**SPP Index Methodology**

**SDG Indicator 12.7.1.**

**March 2020**

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**SPP Index Methodology:** **SDG indicator 12.7.1**Version 5.0 – Post IAEG - March 2020

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# INTRODUCTION

GOAL 12: Ensure sustainable consumption and production patterns

SDG target 12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities

SDG indicator 12.7.1: Number of countries implementing Sustainable Public Procurement policies and action plans.

# WHAT IS SUSTAINABLE PUBLIC PROCUREMENT (SPP)?

**Sustainable Public Procurement (SPP)**

Sustainable Public Procurement is a “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 organisation, but also to society and the economy, whilst significantly reducing negative impacts on the environment.” [[1]](#footnote-2)

Public procurement represents approximately [12% of GDP](http://www.oecd.org/gov/public-procurement/forum-agenda.pdf) on average in OECD countries, almost 30% of total government expenditures, [and up to 25-30 % of GDP in developing countries](https://www.oecd.org/dac/environment-development/Putting%20Green%20Growth%20at%20the%20Heart%20of%20Development_Summary%20For%20Policymakers.pdf). Thus, it has a high impact on a country’s economic development and can play a critical role in promoting the inclusive and sustainable economic growth endorsed by the SDGs. Currently, public procurement – which is generally guided by the principles of fairness, transparency, openness and non-discrimination – is evolving into a strategic instrument aimed at fostering sustainable development and contributing to markets transformation.

Many countries are designing and implementing sustainable public procurement policies. This was acknowledged by the international community when it included a target on sustainable public procurement in the Sustainable Development Goals, target 12., which focuses specifically on promoting “*public procurement practices that are sustainable, in accordance with national policies and priorities*”.

Because of the nature of the indicator, it is important to assess whether countries

1. have developed SPP policies and actions plans and
2. are implementing them.

In order to do so, it is important that the users of this methodology have a clear understanding of two key definitions: Sustainable Public Procurement (SPP) and Sustainable Public Procurement Action Plan.

**Sustainable Public Procurement Action Plan**

A Sustainable Public Procurement (SPP**)** action plan is a policy document articulating the priorities and actions a public authority will adopt to support the implementation of SPP. Plans usually/should address the environmental, social and economic dimensions of SPP, and recognise the potential for SPP to realise SDGs”. In some cases, a country action plan may focus on a single aspect of sustainability, being either environmental (e.g. “Green” public procurement action plan), social (e.g. reference to human rights, fair trade, focus on employment of minorities, etc.), or economic (e.g. promotion of SMEs’ participation in tenders, etc.).

A comprehensive action plan would usually show different sections to articulate its implementation in time, and focus on: grounding the action plan’s objectives in national priorities or international commitments, or highlighting their relation to the sustainable development goals; creating/ensuring an enabling legal framework; allocating dedicated resources to the implementation of the action plan (setting up a taskforce to manage and support the implementation of SPP, allocating a specific budget to the implementation of SPP), developing SPP tools to facilitate its implementation by public procurement practitioners and to ensure that sustainability aspects are considered at all stages of the product lifecycle (production, transportation, product disposal/recycling, etc.) and throughout the supply chain, planning capacity-building measures (development of a training module, training of trainers, training of procurement practitioners, etc.), developing a communication plan, monitoring SPP implementation and measuring results/outcomes for further improvement, conducting a dialogue with the market (meetings with suppliers and/or training).

# WHO IS THIS METHODOLOGY FOR?

The 12.7.1 methodology is aimed at national governments, guiding policy makers and practitioners. In addition to reporting on SDG 12.7.1, the methodology will offer insights and will identify gaps useful for the implementation of sound sustainable public procurement policies.

These guidelines are primarily written for government agencies who wish to take a common stepwise approach to measure SPP actions and policies in their country. They are designed both for beginning countries, as well as for those who already have an SPP plan in operation and who would like to improve and report on it in the context of the SDG 12. The Guidelines are also designed to be flexible to adapt to specific country circumstances and existing practices.

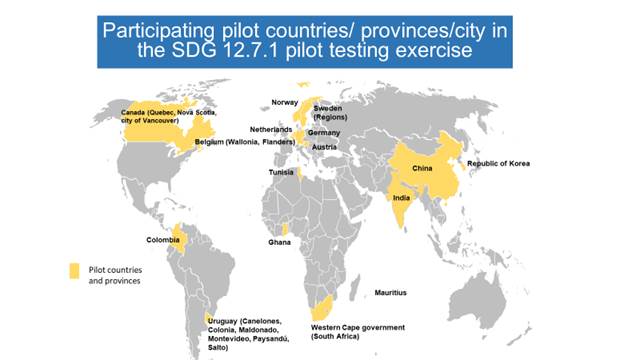
Aside from government agencies, other institutional and commercial purchasers may find the 12.7.1 methodology relevant to their purchasing and supply chain management practices. Suppliers and other stakeholders, such as those involved in determining the sustainability requirements for products or services, may also find these guidelines of interest.

