



Sustainable Public Procurement Module

International Master in Public Procurement Management

About this course

The purpose of the short course is to enable participants to appreciate that sustainable public procurement (SPP) is about ensuring that procurement delivers value-for-money for taxpayers. Fundamental to making such decisions is seeking value for money across the life cycle and not just at the time of purchase. This implies being informed about how to identify and evaluate environmental, social, and economic trade-offs of specific procurements.

At the end of the 2 days, participants will be able to appreciate:

- The complexities and the trade-offs that are involved when making procurement decisions on sustainable goods, services and infrastructure.
- How such decisions can be made in light of existing regulatory frameworks on public procurement.
- What tools and methods exist to support public procurers on SPP.
- Why systemic thinking and planning is essential to optimise positive externalities and co-benefits and realise better value for money across the asset life cycle.
- Why the lowest cost is not always the best alternative.
- Which instruments exist to finance sustainable alternatives.

The Methodology

This course will be delivered through a series of presentations, interactive exercises and games based on the IISD Sustainable Asset Valuation Methodology (SAVi). SAVi can be used by governments and investors to value, in financial terms, externalities and risks that are typically overlooked in traditional value-for-money assessments.

Lecturers

Liesbeth Casier, Senior Policy Advisor

Matthew Gouett, Sustainable Finance Analyst

Agenda

Day 1

<p>8:30 – 11:30</p>	<p>Sustainable Public Procurement: what, why and how?</p> <ul style="list-style-type: none"> • The importance of public procurement for a sustainable and resilient post COVID 19 recovery • The policy space for sustainable public procurement (with examples from the EU, WTO GPA, UNCITRAL Model Law, World Bank and OECD) • Environmental, social and economic performance criteria across the procurement lifecycle • Strategic & innovative public procurement • Theory in Practice (group discussion): SPP in your procurement agency
<p>13:00 – 16:00</p>	<p>Identifying and measuring environmental, social and economic risks and opportunities</p> <ul style="list-style-type: none"> • Sustainable Asset Valuation (SAVi) and an introduction to causal loops and systems thinking • Theory in Practice (group work): Identifying environmental, social and economic risks and opportunities

Day 2

<p>8:30 – 11:30</p>	<p>Sustainable Financing Instruments and Opportunities for Public Procurement</p> <ul style="list-style-type: none"> • How are sustainable projects and sustainable procurements financed? • Which institutions can be helpful and which instruments are commonly used? <p>Sustainable and nature-based Infrastructure: what are the opportunities for public procurement and innovation?</p> <ul style="list-style-type: none"> • What is nature-based infrastructure and why is it important?
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Resources

IISD SAVi publications:

SAVi website <https://www.iisd.org/savi/>

SAVi academy on the modelling of sustainable infrastructure:
<https://www.iisd.org/savi/savi-academy/>

SAVi applications: <https://www.iisd.org/savi/projects/>

IISD credit enhancement publications:

Credit Enhancement - instrument inventory <https://iisd.org/credit-enhancement-instruments/>

Credit Enhancement research papers: <https://www.iisd.org/project/credit-enhancement>

IISD Sustainable Public Procurement publications:

IISD handbook on SPP in Latin America and the Caribbean
<https://www.iisd.org/sites/default/files/publications/iisd-handbook-ingp-en.pdf>

IISD report on performance-based procurement (including 5 case studies)
<https://www.iisd.org/library/moving-towards-sustainable-performance-based-procurement-western-cape>

IISD report on procurement for low-carbon infrastructure <http://i2-4c.eu/iisd-low-carbon-public-procurement/>

IISD report on SPP and international trade obligations:
<https://www.iisd.org/library/canadas-international-trade-obligations-barrier-or-opportunity-sustainable-public>

EU GPP Technical Specifications:

https://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm

EU Buying Green handbook

http://ec.europa.eu/environment/gpp/buying_handbook_en.htm

Best practice case studies:

On low-carbon tenders: EU GPP 2020 <http://www.gpp2020.eu/low-carbon-tenders/>

On SPP tenders: <http://www.sppregions.eu/home/>

Other examples of GPP projects for buildings, catering, circular procurement, data centers, eco-innovation, energy using products, energy efficiency, gardening, health sector, lighting, road construction, timber, transport and waste:

https://ec.europa.eu/environment/gpp/projects_completed_en.htm

https://ec.europa.eu/environment/gpp/projects_en.htm

Lifecycle costing tools and other methodologies (to evaluate tenders on criteria beyond the upfront price):

