact sourcing providers include infrastructure, personnel, and development of curricula and programmes.
- *Think long-term:* Employing disadvantaged youth can bring value to an organization by broadening its talent pool. Their robust “soft skills”, motivation and eagerness to learn may all contribute positively to an organization’s bottom line.

48 Microsoft. 2016. “Facts About Microsoft”. <http://news.microsoft.com/facts-about-microsoft/#sm.0001e9h7ut1215ebmxydgzz0lmhib>

49 Microsoft. 2016. “Corporate Social Responsibility”. <https://www.microsoft.com/about/csr/>

50 Microsoft. 2016. “Microsoft recognizes outstanding contributions by suppliers”. <https://news.microsoft.com/2016/06/09/microsoft-recognizes-outstanding-contributions-by-suppliers-5/#sm.000v79vzq18joelkx1clurdfcl5d>

51 Cloud Factory. 2014. “An Impact Sourcing Primer”. <https://info.cloudfactory.com/hs-fs/hub/351374/file-1510678189-pdf/02-Contents/2-eBooks/eBook-An-Impact-Sourcing-Primer.pdf?t=1468226852755>

### The outcome

Results from impact sourcing are carefully monitored and measured. According to the Rockefeller Foundation, “impact sourcing has resulted in a more engaged and motivated workforce”.<sup>52</sup> The Everest Group reports that, with impact sourcing, employees benefit from income increases of between 40% and 200%. In addition to the benefits of formal, stable employment, other research from Cloud Factory suggests that employment also increases family investment in health care and education.<sup>53</sup> For Microsoft, Impact Sourcing has delivered immediate business value, as well as alignment with the Microsoft mission to help others achieve more.

### Learn more:

Microsoft Corporate Social Responsibility: <https://www.microsoft.com/about/csr/>

Rockefeller Foundation: <https://www.rockefellerfoundation.org/>

Samasource: <http://www.samasource.org/>

Techno Brain: <https://technobraingroup.com/>

## 3.8 THE ROLE OF INTERNATIONAL ORGANIZATIONS IN SUPPORTING SP IMPLEMENTATION

Initiatives such as the 10YFP Sustainable Public Procurement Programme, ICLEI’s Procura+ campaign (now Network), the Sustainable Purchasing Leadership Council (SPLC), and the International Green Purchasing Network (IGPN) amongst others, have built a suite of resources and expanded expertise and capacity with member organizations and others on SP.

International and national initiatives have been instrumental in motivating and guiding the work on SP in a range of contexts. Initiatives such as the 10YFP Sustainable Public Procurement Programme, ICLEI’s Procura+ campaign (now Network), the Sustainable Purchasing Leadership Council (SPLC), and the International Green Purchasing Network (IGPN) amongst others, have built a suite of resources and expanded expertise and capacity with member organizations and others on SP. To determine needs, survey participants were asked, “Which activities could international initiatives (such as the 10YFP Sustainable Public Procurement Programme) do to further promote and support sustainable procurement?”

Figure 34 clearly shows that “providing tools to support SPP implementation” is the most frequently cited need that international organizations can fulfill. The second most selected aspect for international organizations to support was around “measuring and communicating the social, environmental and economic benefits of sustainable procurement” followed as well by “build the business case”. This has in fact been one of the topics explored by one of the working groups of the 10YFP Sustainable Public Procurement Programme, with the publication of the report “Measuring impacts and communicating the benefits of SPP” – see Annex 2 for a description and links to the results achieved by this work stream.<sup>54</sup> Another project, GPP 2020 focused on measuring the carbon emissions saved by SPP activities in participating organizations. As

52 Rockefeller Foundation. 2016. “Digital Jobs Africa”. <https://www.rockefellerfoundation.org/our-work/initiatives/digital-jobs-africa/>

53 Rockefeller Foundation. 2016. “The Case for Impact Sourcing” <https://www.rockefellerfoundation.org/our-work/initiatives/digital-jobs-africa/>

54 The report is available for download at <http://www.scpclearinghouse.org/resource/monitoring-sustainable-public-procurement-implementation>

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of July 2016, project partners achieved savings of 922,932 tonnes of CO<sup>2</sup>-equivalent.<sup>55</sup> This shows a shift in expectations from 2012 where there was a strong emphasis on establishing connections and networks. In 2016, stakeholders called for those networks and connections to be used to create or provide access to the specifications, tools and resources that will enable SPP implementation. In addition, practitioners recognize that taking SPP to scale will require investments thus driving an interest to building a more robust business case for SPP.

There were some notable regional differences, perhaps illustrating a pattern of programme maturity in different regions. Participants from Africa selected “encourage national SPP policy commitments” and “provide training and capacity building”, coupled with a strong interest in formalizing SP as part of a transformation to more modern procurement systems. Participants from the Asian and Central American regions selected “sharing/exchanging information on sustainable public procurement” more often, perhaps signalling the existence of a mandate and now a desire to access resources and tools through connections. Asian and Central American countries have perhaps reached a tipping point around interest, policies and awareness, so it would make sense that they would want to connect and learn about best practices. Participants from Europe selected “building the business case for sustainable public procurement”, perhaps indicating that European countries want to scale up the impact of their programmes, broaden the adoption of best practices and deepen impact – all of which requires resources, thus driving the need for better business cases to secure necessary support. Shifting SPP from ad-hoc to mainstream will require resources, and possibly significantly more resources than are being allocated today.

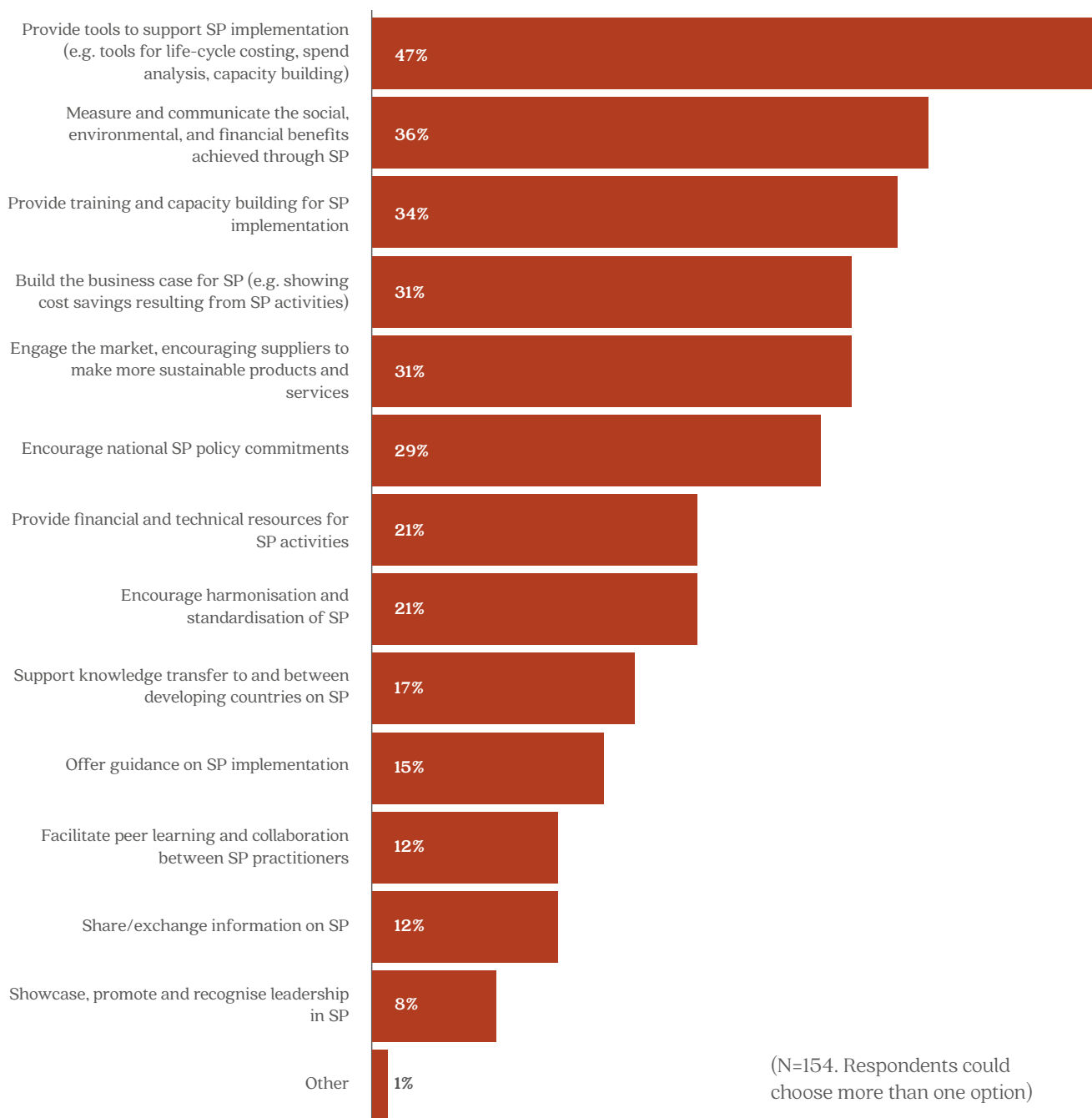
Participants from North America selected “engage the market, encouraging suppliers to make more sustainable products and services” more frequently, perhaps validating the strong orientation to market-based solutions that often exists in the North American economy and regulatory regimes. It appears that in North America there is an increasing expectation that the marketplace will provide solutions and that collaboration with vendors and suppliers is a critical part of getting greater SPP benefits. These findings confirm that there are different needs in different regions, and that international organizations and initiatives promoting SP should tailor their approaches and offerings accordingly.

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55 GPP 2020, Accessed online July 28, 2016 at <http://www.gpp2020.eu/>



**Figure 34: Survey respondents' recommendations for international organizations supporting SP implementation**



## 3.9 CHAPTER CONCLUSIONS

**SP is now seen as critical to meeting the Sustainable Development Goals (SDGs), especially SDG 12.** Survey results confirm that stakeholders strongly expect SPP activities to grow significantly in the next five years. This suggests that international, national and local level efforts to promote SP are having an impact.

**The language on SPP is changing.** “Sustainable procurement” is commonly understood to mean that social, environmental and economic issues are being considered as part of procurement. The conversation has evolved from ‘green procurement’ and even a ‘green economy’; we now hear stakeholders talk about sustainable procurement being a key element of creating a ‘circular economy’.

**SP is starting to be integrated into all phases of the procurement process.** SP activities can occur at different stages of the typical procurement cycle. We know from survey respondents and case studies that the earlier sustainability is considered within a procurement process, the better. According to the majority of the respondents, SP is usually associated with the procurement of more sustainable products, services and works, and is, therefore, best implemented by developing requirements and technical specifications that incorporate relevant sustainability criteria. However, SP activities are also occurring in other stages of the procurement cycle, including at the “needs assessment” stage and in the phase of “selecting and engaging suppliers”.

To encourage a further uptake of SPP, **ecolabels can be a solution, but must be credible to achieve significant results.** The use of ecolabels is key to the identification of sustainability criteria for products and services and can be an effective and easy way for procurement professionals to identify credible green products, even without having strong environmental or social sustainability expertise.

**Another key factor is political leadership.** The *2017 Global Review* finds that SPP is largely being driven by policy and “top down” leadership. The existence of national legislation on SPP was selected as the strongest driver, followed by strong political and organizational leadership and policy commitments.

**The support of international initiatives to promote SPP is also crucial.** Stakeholders are looking at various national and international initiatives, e.g. UN 10YFP SPP Programme, ICLEI’s Procura+ or the SPLC, to provide guidance and expertise based on lessons learned. Survey participants recommended that international organizations focus on providing and documenting the business case for SP – which is consistent with the need to overcome the perception that sustainable products and services are generally more expensive.

On the other hand, **perceptions about higher costs continue to be a significant SP barrier.** The most frequently cited main barrier to SP selected was not simply a lack of national legislation, leadership or policy but rather the recurrent perception that sustainable products and services are more expensive - this concern was also the number one ranked barrier in the *2013 Global Review*. The presence of this concern among SPP stakeholders highlights the critical need to encourage the adoption of a life-cycle costing approach that takes into account all the costs associates with the life-cycle of a product or service, and not just its initial cost.

**More efforts must be focused on improving monitoring practices.** The *2017 Global Review* shows that there is still considerable progress to be made to define a set of measures that are meaningful but also practical. It is becoming clear that it is ultimately more important to measure results and impacts – e.g. GHG emissions avoided or reduced, materials and resources saved, job training opportunities created – than simply the volume of spending on sustainable products and services. Stakeholders are clearly seeking better methods to monitor and measure the sustainability outcomes of SP – and by so doing, demonstrate their progress in meeting policy goals, such as reducing their greenhouse gas emissions and creating economic opportunities.

**Collaboration is the key to taking SP to scale,** whether it is sustainability and procurement professionals collaborating around best practices and aligning market signals, or the private sector engaging suppliers to promote sustainability leadership. Survey participants clearly signalled their desire to collaborate at both regional and international level to share the very best information, tools and processes to make SP successful.

### **In a perfect world, what would SPP look like?**

Interviewees offered the following thoughts:

- “Procuring green would be really easy to do and all procurements would be sustainable.”
- “Good procurement = Sustainable procurement. Externalities would be internalised, procurers would be trained and be knowledgeable, and the global level of green in the market would be high.”
- “It would not be called SPP. We would instead talk about “strategic procurement” by public agencies, which would involve strategically using procurement to advance the public interest mission of government on behalf of society.”
- “60% of expenditure would be green and the head of procurement division would be someone that sits in a senior management team in the organization.”
- “SPP would be linked to all relevant policies as an implementation instrument with appropriate resources allocated.”
- “Sustainable procurement would be standard practice in all public authorities.”

## 4. Conclusions

The *2017 Global Review* highlights how sustainable public procurement (SPP) is becoming a widespread practice, offering insights into the current state of affairs in the field with a focus on national governments and key stakeholders. Our analysis reveals that successful SPP requires a solid policy foundation, top-level leadership support and excellence in implementation. There certainly are signs of SPP practices becoming more embedded in standard procurement activities and processes, but there is still considerable work to be done before sustainability considerations become regular criteria within bid specifications and contracts. SPP implementation is benefitting from transformations already occurring in the way that procurement is conducted – with greater professionalization of procurement practices leading to more strategic and transparent processes.

Defining “sustainable public procurement policy” can be difficult given the broad spectrum of environmental and socio-economic issues potentially covered. Some national governments that participated in this study do not have comprehensive SPP policies, but most of them have several policies covering specific sustainable procurement (SP) issues, e.g. energy efficiency, green products, procurement from small and medium-sized enterprises, etc. Some national governments are shifting their SPP policies towards strategic procurement policies – where sustainability is one of several “pillars” or goals. This trend indicates that sustainability is increasingly being accepted as an important aspect within procurement, and reinforces the role of public procurement as a strategic tool to advance national and public policies.

A more standard definition and articulation of SPP practices and measures will help in measuring progress and encourage adoption. Within the framework of the Sustainable Development Goals (SDGs), there is an opportunity to provide and promote such a measure, and the 10YFP Sustainable Public Procurement Programme will work collaboratively with its partners to generate a measurement framework for the SDG 12.7 – *promoting public procurement practices that are sustainable and aligned with national policies and priorities*.

SPP is a dynamic topic that is a critical underpinning of more sustainable consumption and production, so it is important to monitor and track the evolution of the discourse surrounding it. Emerging discussion topics focus on the critical role of ecolabels and standards, the challenges and importance of improving systems for monitoring and the opportunities to mitigate climate change by promoting low carbon procurement throughout the supply chain.

While the *2017 Global Review* mainly focuses on SPP in national governments, this analysis also found that SP activities are on the rise in all types of organizations – including local governments, non-profits and private sector companies, both large and small.

Across all regions, stakeholders emphasized the need to build a stronger business case for SP. Too often SP is not given the right amount of importance and the commitment it requires. Hence, results tend to be slower and ad-hoc. SP programmes need adequate financial and technical resources to truly embed good practices and build a culture that regularly looks for opportunities to use procurement to advance social, economic and environmental objectives. When meaningful specifications and considerations are used to help select more sustainable products and services, then it is critical to engage with suppliers to collect data to support results. All respondents spoke of the need to do a better job at capturing and promoting success stories that show the benefits that SPP can deliver in a way that is compelling and inspiring.

New methods, tools and innovative approaches to SPP are emerging and driving change, such as shared supplier platforms and scorecards, market engagement to promote innovation, e-procurement and impact sourcing. We expect that SPP will continue to be a key driver for more innovation and change as organizations respond to pressing climate, resource, and social challenges.

The four good practice examples provided in the *2017 Global Review* illustrate that SPP goes beyond “picking greener products” and encompasses activities at every step of the procurement cycle. They illustrate that successful implementation requires the engagement of stakeholders – sometimes over many years. Changing decision-making and procedural practices such as procurement takes time, skills and leadership. Given the reality of large, complex organizations, successful SPP requires far more than technical changes, it requires cultural change as well.

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The *2017 Global Review* results shows that measuring the environmental and social outcomes of SPP remains difficult as they are rarely presented with supporting quantitative data. Over time, as SPP policies are adopted, SPP activities increase in number, and measurement tools sharpen, we expect future *Global Reviews* to be able to report in greater depth on the outcomes or sustainability benefits being achieved.

There is still a long way to go before SPP becomes common practice, and there are many barriers that still must be overcome. In the next *Global Review*, scheduled for 2019, we expect to see more participants and more standardized approaches to implementing SPP as the sector becomes more mature and organizations improve their monitoring, measurement and reporting practices. We also expect to see an increased emphasis on supplier engagement, as well as more cross-sector exchanges of ideas and approaches. The private sector is a critical element of the value chain, and progress cannot be achieved through the adoption of policies and procedures by governments alone. Transforming sustainable production and consumption patterns will require collaboration among all stakeholders along the supply chain. This enhanced cooperation is likely to produce environmental, economic and social benefits that will be a legacy for future generations.

We hope that the *2017 Global Review of Sustainable Public Procurement* study sparks interest in SPP and that the emerging communities of practice around SPP continue to expand. We look forward to reporting on future sustainable public procurement success.

# Annex 1: Overview of the 10YFP Sustainable Public Procurement Programme

## The 10YFP Programme on Sustainable Public Procurement

[www.unep.org/10yfp/procurement](http://www.unep.org/10yfp/procurement)

The 10YFP Programme on Sustainable Public Procurement (SPP) is a global multi-stakeholder platform that supports the implementation of SPP around the world. The Programme builds synergies between diverse partners to achieve the SDG target on SPP.

### Objectives

1. **Build the case for SPP:** improve the knowledge on SPP and its effectiveness as a tool to promote sustainable consumption and production, support a transition to greener economies and sustainable development.
2. **Support the implementation of SPP on the ground** through increased collaboration, and better access to capacity building tools and support from SPP experts.

“It is vital to promote sustainable public procurement as a catalyst for change, to redirect unsustainable production and consumption patterns”.

Gro Harlem Brundtland, 17 June 2012, Sustainable Development Dialogue Days, Rio



### What is Sustainable Public Procurement (SPP)?

It is “a process whereby public organizations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life cycle basis. This means generating benefits not only to the organization, but also to society and the economy, whilst significantly reducing negative impacts on the environment.”

### Why implementing SPP can make a difference

Public spending, which accounts for an average of 12% of GDP in OECD countries and up to 30% in developing countries, wields enormous purchasing power. Shifting that spending towards more sustainable goods and services can help drive markets in the direction of innovation and sustainability, thereby accelerating the transition to a green economy.