# HOW THE METHODOLOGY WAS DEVELOPED?

UN Environment has leveraged the expertise and network of the One Planet Sustainable Public Procurement Programme[[2]](#footnote-3), as well as its own experience in building the capacities of countries, to develop the methodology for the indicator. The first draft of the methodology was developed in 2016 by a Technical Expert Group of the One Planet Sustainable Public Procurement Programme. In addition to UNEP, the Group included: ICLEI- Local Governments for Sustainability, the Korea Environmental Industry and Technology Committee (KEITI), Ecoinstitut and Industrial Economic (IEc).

In 2017, UNEP developed the second edition of the [*Global Review of Sustainable Public Procurement*](https://www.oneplanetnetwork.org/resource/2017-global-review-sustainable-public-procurement). National Focal Points in charge of SPP policies were identified in 55 countries and a survey circulated to assess the progress of SPP policies among Member States. The results of the Survey provided elements to further refine the 12.7.1 methodology and better understand how indicator 12.7.1 could be measured. The updated methodology took into consideration the main components of a standard Sustainable Public Procurement policy.

The methodology was then tested in August and September 2019 with UNEP partner countries and experts: 31 different countries took part in the development of the methodology (6 of them are based in Africa, 11 in Asia, 26 in Europe, 5 in North America and 4 in South America). 52 experts from 40 different organizations provided feedback on the methodology.



Many modifications and improvements have been introduced in the index thanks to the valuable inputs and feedback received during the pilot testing exercise.

In the following pages an index is proposed for the measurement of the implementation of Sustainable Public Procurement for a single country.

The index was developed to measure the level of implementation of Sustainable Public Procurement (SPP) in a single country. The idea of the index is to assess the means dedicated to SPP policies, the level of implementation of the usual components of SPP policies and the outcomes of these policies at national, subnational or both levels. All these factors will then be combined in a single measure.

# THE INDEX: INTRODUCTION TO THE FORMULA AND BASIC CONCEPTS

**Indicator Number and Name:** 12.7.1 Number of countries implementing Sustainable Public Procurement policies and action plans.

UN Environment has developed a methodology for the measurement of SDG Target Indicator 12.7.1. The methodology was last updated based on lessons learned during a pilot phase which took place in August-September 2019. The development of this methodology is also part of the work plan of the [One Planet Programme on Sustainable Public Procurement](https://www.oneplanetnetwork.org/sustainable-public-procurement) which is a global multi-stakeholder platform that supports the implementation of SPP around the world. The Programme builds synergies between various partners to accelerate the shift to SPP and achieve the SDG target on SPP. The One Planet network brings together actors from all regions and all sectors to bring together expertise, resources, innovation and commitment towards a shift to more sustainable modes of production and consumption.

The methodology developed by UNEP and its partners proposes an index measuring the level of implementation of sustainable public procurement (SPP) in a single country. It covers 8 sub-themes assessing (i) the existence of SPP policies and/or SPP legislation, (ii) the efforts and means dedicated by countries towards the implementation of SPP policies (process indicators),(iii) the outputs developed through these policies (outputs indicators) and (iv) the results achieved by these policies (outcome indicators).

The methodology applies a progressive approach in order to allow countries to consider certain options such as the inclusion of the sub-national level in the calculation. The methodology can be used by countries who are not yet able to measure outcome indicators even if they have already designed and have started implementation of SPP policies.

National and sub-national capacities will have to be strengthened in order to ensure the collection of data in a consistent, comparable way.

The methodology includes a process of data provision by countries and data validation by a specific group of independent experts associated to the One Planet SPP Programme. Countries will need to provide evidence for most sub-indicators (policy document, procurement guidelines inclusive of sustainability criteria, enabling legislation, trainings, green contracts, etc.).

**Three sub-index are proposed below**:

* **Sub-index 1**: Federal/National government level.
* **Sub-index 2**: Sub-national government – e.g. federal state, province, region, city level etc.
* **Sub-index 3**: Both national level and selected sub-national level.

Sub-index 1 (National) : S

Sub-index 2 (Sub-national): S

Where p is the percentage of the population living in responding sub-national entity(ies).