Smart SPP (lifecycle costing): <http://www.smart-spp.eu/index.php?id=7633>

What to include in lifecycle costing for public procurement:

<http://www.sigmaweb.org/publications/Public-Procurement-Policy-Brief-34-200117.pdf>

Bionova LCC, carbon footprint and other environmental impact tools for construction works: <https://www.oneclicklca.com/>

LCC Tool by the Swedish National Agency for Public Procurement:

<https://www.upphandlingsmyndigheten.se/en/subject-areas/lcc-tools/>

LCC tool by the German Federal Environment Agency:

http://www.umweltbundesamt.de/sites/default/files/medien/515/dokument_e/lcc_tool.xls

ZVEI LCC tool for large scale projects: <http://www.zvei.org/en/subjects/energy/Pages/Considering-life-cycle-costsenergy-efficiency-pays.aspx>

LCC Report:

http://www.sppregions.eu/fileadmin/user_upload/Life_Cycle_Costing_SoA_Report.pdf

Dubocalc: <https://www.dubocalc.nl/en/what-is-dubocalc/>

Environmental Product Declarations: <http://www.environdec.com/en/The-International-EPD-System/>

Carbon Track & Trace for municipalities/cities: <https://www.ntnu.edu/ad/ctt#/view/about>

CO2 Performance Ladder certification: https://www.skao.nl/home_en

Materials on procurement and innovation:

European Assistance for Innovation Procurement: <https://eafip.eu/>

Innovation procurement platform: <https://innovation-procurement.org/>

EU guidance and good practices: https://ec.europa.eu/info/policies/public-procurement/support-tools-public-buyers/innovation-procurement_en

Examples of EU co-funded Innovation Procurement projects: <https://ec.europa.eu/digital-single-market/en/eu-funded-projects>

European network of competence centres for innovation procurement: <https://procure2innovate.eu/project/>

EU Finance for innovators: <https://www.eib.org/en/products/blending/innovfin/index.htm>

Access to risk finance: <https://www.eib.org/en/products/blending/innovfin/products/legacy-products.htm>

Sustainable Finance links:

Bosnia and Herzegovina - Elektro-Bijeljina smart metering

<https://www.ebrd.com/work-with-us/projects/psd/elektrobijeljina-smartmetering-expansion.html>

Kazakhstan- Atyrau Refinery Sustainability Loan

<https://www.ebrd.com/work-with-us/projects/psd/51662.html>

Lebanon- Fransabank Green Bond

<https://disclosures.ifc.org/project-detail/SII/40005/dcm-fransa-green-bond>

Montenegro - Education Programme

<https://www.eib.org/en/press/all/2019-296-first-eib-loan-for-education-projects-in-montenegro>

North Macedonia - JSC Elektrani na Severna Makedonij

<https://www.ebrd.com/work-with-us/projects/psd/52320.html>

Serbia - Alibunar Wind Power

<https://disclosures.ifc.org/project-detail/ESRS/32752/alibunar-wpp>



https://www.ifc.org/wps/wcm/connect/news_ext_content/ifc_external_corporate_site/news+and+events/news/impact-stories/new-wind-farms-in-serbia#:~:text=IFC%27s%20work%20in%20Serbia%20is,East%20and%20North%20Africa%20regions

IFC in Jordan (Queen Alia International Airport)

<https://www.youtube.com/watch?v=PiDLHiVldNU>

Project preparation facilities:

- EU PPF <https://www.ppf.rs/en/>
- Green Climate Fund <https://www.greenclimate.fund/sites/default/files/page/gcf-ppf-inforgraphic.pdf>

Green bonds framework <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/Green-Bonds-Principles-June-2018-270520.pdf>

Social bonds framework <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2020/Social-Bond-PrinciplesJune-2020-090620.pdf>

<https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/investors-may-pay-greenium-as-green-bond-demand-outstrips-supply-43593311>

Kingdom of Thailand bond example

<https://www.pdmo.go.th/pdmomedia/documents/2020/Jul/KOT%20Sustainable%20Financing%20Framework.pdf>