### What is the 10YFP?

The 10 Year Framework of Programmes on Sustainable Consumption and Production (10YFP) is a concrete and operational outcome of Rio+20. The 10YFP is a global framework that enhances international cooperation to accelerate the shift towards SCP in both developed and developing countries. It provides capacity building and technical and financial assistance to developing countries, and encourages innovation and cooperation among all countries and stakeholders. The 10YFP has six programmes, and the SPP Programme will support achievement of SDG target 12.7. UNEP serves as the Secretariat of the 10YFP and administers the Trust Fund.

### Benefits of SPP

Through SPP, governments can lead by example and deliver key policy objectives and send strong market signals. Sustainable procurement allows governments to reduce greenhouse gas emissions, improve resource efficiency and support recycling. Positive social results include poverty reduction, improved equity and respect for core labor standards. From an economic perspective, SPP can generate income, reduce costs, support the transfer of skills and technology and promote innovation by domestic producers.

Need more info? Visit [www.unep.org/10YFP](http://www.unep.org/10YFP)

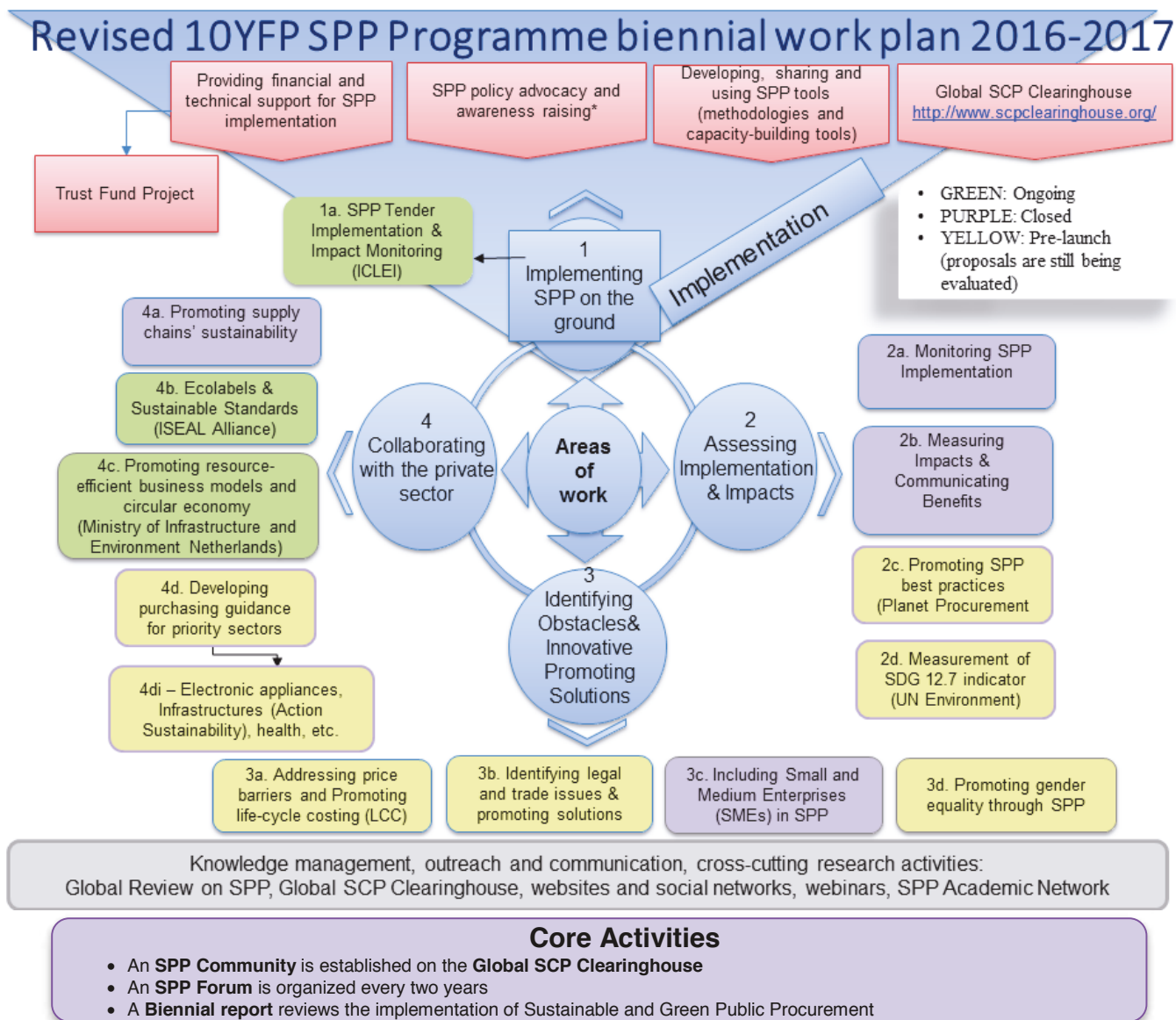


# The SPP Programme: Building on a 10-Year Journey

The 10YFP Programme on SPP builds on the Sustainable Public Procurement Initiative (SPPI), which was launched in June 2012 at the Rio+20 Conference. The SPPI established the foundation for the SPP Programme by assembling the future leads and actors of the Programme and adopting a work plan. The 63 members of the SPPI agreed through a consultative process to apply to become the 10YFP SPP Programme, and in March 2014 the 10YFP Board approved the application. The SPPI was itself a continuation of the Marrakech Task Force on Sustainable Public Procurement, led by the government of Switzerland from 2005 until 2011. For more information, please visit <http://esa.un.org/marrakechprocess/>

## Joining Hands for SPP Implementation – Work plan of the 10YFP SPP Programme

To support the uptake of sustainable public procurement on the ground, the SPP programme consists of core activities and results-oriented Working Groups that are organized into four main areas:



### Trust Fund projects:

The 1<sup>st</sup> call for proposals of the 10YFP Trust Fund was launched in December 2014, offering funding of 500 000 USD for SPP activities in developing countries and economies in transition.

This call for proposals resulted in the selection of **3 projects**:

1. “Mainstreaming Sustainable Public Procurement through the introduction of Product Service Systems in the Western Cape”, **Western Cape Government, South Africa**. Executing agency: International Institute for Sustainable Development.
2. “Towards a Sustainable Public Procurement System in Uruguay (TSPPU1)”, **Uruguay**. Executing Agency: UNOPS.
3. “Establishment and Implementation of GPP in Quezon City for the Promotion of SCP in the Philippines”, **Quezon City, Philippines**. Executing Agency: Environmental Protection and Waste Management Department (EPWMD) of Quezon City.

# Governance structure of the 10YFP SPP Programme

The 10YFP SPP Programme is led by the United Nations Environment Programme (UNEP), and co-led by ICLEI – Local Governments for Sustainability - and the Korea Environmental Industry & Technology Institute (KEITI). A Multistakeholder Advisory Committee oversees the Programme's implementation.

Lead

Co-leads

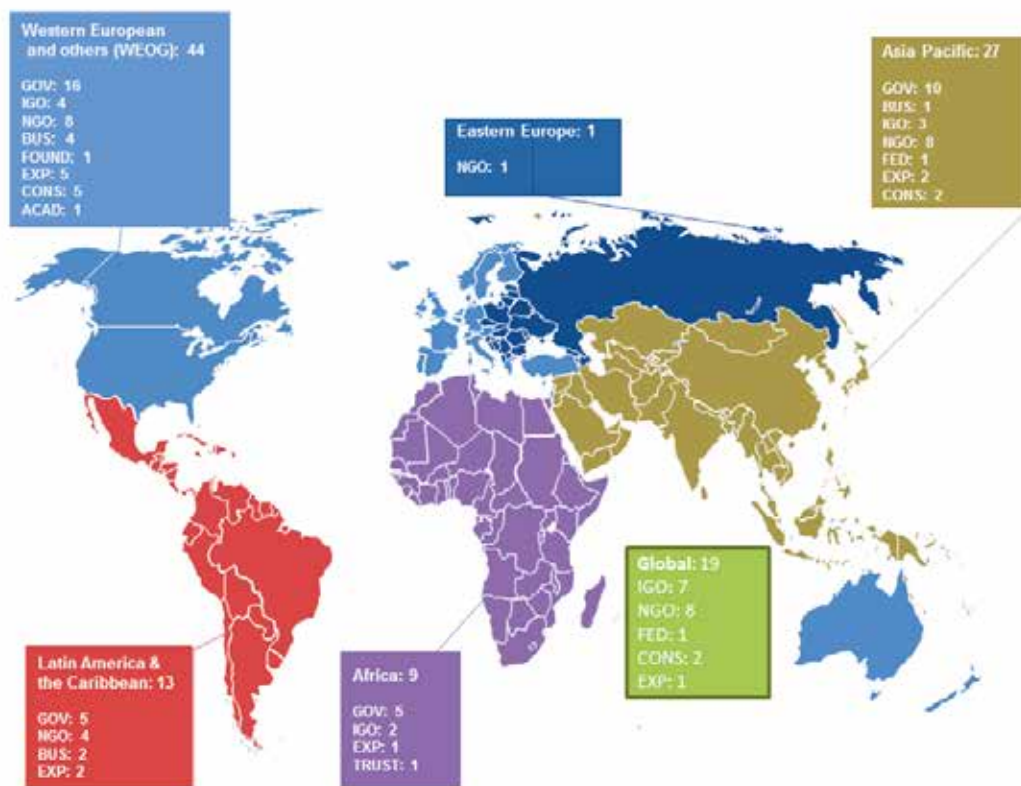


## Members of the Multi-stakeholder Advisory Committee:

- ChileCompra
- Eco Mark Office of Japan Environment Association
- Environmental Development Center of Ministry of Environmental Protection (EDC), China
- Forest Stewardship Council (FSC)
- Fundación Centro de Gestión Tecnológica e Informática Industrial (CEGESTI)
- ICLEI – Local Governments for Sustainability (*co-lead*)
- Indian Railways
- Institut des Finances Basil Fuleihan-Lebanon
- International Green Purchasing Network (IGPN)
- International Institute for Sustainable Development (IISD)
- International Training Center of the ILO (ITC-ILO)
- Korea Environmental Industry & Technology Institute (*co-lead*)
- Mauritius Procurement Policy Office
- National Agency for Public Procurement, Sweden
- National Center for Cleaner Production and Environmental Technologies (NCPC), Colombia
- Netherlands Ministry of Infrastructure and the Environment
- Secretariat of the Convention on Biological Diversity
- SKL Kommentus, Sweden
- Sustainable Purchasing Leadership Council (SPLC)
- Swiss Federal Office for the Environment (FOEN)
- United Nations Environment Programme (*lead*)
- United States Environmental Protection Agency

## 10YFP SPP Programme - 103 Partner Organizations and 10 Individual Experts in more than 40 countries around the globe, including 34 governments

As of April 2017



- GOV: Government Organization
- IGO: International Govt. Organization
- NGO: Non-Governmental Organization
- FED: Federation of local governments
- BUS: Private Sector Business
- EXP: SPP Experts
- FOUND: Foundation
- CONS: Consultancy
- ACAD: Academia & research institutions

# Join the 10YFP SPP Programme!

## Why should I join?

- Access a broad network of organizations and individuals working together to implement SPP.
- Share your experience.
- Benefit from advice and technical support on SPP implementation.
- Apply for financial support for SPP activities in developing countries through the 10YFP Trust Fund.
- Develop large scale SPP projects with diverse and skilled partners.



Last updated in  
April 2017

## Outputs from the SPP Programme:

- “Sustainable Public Procurement: a Global Review”  
Released in 2013  
Available on the Global [SCP Clearinghouse](#)
- Pre-study on the “Sustainability of supply chains and Sustainable Public Procurement”  
Working group 4a on “Greening the supply chains”  
Released in 2014  
Available on the Global [SCP Clearinghouse](#)
- Technical Report "Using Product-Service Systems to Enhance Sustainable Public Procurement"  
Released in May 2015  
Available on the Global [SCP Clearinghouse](#)
- "Monitoring Sustainable Public Procurement Implementation”  
Released in February 2016  
Available on the Global [SCP Clearinghouse](#)
- "Measuring and Communicating the Benefits of Sustainable Public Procurement”  
Released in December 2016  
Available on the Global [SCP Clearinghouse](#)
- Read the 10YFP SPP newsletters: [Issue 1](#) (January 2015), [Issue 2](#) (May 2015), [Issue 3](#) (September 2015), [Issue 4](#) (February 2016), [Issue 5](#) (April 2016), [Issue 6](#) (August 2016) and [Issue 7](#) (December 2016).



## How can I get involved?

The SPP Programme is open to all organizations and individual experts that are interested in joining a collaborative platform to support the implementation of SPP. Download the application form today at [www.unep.org/10yfp/procurement](http://www.unep.org/10yfp/procurement)



## Contact us: 10YFP SPP Programme Coordinating Desk

C/O UNEP, Division of Technology, Industry and Economics  
1 rue Miollis, Building VII - 75015 Paris, France  
[10yfpspp@unep.org](mailto:10yfpspp@unep.org)

## Get the latest news on SPP: Visit the SCP Clearinghouse

The Global SCP Clearinghouse is the 10YFP's comprehensive web portal  
Sign up today! <http://www.spcclearinghouse.org>

Scan and find  
out more!



@GlobalSCP  
@10yfp

The following organizations provide resources for the implementation of the 10YFP SPP Programme:



## Annex 2. Overview of the outputs of the working groups of the 10YFP Sustainable Public Procurement Programme (2013-2016)

### WORKING GROUP 2A: MONITORING SPP IMPLEMENTATION

**Period of activity: October 2013 – April 2015**

#### **Main objectives:**

- To provide recommendations on how to create efficient systems to monitor sustainable public procurement (SPP) implementation at organizational level and how to start building an international framework to report on sustainable public procurement progress.
- Support pilot projects aiming at the improvement of SPP monitoring and evaluation systems in public organization.

#### **Key lessons:**

- The way that SPP implementation will be monitored should be determined early in the policy development stage in order to set measurable objectives and to avoid monitoring challenges at a later stage.
- To set up an appropriate and efficient SPP monitoring system, a wide range of aspects that will influence the monitoring mechanisms to be created should be taken into consideration, e.g. the objectives of the monitoring system, the type of data required, the information-gathering mechanisms, the reporting tools, and so on.
- To establish a monitoring system that is accurate without being too complex or burdensome, and that is integrated into existing workflows, all relevant stakeholders have to be engaged in its creation.
- The monitoring system needs to be able to show progress in the achievement of policy commitments and identify areas for improvement. Therefore, both the level of institutionalization and the outputs should be monitored.
- The monitoring system should, as far as possible, be integrated into existing electronic software to make data gathering a regular and automatic process integrated into everyday work.
- At the global level, there is a need to agree on common approaches, methods, indicators and definitions to monitor, evaluate and report SPP progress on a global scale.

### Outputs:

- Report: “**Monitoring sustainable public procurement implementation - Recommendations and case studies**”.<sup>56</sup> The report includes the following sections:
  8. Recommendations for enabling frameworks and efficient systems to monitor SPP implementation at the organization level.
  9. Recommendations for an international framework to report SPP progress, intended as a first step in developing an approach to demonstrate global SPP progress.
  10. Case studies presenting in detail how governments around the world and at different levels monitor their SPP programmes.

### Focus on the following case studies:

- Monitoring sustainable public procurement in the City of Ottawa
- Monitoring green public procurement in Japan’s public sector
- Monitoring green public procurement in the Government of Thailand
- Monitoring green public procurement in Estonia through the national e-procurement platform
- Monitoring sustainable public procurement in Switzerland through the government’s e-tendering platform
- Monitoring green public procurement in the United States of America’s Federal Government
- Monitoring purchases to micro and small enterprises in the Government of India
- Monitoring job and apprenticeship creation for social inclusion through procurement in South Australia

**LEAD ORGANIZATION: Ecoinstitut SCCL (Ms Aure ADELL and Ms Bettina SCHAEFER)**

<sup>56</sup> The report is available on the SCP Clearinghouse’s Knowledge Hub at <http://www.scpclearinghouse.org/resource/monitoring-sustainable-public-procurement-implementation>



## WORKING GROUP 2B: MEASURING AND COMMUNICATING THE BENEFITS OF SPP

**Period of activity: November 2014 – July 2015**

### **Main objectives:**

- Lay a solid foundation for measuring SPP benefits by investigating and comparing existing methodologies and impact-calculation techniques.
- Develop a benefits framework and methodology based on inputs from experts.
- Provide guidance to organizations implementing SPP.
- Grow and diversify the community of individuals and organizations actively working on measuring the benefits of SPP.

### **Key lessons:**

- Presenting the outcomes generated by SPP programmes with a transparent method, supporting evidence, and clear communication in terms of the benefits to the organization and their contribution towards meeting sustainable development goals can greatly improve the implementation of SPP.
- There are few comprehensive case studies on measuring SPP outcomes, a lack of data and shared frameworks for communicating SPP benefits. While some measurement methods and benefits calculators are available, as a whole, the landscape of existing methods and tools remains fragmented.
- These challenges can be overcome by taking a “step by step” approach, integrating measurement and communications into SPP programmes’ strategy development, prioritizing benefits categories, and using existing tools where available.
- A guidance framework with supporting methodologies, indicators and implementation steps was produced by the working group to help overcome these challenges. The working group also made recommendations for future work on the topic.

### **Outputs:**

- Final report: **“Measuring and communicating the benefits of sustainable public procurement: Baseline review and development of a guidance framework”**.<sup>57</sup>

### **LEAD ORGANIZATION:**

Sustainable Purchasing Leadership Council (Mr Jason PEARSON) with the support of Industrial Economics, Inc. (IEC) USA (Dr Anastasia O’ROURKE)

<sup>57</sup> The report is available on the SCP Clearinghouse’s Knowledge Hub at <http://www.spclearinghouse.org/resource/measuring-and-communicating-benefits-sustainable-public-procurement-spp-baseline-review-and>



## WORKING GROUP 2C: PROMOTING BEST PRACTICES ON GREEN PUBLIC PROCUREMENT

**Period of activity: April 2013 - December 2014**

### **Main objectives:**

- Collect case studies, primarily from OECD and other G20 countries, on their experience with green public procurement (GPP).
- Review the information collected in the form of a draft compendium of good practices.
- Disseminate the compendium of GPP good practices.

### **Key lessons:**

- Green public procurement legal and policy framework: The case studies show the importance of establishing a clear framework for GPP with understandable definitions, targets and priorities to help public entities achieve their goals.
- Understanding market capacity and assessing costs and benefits: The case studies show that consulting with stakeholders and suppliers is crucial to assess available green solutions and gauge supply capacity. Countries provided valuable guidance on ways of engaging with the market as well as on how public organizations may use life-cycle costing evaluation in their cost-benefit analysis.
- Introducing environmental standards in procurement: The case studies highlight the extent to which performance-based contracting and payment provides incentives for innovative green solutions. Credible standards determining what products or services count as green, such as, for example, eco-labels, are core conditions to reach environmental goals.
- Professionalizing green public procurement: Green public procurement requires specialized knowledge and skilled multidisciplinary teams. The case studies showcase a range of professionalization tools like manuals, training and guidance that help build the capacity of the public sector to use procurement strategically.
- Raising awareness: A focused effort on getting the right messages across to government procurement officials and the general public can have a significant impact on the success of green public procurement. Case studies show concrete results of green public procurement communication strategies, including encouraging businesses to develop green solutions and increasing citizens' trust in the achievements of green policies.
- Monitoring green public procurement: The case studies not only provide concrete examples of measuring and monitoring green public procurement results but also show that monitoring serves to consolidate the benefits of GPP and provide valuable feedback for policy makers.

