



PROMOTING INNOVATION IN THE GREEN ECONOMY IN LATIN AMERICA AND THE CARIBBEAN BY INCLUDING QUALITY INFRASTRUCTURE

Sustainable public procurement

Context:

- The Problem(s)
- Global GE Perspective

Sustainable Procurement is a process whereby organisations 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 organisation, but also to society and the economy, whilst minimising damage to the environment.¹

Sustainable Procurement seeks to achieve the appropriate balance between the three pillars of sustainable development i.e. economic, social and environmental.

- Economic factors include the costs of products and services over their entire life cycle, such as: acquisition, maintenance, operations and end-of-life management costs (including waste disposal) in line with good financial management;
- Social factors include social justice and equity; safety and security; human rights and employment conditions;
- Environmental factors include emissions to air, land and water, climate change, biodiversity, natural resource use and water scarcity over the whole product life cycle.

Sustainable public procurement (SPP) refers to the spending of government organizations which usually represents between 10 and 30 percent of national GDP. SPP can be used as a key instrument in the transformation to sustainable consumption and production.

Situation in Latin America and the Caribbean

- Leading countries in LAC

SPP can be a powerful lever for development and growth. It aligns with many of the economic and social priorities of Latin American and Caribbean (LAC) countries. National development plans increasingly reflect an appreciation for environmental, social and economic sustainability. Environmental agencies are better staffed and prepared than in the past, and environmental education at all levels continues to improve. LAC governments are encouraging the mitigation of environmental and social risks in the private sector, but the public sector must also lead by example. SPP provides governments with a valuable tool to demonstrate their commitment to sustainable development.

Green goods and services are already being scaled up across the LAC private sector. Public procurers should support green entrepreneurship, using their market power to encourage companies to adopt sustainable technologies and processes.

¹ 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.



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SPP relates to multiple areas of government expenditure, e.g.

- Products: air conditioning, information and telecommunication technologies, vehicles, indoor lighting, office supplies, fuel, furniture, apparel, paper, cleaning products, etc.
- Services: Management and consultancy services, IT consultancy services, software, servers and data centres, electricity, courier and postal, mobility, waste management, food beverage and catering, landscaping, maintenance services, etc.
- Infrastructure: roads, water treatment facilities, airports, ports, railroads and stations, buildings, sewage plants, schools, prisons, power plants, etc.

Promotors and key stakeholders

The Inter-American Network on Government Procurement (INGP), is an initiative of the American countries constituted as a regional technical cooperation mechanism, composed by governmental institutions in the 32 countries of Latin America and the Caribbean.

The INGP is represented by the national directors of government procurement; as well as by institutions that provide institutional and financial support such as the Organization of American States (OAS), which acts as Technical Secretariat of the Network, the Inter-American Development Bank (IDB) and the International Development Research Centre (IDRC).

UNEP is also supporting SPP in LAC and creates the link with the promotion of a Green Economy.

In the area of standardization of sustainable procurement, the work of the ISO Committee ISO/ PC 277 is relevant. It is elaborating a procurement standard with strong participation of LAC countries for public and private organizations ISO/ DIS 20400.2

Links to QI:

- Relevant standards (ISO)
- QI service gaps

The new ISO standard 20400 “Sustainable procurement – Guidance” will provide guidelines for government organizations to integrate sustainability into their procurement processes. It has just reached a second Draft International Standard (DIS) stage, meaning interested parties can once more submit feedback on the draft before final publication in 2017.

QI bodies can support SPP especially by integration of environmental and social performance into technical specifications. Here is also the need to relate the use of private sustainability labels to formal standards. ISO assigns eco-labels in three categories: ISO 14024 on life cycle impact of a product or service, ISO 14021 is used by manufactures to inform consumers about the environmental characteristics of a particular component, product or process; ISO 14025 contains information on a product’s lifecycle impact on the environment.

Finally, QI bodies should also practice sustainable procurement within their organizations and lead by example.



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(Preliminary) Conclusions

Latin America and the Caribbean have shown significant progress in the area of SPP. The responsible entities for procurement recognize the importance of standards and eco-labels, but the collaboration between the procurement offices and QI bodies is still missing. A closer collaboration could support SPP giving technical guidance for the environmental and social requirements in the procurement processes, or in knowledge about relevant standards and certifications related to the sustainability of different products and services.

Given that the variety of products, services and infrastructure is very wide, there will be a need to select a specific area to start the collaboration. Other of the pre-selected thematic areas could be worked within the project also under the SPP perspective.

Bibliography and links

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