Sub-index 3 (National and Sub-national average): Sub-index 1 + Sub-index 2

|  |  |  |
| --- | --- | --- |
| **Denoted as:** | **Parameter and sub-indicators** | **Scoring** |
| **P** | Only to be used in the subnational case (sub-indicator 2 and 3). It corresponds to the percentage of the population living in the responding entities considered at sub-national level. | **0-100%** |
| **A** | 0 means no SPP policy in place, 1 means existence of SPP action plan, policy and/or SPP regulatory requirements at national, local or both levels. | **0 or 1** |
| **B** | SPP regulatory framework is conducive to sustainable public procurement | **Index 0 to 1** |
| **C** | Practical support delivered to public procurement practitioners for the implementation of SPP. | **Index 0 to 1** |
| **D** | SPP purchasing criteria/ buying standards / requirements identified. | **Index 0 to 1** |
| **E** | Existence of an SPP monitoring system. | **Index 0 to 1** |
| **F** | Percentage of sustainable purchase of priority products/services. | **0-100%** |

# THE FORMULA: explanations for the calculation of each sub-indicator

A simple excel based tool was created to collect the data and accompany the step-by-step approach developed below. The tool is provided in the annex 3[[3]](#footnote-4).

## 8.1. p: percentage of the population living in the responding entities considered at sub-national level

This parameterwill appear in the formula only if the subnational case is considered (index 2 and 3). It corresponds to the percentage of the population living in the responding entities considered at sub-national level.

This will be based on the below structure:

**Sub-index 1 (national level):**

Only data related to the procurement of federal/national entities shall be considered for evaluation.

**Sub-index 2 (sub-national level):**

**Where *p*** **is the percentage of population living in the responding sub-national entity(ies).**

Data shall be provided for all considered entities, in addition to a list of said entities

When choosing how to compile this sub-indicator, only one type of sub-national administrative scope shall be chosen for consideration in the calculation: e.g. state (in the case of a federation of states), province, municipality/city.

**Sub-index 3 (national and sub-national levels):**

The **national level** and **a selected type of sub-national administrative level** will be considered in the calculation of the sub-indicator.

**1 + *p*** (*percentage of the population living in responding entities considered at sub-national level*).

When choosing the index 3, only one type of **sub-national** administrative scope shall be chosen for consideration in the calculation of the index: e.g. state (in the case of a federation of states), province, municipality/city.

*Note: In the case of countries with strong, integrated central administration where SPP implementation measures automatically apply to most administrative levels (i.e. not only at national level, but also at regional or local level), sub-indicator 2 or 3 may be most relevant.*

## 8.2. A: Existence of a SPP action plan/policy, and/or SPP regulatory requirements (1 point)

This sub-indicator aims to assess whether a country has developed an SPP action plan, SPP policy or has enacted pro-SPP legislation.

SPP (or Green Public Procurement) may be addressed in very different ways. It may appear as a **component of** **overarching policies** such as Sustainable Development Strategies, Green Economy Roadmaps, etc. It may also be addressed directly with the adoption of a **SPP action plan or policy**, or through **regulatory means**[[4]](#footnote-5), such as specific provisions in the Public Procurement legal framework.

Each respondent is asked to specify, with supporting evidence and precise references to relevant instruments (law, policies, etc.), in which way(s) the national government supports the adoption and implementation of SPP.

In the case where sub-national data would also be considered in the calculation (sub-indicator 2 or 3), specific references to local measures or instruments in favour of SPP would also be required as evidence.

**Evaluation scale**:

**Value = 0**

No SPP action plan, policy, or similar document has been developed.

**Value = 1**

**A** **national** (*or provincial, municipal, etc. in the case of sub-indicator 2 or 3*) **SPP action plan, policy and/or SPP regulatory requirements** has/have been developed and approved by the government. Action plan, policy-related documents and relevant regulatory requirements should be accessible online.

**In the case when no SPP policy or no SPP legislation was enacted, or when those cannot be supported by evidence, the attributed score will be 0. This will set the whole formula to zero.**

## 8.3. B: the SPP regulatory framework is conducive to sustainable public procurement (points to be calculated according to the explanation and tables below, max 1 point )

This sub-indicator aims at assessing whether, in addition to political measures, specific provisions have been adopted in the legal and regulatory framework (applying to public procurement) to encourage, or, in the most advanced case, to mandate the implementation of SPP.

B(a): SPP regulatory framework(0.5 points)

The procurement of sustainable alternatives is:

- **possible**: the legal and regulatory framework does not hinder the practical implementation of SPP. It explicitly allows it.

- **mandatory**: for example, whenever products falling into “priority” categories are to be purchased (product groups for which **specific** **labels, specifications or minimum criteria** have been defined), sustainable alternatives are to be mandatorily purchased.

For example, this may be in the form of:

* *European Union directives specifying limits on vehicle exhaust emissions.*
* *Public administrations to mandatorily procure more sustainable alternatives from an official catalogue of products bearing the national ecolabel.*

B(b): SPP practice (0.5 points)

It is proposed that the scoring for B(b) be based on the stages of the procurement cycle below.

An initial list of items is suggested hereafter; however, it is strongly recommended to make further suggestions of relevant items and potential scoring.