## Outputs:

- **“Smart Procurement: Best practices for green procurement”**, available from the OECD’s website.<sup>58</sup>

## Focus on the following case studies:

- Green public procurement legal and policy framework:
  - Government of the Republic of Korea
  - Austrian state-owned railways infrastructure company (ÖBB Infrastruktur AG)
- Understanding market capacity and assessing costs and benefits:
  - Indian Railways
  - Italian Government central purchasing body (Consip spA)
- Introducing environmental standards in procurement:
  - Government of People’s Republic of China
  - Estonian Road Administration
  - The Netherlands’ Department of Public Works of the Ministry of Infrastructure and the Environment
  - Austrian road financing agency
  - Danish Hedensted Municipality
  - Government of Sweden
- Professionalizing green public procurement:
  - Government of Belgium
  - Government of the Slovak Republic
  - Government of Sweden
  - City of Vienna (ÖkoKauf programme)
  - City of Vienna (“Vienna thinks future” programme)
- Raising awareness:
  - Public Procurement Supply Directorate, Government of Hungary
  - eSPap, Portuguese Public Administration Shared Services Authority
- Monitoring green public procurement:
  - Government of Canada
  - Italian Government central purchasing body (Consip spA)
  - Federal government of the United States of America
  - Union des groupements d’achats publics, Government of France

## LEAD ORGANIZATION:

OECD (Ms Despina PACHNOU) and UN Environment (Mr Farid YAKER)

58 The Report can be found at <http://www.oecd.org/gov/ethics/best-practices-for-green-procurement.htm>.

## WORKING GROUP 3A: INTEGRATING PRODUCT-SERVICE SYSTEMS IN SPP

**Period of activity: October 2013 - June 2015**

### **Main objectives:**

- Define opportunities, obstacles and potential impacts, as well as implementation methods to integrate the use of product-service systems into green public procurement initiatives.

### **Key lessons:**

- Product-service systems (PSS) have the potential to be used in sustainable public procurement, especially in providing new ways to reduce our reliance on materials and resource consumption and new ways to create jobs and facilitate long-term economic competitiveness and security. However, the benefits have not been clearly articulated and their practical use in sustainable public procurement (SPP) requires ground-breaking work in redefining classic relations between supplier and customer.
- Different terminology is used for product-service systems, e.g. 'servicizing', 'functional sales', 'green' or 'resource-efficient' business models, 'eco-efficiency' and the 'circular economy'. Greater clarity of the concept would help to generate a common understanding of PSS and incorporate it into SPP.
- Product-service systems are not by definition sustainable. PSS can include incentives for sustainable practices, but this needs to be organized and specified in the right way. Details on what is needed to ensure sustainability within the services are required to maximize their potential.
- More research on an assessment framework is needed to effectively determine the sustainability and economic impact of the different PSS options. Currently, research on PSS is fragmented, lacking data (both quantitative and qualitative) or not supported by a comprehensive assessment framework.
- The objective of PSS is to gear consumption and production patterns towards sustainability through enhanced company accountability and responsibility throughout the life-cycle.
- Inserting life-cycle costing, including environmental impacts, can help facilitate a shift towards sustainable product-service systems.
- More dialogue with the market is required: How can we include functional thinking in the procurement process? What services are available? What are their sustainability and cost benefits? How can the life-cycle (e.g. the user and end-of-life phases of products/services) be considered in procurement? Also, for procurers, more guidance and training is required on how to formulate performance-based (functional) specifications.

### Outputs:

- Report: “Using Product-Service Systems to Enhance Sustainable Public Procurement, 2015.”<sup>59</sup>
- E-module: “Using product-service systems in circular procurement”.<sup>60</sup>
- The working group co-organized the Circular Procurement Congress in April 2016.<sup>61</sup>

### Focus on the following case studies:

- Car-sharing as part of public fleet management in Bremen (Germany)
- Supplying office furniture and carpeting in a circular model (the Netherlands)
- Chemical management services at the Stanford Linear Accelerator Center (United States)
- Building a temporary office for a period of 20 years, Brummen Town Hall (the Netherlands)
- Designing, financing, building, maintaining and operating the Millau Viaduct (France)
- Biomass heating services for public buildings (Finland)
- Biomass heating services for public buildings (Scotland)
- Kretsloppsparken (recycling park) in Göteborg (Sweden)
- The furniture procurement policy of Perth and Kinross Council (Scotland)

### LEAD ORGANIZATION:

Dutch Government - Ministry of Infrastructure and the Environment (Mr Cuno VAN GEET)

59 The report is available in the Knowledge Hub of the SCP Clearinghouse at <http://www.scpclearinghouse.org/resource/using-product-service-systems-enhance-sustainable-public-procurement>.

60 The report is available in the Knowledge Hub of the SCP Clearinghouse at: <http://www.scpclearinghouse.org/resource/using-product-service-systems-circular-procurement>.

61 More information is available at: <https://www.aanmelder.nl/85950>.

## WORKING GROUP 3C: PROMOTING THE PARTICIPATION OF SMALL AND MEDIUM-SIZED ENTERPRISES IN SPP

**Period of activity: August 2016 – December 2016**

### **Main objectives:**

- Identify the barriers that small and medium-sized enterprises (SMEs) face in public procurement, in particular when environmental benefits are sought, in order to define recommendations on the subject.
- Collect case studies on the policies and programmes that have led to the active promotion of SMEs in SPP, focusing on environmental benefits (including SMEs' environmental performance improvement) and show the best practices across them.
- Share knowledge and experience available to practitioners as well as to policy makers, to advocate for more ambitious policy measures to promote SMEs in SPP and achieve more ambitious outcomes from the promotion of SMEs on SPP.

### **Key lessons:**

- It's a known fact that SMEs face difficulties when it comes to complying with environmental standards and that not only affects the sustainable development of the country, but directly affects the competitiveness of SMEs.
- There are many GPP programmes around the world, as well as many policies to promote SMEs in public procurement and environmental programmes to improve their performance, but these three types of policies are not necessarily coordinated in a way that facilitates the participation of SMEs in GPP.
- If no active support is provided to SMEs (to improve their environmental performance), GPP could create unfair competitive advantage for large companies able to comply with green criteria.
- SMEs are quite heterogeneous, for example with regard to their size, business strategy and environmental management. Therefore, a "one fit for all" approach may not be suited to improve their competitiveness in GPP.
- Green criteria in public procurement have to be implemented progressively and according to a realist and thorough market assessment that evaluates the types of SMEs and the conditions the country could offer to support them in order to facilitate their participation.
- The main barriers identified, lack of capacity building programmes and costs, point to the lack of coordination between the institutions that should focus on the development of SMEs and the procurement authorities that prioritize the products included in GPP action plans.
- Some countries have indicators of the participation of SMEs in public procurement. However, most of them don't have indicators of GPP and may be in the process of defining how to measure it.

### **Outputs:**

- Final report: "**Promoting the participation of small and medium-sized enterprises in green public procurement**".<sup>62</sup>

### **Focus on the following case studies:**

- Financial instruments for SMEs in GPP in Brazil
- Coordinating with the market in the Basque Country

**LEAD ORGANIZATION: CEGESTI (Ms Sylvia Aguilar)**

<sup>62</sup> The report is available in the Knowledge Hub of the SCP Clearinghouse at <http://www.scpclearinghouse.org/resource/promoting-participation-small-and-medium-sized-enterprises-green-public-procurement>

## WORKING GROUP 4B: SUPPORTING SPP IMPLEMENTATION THROUGH THE USE OF ECOLABELLING AND SUSTAINABILITY STANDARDS

**Period of activity: July 2013 – December 2015**

### **Main objectives:**

- Help to facilitate the implementation of SPP through the use of ecolabelling and voluntary standards.
- Improve the dialogue between the owners and developers of standards and ecolabels and government and public sector.

### **Key lessons:**

- The maturity of public procurement frameworks is a prerequisite for the use of standards. In order for credible sustainability standards to be promoted as tools to support SPP implementation, a prerequisite is that well-established public procurement regimes that promote the core principles of good governance and sustainability are in place.
- When significant changes to the legal framework were made, such as in the EU, it generated momentum in the working group and helped to support the development of SPP tools.
- The technical nature of the two fields of SPP and sustainability standards means that few organizations or individuals can speak about both topics in their full breadth. To ensure participation and appeal, it is necessary to focus on specific topics that may also connect to other aspects of sustainable value chains.
- The issue of how sustainability standards can support SPP is also not independent from other aspects of SPP or sustainable consumption and production more broadly. Therefore, it is vital that any work focusing on these topics is nestled within a wider discussion in order to exploit synergies with other themes.

### **Outputs:**

- Webinar: Dealing with Sustainability Claims in Public Procurement, August 2015.<sup>63</sup>
- A Newsletter issued in May 2015.<sup>64</sup>

**LEAD ORGANIZATION: ISEAL Alliance (Ms Norma TREGURTHA)**

<sup>63</sup> Can be viewed on the SCP Clearinghouse's YouTube channel: <https://www.youtube.com/watch?v=ZrmJWZJ97Js>.

<sup>64</sup> The May 2015 issue can be viewed at <http://usl.campaign-archive1.com/?u=9071b7935371c1133f4777928&id=76dalff6ca&e=e67cf-b14e0>.



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## Annex 3: Research methods for the 2017 Global Review

In this Annex, we provide details on the research steps taken for the 2017 Global Review and on their limitations with regards to each component of the study:

1. Literature review
2. Expert interviews
3. National government questionnaire and factsheet
4. Stakeholder survey
5. Good practice case examples

The research team consisted of Ecoinstitut, SCCL and Industrial Economics, Inc. (IEc), with oversight and input provided for all research components by the members of the Coordination Desk, i.e. UN Environment, ICLEI and KEITI.

### 3.1 LITERATURE REVIEW

To inform the research conducted for the *2017 Global Review*, the research team conducted a brief literature review from October to December 2015 on major publications, reports, articles and other resources on sustainable public procurement (SPP) published between 2012 and 2015. The goal of the literature review was to reflect the state of the literature on SPP published since the previous extensive literature review conducted in 2012 for the 2013 Global Review, and to inform the other primary research activities including the national government questionnaire, the stakeholder survey and the selection of good practice examples.

To facilitate the literature review, a template to gather and analyze the literature was developed by IEc. Academic peer-reviewed literature, websites of key initiatives, and specialized online media sources focusing on sustainability news were analyzed. The scope of the literature review did not include a detailed search through the official website of national governments, nor a study of manuals and guidance documents produced by them.

The literature review focused on SPP policies, activities, measurement, trends, barriers, opportunities and other trends influencing SPP. Search terms included synonyms for “SPP” (such as “green public procurement”), various synonyms for “procurement” (such as “acquisition”), and synonyms for “sustainable” (used in the context of procurement, including “green”, “environmentally preferable”, “socially responsible” and so on). We also searched for the equivalent terms in Spanish, French, Swedish, Danish and German (which reflected the language capabilities of the research team). Although the literature search was conducted in a variety of languages, the vast majority of publications found and subsequently reviewed were in English.

A total of 72 sources of literature were found and reviewed. Of these sources, 50 percent were reports, 36 percent were journal articles, and the remainder comprised websites, conference papers, blog posts, and book chapters. The most common countries included in the studies reviewed were China, the United Kingdom of Great Britain and Northern Ireland, and the United States of America. Most of the studies reviewed focused on either national government agencies or a broad range of organizations of a different nature (as shown in Table A below). The majority of the studies did not focus on one specific organization. Of the few that did, the main focus was on specific government agencies, state schools, along with hospital and university catering. Most of the studies covered a wide range of sustainability factors as SPP (including social, environmental and economic issues), rather than on single issues (such as human rights, or biodiversity).

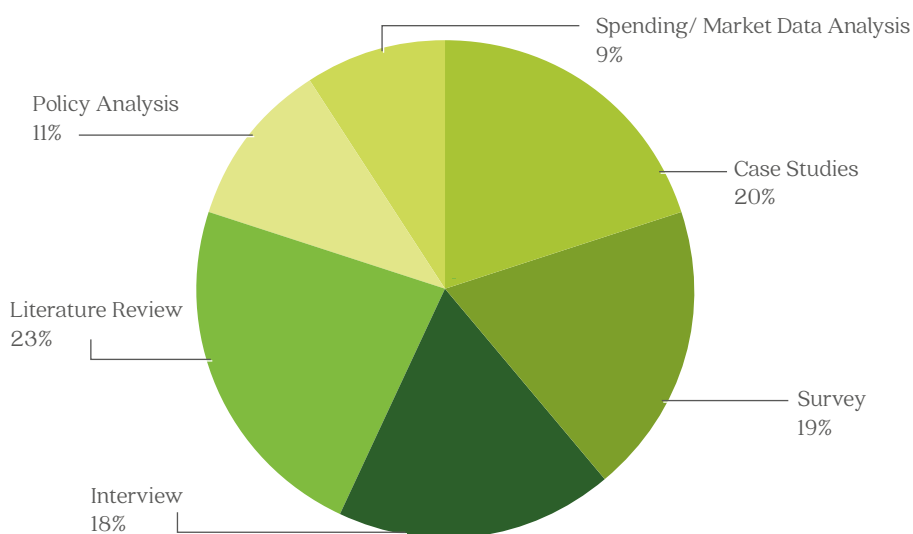
**Table A. Types of organizations most often covered by the literature on SPP**

ORGANIZATIONAL FOCUS OF THE STUDY	BREAKDOWN BY PERCENTAGE
National government agencies	39%
Any/All	27%
Local government agencies	10%
Private sector companies	6%
International agencies (e.g., World Bank, UN, IADB)	4%
Universities/schools	4%
Healthcare/Hospitals	4%
Specific industry sectors	4%
State government agencies	1%

The most common research methods used in the literature reviewed were case studies, surveys, interviews, and literature reviews, as shown in Figure A. Over a third of the literature reviewed illustrated best practice case studies for specific government agencies or product groups.

**Figure A: Research methods most often employed by the literature on SPP.**

(Note that some studies applied more than one method and are therefore counted more than once).



Many studies highlighted that the main barriers to SPP implementation are limited resources and institutional capacity, lack of political and public interest, as well as lack of knowledge and of policies addressing SPP. The numerous barriers cited in the studies were analyzed and then incorporated into the stakeholder survey as response options.

The literature review also helped to identify gaps in the existing literature about SPP. For example, only seven percent of the studies covered forward-looking trends or expectations for SPP. In addition, many regions of the world are simply not covered by existing studies. It also confirmed that the *2017 Global Review* would contribute to knowledge about SPP, and would do so by:

- Providing a comprehensive and wide-ranging overview of SPP policies and practices being adopted around the world using a set of objective and common indicators, and based on data provided and validated by public agencies.
- Adding to the knowledge of SPP practices from world regions not usually covered by the literature in English.

- Providing a multi-dimensional view of SPP by complementing data gathered through the stakeholder survey analyzing the perceptions of a variety of stakeholders on its implementation.
- Providing examples and cases of SPP activities from different world regions.

### 3.2 EXPERT INTERVIEWS

Ecoinstitut conducted interviews with six SPP experts in November and December 2015 to inform the design of the national government questionnaire and the stakeholder survey, as well as to identify potential good practice examples and emerging themes in SPP to feature in the *2017 Global Review*.

The research team nominated ten interviewees, six of which were selected in coordination with the Coordination Desk of the 10YFP SPP programme. The selection criteria included expertise in SPP policies and implementation activities, representing or working in a range of world regions or types of organizations. Interviewees were invited to participate over email, and all accepted.

Three members of the Coordination Desk participated as interviewees: Farid Yaker (UN Environment), Hyunju Lee (KEITI) and Mark Hidson (ICLEI). The other interviewees were Robert Kaukewitsch, from DG Environment at the European Commission, Jason Pearson from Sustainable Purchasing Leadership Council (SPLC) and Oshani Perera from the International Institute for Sustainable Development (IISD).

**Table B: Interview questions**

INTERVIEW QUESTIONS	
1.	Do you remember the 2013 Global Review? If so, what did you like about it?
2.	What would you like to see done differently in the 2017 Global Review?
3.	What key themes would you expect a stakeholder survey on sustainable public procurement to address?
4.	What key issues and information should the national government questionnaire and fact-sheets provide?
5.	Do you see sustainable public procurement as a policy on its own or more as a supporting instrument to other policies? If the latter, what are the main policies that sustainable public procurement can support and influence (e.g. climate change, social equality, sustainable consumption and production...)?
6.	What are the key drivers or main justifications for sustainable public procurement implementation? Has that changed over the years? Are there differences between world regions/countries and between government levels (central-local)?
7.	What are the differences in sustainable public procurement implementation in the different world regions/countries?
8.	What are the most important instruments/measures for sustainable public procurement implementation? Are there differences between world regions/countries and between government levels (central-local)?
9.	What are the main barriers to sustainable public procurement implementation? Are there differences between world regions/countries and between government levels (central-local)?
10.	What are the new trends in relation to sustainable public procurement? Are there specific trends in different world regions/countries?
11.	What are the key “enabling conditions” to implement sustainable public procurement in regions/countries with low or little SPP implementation?
12.	How can and should international organizations and initiatives like the UN, the 10YFP Sustainable Public Procurement Programme, etc. help to enable and support SPP implementation?
13.	What examples should we consider highlighting as good practice examples of innovations in sustainable public procurement?
14.	In a perfect world, what would SPP look like?

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Each interview was conducted as a one-hour, semi-structured telephone or in-person interview. Notes were taken on each interview and analyzed thematically. Quotes used in the *2017 Global Review* from the interviews were confirmed and approved with each interviewee prior to publication.

### 3.3. NATIONAL GOVERNMENT QUESTIONNAIRE AND FACTSHEETS

The national government questionnaire process was coordinated by Ecoinstitut from February to April 2016. The goal was to gather and analyze information from national governments about SPP policies and implementation for the *2017 Global Review*. Based on the responses provided in the questionnaire, an aggregate analysis was conducted in June 2016, and factsheets were drafted between June and September 2016 to present basic information on the policy framework, implementation activities and monitoring efforts in each participating national government.

#### Sample

The target organizations were central, national or federal government agencies from around the world, with only one response per government allowed. For each government, a “focal point” and “alternate” contact person were identified and selected. These individuals were identified from the following sources:

- UN Environment’s contacts from different SPP support projects and mailing lists;
- European Commission DG Environment Green Public Procurement Advisory Group;
- Focal points who completed the survey from the *2013 Global Review*;
- Input from the Coordination Desk and research team, based on their professional networks.

Quite often, more than one agency in any given national government is involved in SPP. However, we requested that the focal point person coordinated a single response to the questionnaire for their national government. The focal point person also coordinated input on the draft factsheet prepared by the research team, based on the questionnaire. The requirement of submitting a single response per country helped to overcome the issue experienced with the *2013 Global Review* of different survey participants from the same national government providing different answers, even to fact-based questions. It also enabled participants from the national government to gather a range of inputs from their own agencies, and to review and check responses, improving their accuracy.

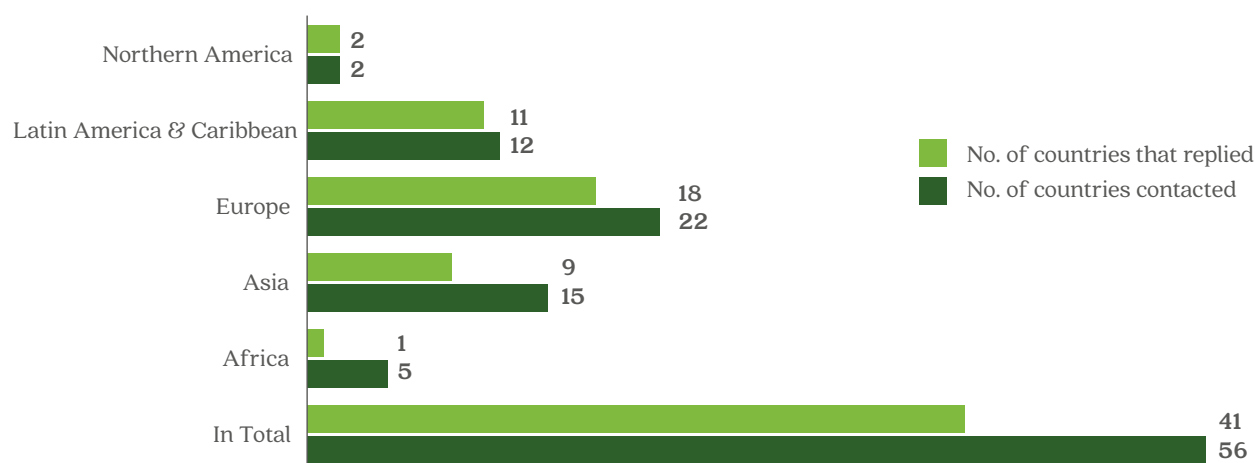
A total of 56 national governments were invited to participate in the survey.<sup>65</sup> The invitation was sent to the focal points and alternate contacts individually via email. To further encourage a response, three follow-up requests were sent via email.

