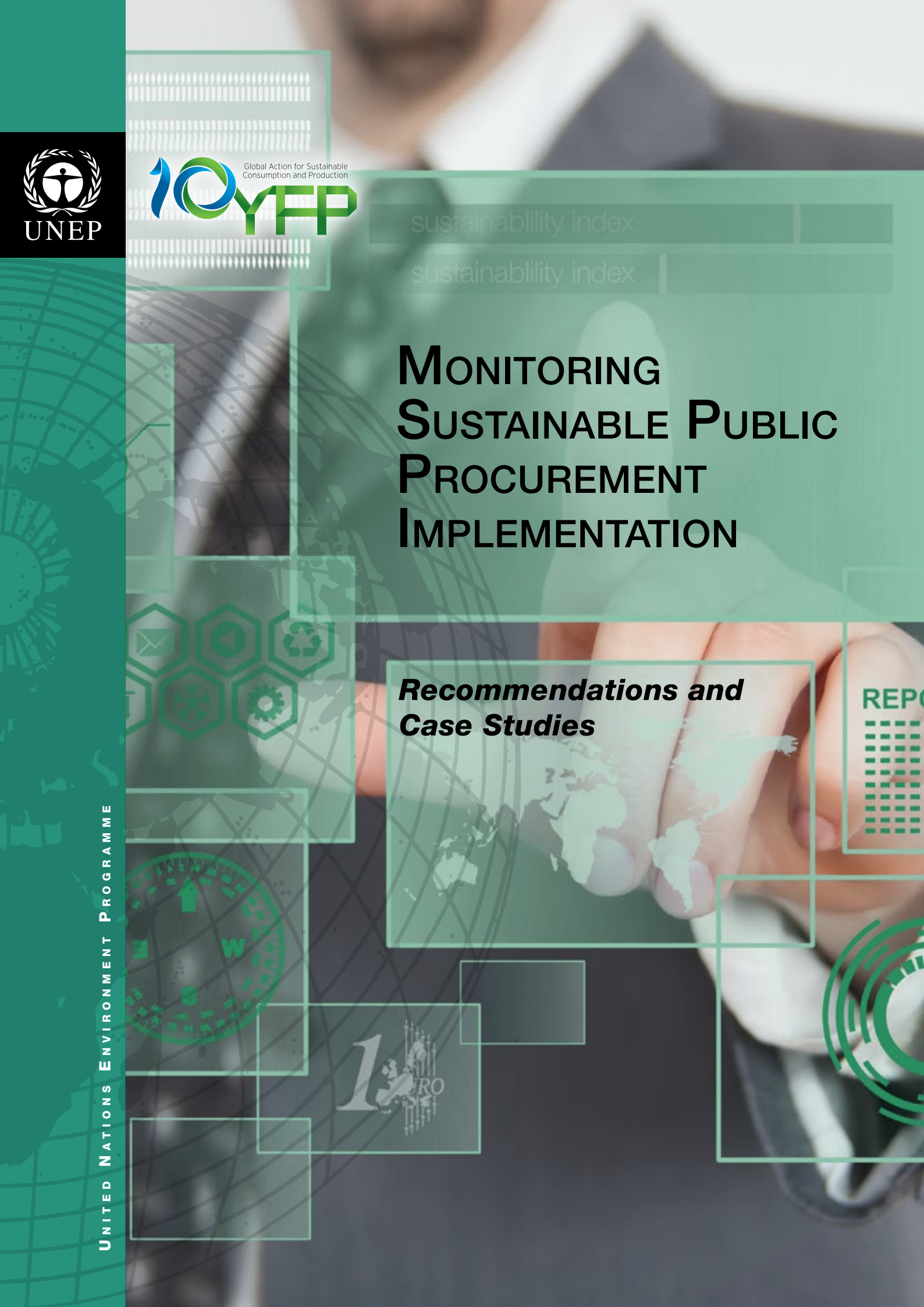
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KEITI
Korea Environmental
Industry & Technology Institute

10YFP SPP Programme

The Sustainable Public Procurement Programme of the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns

The 10YFP Programme on Sustainable Public Procurement (SPP) is a global multi-stakeholder platform that supports the implementation of SPP around the world.

Lead and Co-Leads

The United Nations Environment Programme (UNEP) leads the 10YFP SPP Programme with Korea Environmental Industry & Technology Institute (KEITI) and ICLEI-Local Governments for Sustainability 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. 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 & financial assistance to developing countries, and encourages innovation and cooperation among all countries and stakeholders. UNEP serves as the Secretariat of the 10YFP and administers the Trust Fund. The 10 YFP SPP Programme is one of the six initial programmes of the 10YFP.