Users of this methodology are also invited to complement the proposed definitions of *Best Value for Money*, *MEAT*, and *LCC* in the *Useful Terms and Abbreviations* section.

|  |  |  |  |
| --- | --- | --- | --- |
| 1/ Bidding procedure & Bidding documents: | 2/ Contract award | 3/ Post-award /  Contract performance | 4/ Contract management |
| * + **Pre-qualification criteria, or exclusion criteria can be specified** (for example, bidding suppliers provide proof of compliance with social or environmental standards, or should not have been charged for non-compliance with social legislation or misconduct, etc.);   + **Technical sustainability requirements** can be included in **bidding documents** (for example: use of sustainable/ recycled raw material; biodegradability of products; avoidance of use of harmful substances; environmentally free packing; power consumption; warranty and durability; guarantee of availability of parts and components).   + **Functional/Output-based specifications can be used as criteria** (for example, light bulbs with limited energy consumption or vehicles with limited CO2 emissions), as appropriate.   + **Labels**: Sustainability requirements may be based on existing eco-labels or social-labels as long as they are not discriminatory, and other valid forms of verification are permitted. | * + Only **lowest price** criterion is used.   + **Price and non-price** **attributes** can be considered.   + **Best Value for Money/MEAT[[5]](#footnote-6)** is mostly used.   + **Life-cycle costing[[6]](#footnote-7)** can be used in the evaluation of bids. | * + Sustainability requirements can be specified in **contract performance** **clauses** (for example, labour inclusion of unemployed people; health and safety in the performance of contracts for building works; employment quality and labour rights in supply chain (compliance with ILO core standards). | * + **Inspection, quality control,** supervision of works and final acceptance of (sustainable) products is carried out.   + Time limits for payments **comply with good international practices**, and payments are processed as stipulated in the contract. |

8.4. C: Practical support delivered to public procurement practitioners for the implementation of SPP/GPP(points to be calculated according to the explanation below, max 1 point)

*With a view to assess efforts in terms of practical support given to public procurement practitioners, the evaluation grid below is suggested (cumulated values).*

* Guidelines and tools, or an official catalogue of eco-labelled products, have been developed and are periodically revised (0.2 pts)
* Website dedicated to providing support and resources on SPP/GPP (0.2 pts) (possibly integrated within the e-procurement platform)
* Best practice, or case study sharing (at least 3 case studies), which may include the translation of relevant documents developed by other countries (0.1 pts)
* Newsletter is sent at least on an annual basis (0.1 pts) / on a monthly basis (0.2 pts)
* A helpdesk is available for procurement practitioners (0.2 pts)
* National/Local networks of procurement practitioners are facilitated (0.1 pts)

8.5. D: SPP purchasing criteria[[7]](#footnote-8)/ buying standards / requirements identified(points to be calculated according to the explanation below, max 1 point)

*D(a): Consideration of environmental issues (0.40 points):*

SPP purchasing criteria, or specific sustainability standards or ecolabels have been recommended for use by the applicable government(s) for up to 20 product groups[[8]](#footnote-9) (hereto referred as “priority” product groups). Criteria and/or sustainability standards/ecolabel criteria are periodically revised based on comprehensive review, and recommendations are updated (at least every five years).

**The commonly used groups of products and services below are proposed for reference**. Responding countries shall indicate the product or service groups closest to the categories specified below and may add two more relevant categories in the case when relevant categories would not fall into the ones pre-listed below.

A maximum **0.40 points** will be attributed for up to 20 categories of products or services considered (0.02 points per category)for which **environmental** **criteria** or **ecolabels/sustainability standards** have been set or recommended.

In the case when the scope of categories would be smaller than that of the ones listed below, or when several small categories would be identified as belonging to one larger family, they would count as only one product or service category.

For example:

* Three small groups of products defined as “*Finishing Materials for Wall or Ceiling*”, “*Paints*” and “*Indoor floor coverings*” would all fall into the larger “*Building interior products*” category, and therefore generate 0.02 points (not 0.06 points).
* Two small groups of products defined as “*LED lamp bulbs*” and “*Fluorescent lamp bulbs”* would all fall into the larger “Lighting products and equipment” category, and therefore generate 0.02 points (not 0.04 points).

|  |  |  |
| --- | --- | --- |
|  | **Commonly-found categories**  **of products and services to be used as reference for evaluation** | |
| 1 | Appliances (commercial and residential appliances, such as clothes washers, ovens, refrigerators, etc.) | 0.02 points for each category |
| 2 | Biomedical equipment and supplies |
| 3 | Building interior products (carpeting, wallboards, paint and stains, etc.) |
| 4 | Cleaning products, janitorial and laundry services |
| 5 | Construction materials and services |
| 6 | Doors and windows |
| 7 | Electricity acquisition and Renewable energy |
| 8 | Food and catering services |
| 9 | Furniture |
| 10 | Heating, venting and cooling products |
| 11 | Landscaping and park services |
| 12 | Lighting products and equipment (incl. lamp bulbs) |
| 13 | Meeting and conference services |
| 14 | Office electronics (incl. computers, monitors and imaging equipment) and electronic equipment leasing |
| 15 | Paper and paper products |
| 16 | Textiles |
| 17 | Transportation services and vehicles |
| 18 | Water-using products/ plumbing systems |
| 19 | *+2 ‘blank’ categories which may be added (for large groups which would not fall into any of the categories specified above)* |
| 20 |

*D(b): Consideration of social and economic issues (0.40 points):*

This item aims to assess whether procurement is used as a strategic instrument to deliver SPP objectives in terms of social and economic issues.