Forty-one national governments agreed to complete the questionnaire and forty of them contributed to the preparation of the Factsheets on SPP in National Governments.

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65 See Annex 5 for a full list of governments contacted and that replied to the questionnaire

**Figure B. Overview of national governments that were invited to participate and responded to the questionnaire by region**



### Questionnaire development

Ecoinstitut developed the questionnaire and produced an information-gathering protocol to ensure appropriate communication with focal points and alternate contacts. The questionnaire was based on the following inputs:

1. Results of working groups 2A and 2B of the 10YFP SPP Programme;<sup>66</sup>
2. Outcomes of the literature review;
3. Measures and survey questions targeting national governments in the 2013 Global Review;
4. Input from the expert interviewees;
5. Input from the Coordination Desk of the 10YFP SPP Programme and from IEC;
6. Input from members of the Multi-Stakeholder Advisory Committee of the 10YP SPP Programme;

Seven members of the 10YFP SPP Programme Multi-stakeholder Advisory Committee<sup>67</sup> provided comments and input on a draft version of the questionnaire. An appendix with definitions of key terms and support information for parts of the questionnaire was produced to accompany the questionnaire, and both were translated into Spanish. The final questionnaire in English can be found in Annex 4. For most of the questions, participants were requested to provide web links to relevant information.

### Data gathering and review

Ecoinstitut also held and recorded a webinar in English for the participants to present the questions, discuss them, and provide further guidance on how to complete the questionnaire. During the period in which the questionnaire was open, the research team supported participants by answering ad-hoc questions.

Ecoinstitut reviewed each completed questionnaire, analyzing the information provided for completeness, clarity and evidence, and sent a request for additional information back to each focal point, whenever needed. In general, national governments replied to all applicable questions, with the exception of question D10, for which the response rate was lower than 60% and incomplete in many cases.

<sup>66</sup> See Annex 2 for more information on the working groups.

<sup>67</sup> Kristina Neumann, Convention on Biological Diversity; Sebastian König, Federal Office for the Environment FOEN (Switzerland); Zhang Xiaodan, China Environmental United Certification Center (China); Peter Nohrstedt, SKL Kommentus AB (Sweden); Christina Macken, Sustainable Purchasing Leadership Council (USA); Sanjay Kumar, Ministry of Railways (India); Elena Mora, ChileCompra, Ministry of Finance (Chile)

## Analysis of questionnaire responses

Chapter 2 of the 2017 Global Review presents an analysis of the responses provided for most questions in the questionnaire, noting regional patterns and trends when relevant.

The questions not analyzed in Chapter 2 are questions A1 to A5, C9, D2, D10, E10, E13 and F1 to F3. They were excluded for various reasons. In some cases, the information provided did not correspond to the question asked, was too subjective, or the field was too often left empty or incomplete (e.g. for questions A3-5, C9 and D10). In others, the question had been included for the purpose of providing contextual information in the factsheet (e.g. A1-2, D2, E10, E13 and F1-2) and/or to identify additional good examples for the 2017 Global Review (F3) and therefore did not warrant analysis across the whole group.

Ecoinstitut did not do additional independent fact-checking of the answers provided, which were included as they were received. The information was categorized and analyzed for each of the indicators selected for the 2017 Global Review. For questions B1, B7, B8, C2, D4, E9 and E13, the categorization was conducted by Ecoinstitut based on the indicator groups defined in line with the *2013 Global Review*. When no information was provided for a question, it was considered as not answered and excluded from the analysis.

## Drafting of the Factsheets on Sustainable Public Procurement in National Governments

To present the results for each national government in a clear and concise manner, Ecoinstitut produced a draft template for the factsheet, which was reviewed by the Coordination Desk.

Following editing for harmonization and clarity, a draft of each factsheet was sent back to the respective national government. Given that the aggregate analysis had already been conducted in June, changes or modifications in the answers provided in the review phase were not taken into account for Chapter 2. For example, the Swedish Government stated in the questionnaire that no SPP policy was in place at the moment, but a new strategy was approved in June 2016. It was included in the factsheet, but not in the analysis conducted for Chapter 2.

For the data on total procurement expenditure and percentage over total expenditure for each national government, two data sources were used. For OECD countries, OECD data from 2013 (expressed in USD) was used. The data sources were the following:

- The Gross Domestic Production (GDP) of each country, 1980-2015;<sup>68</sup>
- The consolidated central government expenditure as percentage of GDP 1970-2014;<sup>69</sup>
- The general government procurement as percentage of GDP, 2013;<sup>70</sup>
- The general government procurement by level of government, 2013.<sup>71</sup>

For non-OECD countries or OECD countries for which completed OECD data was not available, the data provided by participants in the questionnaires for 2014 was used, and converted into USD. The conversion was made using the conversion rates provided by the web-tool XE.com.<sup>72</sup>

Each of the completed factsheets can be found in the supplement Factsheets on Sustainable Public Procurement in National Governments.

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68 OECD data - Gross domestic product, retrieved on April 29, 2016, from <https://data.oecd.org/gdp/gross-domestic-product-gdp.htm>

69 OECD Consolidated government expenditure as percentage of GDP, retrieved on April 29, 2016, from: [http://www.oecd.org/ctp/federalism/table4\\_gov\\_exp-gdp.xls](http://www.oecd.org/ctp/federalism/table4_gov_exp-gdp.xls)

70 OECD General government procurement as percentage of GDP, retrieved on April 29, 2016, from: [http://www.oecd-ilibrary.org/governance/government-at-a-glance-2015/general-government-procurement-as-percentage-of-gdp-and-as-share-of-total-government-expenditures-2013\\_gov\\_glance-2015-graph88-enjsessionid=a3bfpl06085.x-oecd-live-03](http://www.oecd-ilibrary.org/governance/government-at-a-glance-2015/general-government-procurement-as-percentage-of-gdp-and-as-share-of-total-government-expenditures-2013_gov_glance-2015-graph88-enjsessionid=a3bfpl06085.x-oecd-live-03)

71 OECD General government procurement by level of government, retrieved on April 29, 2016, from: [http://www.oecd-ilibrary.org/governance/government-at-a-glance-2015/general-government-procurement-by-level-of-government-2013\\_gov\\_glance-2015-graph89-enjsessionid=a3bfpl06085.x-oecd-live-03](http://www.oecd-ilibrary.org/governance/government-at-a-glance-2015/general-government-procurement-by-level-of-government-2013_gov_glance-2015-graph89-enjsessionid=a3bfpl06085.x-oecd-live-03)

72 XE Currency Converter, Mid-market rates, retrieved on July 11, 2016 at 15:57 UTC from <http://www.xe.com/currencyconverter/convert/?Amount=1&From=CHF&To=USD>



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## Limitations to the national government questionnaire and factsheets

After receiving the answers, a round of requests for clarifications of unclear aspects was carried out, as some participants appeared to interpret questions differently.

The questionnaire allowed respondents to adopt a broad interpretation of the term “sustainable public procurement policy”. As it was defined in the appendix, “an SPP Policy refers to any type of document (law, act, executive order, strategy, policy, programme, action plan, etc.) dedicated to the promotion and implementation of sustainable public procurement in any of its environmental and/or socioeconomic dimensions.” The definition implies that both comprehensive SPP policies including a broad variety of social and environmental aspects and specific policies treating one single aspect were considered as being part of the same group.

The results presented in Chapter 2 show the aggregate answers from respondents. When no information was provided for a question, it was considered as “not answered” (rather than a “no”) and excluded from the evaluation. This did not substantially affect the aggregate results.

## 3.4 STAKEHOLDER SURVEY

IEc conducted the global stakeholder survey on SPP and sustainable procurement to gather opinions on definitions, trends, drivers and barriers for the *2017 Global Review*. The survey was designed and tested in February – March 2016, and administered between April and July 2016.

### Survey subject and questions

Unlike the *2013 Global Review*, which combined fact-gathering on national governments with opinions of stakeholders in one single survey tool, the 2016 survey was intended to gather opinions of SPP stakeholders from a wide range of countries and organization types (national, state and local government, small and large companies, and non-profit organizations).

Similarly to the questionnaire for national governments, the stakeholder survey questions were generated based on the following inputs:

- The survey questions used in and, more broadly, the findings of the *2013 Global Review*;
- Results of the literature review;
- Results of the expert interviews;
- Input from Coordination Desk members;
- Input from the 10YFP SPP Programme’s multi-stakeholder advisory committee (MAC);
- Feedback from 11 participants who piloted the survey and provided additional feedback.

IEc selected pilot participants from existing contacts provided by the research team and the Coordination Desk members. As some questions were amended following the pilot feedback, each pilot participant was invited to also participate in the final survey.

Following the survey design, pilot testing, and subsequent refinements, the final set of 33 survey questions was translated into Spanish, and then loaded on a customized web-based survey tool.<sup>73</sup> Respondents could pick from a number of answer options, but could also choose to provide more detail and/or choose “other” or “not applicable”.<sup>74</sup>

A glossary of key terms and acronyms used in the survey was also created, based on existing definitions and references. The glossary is provided in Annex 8.

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<sup>73</sup> [www.surveymonkey.com](http://www.surveymonkey.com)

<sup>74</sup> The survey questions can be found in Annex 6.

## Survey administration and sample

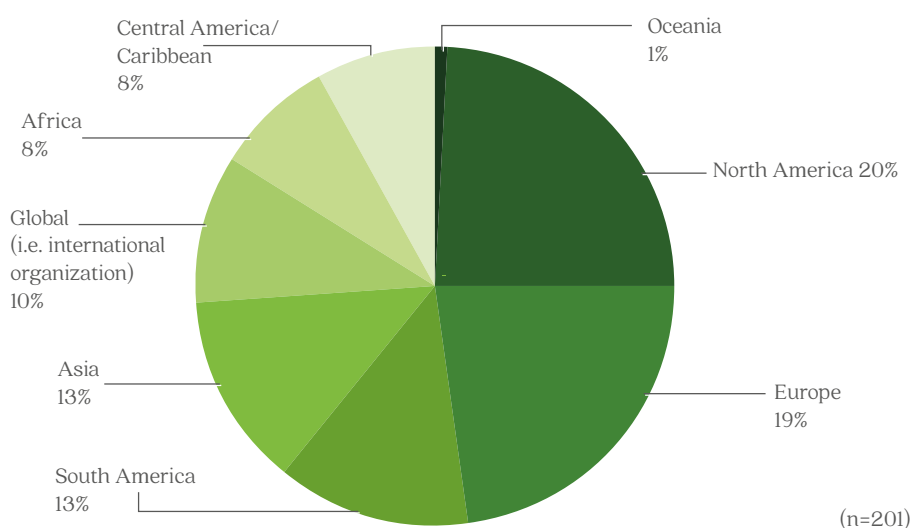
An invitation to participate in the survey was sent via email by the Coordination Desk members to eight mailing lists comprising stakeholders interested in SPP and SP.

Initially, a total of 471 responses to the survey were received. However, 255 participants had only chosen the survey language and did not proceed to answering any other survey questions, while 15 responses were duplicates from the same individuals who responded to the survey more than once. These responses were not taken into account in the analysis.

The resulting set of submissions was 201 responses, from individuals representing 186 organizations.<sup>75</sup>

Survey participants are based in many different world regions, as shown in Figure C, the largest groups being the United States of America (24 percent) and Europe (23 percent). The country with the highest response rate was the United States of America, followed by Brazil and Spain. Nobody from the Middle East took part in the survey, and only two responses were received from Oceania. This regional spread likely reflects the geographical distribution of the research team's network, and is not necessarily indicative of the level of interest in SPP in each region.

**Figure C. Survey respondents by region**

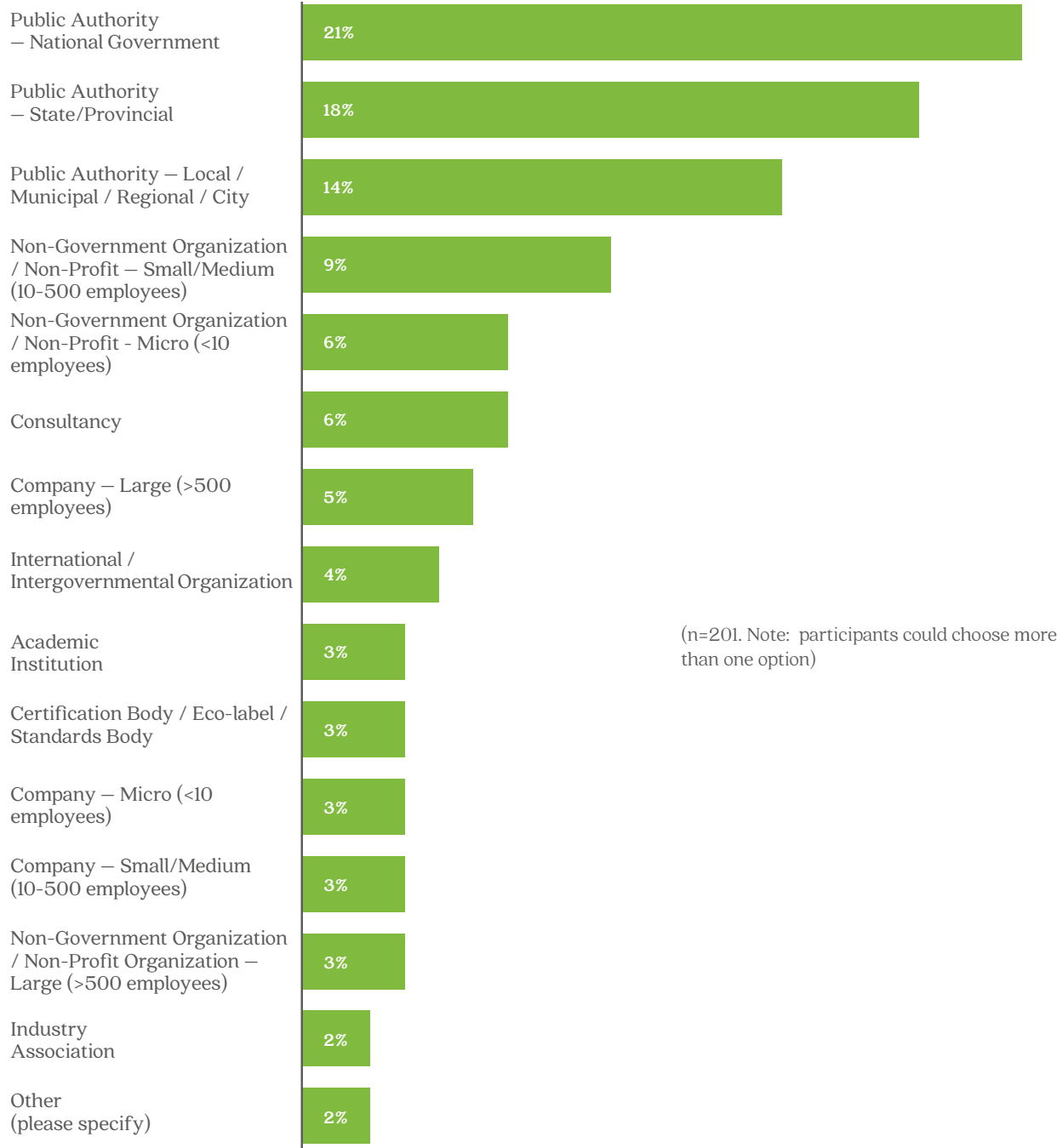


Survey participants work in a range of different types of organizations, as shown in Figure C above. Participants were able to choose more than one option, as sometimes people work for more than one type of organization. However, only 21 people selected more than one option for this question. The largest group of survey participants works in government authorities, with 51 percent of participants representing a national, state, or local public authority.

Given that the title of the survey was “Stakeholder Survey for the Global Review of Sustainable Public Procurement” we assume that some level of self-selection bias took place, as those who chose to reply to the survey already had a particular interest in the topic of SPP.

<sup>75</sup> A list of these organizations is provided in Annex 7.

**Figure D. Types of organizations represented by stakeholder survey participants**



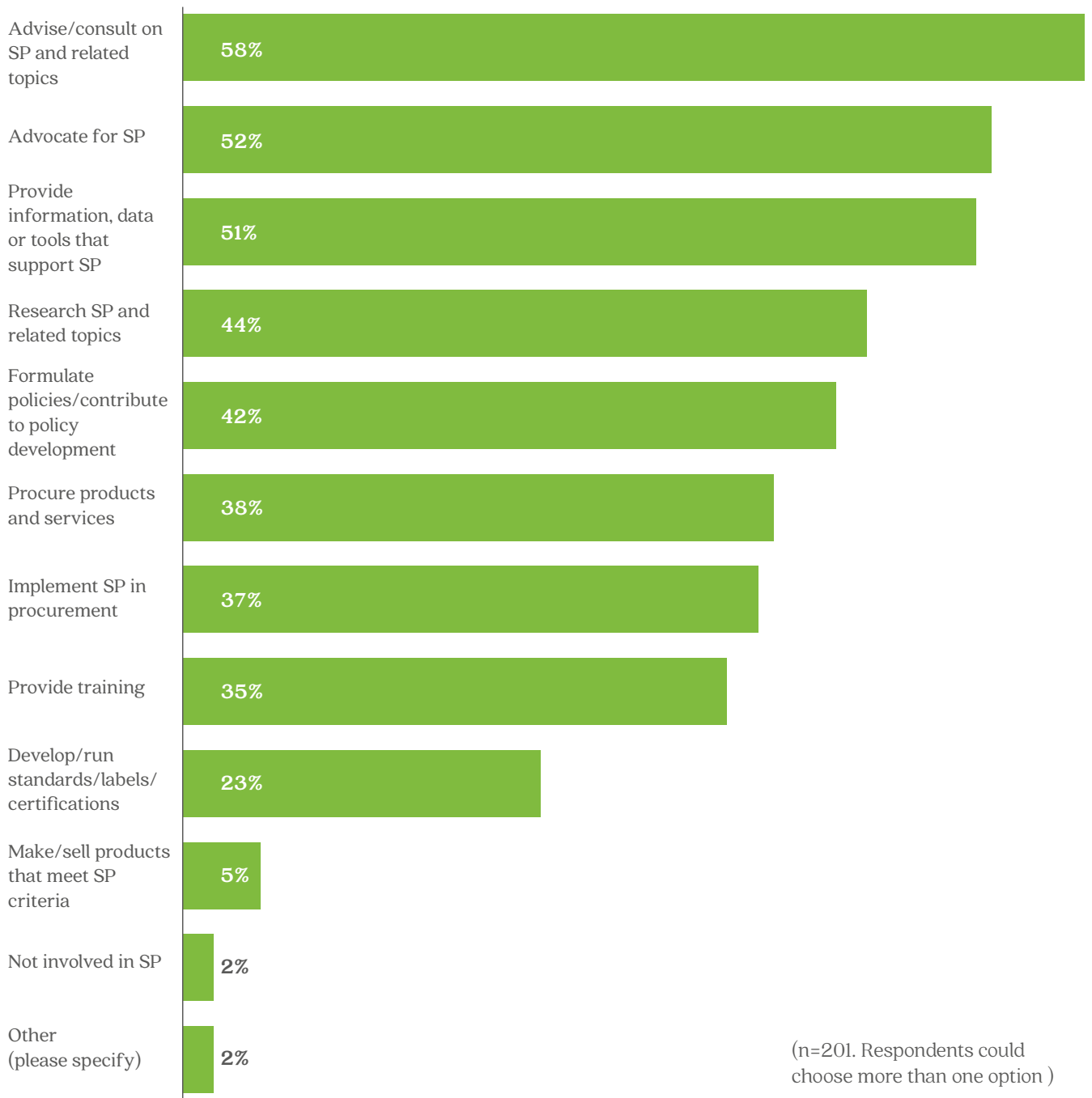
We were interested in how long participants had worked on the topic of sustainable development and of procurement.