Background

The SPP programme of the 10-Year Framework of Programmes on Sustainable Consumption and Production patterns (10YFP) was launched on 1st April 2014with the objective of stepping-up international collaborative efforts on SPP implementation to fulfil its potential. The 10YFP Programme on SPP brings together a number of governments, local authorities, business sector and civil society from around the world who 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 programme's specific objectives are to: a) build the case for SPP by improving the knowledge on SPP and its effectiveness as a tool to promote sustainable consumption and production as well as to support greener economies and sustainable development; and b) support the implementation of SPP on the ground through increased collaboration and better access to capacity building tools and support through SPP experts. The Programme builds synergies between diverse partners to achieve the SDG target on SPP (12.7).

Vision

The vision of the 10 YFP SPP Programme is a world in which environmental, economic and social aspects are embedded in public procurement and associated supply chains, with full support of governments worldwide.

Work plan 2016-2017

The programme's work plan revolves around four work areas which are implemented through several working groups. These work areas are the following:

1. Implementing SPP on the ground
2. Assessing implementation & Impacts of SPP
3. Identifying obstacles & Promoting innovative solutions
4. Collaborating with the private sector

Multi-stakeholder Advisory Committee

The Multi-stakeholder Advisory Committee (MAC) oversees the implementation of the 10YFP on SPP Programme. The current MAC will serve until the first quarter of 2017. As of January 2016, it is composed of 22 members:

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.

For further information, please visit the website of the 10YFP SPP Programme: http://www.unep.org/10yfp

Contents

Acronyms

10YFP SPP programme	Sustainable Public Procurement programme of the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns
CEM	Clean Energy Ministerial
CEQ	Council on Environmental Quality (United States Federal Government)
CPSUs	Central Public Sector Undertakings (Government of India)
DoE	Department of Energy (United States Federal Government)
DGS&D	Directorate General for Supplies and Disposals (Government of India)
DPTI	Department of Planning, Transport and Infrastructure (Government of South Australia)
EO	Executive Order (United States Federal Government)
EOP	Executive Office of the President (United States Federal Government)
EPEAT	Electronic Product Environmental Assessment Tool
FOEN	Federal Office for the Environment (Switzerland)
FPDS	Federal Procurement Data System (United States)
FY	Fiscal year
GHG	Greenhouse gas(es)
GPP	Green Public Procurement
GSA	General Services Agency (United States Federal Government)
IAAs	Incorporated Administrative Agencies (Government of Japan)
ICLEI	Local Governments for Sustainability
ICT	Information and communications technology
ILO	International Labour Organization
IREPS	Indian Railways Electronic Procurement System
ISO	International Organization for Standardization
IT	Information technology
JEMAI	Japan Environmental Management Association for Industry

KEITI	Korea Environmental Industry & Technology Institute
KPIs	Key Performance Indicators
MAPS	Methodology for Assessing Procurement Systems
MCSP	Municipal Collaboration for Sustainable Purchasing (Canada)
MiSMEs	Same as MSMEs below
MSEs	Micro and small-sized enterprises (also micro and small enterprises)
MSMEs	Micro, small and medium-sized enterprises (also micro, small and medium enterprises)
NSTDA	National Science and Technology Development Agency (Government of Thailand)
OMB	Office of Management and Budget (United States Federal Government)
PCD	Pollution Control Department (Government of Thailand)
Q1	First quarter of a year
Q2	Second quarter of a year
SC/ST	Scheduled Castes/Scheduled Tribes
SEAD	Super-efficient Equipment and Appliance Deployment (international initiative under the Clean Energy Ministerial [CEM])
SIMAP	Système d'Information sur les Marchés publics en Suisse (Information System for Public Procurement in Switzerland)
SMARRT	Specific, Measurable, Achievable, Realistic, Robust, and Time-based
SPP	Sustainable public procurement
UNEP	United Nations Environment Programme
WG2A	Working Group 2A on Monitoring Sustainable Public Procurement Implementation (Sustainable Public Procurement programme of the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns [10YFP SPP programme])
WG2B	Working Group 2B on Measuring and Communicating the Benefits of Sustainable Public Procurement (Sustainable Public Procurement programme of the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns [10YFP SPP programme])
WTO	World Trade Organization

1. Introduction

Public agencies are increasingly using their purchasing power as a positive instrument to promote sustainable development and a green economy. They do so by defining dedicated sustainable public procurement (SPP) programmes and/or by including SPP in both overarching and sectoral policies and strategies.