A maximum **0.40 additional points** will be attributed when **social or economic considerations** (proposed list below)apply to the procurement of products or services **(**those considerations may either appear in the form of recommended labels for specific categories of products, or as provisions and policies which would generally apply to the procurement of products and services). Relevant clauses and precise references shall be provided as supporting evidence.

A list is proposed below as reference. Potential suggestions of relevant additions are welcomed.

|  |  |  |
| --- | --- | --- |
|  | **Social and economic considerations which may apply to Public Procurement**  (please see **Annex 2** for further details) | |
| **Social** | Social inclusion and employment opportunities for the disadvantaged or disabled | 0.04 points for each consideration |
| Decent work |
| Compliance with social and labour rights; protection against human rights abuse |
| Accessibility and design for all (for ex. websites designed for people with disabilities) |
| Ethical trade |
| Promotion of Corporate Social Responsibility (CSR) (among contractors) |
| … |
| … |
| … |
| **Economic** | Promotion of SMEs |
| Development of poor areas |
| Anti-corruption measures |
| …. |

*D(c): Risk-assessment and impact prioritization (0.20 points)*

**0.20 additional points** will be attributed if, when defining sustainability criteria or standards for those groups of products or services, a risk-assessment analysis has been conducted to identify which product or services would show the highest potential environmental or social impact, and priority has been given to dealing with those categories first.

For example, a country may choose to focus on products and services with the highest risks in terms of human rights abuse, or environmental degradation:

- e.g. focusing on child labour issues in the supply chain of the “Textiles” category, or;

- e.g. focusing on the sourcing of wood from sustainably-managed forests in the supply chain of the “Furniture” category, to limit further deforestation.

Evidence that said analysis has been conducted shall be provided.

8.6. E: Existence of a SPP monitoring system(points to be calculated according to the explanation below, max 1 point)

This sub-indicator aims to assess whether public procurement considered as “sustainable” (in line with the previously set criteria/standards/requirements) is monitored, and how.

An increasing evaluation scale is proposed below, so as to measure the comprehensiveness of SPP monitoring, and the quality of tools developed for monitoring.

*E (a) What kind of data is monitored? (0.70 points)*

* **Partial monitoring** (0.30 pts) of contracts or tenders:

The inclusion of sustainability considerations in tenders or contracts is monitored, for certain categories of products or services bought.

* **Comprehensive monitoring** (0.50 pts) of contracts or tenders:

The inclusion of sustainability considerations in tenders or contracts is monitored, for all categories of products or services bought.

* **Sustainability outcome monitoring** (0.70 pts)

The sustainability impact resulting from the procurement of priority products and services is monitored for one or several categories of products and services (for example, throughthe monitoring of greenhouse gas emissions, generated waste, water use, air pollution, impact on biodiversity, etc.). *Please* n*ote that Outcome monitoring resulting from the extrapolation of data sample will not be considered. The type of measured outcome, and details regarding the methodology used shall be specified.*

*E (b) How is it monitored? (0.30 points)*

* Data monitored via **surveys, self-assessment, internal/external audit**, or included in **traditional reporting** to central management (0.10 pts).
* Data mostly monitored via an **information system** (**0.20 pts).**
* Data mostly monitored via an elaborate **e-procurement platform** (**0.30 pts**).

## 8.7. F: Percentage of sustainable purchase of priority products/services**[[9]](#footnote-10)**

Total value of contracts[[10]](#footnote-11) including sustainability requirements used to buy “priority” product groups (groups for which SPP criteria have been developed or standards/ecolabels have been recommended), out of overall spend for the same product groups.

*Notes:*

*A weighting based on the relative importance of product categories will be applied (as a country may be performing well in a certain product group representing only a low spend category, which would make its final score biased). A second weighting will be applied to take into consideration the number of priority product groups included in the calculation. A third weighting will be applied to reflect the importance of the considered procurement (central government’s, sub-national governments’, or both levels) in total procurement.*

*Respondents will be provided with adequate calculation tools to facilitate calculation of result (for example, Excel spreadsheet).*

*Where:*

***i*** *= Value ranging from 1 to n*

***Si*** *= Value of sustainable procurement for product group “i”*

***Ti*** *= Total value of procurement for product group “i”*

***N****= Number of “priority” product groups considered*

**VCP** *= Value of central procurement*

**VSP** *= Value of sub-national procurement considered*

**VTPP** *= Value of total public procurement*

*It is suggested that* **VTPP** *be based on value of public procurement provided by the OECD.*

# 9. HOW DO WE ADDRESS KNOWLEDGE GAPS?

The SPP index has been designed to minimize the risk of data gaps by selecting easily verifiable and measurable sub-indicators (e.g. sub-indicator A: existence of a SPP policy, 0 for no and 1 for yes).