We found that:

- 44 percent of survey participants had worked on sustainable development for more than ten years, and 30 percent for five to ten years; and
- 35 percent had worked on procurement for over ten years, and 30 percent for five to ten years.
- A total of 23 percent worked on both topics for more than 10 years.

Participants play a variety of roles in SPP, as do the organizations they work for. Figure E below shows that the most common role of survey respondents was to “advise or consult on SPP and related topics”, followed by “advocate for SPP” and “provide information and tools that enable SPP”. Far fewer participants were directly responsible for procurement in their organization. On average, participants tended to select four options in providing a response to this question, suggesting that they play multiple roles in SPP implementation.

**Figure E: Activities run by survey participants to advance SPP**



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## Survey limitations

The main limitations of the stakeholder survey tool are the following:

- Language limitations arising from conducting the research in English and Spanish only. This may be the reason for a lower response rate from countries where English and Spanish are not commonly spoken.
- Response bias of survey results given that the survey was distributed mainly to individuals who had already expressed an interest in the topic of SPP by signing up to a mailing list and who worked with or at governmental agencies. This particularly affects the responses to the questions regarding stakeholder expectations for the future of SPP, and the extent to which we can discuss results as more broadly applying to SP trends outside of governments.
- Over-representation of actors from government agencies compared to those from private companies or non-profit organizations.
- Verification of responses was limited to the national government factsheets. The accuracy of the answers provided regarding the activities or practices that respondents claimed were implemented in their organizations has not been verified.
- Differing interpretation of questions and instructions. Even though a glossary was provided, some variation in interpretations of key terms and concepts should always be expected in a global survey.

## 3.5 GOOD PRACTICE EXAMPLES

Based on the literature review, interviews, national government questionnaires and survey, illustrative good practice examples were identified to serve as inspiration for other organizations. They portray solutions to identified needs and barriers, and present new approaches and innovations beyond the aggregate data that is otherwise featured.

The four case studies included in the report were chosen based on the following criteria:

- a. Types of SPP activity – with the aim of representing a wide range of policy, product, systems and organizational approaches to implementing SPP.
- b. Types of organizations doing the activity – to represent a wide range of organization types.
- c. Geographical location of the organizations – representing a range of world regions to reflect the global scope of the 2017 Global Review.
- d. Access the research team had to an individual at the organization, to ensure that we could feature new and verified information, not only information based on already published work.
- e. The extent to which the case study had already been featured extensively in other literature – so as to provide the audience with new information and not focus on already well-known examples.

Based on the literature review, the interviews and the survey results (where participants nominated those organizations they considered leaders in SPP and SP), a list of over 200 organizations and examples was prepared, and four of these were shortlisted.

The research team contacted individuals at each of the four organizations, and asked them to provide additional resources, help fill in gaps and provide information on the lessons learned, with the approval of the top management at each organization.

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## Annex 4 – National government questionnaire

*A copy of the questionnaire as it was submitted to the focal points for each national government is available below. It includes a short introduction providing some contextual information, and is followed by some key definitions and explanatory tables.*

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### **PURPOSE**

The Coordination Desk of the 10YFP Sustainable Public Procurement Programme has committed to periodically survey and assess the progress of SPP at a global level and to publish the results in a report. One of the elements is to monitor progress in SPP implementation by national governments worldwide. This is especially important since the adoption in 2015 of the Sustainable Development Goals (especially target 12.7).

This questionnaire has been designed to gather that information and be able to present how national governments are integrating sustainable public procurement (SPP) in national policies and regulations, supporting its implementation, and monitoring results.

The answers will be analyzed in aggregate form and will be integrated into the forthcoming *2017 Global Review of Sustainable Public Procurement* report to be published by the 10YFP Sustainable Public Procurement Programme's Coordination Desk. Furthermore, a 2-page factsheet summarizing the status of SPP in your national government will be produced, to help present your results and benchmark them against those of others.

### **INSTRUCTIONS**

The questionnaire is meant to gather information on the different activities related to SPP in your country (covering both environmental, economic and social dimensions) even if they are managed by different agencies within your government. Therefore, please coordinate internally to provide in this questionnaire the most comprehensive answers possible, with the input of all relevant authorities in your government.

Together with this questionnaire, you have received an annex with additional information, definitions and clarifications to help you complete the questionnaire.



## A. GENERAL INFORMATION

A1. Country:

A2. Persons contributing to the questionnaire:

*Include name, surname and department or unit – e.g. Ms. Jane Smith, General Services Department*

A3. Total expenditure of the national government in 2014:

*Provide the amount in the national currency and broken down by central national government and state-owned utilities (see annex for exact definition). If data for 2014 is not available, provide the latest available and state what year it refers to.*

National government:

State-owned enterprises:

A4. Total procurement expenditure of the national government for 2014:

*Provide the amount in the national currency and broken down by central national government and state-owned utilities (see annex for exact definition). If data for 2014 is not available, provide the latest available and state what year it refers to.*

National government:

State-owned enterprises:

A5. How centralized is the procurement function in your national government?

*In relation to who manages procurement:*

Fully centralised, all procurement processes are conducted by one agency for the whole national government	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Fully decentralised, each agency conducts its own procurement processes and nothing is purchased or contracted centrally
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## B. POLICIES THAT SUPPORT SPP AT THE NATIONAL LEVEL

B1. Are SPP provisions included in overarching and/or thematic national policies?

Yes  No

*E.g. sustainable development strategy, energy efficiency directive, SMEs promotion act, etc. If yes, please state the name of the policy(s), year of adoption, and web-links for their download (if available).*

B2. Are SPP provisions included in existing procurement regulations?

Yes  No

*If yes, please provide the name of the legislation, year of adoption, web-link for its download (if available), and a short description on where SPP provisions are included (e.g. only in the introductory section as general principles that should be considered, in each section explaining how sustainability aspects can be included in the different procurement procedures and sections, etc.).*

B3. Has a dedicated SPP policy(s) for the whole national government or larger scope been adopted?

*See annex for exact definition of what is understood by SPP policy. It might be different SPP policies for environmentally responsible or green public procurement, socially responsible public procurement, etc.*

Yes  No

B4. If no, are there SPP provisions at single agency level? Or is a national policy under development?

*Please explain briefly.*

B5. If yes, what was the first national government SPP policy(s) adopted?

*Please provide the name of the policy (e.g. Act Concerning the Promotion of Procurement of Eco-Friendly Goods and Services by the State), year of adoption, and web-link for its download (if available).*

*You can include more than one if you have different SPP policies for environmentally responsible or green public procurement, socially responsible public procurement, etc.*

B6. If the national government's SPP policy(s) has been renewed, what is the latest SPP policy(s) adopted?  
 Please provide the name of the policy, year of adoption and web-link for its download (if available).  
 You can include more than one if you have different SPP policies for environmentally responsible or green public procurement, socially responsible public procurement, etc.

B7. What ministry(s) and/or agency(s) led the elaboration of the latest SPP policy(s) and what additional ministries/agencies were involved in the elaboration process?  
 List them for each SPP policy if you have more than one.

B8. Who approved the latest SPP policy(s)?  
 Provide for each SPP policy if you have more than one, e.g. the Parliament, the President's Cabinet, the Ministry of Social Affairs, etc.

### C. SPP POLICY SCOPE, GOALS AND PRIORITIES

If you have a dedicated national government SPP policy(s) please answer to the following questions in relation to the current SPP policy(s). If you don't have one for the national government, go to the last section F.

C1. What sustainability aspects does the current SPP policy(s) cover?  
 Select all that apply

ENVIRONMENTAL	SOCIO-ECONOMIC
<input type="checkbox"/> Air pollution	<input type="checkbox"/> Community engagement/development
<input type="checkbox"/> Biodiversity preservation	<input type="checkbox"/> Diversity and equality
<input type="checkbox"/> Climate change mitigation	<input type="checkbox"/> Elimination of access barriers to disabled people (physical access to buildings, alternative communication formats, etc.)
<input type="checkbox"/> Clean technology and eco-innovation	<input type="checkbox"/> Fair or ethical trade
<input type="checkbox"/> Energy conservation	<input type="checkbox"/> Human rights
<input type="checkbox"/> Hazardous substances	<input type="checkbox"/> Human trafficking
<input type="checkbox"/> Health quality	<input type="checkbox"/> Local content / local producers
<input type="checkbox"/> Local environmental conditions	<input type="checkbox"/> Micro, small and medium enterprises
<input type="checkbox"/> Ozone depletion	<input type="checkbox"/> Occupational health and safety
<input type="checkbox"/> Protection of natural resources	<input type="checkbox"/> Skills and training opportunities
<input type="checkbox"/> Resource efficiency	<input type="checkbox"/> Social, sheltered or set-aside enterprises <sup>76</sup>
<input type="checkbox"/> Soil protection	<input type="checkbox"/> Workers' rights (ILO core labour conventions)
<input type="checkbox"/> Waste minimization	<input type="checkbox"/> Other socio-economic aspect, please specify:
<input type="checkbox"/> Water conservation	
<input type="checkbox"/> Water pollution	
Other environmental aspect, please specify:	

<sup>76</sup> i.e. employing individuals such as Aborigines, disabled persons, veterans, groups at risk of social exclusion etc. and/or women-owned companies

C2. Does the current policy(s) set any targets or goals for SPP in the national government?

*If yes, please summaries the target and the year by which is should be reached if defined, e.g. X % of green public procurement by 2020, all targeted authorities publish an annual SPP Action Plan, 95 % of all contracts include sustainability criteria each year, the expenditure on prioritized green products and services has to be of X % by 2015 and Y % by 2020, X % GHG emissions reductions through SPP, etc.*

C3. What levels of public authorities are covered by the SPP policy(s)?

*Select only one for each SPP policy, if you have more than one.*

- All national, state/regional, and local public authorities, for the SPP policy on: ...
  - All national and state/regional public authorities, for the SPP policy on: ...
  - Only national government public authorities, for the SPP policy on: ...
  - Some national public authorities, for the SPP policy on: ...
- Other, please specify: ...

C4. Is the SPP policy(s) mandatory, voluntary or a mix depending on the covered authorities?

*E.g. compulsory for all targeted authorities / compulsory for national government authorities but voluntary for local entities / etc. Specify for each policy if you have more than one.*

C5. Are categories of products, services or works prioritized for SPP implementation across the national government?

Yes  No

C6. If no, why not?

*Please explain briefly:*

C7. If yes, what were the primary criteria for their prioritization?

*Select up to 3 options*

- The existence of other policy commitments and instruments
  - A national government expenditure analysis (economic relevance)
  - Their impact magnitude, prioritizing those with higher impact
  - The existence of ecolabels and sustainability standards for those categories
  - The market readiness and response capacity in the country
  - The prioritization by neighbouring countries or supra-national organizations
  - The existence of previous experiences by public authorities
- Other, please specify:

C8. What are the categories prioritized in the national SPP policy(s) across the national government?

*Select all that apply*

<input type="checkbox"/> Building equipment (water heaters, air-conditioners, elevators, lighting, etc.)	<input type="checkbox"/> Household appliances (TVs, fridges, washing machines, etc.)
<input type="checkbox"/> Building materials (windows, floor-covers, wall panels, faucets...)	<input type="checkbox"/> Cleaning products and services
<input type="checkbox"/> Buildings design and construction	<input type="checkbox"/> Office IT equipment (computers, screens, printers, etc.)
<input type="checkbox"/> Diverse chemical products (lubricant oils, paints, fire extinguishers...)	<input type="checkbox"/> Office paper and stationary
<input type="checkbox"/> Energy supply and energy services	<input type="checkbox"/> Vehicles (passenger and light duty vehicles, motorcycles, car sharing services...)
<input type="checkbox"/> Execution of work contracts	<input type="checkbox"/> Textiles (uniforms, globes, shoes, bed sheeting...)
<input type="checkbox"/> Food and catering services	<input type="checkbox"/> Travel services (transport options and accommodation)
<input type="checkbox"/> Furniture	<input type="checkbox"/> Waste collection and street cleaning services
<input type="checkbox"/> Infrastructure design and construction	Other, please specify:

C9. What is your best estimation of the percentage of the procurement budget of the national government currently governed by the SPP policy(s)?

*This is meant to be indicative, so your best estimate is fine.*

#### D. ACTIVITIES TO SUPPORT THE IMPLEMENTATION AND INSTITUTIONALIZATION OF SPP

D1. What ministry(s) or agency(s) leads the implementation of the SPP policy(s)?

*Select all that apply; specify which SPP policy they lead if you have more than one.*

- Inter-ministerial / Inter-agency / Inter-department committee on SPP, consisting of the following agencies: ... and, for the SPP policy on: ...
- Public procurement agency, for the SPP policy on: ...
- Ministry of Environment, for the SPP policy on: ...
- Ministry of Social Affairs, for the SPP policy on: ...
- Ministry of Finance, for the SPP policy on: ...
- Ministry of Industry, for the SPP policy on: ...
- Other, please specify: ...

D2. How is the current SPP policy(s) being implemented?

*Please explain briefly for each SPP policy in place, if you have more than one. Please describe the institutional framework (which departments or agencies participate), what are their responsibilities, their coordination mechanisms and implementation approach.*

*E.g. the Ministry of Environment sets a biannual plan with the general activities to promote green public procurement and has the overall control of the programme, the rest of the agencies have to set annual SPP objectives and action plans and report achievements and the Ministry of Environment provides support to all of them in the process; or there's an inter-ministerial committee composed of X and Y ministries that plans and coordinates all SPP activities and the other agencies have to implement SPP but without any specific plan; etc.*

D3. Have SPP criteria/specifications, or guidelines been developed for the priority product/service/works categories identified in question C8 or for priority environmental and/or socio-economic aspects?

Yes  No

*If yes, please provide the link to those SPP criteria/ specifications or guidelines*

D4. If yes, how were the SPP criteria/specifications guidelines developed?

*Please explain briefly the process followed, and based on what the SPP criteria have been developed (e.g. based on international/national/regional ecolabels and voluntary sustainability standards, international/national/regional regulatory standards, criteria by other public authorities, etc.)*

D5. If yes, is the use of these criteria or guidelines mandatory?

Yes  No

D6. Has SPP been integrated into regular management and procurement-related processes and procedures (such as internal regulations, staff performance evaluations...)?

*Please explain briefly.*

D7. Has SPP been integrated into regular management and procurement-related software and tools (e-procurement platforms, tender models, accounting software...)?

*Please explain briefly.*

D8. Is training on SPP provided?

*Please explain the type and nature of the training, target audience, frequency, and the number of staff that follow the training annually.*

D9. What other activities or measures are there in place to promote SPP implementation?

*Select all that apply*

- Reputational incentives (awards, recognition programmes, publication of good practices...)
- Economic incentives (bonus by SPP performance or others)

- Networking and exchange events
  - Provision of SPP information (through an SPP website, newsletters...)
  - Suppliers and market engagement activities
- Other activities, please specify: ...

D10. How many annual human and economic resources are allocated for the promotion and implementation of the SPP policy(s)?

*Provide an estimate of the annual budget allocated to the implementation of the SPP policy(s) (in the national currency) and the number of employees per year working in the implementation of SPP (in full-time equivalent jobs – see annex for exact definition).*

## E. MONITORING SPP IMPLEMENTATION AND RESULTS

E1. Does the national government monitor and evaluate SPP implementation?

Yes  No

E2. If yes, what aspects are monitored?

*Select all that apply*

- SPP institutionalization<sup>77</sup>
  - Procurement tenders, procurement orders and/or contracts including sustainability criteria
  - Sustainable products, services, or works purchased<sup>78</sup>
  - Purchases with/from preferred companies<sup>79</sup>
  - Direct generation of employment and/or apprenticeship for vulnerable groups<sup>80</sup>
- Other, please specify:

E3. If no, why not?

*Please explain briefly the reasons why SPP implementation is not monitored, and go to section F.*

E4. If yes, does the national government publish the results of the SPP monitoring exercises?

Yes  No

*if yes, provide the link:*

E5. What is the frequency of the SPP monitoring?

*E.g. Every six months / Annually / Biannually / etc.*

E6. What public authorities are subject to the national SPP monitoring?

*E.g. all authorities targeted in the SPP policy representing XX agencies / only national government authorities representing XX agencies / etc.*

E7. What was the response rate, i.e. the number of agencies subject to the monitoring that provided information over the total, in the last monitoring exercise?

E8. How is information gathered from and/or reported by the different public authorities subject to the national monitoring of SPP?

*Select all that apply. Please specify for what each tool is used, e.g. to gather all the input from monitored agencies, to gather data on expenditure on sustainable products, etc. Use table 3 in the annex for references.*

- A standard questionnaire (on-line or on paper), which is used for: ...
- A standard scorecard, which is used for: ...
- Internal financial software/tools (e.g. SAP systems or equivalent), which is used for: ...
- E-procurement platforms, which is used for: ...

<sup>77</sup> SPP Institutionalization refers to the processes and actions to integrate and embed SPP in the organization's culture and daily operations, this might include, among others: the definition of departmental SPP action plans, the inclusion or not of SPP responsibilities in the personal performance objectives of staff with procurement responsibilities, the provision of SPP training, the integration of SPP aspects in the authority's procurement and/or financial systems, the provision of SPP guidelines, etc.

<sup>78</sup> The term "works" includes all type of construction projects, including buildings, civil engineering, development works.

<sup>79</sup> It might include: Micro and SMEs; social, sheltered, or set-aside enterprises (i.e. employing individuals such as Aborigines, disabled persons, veterans, groups at risk of social exclusion etc. and/or women-owned companies); companies with environmental management systems and/or corporate social responsibility reporting; depending on policy priorities and complementary legislation.

<sup>80</sup> "Vulnerable groups" are defined by national legislation and might include: social minorities, disabled people, women, youth, etc.

- Online catalogues for centralized procurement of products, which is used for: ...  
Other, please specify: ...

E9. What SPP indicators do you measure or calculate?

*Please specify the indicators you measure or calculate for each aspect marked in question E.6 (table 1 in the annex provides some references for each case) and explain briefly, each indicator (categories of products, services or works covered; procurement thresholds considered if relevant; if results refer to direct purchases/contracts, or also those made by contractors and/or subcontractors; and what qualifies as sustainable and thus is considered as being SPP (use table 2 in the annex for references).*

E10. Please share the key results from the monitoring of SPP

*The results should be in graphic, chart or table form and in English to be able to include them in the factsheet.*

*Results can be for only the last monitoring period or the evolution since the beginning of the monitoring to the last monitoring period.*

*Please include the link from which the monitoring results report can be download, if available. Or if not, to a presentation where the results were presented.*

E11. Has your government measured or estimated the sustainability impacts or benefits being generated by SPP?