In the deployment of SPP programmes, efforts have focused on developing resources for implementation rather than on defining monitoring and evaluation systems to track progress and results. Implementation resources are necessary to support practitioners in achieving more sustainable procurements; however, monitoring and evaluation systems are key to assessing progress towards goals and identifying areas for improvement that could increase programme delivery efficiency.

Several public agencies have tested, developed and/or implemented monitoring systems to measure SPP implementation, with varying levels of success. However, information about their systems and results is often scattered or not available externally. **Little exchange of in-depth information occurs**, hindering learning and improvement opportunities.

Although the international community has recognised the importance of SPP for improving consumption and production patterns,[1] **an approach that would demonstrate SPP progress at global level has not yet been defined**.

In 2012, the Procurement Working Group of the Super-efficient Equipment and Appliance Deployment (SEAD) Initiative – an international initiative under the Clean Energy Ministerial (CEM)[2] whose goal is to transform the global market for energy efficient products using procurement to signal demand – commissioned a guide on the monitoring and evaluation of green public procurement programmes (SEAD, 2013). That guide identifies the key components of such systems and provides recommendations for improving them.

To build upon SEAD's efforts and contribute to closing existing gaps, the working group on monitoring sustainable public procurement implementation (WG2A) was established in the framework of the 10YFP SPP Programme, which is led by UNEP and co-led by the International Association of Local Governments for Sustainability (ICLEI) and the Korea Environmental & Technology Institute (KEITI).

1 In Agenda 21 of the 1992 United Nations Conference on Environment and Development (UNCED, or the Rio Earth Summit) governments recognised the need to "[...] review the purchasing policies of their agencies and departments so that they may improve, where possible, the environmental content of government procurement policies […]" (UNEP,1992).

2 The Clean Energy Ministerial is a global forum whose purpose is to share best practices and promote policies and programmes that encourage and facilitate the transition to a global clean energy economy. Its initiatives are based on areas of common interest among participating governments and other stakeholders.

This working group, led by Ecoinstitut,[3] has produced the following outputs in an effort to make knowledge and experience with respect to this subject more widely available to both policy makers and practitioners interested in setting up and improving SPP monitoring systems:

1. **Recommendations for Enabling Frameworks and Efficient Systems to Monitor SPP Implementation** at the organisation level, which draw on the existing literature, case studies, and the experience of working group members and reviewers;
2. **Recommendations for an International Framework to Report SPP Progress**, intended as a first step in developing an approach to demonstrate global SPP progress;
3. **Case studies** presenting in detail how governments around the world and at different levels monitor their SPP programmes.

The outputs of the group have benefited from the contributions of expert reviewers from national governments, international organisations and private consultancies (listed on the Acknowledgments page).

3 Ecoinstitut S.C.C.L is a not-for-profit associated work cooperative working for the protection of the environment and the introduction of sustainability principles in all sectors of society. Ecoinstitut is the lead organization of WG2A on Monitoring SPP Implementation of the 10YFP SPP programme.

2. Recommendations for Enabling Frameworks and Efficient Systems to Monitor SPP Implementation

Monitoring and evaluating any programme provides many benefits both at the policy and management levels. It allows policy makers to make better informed decisions for today, as well as helping them to anticipate and respond to future developments. It also helps managers to improve programme efficiency and effectiveness by identifying and tackling areas for improvement. Furthermore, monitoring and evaluation demonstrate political commitment, contribute to keeping each agency accountable, and enhance transparency when results are communicated.

Based on literature research (Annex I) and the analysis and characterisation of existing SPP monitoring experiences (Annex II), a number of elements have been identified that influence the design and efficiency of SPP monitoring systems.

This section provides recommendations:

- **at the policy level** to support frameworks that enable and facilitate the monitoring of SPP implementation (referred to as “enabling frameworks”);
- **at the management/implementation level** to support efficient and effective SPP monitoring systems.

These recommendations are based on lessons learned from existing practices, contributions by the working group members, and inputs from other experts.

A. Recommendations at the Policy Level

Determining how SPP implementation will be monitored should take place early in the policy development stage in order to set measurable objectives (in a cost-efficient manner), enhance policy effectiveness, and avoid monitoring difficulties at a later stage. These recommendations are for policy makers:

Sidebar box colours refer to Figure 1 elements

An SPP Policy and Action Plan can be established through using UNEP's Sustainable Public Procurement Implementation Guidelines (UNEP, 2012).