Additionally, most of the sub-indicators are **addends**; this implies that the absence of one or more of the addends (one or more of the sub-indicators) will not significantly impact the global score and will not result in a global data gap. Therefore, countries who have in place an SPP policy (A=1), but who will not be able to calculate some addends (letters B, C, D, E, and F), will only be marginally affected.

Another method that UNEP adopted to minimize data gaps, was to develop this methodology in close consultation and collaboration with the departments in charge of SPP policy design, implementation and monitoring. These departments will provide the required data during the collection phase.

Information on staff numbers and capacity is not included in this indicator. It was originally intended that this information would be included; however, due to difficulties in collecting and interpreting this information it is suggested that each country should collect supplementary information related to staffing and capacity.

The UNEP “Factsheets on Sustainable Public Procurement in national governments” (available here <https://www.oneplanetnetwork.org/sites/default/files/factsheets2017.pdf>), will also be used to complement missing information. This document is a supplement to the 2017 Global Review of Sustainable Public Procurement. It features 40 country factsheets that illustrate the current state of sustainable public procurement policies, activities, programmes, and monitoring and evaluation systems in national governments around the world. The main research aim of this 2017 Global Review was to explore the progress made in terms of SPP in the previous three years at a global scale while highlighting regional trends.

As noted above, the index can be used not only to report on SDG 12.7.1 but also to benchmark the performance of countries. It will serve as a maturity model which will motivate countries to progress and will help them identify gaps and areas in which they should concentrate to enhance their SPP strategies.

**APPENDIX**

# ANNEX 1: USEFUL TERMS AND ABBREVIATIONS

**Best Value for Money**: can be defined as the “optimum combination of whole-life cost and quality to meet the end-user's requirements." (Source: European Union *Buying Social[[11]](#footnote-12)* guide).

**Life-cycle costing (LCC):** (*Definition adapted from:* [*https://ec.europa.eu/environment/gpp/lcc.htm*](https://ec.europa.eu/environment/gpp/lcc.htm))

Life-cycle costing (LCC) is used to evaluate costs which may not be reflected in the purchase price of a product, work or service, and which will be incurred during their lifetime, such as:

- Purchase price and all associated costs (delivery, installation, insurance, etc.);

- Operating costs, including energy, fuel and water use, spares, and maintenance;

- End-of-life costs (such as decommissioning or disposal) or residual value (i.e. revenue from sale of product)”

LCC may also include the cost of externalities (such as greenhouse gas emissions). (…)

Often this will lead to ‘win-win’ situations whereby a greener product, work or service is also cheaper overall.

**MEAT**: The **Most Economically Advantageous Tender** (MEAT) criterion enables the contracting authority to take account of criteria that reflect qualitative, technical and sustainable aspects of the tender submission as well as price when reaching an award decision (Source: <https://www.felp.ac.uk/content/most-economically-advantageous-tender-meat>).

# ANNEX 2**:** Indicative list of international conventions or agreements which may be relevant to SPP

**List of relevant International Labour Organization (ILO) conventions:**

* [Worst Forms of Child Labour Convention, 1999 (No. 182)](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C182)
* [Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312232))
* [Forced Labour Convention, 1930 (No. 29)](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C029)
* [Abolition of Forced Labour Convention, 1957 (No.105)](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C105)
* [Equal Remuneration Convention, 1951 (No. 100)](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C100)
* [Discrimination (Employment and Occupation) Convention, 1958 (No. 111)](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C111)
* [Minimum Age Convention, 1973 (No. 138)](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C138)
* [Right to Organize and Collective Bargaining Convention, 1949 (No.98)](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312243)
* [International Labour Standards on Working time](https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/working-time/lang--en/index.htm)
* [International Labour Standards on Occupational Safety and Health](https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/occupational-safety-and-health/lang--en/index.htm)
* [International Labour Standards on Wages](https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/wages/lang--en/index.htm)
* [International Labour Standards on Maternity Protection](https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/maternity-protection/lang--en/index.htm)
* [International Labour Standards on Migrant Workers](https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/migrant-workers/lang--en/index.htm)
* [International Labour Standards on Indigenous and Tribal Peoples](https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/indigenous-and-tribal-peoples/lang--en/index.htm)
* Further International Labour Standards can be found at the following link for further reference: <https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/lang--en/index.htm>