*In terms of e.g. CO<sub>2</sub> emissions saved, reduction in the use of resources (energy, water, materials), jobs creation in sustainability sectors, increase in market share of green/social products and services...*

Yes  No

E12. If yes, what impacts/benefits were measured, and what indicators do you use for each of them?

*Very briefly, specify the indicators used and explain, for each one of them, the approach to estimate the benefits (based on the specific product characteristics, using proxies and life-cycle assessment values, indirectly based on expenditure...), the scope of the indicator, the methodology used, etc.*

E13. If yes, please share the key results from this impact/benefits analysis

*The results should be in graphic, chart or table form and in English to be able to include them in the fact-sheet.*

*Results can be for only the last monitoring period or the evolution since the beginning of the monitoring to the last monitoring period*

*Please include the link from which the monitoring results report can be downloaded if available. Or if not, to a presentation where the results were presented.*

## F. GOOD PRACTICES OR SPECIAL ACHIEVEMENTS TO SHARE

F1. Are there any special good practices or achievements from the national government on SPP you would like to share with other public authorities?

*If so, describe shortly the practice/achievement and provide links to additional information whenever available, regardless of the language.*

F2. Is there any additional information about SPP in the national government that you wish to add here that was not covered by the previous questions?

*If so, describe shortly and provide links to additional information whenever available, regardless of the language.*

F3. Finally, are there any good practices from other public authorities in the country (at the sub-national level, i.e. regional or local level) you would like to share?

*If so, describe shortly the practice/achievement and provide links to additional information whenever available, regardless of the language.*



## DEFINITIONS (attached to the questionnaire)

- **Full-time equivalent jobs:** According to the OECD, full-time equivalent job is defined as total hours worked divided by average annual hours worked in full-time jobs.<sup>81</sup>
- **ILO core labour conventions<sup>82</sup>:** The ILO's Governing Body has identified eight conventions as "fundamental" or core, covering subjects that are considered as fundamental principles and rights at work: freedom of association and the effective recognition of the right to collective bargaining (Convention 87 and 98); the elimination of all forms of forced or compulsory labour (Convention 29 & 105); the effective abolition of child labour (Convention 138 & 182); and the elimination of discrimination in respect of employment and occupation (Convention 100 & 111).
- **National Government:** In the framework of this study, the national government refers to the central government of a country as opposed to the state and local government.
- **Procurement expenditure:** According to the OECD, the national government procurement refers to the expenditure by the government and state-owned enterprises of goods, services and works and is defined as the sum of intermediate consumption (goods and services purchased for their own use, such as accounting or information technology services), gross fixed capital formation (acquisition of capital excluding sales of fixed assets, such as building new roads) and social transfers in kind via market producers (purchases by of goods and services produced by market producers and supplied to households).<sup>83</sup>
- **SPP Policy:** In the framework of this study, an SPP Policy refers to any type of document (law, act, executive order, strategy, policy, programme, action plan, etc.) dedicated to the promotion and implementation of SPP in any of its environmental and/or socio-economic dimensions.
- **State-owned enterprises (SOEs):** According to the OECD, SOEs are enterprises where the State has significant control, through full, majority or significant minority ownership. SOE are often prevalent in utilities and infrastructure industries, such as energy, transport and telecommunication, whose performance is of great importance to broad segments of the population and to other parts of the business sector, that's why they are also known as state-owned utilities.<sup>84</sup>
- **Total expenditure:** According to the OECD, the total expenditure is equivalent to expenditures by the government on the following items: intermediate consumption, compensation of employees, subsidies, social benefits and social transfers in kind (via market producers), other current transfers, property income, capital transfers (payable), the adjustment for the net equity of households in pension funds reserves, gross capital formation and net acquisition of non-financial non-produced assets. It also includes taxes on income and wealth and any other taxes on production that government may be required to pay.<sup>85</sup>

81 <https://stats.oecd.org/glossary/detail.asp?ID=1068>

82 <http://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang-en/index.htm>

83 [http://www.oecd-ilibrary.org/sites/gov\\_glance-2011-en/09/01/index.html?contentType=/ns/StatisticalPublication,/ns/Chapter&itemId=/content/chapter/gov\\_glance-2011-46-en&containerItemId=/content/serial/22214399&accessItemIds=&mimeType=text/html](http://www.oecd-ilibrary.org/sites/gov_glance-2011-en/09/01/index.html?contentType=/ns/StatisticalPublication,/ns/Chapter&itemId=/content/chapter/gov_glance-2011-46-en&containerItemId=/content/serial/22214399&accessItemIds=&mimeType=text/html)

84 <http://www.oecd.org/corporate/ca/corporategovernanceofstate-ownedenterprises/34803211.pdf>

85 <http://www.oecd-ilibrary.org/sites/9789264067981-en/05/01/index.html?itemId=/content/chapter/9789264075108-18-en>

TABLES (attached to questionnaire)<sup>86</sup>

Table C. Key performance indicators by monitoring aspect or area

ASPECT OR AREA	KEY PERFORMANCE INDICATORS	UNIT
<b>Institutionalization measurement</b>		
1. SPP institutionalization	<ul style="list-style-type: none"> <li>● Existence of an SPP policy</li> <li>● Existence of SPP action plans at organization or department level</li> <li>● Leadership, responsibilities, and coordination roles/ mechanisms established or assigned</li> <li>● Number of staff dedicated to SPP</li> <li>● Number of products, services, and works<sup>87</sup> groups prioritized and with criteria developed</li> <li>● Integration in procedures and tools</li> <li>● Number of trained staff</li> <li>● Number of activities of engagement with suppliers</li> <li>● Monitoring and reporting systems in place</li> </ul>	<ul style="list-style-type: none"> <li>● Level of progress made</li> </ul>
<b>Outputs measurement</b>		
2. Procurement processes including sustainability criteria	<ul style="list-style-type: none"> <li>● Number of procurement contracts including sustainability criteria</li> <li>● Financial value of procurement contracts including sustainability criteria</li> </ul>	<ul style="list-style-type: none"> <li>● Absolute value</li> <li>● Percentage over all applicable procurement processes</li> </ul>
3. Sustainable products, services, or works purchased <sup>88</sup>	<ul style="list-style-type: none"> <li>● Quantities of sustainable products purchased</li> <li>● Financial value of sustainable products purchased</li> </ul>	<ul style="list-style-type: none"> <li>● Absolute value</li> <li>● Percentage over all applicable products<sup>89</sup></li> </ul>
4. Contract or purchase with/ from preferred companies	<ul style="list-style-type: none"> <li>● Expenditure on preferred companies</li> </ul>	<ul style="list-style-type: none"> <li>● Absolute value</li> <li>● Percentage over all companies</li> </ul>
5. Direct generation of employment opportunities	<ul style="list-style-type: none"> <li>● Number of workforce hours occupied/employed by vulnerable groups and/or apprentices</li> </ul>	<ul style="list-style-type: none"> <li>● Absolute value</li> <li>● Percentage over all workforce hours for applicable contracts</li> </ul>

86 All tables extracted from: UNEP (2015). *Monitoring Sustainable Public Procurement Implementation. Recommendations and Case Studies*, produced by Working Group 2A of the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns – Sustainable Public Procurement programme. It can be downloaded at <http://www.scpclearinghouse.org/resource/monitoring-sustainable-public-procurement-implementation>.

87 The term “works” includes all type of construction projects, including buildings, civil engineering, development works.

88 The term “products, services or works” will also be referred to as simply “products” for simplification purposes.

89 It refers to the quantity of green products purchased in prioritized product groups divided by the total amount of products purchased (green and non-green) in those prioritized product groups.

**Table D. Possible definitions of “sustainable” for output indicators**

ASPECTS OR AREA	DEFINITION OF “SUSTAINABLE”
1. Procurement processes including sustainability criteria	Based on: single attributes (recycled, bio-based, energy efficient...); single or multi-attribute sustainability norms, standards, and certification schemes (ISO Type I ecolabels, ILO conventions, fair trade, “designed for everyone”, etc.); or other nationally or regionally developed SPP criteria.
2. Sustainable products, services or works purchased	Same as above.
3. Contract or purchase with/ from preferred companies	Based on policy priorities and complementary legislation. It might include: Micro and SMEs; social, sheltered, or set-aside enterprises (from aborigines, handicapped, veterans, women-owned, groups at risk of social exclusion...); companies with environmental management systems and/or corporate social responsibility reporting.
4. Direct Generation of Employment Opportunities	“Vulnerable groups” defined by national legislation and might include: social minorities, disabled people, women, youth, etc.

**Table E. Possible data sources for the different monitoring aspects or areas**

ASPECTS OR AREA	POSSIBLE DATA SOURCES
1. SPP institutionalization	<ul style="list-style-type: none"> <li>● Status assessment questionnaires</li> <li>● Semi-structured interviews</li> <li>● Direct review of plans, procedures, reports...</li> <li>● Scorecards</li> </ul>
2. Procurement contracts with sustainability criteria	<ul style="list-style-type: none"> <li>● E-procurement platforms</li> <li>● Central procurement databases</li> <li>● SAP systems</li> <li>● Forms at tendering/awarding stage</li> <li>● Direct tender analysis</li> </ul>
3. Sustainable products, services, or works purchased	<ul style="list-style-type: none"> <li>● Centralized online product catalogues</li> <li>● Internal financial software/tools</li> <li>● Inventories (vehicle fleet, IT stock...)</li> <li>● Suppliers/vendors’ reports</li> <li>● Reports from external organizations</li> </ul>
4. Contracts with or purchases from preferred companies	<ul style="list-style-type: none"> <li>● Internal financial software/tools</li> <li>● Suppliers/vendors’ reports</li> <li>● Reports required to companies by other government units</li> </ul>
5. Direct generation of employment opportunities	<ul style="list-style-type: none"> <li>● Suppliers/vendors’ reports</li> <li>● Reports required to companies by other government units</li> </ul>

## Annex 5: List of national governments contacted and that responded to the questionnaire

1. Albania\*
2. Antigua and Barbuda
3. Argentina
4. Austria
5. Belgium
6. Brazil
7. Burkina Faso\*
8. Burundi\*
9. Cameroun\*
10. Canada
11. Chile
12. China
13. Colombia
14. Costa Rica\*
15. Croatia
16. Czech Republic
17. Denmark
18. Dominican Republic
19. Finland
20. France
21. Georgia\*
22. Germany
23. Honduras (only questionnaire, no factsheet)
24. Hungary
25. Indonesia
26. Ireland
27. Israel
28. Italy
29. Ivory Coast
30. Japan
31. Jordan
32. Lebanon\*
33. Malaysia
34. Mexico
35. Mongolia
36. The Netherlands
37. Norway
38. Paraguay
39. Peru
40. The Philippines\*
41. Poland
42. Portugal\*
43. Republic of Korea
44. Sao Tomé and Príncipe\*
45. Singapore
46. Slovakia
47. Spain
48. Sweden
49. Switzerland
50. Syrian Arab Republic\*
51. Thailand\*
52. Tunisia\*
53. Ukraine\*
54. United Kingdom of Great Britain and Northern Ireland\*
55. United States of America
56. Uruguay

\* Countries that did not complete the questionnaire for the 2017 Global Review

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## Annex 6: Stakeholder survey questionnaire

This is a copy of the stakeholder survey as it was submitted by the research team and the Coordination Desk of the 10YFP SPP programme.

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Welcome to the 2016 survey about international trends in Sustainable Public Procurement (SPP). This survey forms an important part of the 10YFP SPP Programme's ongoing effort to identify and map the policies, activities, drivers and challenges for SPP worldwide. This is the second survey conducted on global trends in SPP.

### INSTRUCTIONS:

- We ask you to complete this Survey in full, and from your own perspective.
- There are 31 questions, and the survey should take you approximately 20-30 minutes to complete.
- Your answers will automatically be saved up to the last page you have completed; and you may continue to edit your responses to the survey until it is submitted.
- To submit, click the 'Submit Survey' button on the last page. The Survey is open from March 15 to May 5, 2016. If you are unable to complete the survey in this time frame, please contact the survey administrators.
- The survey is being administered by Dr. Anastasia O'Rourke from Industrial Economics, Inc. (see contact details below).
- If you would like a copy of your individual survey response, please send an email requesting this to the survey administrator.

### RESULTS

The results of the survey will be analysed, and integrated into a forthcoming report named the *2017 Global Review of Sustainable Public Procurement*, to be published by the 10YFP SPP Programme. This report will also include the results of other research into SPP activity worldwide.

## WELCOME AND LANGUAGE

1. In which language would you like to take this survey?  
 ¿En qué idioma le gustaría completar esta encuesta? (\*)

<input type="checkbox"/> Spanish	<input type="checkbox"/> English
----------------------------------	----------------------------------

## ABOUT YOU AND YOUR ORGANIZATION

2. First Name

(Note: this will not be shared, for survey administration purposes only)

3. Last Name

(Note: this will not be shared, for survey administration purposes only)

4. Email Address

(Note: this will not be shared, for survey administration purposes only)

5. What is the name of your organisation?

6. What is the job title for your current position?

7. If you work for a public authority, what department, or program office do you work in?

<input type="checkbox"/> Procurement	<input type="checkbox"/> Environment	<input type="checkbox"/> Social affairs	<input type="checkbox"/> Finance	<input type="checkbox"/> Facilities/ public works	<input type="checkbox"/> Other (please specify)
<input type="checkbox"/> N/A (do not work for a public authority)					

8. In which world region is your organization based?

<input type="checkbox"/> Global (i.e. international organization)	<input type="checkbox"/> Africa	<input type="checkbox"/> Asia	<input type="checkbox"/> Central America/ Caribbean	<input type="checkbox"/> Oceania	<input type="checkbox"/> Middle East	<input type="checkbox"/> Europe	<input type="checkbox"/> North America	<input type="checkbox"/> South America
---	---------------------------------	-------------------------------	---	----------------------------------	--------------------------------------	---------------------------------	--	--

9. In which country do you reside?

Drop-down list of countries

10. What type of organization do you represent? (choose all that apply)

<input type="checkbox"/> Academic Institution	<input type="checkbox"/> Certification body/Ecolabel / Standards body	<input type="checkbox"/> Company – Micro (> 10 employees)	<input type="checkbox"/> Company – Small/Medium (<500 employees)	<input type="checkbox"/> Company – Large (>500 employees)
<input type="checkbox"/> Consultancy	<input type="checkbox"/> Industry Association	<input type="checkbox"/> International/ Inter-government organisation	<input type="checkbox"/> Non-Government – Non-Profit Organization – Small/Medium (<500 Employees)	<input type="checkbox"/> Non-government – Non-Profit Organisation – Large (>500 employees)
<input type="checkbox"/> Public authority – Local/ Municipal/ Regional/ City	<input type="checkbox"/> Public authority - State / Provincial	<input type="checkbox"/> Public authority – national government		
<input type="checkbox"/> Other (please specify)				



**11. How many years have you personally and/or your organization worked on sustainable development issues and topics?**

<b>You</b>	<input type="checkbox"/> More than 10 years	<input type="checkbox"/> 5-10 years	<input type="checkbox"/> 1-4 years	<input type="checkbox"/> Less than 1 year
<b>Your organisation</b>	<input type="checkbox"/> More than 10 years	<input type="checkbox"/> 5-10 years	<input type="checkbox"/> 1-4 years	<input type="checkbox"/> Less than 1 year

**12. How many years have you personally and/or your organization worked with either doing procurement or more generally on the topic of procurement?**

<b>You</b>	<input type="checkbox"/> More than 10 years	<input type="checkbox"/> 5-10 years	<input type="checkbox"/> 1-4 years	<input type="checkbox"/> Less than 1 year
<b>Your organisation</b>	<input type="checkbox"/> More than 10 years	<input type="checkbox"/> 5-10 years	<input type="checkbox"/> 1-4 years	<input type="checkbox"/> Less than 1 year

**13. How are you personally and/or your organization involved in sustainable procurement?**

*Choose all that apply*

<b>You</b>	<input type="checkbox"/> Procure products and services	<input type="checkbox"/> Advise/consult on SPP and related topics	<input type="checkbox"/> Provide information, data or tools that support SPP	<input type="checkbox"/> Research SPP and related topics	<input type="checkbox"/> Implement SPP in procurement	<input type="checkbox"/> Advocate for SPP
	<input type="checkbox"/> Provide training	<input type="checkbox"/> Develop/run standards/labels/certifications	<input type="checkbox"/> Set policy/contribute to policy	<input type="checkbox"/> Make/sell products that meet SPP criteria	<input type="checkbox"/> Not involved in SPP	<input type="checkbox"/> Other (please specify)
<b>Your organisation</b>	<input type="checkbox"/> Procure products and services	<input type="checkbox"/> Advise/consult on SPP and related topics	<input type="checkbox"/> Provide information, data or tools that support SPP	<input type="checkbox"/> Research SPP and related topics	<input type="checkbox"/> Implement SPP in procurement	<input type="checkbox"/> Advocate for SPP
	<input type="checkbox"/> Provide training	<input type="checkbox"/> Develop/run standards/labels/certifications	<input type="checkbox"/> Set policy/contribute to policy	<input type="checkbox"/> Make/sell products that meet SPP criteria	<input type="checkbox"/> Not involved in SPP	<input type="checkbox"/> Other (please specify)

**ABOUT SPP IN YOUR COUNTRY**

**14. In your organization, which of the following terms are most commonly used?**

*Choose all that apply. Note that “procurement”, “purchasing” and “acquisition” are considered equivalent for the purpose of this survey*

- |   |   |
|---|---|
| <input type="checkbox"/> Circular procurement                   | <input type="checkbox"/> Responsible procurement          |
| <input type="checkbox"/> Eco-efficient procurement              | <input type="checkbox"/> Social procurement               |
| <input type="checkbox"/> Eco-friendly procurement               | <input type="checkbox"/> Socially responsible procurement |
| <input type="checkbox"/> Environmentally preferable procurement | <input type="checkbox"/> Sustainable procurement          |
| <input type="checkbox"/> Ethical /Fair procurement              | <input type="checkbox"/> Other (please specify)           |
| <input type="checkbox"/> Green procurement                      |   |
| <input type="checkbox"/> Low-carbon procurement                 |   |

**15. What aspects of sustainability does your organization's work on procurement cover?**

- Environmental
- Social
- Economic
- None
- Not Applicable

**16. Which of the following actions does your organization define as being a part of SPP?**  
(Choose all that apply)

- Procurement of sustainable products
- Procurement of sustainable services
- Procurement from companies demonstrating more sustainable practices/ operations
- Efforts to reduce needs/purchases (e.g. buying less, extending product use, maximizing product re-use)
- Reserve contracts to preferred companies (e.g. small and medium enterprises, economic development zones, women-owned, etc.).
- Engagement of suppliers to encourage production of more sustainable products, services, operations
- Convert a product acquisition to a hire of a service (e.g. product leasing, performance-based procurement)
- In-source when an internal party can better reduce impacts
- Outsource when an external party can better reduce impacts
- Offsets purchased to mitigate impacts (for example, by buying carbon credits)
- Find alternatives to purchasing new goods (e.g. re-using equipment)
- Procurement of more sustainable buildings, works and/or infrastructure
- Award based on the economically most advantageous tender/best price-quality ratio
- Procuring from local sources/ suppliers
- Gather information from suppliers on their sustainability impacts (e.g. their greenhouse gas emissions/ climate footprint).
- Procurement of innovative products and services that demonstrate sustainability benefits.
- Reduce needs/purchases (e.g. buying less, extending product use)
- Procure offsets or credits to mitigate impacts (e.g. buying carbon credits)
- Other (please specify)

**17. In your opinion, since 2012 has sustainable procurement changed in importance in your organization and/or in your country?**  
(Choose one option in each column)