1. **Provide an "enabling framework" to monitor and measure SPP implementation by establishing a SPP Policy and Action Plan** at a high level with clear objectives and targets.
2. Depending on the leverage, decide which **government levels** (from local to national) will be subject to the policy and its monitoring.
3. **The objective and targets must be SMARRT** (Specific, Measurable, Achievable, Realistic, Robust, and Time-based). Therefore, **considering early on how targets will be measured is a prerequisite** before setting them in policies. This includes establishing appropriate indicators, required reporting information, etc. (see section B).
4. **Involve all relevant parties (especially procurement units)** in the process to build consensus on objectives and targets, in order to ensure they are measurable and avoid the pitfalls of communication gaps between policy developers and implementers. For example, policy development may occur in the Department of the Environment while implementation and monitoring may be spread throughout the government with a leading role for the Department of the Economy and Finance or specific purchasing agencies.

The **United States Federal Government** requires each agency to monitor 5% of its contracts quarterly and report to the Executive Office of the President.

See the case study in this report.

5. **Ensure leadership** by appointing a monitoring agency or department with enough command or authority to mobilise stakeholders and maximise response in the monitoring exercises.
6. **Include clear monitoring responsibilities, requirements** (e.g. frequency, targeted authorities), **and financial and human resources** to reinforce the commitment and provide clear authority for the monitoring agency to effectively collect information and communicate progress.

Incentives based only on "rewards" are used in the **Republic of Korea and the United States.** "Reward and punishment" have been used in **France and the United Kingdom**.

See the case studies in this report and in the SEAD Guide.

7. **Consider including incentives** linked to SPP reporting and/or results, especially when compliance is voluntary or the approving organisation has relatively limited jurisdiction and there is a risk of a low response rate. These incentives might be economic (e.g. bonuses or priority in allocation of subsidies) and/or reputational (e.g. publicly available results, rankings or awards to top performers). Incentives should be carefully planned to ensure relevance and encourage continuous improvement.
8. In countries in which there are initiatives to reform and improve the government's overall procurement and control systems, **integrate the basic SPP policy goals and monitoring requirements in the process**. By integrating SPP aspects in general procurement assessment tools, such as MAPS (Methodology for Assessing Procurement Systems) – a tool commonly used to assess national procurement Systems (Roos, 2012) – there is a better chance that SPP monitoring will become standard operating procedure rather than an "add on" that can be overlooked.

B. Recommendations at the management/implementation level

Once there is a high-level commitment to implement SPP and evaluate progress, governments will need an appropriate monitoring system. In creating such a system a wide range of aspects should be taken into consideration.

These recommendations are for programme practitioners and decision-makers. They cover the main elements of defining and setting up SPP monitoring systems, structured around a stepwise implementation cycle, as summarised in Figure 1 below.

Figure 1. Main Elements of and recommendations for defining and setting up SPP monitoring systems

* Recommendations in this regard will be produced by the Working Group on Measuring and Communicating the Benefits of SPP of the 10YFP SPP Programme

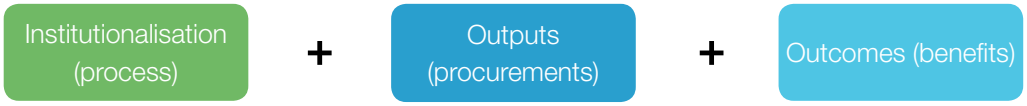
B1. Establish the foundation of the monitoring system

9. **Establish a team with all relevant parties** (finance managers, procurement units, facility managers, fleet managers and others, depending on the focus of the monitoring system) to establish an efficient monitoring system that is accurate and representative – but not too complex or burdensome – and is integrated in existing workflows and instruments.

10. **Monitor both SPP institutionalisation[4] and SPP outputs[5]** to assess implementation efficiency and performance and identify areas for improvement. If an appropriate methodology is available, also estimate **SPP outcomes (benefits)** (e.g. greenhouse gas emission reductions, cost savings) to secure buy-in.[6]

The **European Commission** commissioned a study on the uptake of Green Public Procurement (GPP) – both institutionalisation and outputs – and the estimated benefits in terms of economic savings and CO_2 emissions reductions (EU, 2012).

Figure 2. Aspects or areas of a monitoring system for SPP implementation



11. **Consider what other goals it is desirable to achieve using the monitoring system** (e.g. controls, awareness raising) as these goals will influence the type of information and reporting mechanisms required.

12. **Set minimum monitoring requirements to strive for reliable, representative and comparable results** even if a certain flexibility is needed, especially when monitoring on a large scale. In this case a one-size-fits-all approach may not be suitable due to different organisations' arrangements, missions and resources, as well as differences between product and service sectors.

As noted above, the **United States Federal Government** requires each agency to monitor 5% of its contracts. It allows a free but justified selection of those to be monitored, based on the agency's main activities.

See the case study in this report.