**International agreements in the environmental field:**

* [The 1979 Geneva Convention on Long-Range Transboundary Air Pollution (LRTAP)](http://www.unece.org/fileadmin/DAM/env/lrtap/full%20text/1979.CLRTAP.e.pdf)
* [Stockholm Convention on Persistent Organic Pollutions (POPs)](http://www.pops.int/TheConvention/Overview/TextoftheConvention/tabid/2232/Default.aspx)
* [United Nations Framework Convention on Climate Change (UNFCCC) - Kyoto Protocol](https://unfccc.int/kyoto_protocol/background/items/3145.php)
* [Convention on Environmental Impact Assessment in a Transboundary Context](https://www.unece.org/fileadmin/DAM/env/eia/documents/legaltexts/Espoo_Convention_authentic_ENG.pdf) (Espoo Convention)
* [Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal](http://www.basel.int/TheConvention/Overview/TextoftheConvention/tabid/1275/Default.aspx)
* [Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)](https://www.cites.org/eng/disc/text.php)
* [The Montreal Protocol on Substances That Deplete the Ozone Layer](https://en.wikipedia.org/wiki/Montreal_Protocol)
* [Rotterdam convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade](http://www.pic.int/TheConvention/Overview/TextoftheConvention/tabid/1048/language/en-US/Default.aspx)
* [Convention on Biological Diversity](https://www.cbd.int/)
* [Aarhus Convention On Access To Information Public Participation In Decision Making And Access To Justice In Environmental Matters](https://www.unece.org/env/pp/introduction.html)
* [Convention On The Transboundary Effects Of Industrial Accidents](https://www.unece.org/environmental-policy/conventions/industrial-accidents/about-us/envteiaabout/more.html)
* [Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter](https://treaties.un.org/doc/Publication/UNTS/Volume%201046/volume-1046-I-15749-English.pdf)
* [International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto (MARPOL 73/78)](http://www.imo.org/en/About/Conventions/ListOfConventions/Pages/International-Convention-for-the-Prevention-of-Pollution-from-Ships-(MARPOL).aspx)
* [The Antarctic Treaty](https://www.ats.aq/e/ats_keydocs.htm)
* [The Regional Agreement on Access to Information, Public Participation and Justice in Environmental Matters in Latin America and the Caribbean](https://treaties.un.org/doc/Treaties/2018/03/20180312%2003-04%20PM/CTC-XXVII-18.pdf)
* [Paris Agreement](https://unfccc.int/process-and-meetings/the-paris-agreement/d2hhdC1pcy)
* [UN Convention on the Law of the Sea](https://www.un.org/depts/los/convention_agreements/convention_overview_convention.htm)

**Relevant instruments in the field of human rights:**

* [UN Guiding Principles on Business and Human Rights](https://www.ohchr.org/EN/ProfessionalInterest/Pages/CoreInstruments.aspx)
* [9 core UN human rights treaties](https://nam04.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.ohchr.org%2FEN%2FHRBodies%2FPages%2FOverview.aspx&data=02%7C01%7C%7C71dca7069ec74423aca208d6ee622203%7C84df9e7fe9f640afb435aaaaaaaaaaaa%7C1%7C0%7C636958502575941086&sdata=e8YUb9iqRV9RzZ9Lxp2uZbf9jl8P2YoF2IZqqtx3Pc8%3D&reserved=0)
* [UN Declaration on the Rights of Indigenous Peoples](https://www.un.org/esa/socdev/unpfii/documents/DRIPS_en.pdf)

# ANNEX 3: List of possible social considerations applying to public procurement

The list below is mainly adapted from “[*Buying Social – A guide to taking account of social considerations in public procurement*](https://publications.europa.eu/en/publication-detail/-/publication/cb70c481-0e29-4040-9be2-c408cddf081f/language-en)***[[12]](#footnote-13)****”*, developed by the European Commission in 2010.

• **Promoting *‘employment opportunities’*** *for the disadvantaged or the disabled*, and **supporting *‘social inclusion’***, for example through the:

– promotion of youth employment;

– promotion of gender balance (e.g. work/life balance, fighting against sectoral and occupational segregation, etc.);

– promotion of employment opportunities for the long-term unemployed and for older workers;

– diversity policies and employment opportunities for persons from disadvantaged groups (e.g. migrant workers, ethnic minorities, religious minorities, people with low educational attainment, etc.);

– promotion of employment opportunities for people with disabilities, including through inclusive and accessible work environments;

– promotion of social economy organisations, via equal access to procurement opportunities for firms owned by or employing persons from ethnic/minority groups - cooperatives, social enterprises and non-profit organisations.