	YOUR ORGANIZATION	YOUR COUNTRY
More important	<input type="checkbox"/>	<input type="checkbox"/>
The same level of importance	<input type="checkbox"/>	<input type="checkbox"/>
Less important	<input type="checkbox"/>	<input type="checkbox"/>
I don't know	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>

**18. In your opinion, what sustainable procurement related topics, strategies and activities are becoming more prominent in your organization?**

*(Choose all that apply)*

- |  |   |
|--|---|
| <input type="checkbox"/> Alignment of public-private sector policies and practices on sustainable procurement                | <input type="checkbox"/> Product service systems / servicing  |
| <input type="checkbox"/> Incentives (e.g. fiscal, reputational, etc.) for procurers to promote sustainable procurement       | <input type="checkbox"/> Sharing economy  |
| <input type="checkbox"/> Inter-ministerial coordination for sustainable procurement  | <input type="checkbox"/> Sustainable forest management  |
| <input type="checkbox"/> Link of sustainable procurement to sustainable development goals (SDGs) and broad policy objectives | <input type="checkbox"/> Calculators and tools to support SPP implementation or measurement             |
| <input type="checkbox"/> Business case for sustainable procurement   | <input type="checkbox"/> Category management / strategic sourcing                                       |
| <input type="checkbox"/> Chemicals, toxics   | <input type="checkbox"/> Centralization of procurement  |
| <input type="checkbox"/> Circular economy / Circular procurement   | <input type="checkbox"/> Ecolabels, standards and certifications  |
| <input type="checkbox"/> Climate change policy goals through procurement   | <input type="checkbox"/> Environmental accounting   |
| <input type="checkbox"/> Competitive economy   | <input type="checkbox"/> E-procurement platforms and tools  |
| <input type="checkbox"/> Greater linkage of environmental-social-economic aspects  | <input type="checkbox"/> Estimating sustainability impacts/outcomes/benefits of sustainable procurement |
| <input type="checkbox"/> Green economy / Green growth  | <input type="checkbox"/> Joint procurement (between organizations)                                      |
| <input type="checkbox"/> Health and safety issues  | <input type="checkbox"/> Life cycle costing   |
| <input type="checkbox"/> Other (please specify):   | <input type="checkbox"/> Monitoring and reporting SPP implementation                                    |
| <input type="checkbox"/> Human rights  | <input type="checkbox"/> Private sector sustainable purchasing  |
| <input type="checkbox"/> Labor rights  | <input type="checkbox"/> Recognition of procurement as a strategic tool by organizations                |
| <input type="checkbox"/> Low carbon technologies   | <input type="checkbox"/> Supplier engagement programs   |
| <input type="checkbox"/> Procurement of innovative products, services or works   | <input type="checkbox"/> Training and capacity building   |
|  | <input type="checkbox"/> Transparency in supply chains  |

**19. Which three national government agencies do you consider the most advanced in implementing sustainable procurement?**

*(In each box, indicate the country first followed by the name of the national government agency)*

Country / National Government Agency

Country / National Government Agency

Country / National Government Agency

**20. Which three organizations do you consider the most advanced in implementing sustainable procurement worldwide?**

(In each box, indicate the country first followed by the organization's name. Any type of organization can be nominated here, for example, regional or local authority, a private company, education institution, NGO, etc.)

Country / Organization

Country / Organization

Country / Organization

**ABOUT SPP IMPLEMENTATION**

**21. Does the national government in your country have a dedicated SPP policy (or policies), regulation(s), law(s) and/or mandate(s) in place that promote SPP?**

(Choose one option)

- Yes
- No
- I don't know

If yes, please provide a web link:

**22. If you answered "yes" to question 21, does that national government SPP policy/law/regulation and/or mandate govern or directly affect your own organizations' sustainable procurement activities?**

(Choose one option)

- Yes
- No
- I don't know
- Not applicable
- Other (please specify):

**23. In which stages of a typical procurement cycle do you think it is most effective to implement sustainable procurement considerations?**

(Choose the TOP THREE procurement stages from the following options)

- |   |  |
|---|--|
| <input type="checkbox"/> Needs definition<br>Supplier development<br>Supplier pre-qualification | <input type="checkbox"/> Other (please specify)  |
| <input type="checkbox"/> Development of requirements and technical specifications               | <input type="checkbox"/> Awarding of contracts / contract negotiation<br>Auditing and improving supplier performance<br>On-going contract management |
| <input type="checkbox"/> Evaluation of bids/proposals   | <input type="checkbox"/> None of the above   |
| <input type="checkbox"/> Contract performance clauses   | <input type="checkbox"/> I don't know  |
|   | <input type="checkbox"/> Not applicable  |

**24. How are sustainable procurement criteria typically weighted compared with other common requirements (such as price) by procurement entities in your organization?**

*(Choose one option)*

- |   |  |
|---|--|
| <input type="checkbox"/> Weighted higher  | <input type="checkbox"/> Weighted lower          |
| <input type="checkbox"/> Not weighted     | <input type="checkbox"/> Not applicable          |
| <input type="checkbox"/> Weighted equally | <input type="checkbox"/> Other (please specify): |
| <input type="checkbox"/> I don't know     |  |

**25. How are ecolabels and voluntary sustainability standards used today by procurement entities in your organization?**

*(Choose all that apply)*

- |   |   |
|---|---|
| <input type="checkbox"/> As a mandatory requirement             | <input type="checkbox"/> Verification of claims that products meet criteria |
| <input type="checkbox"/> Not used                               | <input type="checkbox"/> Not applicable                                     |
| <input type="checkbox"/> As a reference tool to create criteria | <input type="checkbox"/> Other (please specify)                             |
| <input type="checkbox"/> I don't know                           |   |

**26. What aspects of sustainable procurement implementation does your organization currently monitor and measure?**

*(Choose all that apply)*

- |  |  |
|--|--|
| <input type="checkbox"/> None; sustainable procurement implementation is not currently monitored   | <input type="checkbox"/> Number of procurement contracts and tenders with sustainability criteria                        |
| <input type="checkbox"/> Existence of sustainable procurement action plans at organization or department level                               | <input type="checkbox"/> Other (please specify):   |
| <input type="checkbox"/> Leadership, responsibilities, and coordination roles/mechanisms established or assigned for sustainable procurement | <input type="checkbox"/> Financial value of procurement processes with sustainability criteria                           |
| <input type="checkbox"/> Number of staff dedicated to sustainable procurement  | <input type="checkbox"/> Quantity of sustainable products purchased  |
| <input type="checkbox"/> Number of products, services, and works prioritized and with sustainable procurement criteria developed             | <input type="checkbox"/> Financial value of sustainable products purchased   |
| <input type="checkbox"/> Integration of sustainable procurement in procedures and tools  | <input type="checkbox"/> Expenditure on preferred companies (sustainable, local, etc.)                                   |
| <input type="checkbox"/> Number of staff trained in sustainable procurement  | <input type="checkbox"/> Environmental benefits/ impacts of the procurement (e.g. CO <sub>2</sub> saved)                 |
| <input type="checkbox"/> Number of engagement activities with suppliers on sustainable procurement topics                                    | <input type="checkbox"/> Social benefits/impacts of the procurement (e.g. direct generation of employment opportunities) |
| <input type="checkbox"/> Availability of tracking systems for measuring sustainable procurement processes                                    | <input type="checkbox"/> Economic benefits/impacts of the procurement contract (e.g. greener supply chains)              |
|  | <input type="checkbox"/> I don't know  |
|  | <input type="checkbox"/> Not applicable  |

## DRIVERS AND BARRIERS TO SPP

### 27. In your opinion, which of the following factors are the strongest drivers of implementation of SPP in your organization?

(Choose the top five (5) drivers)

- |   |   |
|---|---|
| <input type="checkbox"/> Mandatory SPP rules/legislation  | <input type="checkbox"/> Sufficient availability of sustainable products and services that cost the same or less than conventional equivalents    |
| <input type="checkbox"/> Policy commitments/goals/action plans  | <input type="checkbox"/> Availability of SPP criteria and specifications  |
| <input type="checkbox"/> Strong political and organizational leadership on SPP Monitoring, evaluation and enforcement of SPP policies | <input type="checkbox"/> Availability of credible sustainability standards and ecolabels  |
| <input type="checkbox"/> Expertise in SPP: Legal, environmental, social, economic   | <input type="checkbox"/> Access to tools that measure life cycle costs  |
| <input type="checkbox"/> Personal commitment to sustainability by staff   | <input type="checkbox"/> Measurement of the economic and financial benefits of SPP (e.g. cost savings generated)                                  |
| <input type="checkbox"/> Inclusion of SPP activities into staff performance and promotion reviews                                     | <input type="checkbox"/> Measurement of the environmental and/or social benefits generated from SPP (e.g. GHG emissions reduced, or jobs created) |
| <input type="checkbox"/> Training of procurement staff in SPP   | <input type="checkbox"/> External recognition for SPP programme (e.g. awards)   |
| <input type="checkbox"/> Learning from peer organizations   | <input type="checkbox"/> Other (please specify)   |
| <input type="checkbox"/> Pressure from stakeholders / activist campaigns  | <input type="checkbox"/> Not applicable   |
| <input type="checkbox"/> Sufficient availability of sustainable products and services   |   |

### 28. In your opinion, which of the following factors form the largest barriers to SPP implementation in your organization?

(Choose the top five (5) barriers)

- |   |  |
|---|--|
| <input type="checkbox"/> Lack of mandatory SPP rules/legislation                                | <input type="checkbox"/> Perception that sustainable products and/or services are more expensive                 |
| <input type="checkbox"/> Lack of policy commitments/goals/action plans                          | <input type="checkbox"/> Perception that sustainable products and/or services are of lesser quality              |
| <input type="checkbox"/> Lack of strong political and organizational leadership on SPP          | <input type="checkbox"/> Other (please specify)  |
| <input type="checkbox"/> Lack of inter-agency cooperation                                       | <input type="checkbox"/> Lack of sustainable products and/or services to procure                                 |
| <input type="checkbox"/> Insufficient monitoring, evaluation and/or enforcement of SPP policies | <input type="checkbox"/> Lack of information on the sustainability practices and operations of suppliers         |
| <input type="checkbox"/> Lack of expertise in SPP implementation                                | <input type="checkbox"/> Little or no visibility into supply chains  |
| <input type="checkbox"/> Lack of personal commitment to SPP by staff                            | <input type="checkbox"/> Lack of external pressure from stakeholders / no activist campaigns                     |
| <input type="checkbox"/> Lack of inclusion of SPP in staff performance and promotion reviews    | <input type="checkbox"/> Lack of a clear definition of sustainable products, services and/or supplier operations |
| <input type="checkbox"/> Lack of training of procurement staff in SPP                           | <input type="checkbox"/> Lack of relevant SPP criteria and specifications  |
| <input type="checkbox"/> Competing procurement priorities                                       |  |
| <input type="checkbox"/> Perception that procurement is administrative, not policy-driven       |  |



- Lack of credible ecolabels and sustainability standards
- Lack of measurement of environmental and/or social outcomes from SPP implementation (e.g. GHG emissions, water savings, jobs created, etc.)
- Lack of tools available that measure life cycle costs
- Lack of external recognition for SPP implementation
- Lack of measurement of economic / business outcomes from SPP implementation (e.g. cost savings)
- Not applicable

**WHAT IS NEEDED, LOOKING AHEAD?**

**29. Do you expect your organization and/or your national government to change the level of sustainable procurement activity in the next five years?**

*(Choose one option in each column)*

	YOUR ORGANIZATION	YOUR NATIONAL GOVERNMENT
Yes, I expect substantially more SPP activity than today	<input type="checkbox"/>	<input type="checkbox"/>
Yes, I expect somewhat more SPP activity than today	<input type="checkbox"/>	<input type="checkbox"/>
I expect about the same level of SPP activity as today	<input type="checkbox"/>	<input type="checkbox"/>
I expect less SPP activity than today	<input type="checkbox"/>	<input type="checkbox"/>
I expect substantially less SPP activity than today	<input type="checkbox"/>	<input type="checkbox"/>
I don't know	<input type="checkbox"/>	<input type="checkbox"/>
Not applicable	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>

**30. In your opinion, which three environmental issues should be a priority for sustainable procurement activity for your organization?**

*(Choose the TOP THREE issues from the following list)*

- Air pollution
- Greenhouse gas emission reductions
- Ozone depletion
- Waste minimization
- Biodiversity conservation
- Hazardous substances
- Sustainable use of natural resources
- Water conservation
- Climate change mitigation
- Health quality
- Resource efficiency/ protection of natural resources
- Water pollution
- Energy conservation
- Local environmental conditions
- Soil protection
- Not applicable
- Other (please specify)

**31. In your opinion, which three social, economic, and/or governance issues should be a priority for sustainable procurement activity for your organization?**

*(Choose the TOP THREE issues from the following list)*

- |  |  |
|--|--|
| <input type="checkbox"/> Community engagement/development  | <input type="checkbox"/> Micro, small and medium enterprises   |
| <input type="checkbox"/> Diversity and equality  | <input type="checkbox"/> Occupational health and safety  |
| <input type="checkbox"/> Elimination of access barriers to disabled people (physical access to buildings, alternative communication formats, etc.) | <input type="checkbox"/> Skills and training opportunities   |
| <input type="checkbox"/> Fair or ethical trade   | <input type="checkbox"/> Social, sheltered or set-aside enterprises (including disabled, veteran, and other marginalized owners, and/or women-owned companies) |
| <input type="checkbox"/> Human rights  | <input type="checkbox"/> Workers' rights (ILO core labour conventions)   |
| <input type="checkbox"/> Human trafficking   | <input type="checkbox"/> Technology development and innovation   |
| <input type="checkbox"/> Local content / local producers   | <input type="checkbox"/> Not applicable  |
| <input type="checkbox"/> Other (please specify)  |  |

**32. In your opinion, which three product/service categories should be a priority for sustainable procurement activity for your organization?**

*(Choose the TOP THREE categories from the following list)*

- |  |  |
|--|--|
| <input type="checkbox"/> Building equipment (water heaters, air-conditioners, elevators, lighting, etc.) | <input type="checkbox"/> Office IT equipment (computers, screens, printers, etc.)                              |
| <input type="checkbox"/> Building materials (windows, floor-covers, wall panels, faucets, etc.)          | <input type="checkbox"/> Office paper and stationary   |
| <input type="checkbox"/> Buildings design and construction   | <input type="checkbox"/> Vehicles (passenger and light duty vehicles, motorcycles, car sharing services, etc.) |
| <input type="checkbox"/> Diverse chemical products (lubricant oils, paints, fire extinguishers, etc.)    | <input type="checkbox"/> Textiles (uniforms, gloves, shoes, bed sheeting, etc.)                                |
| <input type="checkbox"/> Energy supply and energy services   | <input type="checkbox"/> Travel services (transport options and accommodation, etc.)                           |
| <input type="checkbox"/> Execution of work contracts   | <input type="checkbox"/> Waste collection and street cleaning services   |
| <input type="checkbox"/> Food and catering services  | <input type="checkbox"/> Household appliances (TVs, fridges, washing machines, etc.)                           |
| <input type="checkbox"/> Furniture   | <input type="checkbox"/> Other (please specify):   |
| <input type="checkbox"/> Infrastructure design and construction  |  |
| <input type="checkbox"/> Cleaning products and services  |  |

**33. In your opinion, what activities could international initiatives (such as the 10YFP on SPP) conduct to further promote and support SPP?**

*(Choose the TOP THREE activities from the following list)*

- |   |  |
|---|--|
| <input type="checkbox"/> Provide tools to support SPP implementation (e.g. tools for life cycle costing, spend analysis, capacity building) | <input type="checkbox"/> Other (please specify):   |
| <input type="checkbox"/> Provide training and capacity building for SPP implementation  | <input type="checkbox"/> Showcase, promote and recognize leadership in SPP   |
| <input type="checkbox"/> Offer guidance on SPP implementation   | <input type="checkbox"/> Build the case for SPP (e.g. showing cost savings resulting from SPP activities)                |
| <input type="checkbox"/> Encourage harmonization and standardization of SPP   | <input type="checkbox"/> Encourage national SPP policy commitments   |
| <input type="checkbox"/> Share/exchange information on SPP  | <input type="checkbox"/> Measure and communicate the social, environmental, and financial benefits being achieved by SPP |
| <input type="checkbox"/> Facilitate peer learning and collaboration between SPP practitioners   | <input type="checkbox"/> Support knowledge transfer to and between developing countries on SPP                           |
| <input type="checkbox"/> Provide financial and technical resources for SPP activities   | <input type="checkbox"/> Engage the market, encouraging suppliers to make more sustainable products and services         |

## Annex 7: List of organizations that participated in the stakeholder survey.

Afghanistan, Unspecified  
Albania, Environmental Center for Administration and Technology (ECAT Tirana)  
Algeria, Fondation Déserts du Monde  
Argentina, Fundacion el otro  
Argentina, Instituto Argentino para el Desarrollo Sustentable (IADS)  
Argentina, IRAM  
Argentina, Ministerio de Ambiente y Desarrollo Sustentable  
Argentina, Universidad Nacional de Luján  
Armenia, Unspecified  
Australia, BSD Unspin  
Australia, Good Environmental Choice Australia (GECA)  
Australia, Unspecified  
Azerbaijan, Unspecified  
Belgium, Forest Stewardship Council  
Brazil, ABINEE  
Brazil, ABNT  
Brazil, Banco do Brasil  
Brazil, Brazilian Micro and Small Business Support Service  
Brazil, Centro de Estudos em Sustentabilidade da Fundação Getulio Vargas (GVces/FGV-EAESP)/  
Center for Sustainability Studies at Fundacao Getulio Vargas (GVces/FGV-EAESP)  
Brazil, Federação das Indústrias do Estado de Minas Gerais (FIEMG)  
Brazil, Instituto Brasileiro de Informação em Ciência e Tecnologia (IBICT)  
Brazil, ITAIPU Binacional  
Brazil, Ministério do Meio Ambiente  
Brazil, Secretariat for the Environment (State of São Paulo)  
Brazil, Tribunal de Justiça do Estado do Rio de Janeiro  
Brazil, Vale SA  
Cambodia, Ministry of Economy and Finance  
Canada, Accelerating Social Impact  
Canada, Anthesis Group  
Canada, Carbon Free Group  
Canada, Centre de service partagé du Québec (CSPQ) - Direction générale des acquisitions  
Canada, Institut de la Francophonie pour le développement durable (IFDD)  
Canada, Social Planning Council  
Canada, Strandberg Consulting  
Canada, Sustainable Enterprise Consulting  
Canada, Unspecified  
Chile, ChileCompra  
Chile, Consejo Nacional de Producción Limpia  
Chile, ECLAC/ CEPAL  
Chile, Ministerio del Medio Ambiente  
China, China Environmental United Certification Center  
Colombia, Colombia Compra Eficiente  
Colombia, Ecoutlet.co  
Costa Rica, Caja Costarricense de Seguro Social  
Costa Rica, CEGESTI  
Costa Rica, Comité Directivo Nacional de Compras Públicas Sustentables  
Costa Rica, Ministerio de Ambiente y Energía, Costa Rica  
Costa Rica, Ministerio de Justicia y Paz  
Denmark, Aalborg Kommune  
Denmark, Danish EPA  
Denmark, PlanMiljø - Secretariat for Green Procurement  
Denmark, Statens og Kommunernes Indkøbs Service A/S  
Denmark, The City of Copenhagen  
Denmark, UNOPS