• **Promoting *‘decent work’*:**

This universally endorsed concept is based on the conviction that people have the right to productive employment in conditions of freedom, equity, security and human dignity (…);

– the right to productive and freely chosen work;

– fundamental principles and rights at work;

– employment providing a decent income and social protection and social dialogue;

– gender equality and non-discrimination (…) issues (…).

• **Promoting compliance with social and labour rights**, **protecting against human rights abuse** and encouraging respect for human rights:

– compliance with national laws and collective agreements (…);

– compliance with occupational health and safety laws;

– fighting discrimination on other grounds (age, disability, race, religion and belief, sexual orientation, etc.) and creating equal opportunities.

• **Promoting *‘accessibility and design for all’****[[13]](#footnote-14)*, such as:

mandatory provisions in technical specifications to secure access for persons with disabilities to, for example, public services, public buildings, public transport, public information and ICT goods and services, including web-based applications.(…)

• Taking into account *‘****ethical trade’***issues, such as the possibility, under certain conditions, to take into account ethical trade issues in tender specifications and conditions of contracts.

• Seeking to **achieve wider voluntary commitment to *‘corporate social responsibility’***(CSR), i.e. companies acting voluntarily and going beyond the law to pursue environmental and social objectives in their daily business, such as working with contractors to enhance commitment to CSR values.

• **Promoting *‘SMEs’***in so far as they can be connected with the considerations set out above:

– **provisions giving SMEs greater access to public procurement** by reducing the cost and/or burden of participating in SRPP opportunities. This can be achieved, for example, by ensuring, where possible, that the size of the contract is not an obstacle in itself to participation by SMEs, by giving sufficient time to prepare bids, by ensuring payment on time, by setting proportionate qualification and economic requirements, etc.;

– **equal opportunities** by making subcontracting opportunities more visible.

# ANNEX 4: Excel based tool to collect and calculate SPP data















1. (Definition updated by the Multistakeholder Advisory Committee of the 10YFP SPP Programme from: Procuring the Future – the report of the UK Sustainable Procurement Task Force, June 2006. The footnote to the definition reads: Sustainable Procurement should consider the environmental, social and economic consequences of: Design; material use; manufacture and production methods; logistics; service delivery; use; operation). [↑](#footnote-ref-2)
2. To know more about the UNEP program 10YFP <https://www.unenvironment.org/explore-topics/resource-efficiency/what-we-do/one-planet-network/10yfp-10-year-framework-programmes> [↑](#footnote-ref-3)
3. To receive the excel files please contact Mr. Farid Yaker at [farid.yaker@un.org](mailto:farid.yaker@un.org). [↑](#footnote-ref-4)
4. The United States have enacted  [Executive Order 13834](https://www.fedcenter.gov/programs/eo13834/) (and associated Implementing Instruction). In Italy [article 34 of Public Contracts Code](https://www.codiceappalti.it/Italian_Procurement_Code/Art__34__Energy_and_environmental_sustainability_criteria/9618) also includes SPP requirements. [↑](#footnote-ref-5)
5. See proposed definition in the *Useful Terms and Abbreviations* section. [↑](#footnote-ref-6)
6. Ibidem. [↑](#footnote-ref-7)
7. Purchasing criteria usually correspond to a set of detailed specifications intended to facilitate the purchase of sustainable products or services by public procurement practitioners. Examples of criteria or buying standards can be found below:

   - EU GPP criteria: <http://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm>.

   - UK government buying standards: <https://www.gov.uk/government/organisations/department-for-work-pensions/about/procurement#sustainable-procurement>

   - US federal sustainable purchasing requirements:

   [https://sftool.gov/greenprocurement](https://sftool.gov/greenprocurement/doe) [↑](#footnote-ref-8)
8. Usually categories chosen as a priority for SPP implementation would be categories representing the largest amount of spend or having the most significant impacts in terms of outcomes. [↑](#footnote-ref-9)
9. Ibidem (see footnote 4) [↑](#footnote-ref-10)
10. Countries should consider the largest base of public procurement when calculating this value, i.e. the value of all public procurement contracts per “priority” product group, awarded by public procurement entities, and public bodies with procurement functions. [↑](#footnote-ref-11)
11. [*Buying Social – A guide to taking account of social considerations in public procurement*](https://publications.europa.eu/en/publication-detail/-/publication/cb70c481-0e29-4040-9be2-c408cddf081f/language-en)*,* accessible at <https://publications.europa.eu/en/publication-detail/-/publication/cb70c481-0e29-4040-9be2-c408cddf081f/language-en> [↑](#footnote-ref-12)
12. Accessible at <https://publications.europa.eu/en/publication-detail/-/publication/cb70c481-0e29-4040-9be2-c408cddf081f/language-en> [↑](#footnote-ref-13)
13. See the United Nations Convention on the Rights of Persons with Disabilities: http://register.consilium.europa.eu/pdf/en/09/st15/st15540.en09.pdf. [↑](#footnote-ref-14)