Ecuador, SERCOP  
Ecuador, Universidad Internacional del Ecuador  
El Salvador, Asesora Ambiental Independiente  
El Salvador, Fundación CNPML El Salvador  
España, Agencia de Residuos de Cataluña  
España, Ajuntament de Granollers  
España, Ajuntament de Setcases  
España, Area Metropolitana de Barcelona  
España Cataluña Ajuntament de Granollers  
España, Cataluña Ajuntament Vilanova I La Geltru  
España, Consuprint  
España, Diputació de Barcelona  
España, Generalitat de Cataluña (Gobierno de Cataluña)  
España, Tecnia  
Finland, Helsinki Region Environmental Services Authority HSY  
France, France Television  
France, Observatoire des Achats Responsables  
France, Paris Ouest University  
France, Saint-Gobain PAM  
France, Total  
Germany, University of Kassel, Germany  
Ghana, Ghana Revenue Authority  
Greece, Independent Expert  
Guatemala, Fundación Centro Guatemalteco de Producción más Limpia  
Honduras, CNP+LH  
Hong Kong, Forest Stewardship Council (FSC)  
Hong Kong, TUV Rheinland  
Hong Kong, Unspecified  
India, Association for Promotion Sustainable Development  
India, CUTS International  
India, DFCCIL, Ministry of Railways  
India, NPC  
India, Society in Action Group  
Indonesia, Green Building Council of Indonesia  
Indonesia, National Public Procurement Agency  
Ireland, GOAL  
Italy, Agenzia Regionale per la prevenzione, l'ambiente e l'energia dell'Emilia-Romagna  
Italy, Arpa Piemonte  
Italy, University of Turin  
Italy, Unspecified  
Jamaica, Ministry of Finance & The Public Service  
Japan, Green Purchasing Network (GPN, Japan)  
Japan, Japan Environment Association  
Japan, Ministry of the Environment Environment and Economy Division Environmental Policy Bureau  
Libya, Libya Environment General Authority  
Malaysia, EU-Switch SCP Policy Support Project Philippines  
Malaysia, WWF  
México, CREARTON  
Netherlands, Municipality of Utrecht  
Netherlands, PEFC Nederland  
Netherlands, SMK (Stichting Milieukeur)  
Norway, Arbeids- og velferdsdirektoratet  
Norway, Unspecified  
Paraguay, Ministerio de Industria y Comercio  
Perú, Dirección de Salud Ambiental.  
Peru, Organismo Supervisor de las Contrataciones del Estado  
República Dominicana, Dirección General de Compras y Contrataciones  
Romania, Integrate Investment SRL  
Romania, Romanian National Union of Experts in Public Procurement Professionals  
Senegal, Direction de l'Environnement et des Etablissements Classés

Sierra Leone, EPA  
South Africa, CEGESTI  
South Africa, Fairtrade South Africa  
South Africa, National Cleaner Production Centre (NCPC)  
South Africa, SANEDI  
South Korea, ICLEI  
South Korea, Jongno-gu Office  
South Korea, Environmental Industry and Technology Institute (KEITI)  
South Korea, Nowon office  
South Korea, Unspecified  
Sri Lanka, Central Environment Authority  
Sweden, Arkatay Consulting AB  
Switzerland, City of Zürich  
Switzerland, Glencore  
Switzerland, International Labour Office (ILO)  
Switzerland, Max Havelaar-Foundation (Switzerland)  
Switzerland, Service cantonal du développement durable  
Switzerland, UNEP/ Sustainable UN  
Tanzania, Meru District Council  
Thailand, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH  
Thailand, Thailand Environment Institute  
Tunisia, Tunis International Center for Environmental Technologies  
Tunisia, University of Tunis El Manar  
Turkey, UNDP  
Uganda, Ministry of Energy and Mineral Development  
UK, Anthesis  
UK, Business Council for Sustainable Development  
UK, Comhairle nan Eilean Siar  
UK, Government of Bermuda, OPMP  
UK, Scottish Government  
UK, Sustainable Global Resources  
UK, Trucost  
US, American National Standards Institute  
US, Best Buy  
US, California State Parks  
US, California Department of Corrections and Rehabilitation  
US, California Department of Education  
US, California Department of General Services  
US, California Department of Health Care Services  
US, California Department of Insurance  
US, California Department of State Hospitals  
US, California Department of Water Resources  
US, California State Controller's Office  
US, California, OSI  
US, State of California, Department of Community Services and Development  
US, CalSTRS  
US, CBRE  
US, City of Austin  
US, City of Portland, Oregon  
US, Department of Business Oversight  
US, Department of Community Services & Development  
US, Department of Conservation  
US, Department of General Services, Procurement Division  
US, Department of Motor Vehicles  
US, Department of State Hospitals  
US, DMV  
US, ELLIOTT  
US, Environmental Protection Authority  
US, Fish & Wildlife Services  
US, General Services Administration



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US, Green Electronics Council  
US, King County Procurement and Payables  
US, Maryland Department of General Services  
US, Merck/MSD  
US, Occidental  
US, San Francisco Department of the Environment  
US, State Controller's Office  
US, Sustainable Purchasing Leadership Council (SPLC)  
US, VCGCB  
US, Weyerhaeuser  
Vietnam, Hanoi Urban Transport Development Project Management Unit  
Zambia, Eco Milling Limited

## Annex 8: Glossary

TERM	DEFINITION	SOURCE
Category management / strategic sourcing	<i>Strategic Sourcing</i> is a structured collaborative process that optimizes the supply base while reducing costs, maximizing product quality, and improving service delivery.	Based on the United States of America General Services Administration's definition: <a href="https://strategicsourcing.gov/strategic-sourcing-process">https://strategicsourcing.gov/strategic-sourcing-process</a> .
Circular economy	<i>Circular Economy</i> features low consumption of energy, low emission of pollutants and high efficiency. It involves applying cleaner production in companies, eco-industrial park development and integrated resource-based planning for development in industry, agriculture and urban areas.	Based on UN Environment's definition: <a href="http://www.unep.org/resourceefficiency/Home/Policy/SCPPoliciesandthe10YFP/NationalActionPlansPovertyAlleviation/tabid/78379/Default.aspx">http://www.unep.org/resourceefficiency/Home/Policy/SCPPoliciesandthe10YFP/NationalActionPlansPovertyAlleviation/tabid/78379/Default.aspx</a> .
Circular procurement	<i>Circular procurement</i> is when the buyer purchases products or services that follow the principles of the circular economy, supporting the assessment of designing, making, selling, re-using and recycling products to determine how to get the maximum value from them, both in use and at the end of their life.	Adapted from WRAP UK's presentation: <a href="http://www.sustainable-procurement.org/fileadmin/files/procura-meeting-240914-circular-economy-wrap.pdf">http://www.sustainable-procurement.org/fileadmin/files/procura-meeting-240914-circular-economy-wrap.pdf</a> .
Ecolabels/ certifications	<i>Ecolabels and certifications</i> are voluntary methods ensuring that a product meets certain environmental performance criteria, as laid out in a specified standard usually within a specific product/service category.	Based on the Global Ecolabelling Network (GEN)'s definition: <a href="http://www.globalecolabelling.net/what_is_ecolabelling/index.htm">http://www.globalecolabelling.net/what_is_ecolabelling/index.htm</a> .
Environmental accounting	<i>Environmental Accounting</i> is the identification, collection, analysis, dissemination, and use of information on physical flows information (of materials, energy, and water flows), environmental cost information, and other monetary information for both conventional and environmental decision-making within an organization.	Based on the definition of the UN Sustainable Development Knowledge Platform: <a href="https://sustainabledevelopment.un.org/content/documents/policiesandlinkages.pdf">https://sustainabledevelopment.un.org/content/documents/policiesandlinkages.pdf</a> .
E-procurement	<i>E-Procurement</i> is the combined use of electronic information and communications technology in order to enhance the links between customer and supplier and with other value chain partners thereby improving external and internal production and systems management.	Based on the Chartered Institute of Procurement & Supply (CIPS)'s definition <a href="https://www.cips.org/Documents/Knowledge/Procurement-Topics-and-Skills/5-Strategy-and-Policy/Procurement-Policy-Development/POP-eProcurement.pdf">https://www.cips.org/Documents/Knowledge/Procurement-Topics-and-Skills/5-Strategy-and-Policy/Procurement-Policy-Development/POP-eProcurement.pdf</a> .
Fair trade	<i>Fair trade</i> applies to market operations that strengthen the economic position of small-scale producers and landowners in order to ensure that they receive a share of the total profit commensurate with their input, and are not marginalized in the world economy.	Based on the definition of the World Fair Trade Organization <a href="http://wfto.com/fair-trade/definition-fair-trade">http://wfto.com/fair-trade/definition-fair-trade</a> .
Green growth	<i>Green growth</i> is environmentally sustainable economic progress that fosters low-carbon, socially inclusive development.	Based on the UN ESCAP definition <a href="https://sustdev.unescap.org/">https://sustdev.unescap.org/</a> .
Joint procurement / group purchasing	<i>Joint procurement</i> (also known as group-purchasing) is collaborative purchasing by different organizations to leverage markets through aggregating volumes to gain volume discounts and reduce the cost of goods/services, and administration.	Based on the UNDP definition: <a href="https://info.undp.org/global/popp/cap/pages/Definitions-Objectives-and-Benefits.aspx">https://info.undp.org/global/popp/cap/pages/Definitions-Objectives-and-Benefits.aspx</a> .

In-source	The practice of using an organization's own personnel or other resources to accomplish a task instead of buying that product or service from an external provider.	Based on the Oxford English Dictionary's definition: <a href="http://www.oxforddictionaries.com/us/definition/american_english/insourcing">http://www.oxforddictionaries.com/us/definition/american_english/insourcing</a> .
Life-cycle costing	<i>Life-Cycle Costing</i> is an economic analysis tool used in the selection of alternatives that impact both pending and future costs. It compares initial investment options and identifies the least cost alternatives for a future period.	Based on the United States of America's General Services Administration's definition: <a href="http://www.gsa.gov/portal/content/101197">http://www.gsa.gov/portal/content/101197</a> .
Green economy	A <i>green economy</i> is one whose growth in income and employment is driven by public and private investments and policies that reduce carbon emissions and pollution, enhance energy and resource efficiency, and prevent the loss of biodiversity and ecosystem services.	Based on UN Environment's definition: <a href="http://www.unep.org/greeneconomy/AboutGEI/WhatisGEI/tabid/29784/Default.aspx">http://www.unep.org/greeneconomy/AboutGEI/WhatisGEI/tabid/29784/Default.aspx</a> .
Green procurement	<i>Green procurement</i> is a process whereby organizations seek to procure goods, services and works with a reduced environmental impact throughout their life-cycle when compared to goods, services and works with the same primary function that would otherwise be procured.	Based on the European Commission's definition: <a href="http://ec.europa.eu/environment/gpp/faq_en.htm#generall">http://ec.europa.eu/environment/gpp/faq_en.htm#generall</a> .
Outsource	<i>Outsourcing</i> is obtaining goods and/or services from an external supplier rather than internally.	Based on the Oxford English Dictionary's definition: <a href="http://www.oxforddictionaries.com/us/definition/american_english/outsource">http://www.oxforddictionaries.com/us/definition/american_english/outsource</a> .
Offsets/ carbon market	<i>Offsets / carbon markets</i> are systems through which countries or organizations may buy or sell units of greenhouse gas or other emissions in an effort to meet or "offset" their national limits on emissions, either under the Kyoto Protocol or under other agreements, such as that among Member States of the European Union.	Based on the European Commission's definition: <a href="http://ec.europa.eu/clima/publications/docs/terms_en.pdf">http://ec.europa.eu/clima/publications/docs/terms_en.pdf</a> .
Products	<i>Products</i> , also called "goods and services", are the result of production. They are exchanged and used for various purposes: as inputs in the production of other goods and services, for final consumption or for investment.	Based on the UN Handbook on Non-profit Institutions in the System of National Accounts' definition: <a href="http://unstats.un.org/unsd/publication/seriesf/seriesf_91e.pdf">http://unstats.un.org/unsd/publication/seriesf/seriesf_91e.pdf</a> .
Product service systems/ servicing	A <i>product-service system</i> is the result of an innovation strategy, shifting the business focus from designing and selling physical products only, to selling a system of products and services that are jointly capable of fulfilling specific client demands.	Based on UN Environment's definition: <a href="http://www.unep.org/resourceefficiency/Portals/24147/scp/design/pdf/pss-imp-7.pdf">http://www.unep.org/resourceefficiency/Portals/24147/scp/design/pdf/pss-imp-7.pdf</a> .
Product re-use	<i>Product re-use</i> is the act of using a product repeatedly.	Based on the UNCRD's definition: <a href="https://sustainabledevelopment.un.org/content/dsd/csd/csd_pdfs/csd-19/learningcentre/presentations/May%209%20am/1%20-%20Learning_Centre_9May_ppt_Mohanty.pdf">https://sustainabledevelopment.un.org/content/dsd/csd/csd_pdfs/csd-19/learningcentre/presentations/May%209%20am/1%20-%20Learning_Centre_9May_ppt_Mohanty.pdf</a> .
Procurement/ Purchasing/ Acquisition	<i>Procurement (also known as purchasing and acquisition)</i> is the action of obtaining or purchasing an asset or product.	Based on the Oxford English Dictionary's definition: <a href="http://www.oxforddictionaries.com/us/definition/american_english/procurement">http://www.oxforddictionaries.com/us/definition/american_english/procurement</a> .

Procurement cycle	The <i>procurement cycle</i> is the cyclical process of key steps when procuring goods or services from the definition of needs to ongoing contract management.	Based on the Chartered Institute of Procurement and Supply's (CIPS) definition: <a href="https://www.cips.org/en/knowledge/procurement-cycle/">https://www.cips.org/en/knowledge/procurement-cycle/</a> .
Renewable energy	<i>Renewable energy</i> are sources of energy that are, within a short time frame relative to the earth's natural cycles, sustainable, and include non-carbon technologies such as solar energy, hydropower, and wind, as well as carbon-neutral technologies such as biomass.	Based on the UN IPCC's definition: <a href="http://www.ipcc.ch/ipccreports/tar/wg3/index.php?idp=471">http://www.ipcc.ch/ipccreports/tar/wg3/index.php?idp=471</a> .
Services	<i>Services</i> are intangible goods like banking, communications, wholesale and retail trade, all professional services such as engineering, computer software development, medicine, non-profit economic activity, and all consumer and government services, including defense and administration of justice.	Based on the Encyclopedia Britannica's definition: <a href="http://www.britannica.com/topic/service-industry">http://www.britannica.com/topic/service-industry</a> .
Sharing economy	A <i>sharing economy</i> is an economic model in which individuals are able to borrow or rent assets owned by someone else.	Based on Investopedia's definition: <a href="http://www.investopedia.com/terms/s/sharing-economy.asp#ixzz41ahJk83p">http://www.investopedia.com/terms/s/sharing-economy.asp#ixzz41ahJk83p</a> .
Supplier engagement	Supplier engagement (also known as supplier relationship management) is the interaction of an organization with its suppliers to achieve common values and goals by realizing new value, and/or reducing risks.	Based on Gallup's definition: <a href="http://www.gallup.com/businessjournal/169103/strategic-advantage-supplier-engagement.aspx">http://www.gallup.com/businessjournal/169103/strategic-advantage-supplier-engagement.aspx</a> .
Supplier pre-qualification	<i>Supplier pre-qualification</i> is the process of examining potential suppliers to establish whether they meet certain expectations and have the relevant experience to complete the job as required, before initiating a request for proposal or a contract.	Based on Business Dictionary.com definition: <a href="http://www.businessdictionary.com/definition/prequalification-of-bidders.html#ixzz4lgbv574U">http://www.businessdictionary.com/definition/prequalification-of-bidders.html#ixzz4lgbv574U</a> .
Sustainable Public Procurement (SPP)	A process whereby public sector 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. Sustainable Procurement seeks to achieve the appropriate balance between the three pillars of sustainable development i.e. economic, social and environmental.	Based on the UN Environment definition: <a href="https://sustainabledevelopment.un.org/index.php?page=view&amp;type=400&amp;nr=945&amp;menu=1515">https://sustainabledevelopment.un.org/index.php?page=view&amp;type=400&amp;nr=945&amp;menu=1515</a> and on the European Commission's definition: <a href="http://www.ec.europa.eu/environment/gpp/green_vs_sustainable.html">www.ec.europa.eu/environment/gpp/green_vs_sustainable.html</a> .
SPP Policy	Any type of document (law, act, executive order, strategy, policy, programme, action plan, etc.) dedicated to the promotion and implementation of sustainable public procurement in any of its environmental and/or socio-economic dimensions.	Based on UN Environment's definition: <a href="https://sustainabledevelopment.un.org/index.php?page=view&amp;type=400&amp;nr=945&amp;menu=1515">https://sustainabledevelopment.un.org/index.php?page=view&amp;type=400&amp;nr=945&amp;menu=1515</a> .
SPP Institutionalization	<i>SPP Institutionalization</i> is the process and actions of an organization to integrate and embed SPP in that organization's culture and daily operations.	Based on UN Environment's definition: <a href="http://www.scpclearinghouse.org/c/5-sustainable-public-procurement/news/187-release-of-report-monitoring-spp-implementation.html">http://www.scpclearinghouse.org/c/5-sustainable-public-procurement/news/187-release-of-report-monitoring-spp-implementation.html</a> .
Sustainable products	A product that incorporates environmental and social factors and minimizes its impact throughout the life cycle, throughout the supply chain and with respect to the socio-economic surroundings	Based on the UN Environment definition: <a href="https://sustainabledevelopment.un.org/index.php?page=view&amp;type=400&amp;nr=945&amp;menu=1515">https://sustainabledevelopment.un.org/index.php?page=view&amp;type=400&amp;nr=945&amp;menu=1515</a> .

Sustainable development	<p><i>Sustainable development</i> is development that meets the needs of the present without compromising the ability of future generations to meet their own needs; it includes economic, environmental and social sustainability, and poverty eradication.</p>	<p>Based on the Report of the Brundtland Commission, <i>Our Common Future</i>, 1987, and the Johannesburg Plan of Implementation.</p>
Sustainable Development Goals (SDGs)	<p><i>The Sustainable Development Goals</i> are 17 global goals set by the 2030 Agenda for Sustainable Development and formally adopted by the international community in 2015. The new 17 Sustainable Development Goals and 169 associated targets integrate and balance the three dimensions of sustainable development, covering areas such as poverty, inequality, food security, health, sustainable consumption and production, growth, employment, infrastructure, sustainable management of natural resources, oceans, climate change, but also gender equality, peaceful and inclusive societies, access to justice and accountable institutions.</p>	<p>Based on the Press Kit for the Sustainable Development Summit 2015: <a href="http://www.un.org/sustainabledevelopment/wp-content/uploads/2015/08/FAQs_Sustainable_Development_Summit.pdf">http://www.un.org/sustainabledevelopment/wp-content/uploads/2015/08/FAQs_Sustainable_Development_Summit.pdf</a>, and on the European Commission's Agenda 2030 Fact Sheet, <a href="http://europa.eu/rapid/press-release_MEMO-15-5709_en.htm">http://europa.eu/rapid/press-release_MEMO-15-5709_en.htm</a> ; and <a href="http://urbansdg.org/">http://urbansdg.org/</a>.</p>

The *2017 Global Review of Sustainable Public Procurement* examines the state of sustainable public procurement (SPP) policies and practices undertaken by national governments worldwide in the last five years. It is published in the framework of the 10YFP Sustainable Public Procurement Programme, which committed to conducting a regular review of the state of SPP implementation as part of its work plan. Building on the findings of the first edition of the Global Review published in 2013 and on research conducted between 2015 and 2016 among 41 national governments and more than 200 SPP stakeholders, the report aims to track the progress made and deepen the collective understanding of the current barriers, needs, opportunities and innovations in SPP.

This research is complemented by the supplement titled “*Factsheets on Sustainable Public Procurement in National Governments*”, which includes forty country factsheets detailing the SPP policy frameworks, priorities and implementation activities in place in each country.



United Nations  
Environment Programme