B2. Define Key (Performance) Indicators

13. Define **appropriate indicators** (based on the policy objectives and targets) that can show progress in SPP implementation. These can be as stated in Table 1:

4 In this report the term "SPP institutionalisation" refers to the process and actions of an organisation to integrate and embed SPP in that organisation's culture and daily operations.

5 Given that the objective of SPP programmes is to achieve more sustainable procurement, in the framework of this document SPP outputs are considered as the direct result of the procurement activity. Four types of SPP outputs have been identified in the literature review and analysis of existing SPP monitoring practices that are used throughout the report: i) procurements with sustainability criteria (e.g. tenders); ii) sustainable products, services or works purchased; iii) contract or purchase with/from preferred companies; and iv) direct generation of employment opportunities (this type being an output and outcome at the same time). The term "works" includes all types of construction projects, including buildings, civil engineering and development works).

6 Recommendations in this regard will be produced by Working Group 2B on Measuring and Communicating the Benefits of Sustainable Public Procurement of the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns – Sustainable Public Procurement programme (WG2B).

Table 1. Key (Performance) Indicators by monitoring aspect or area

Aspect or area		Key (Performance) Indicators	Unit
Institutionalisation measurement			
1	SPP institutionalisation	• Existence of an SPP policy • Existence of SPP action plans at organisation or department level • Leadership, responsibilities, and coordination roles/mechanisms established or assigned • Number of staff dedicated to SPP • Number of products, services, and works[1] groups prioritised and with criteria developed • Integration in procedures and tools • Number of trained staff • Number of activities involving engagement with suppliers • Monitoring and reporting systems in place	• Level of progress made
Outputs measurement			
2	Procurements with sustainability criteria	• Number of procurements with sustainability criteria • Financial value of procurements with sustainability criteria	• Absolute value • Percentage compared with all applicable procurements
3	Sustainable products, services, or works purchased[2]	• Quantities of sustainable products purchased • Financial value of sustainable products purchased	• Absolute value • Percentage compared with all applicable products[3]
4	Contract or purchase with/ from preferred companies	• Expenditure on preferred companies	• Absolute value • Percentage compared with all companies
5	Direct generation of employment opportunities	• Number of hours worked by those belonging to vulnerable groups and/or apprentices	• Absolute value • Percentage compared with all workforce hours for applicable contracts

1 As explained in note 3 above, the term "works" includes all types of construction projects, including buildings, civil engineering and development works.
2 "Products, services, or works" will also be referred to as simply "products" for simplification purposes.
3 This refers to the quantity of green products purchased in prioritised product groups, divided by the total amount of products purchased (green and non-green) in these groups.

14. Start with a **few indicators** that are easy to manage – especially when SPP is new to the organisation, or when no central electronic tools are available to automatically track data – and increase over time as SPP monitoring and tracking tools are expanded and improved. Basic indicators could include the number of staff that have followed standardised SPP training or the percentage spent on sustainable products in one or two product categories, compared with total expenditure for that category.

The pros and cons of monitoring tenders versus actual purchases of green products are presented in Section 3.2 of the SEAD Guide.

15. For output indicators, **consider the implications of monitoring procurements versus actual purchases** in relation to the availability of information, the number of transactions to register, the product groups covered, the definition of "sustainable", potential future ability to calculate environmental outcomes, etc. before selecting an approach.

The **Basque Government in Spain** monitors all tenders, regardless of the product group, leaving the definition of what is "sustainable" open.

See the SEAD Guide, page 30.

16. **Define the scope of output indicators and calculation methodologies** by determining whether they cover:
    - » **all products, services or works or only certain prioritised groups** (a prioritisation exercise is strongly recommended; this exercise could be based on the expenditure level, the impact of the organisation's procurement on the market, market readiness and/or the sustainability risk level, among others),
    - » **all procurements, or only those above a certain threshold**,
    - » **only direct purchases or purchases by subcontractors** (it may be more difficult to track expenditure by the latter).

In UNEP's Sustainable Public Procurement Implementation Guidelines (UNEP, 2012) there is a detailed description of a methodology for prioritising focus sectors (see Chapter 4.3, Prioritisation Exercise, pp. 22- 26). This methodology is a revised version of the one used by the Government of the United Kingdom.

17. For the calculation methodology, **ensure that statistical approaches and assumptions don't produce unreliable or unrepresentative results**. This includes, for example, determining how to process multi-year contract data where procurement takes place in one year but SPP effects have an impact over several years, so that SPP performance between years might be misrepresented.
18. **Establish performance levels** to encourage gradual implementation and to demonstrate progress to all relevant stakeholders, especially when monitoring SPP institutionalisation and when output goals have not been set at the policy level or are set for the medium to long term.

B3. Define "sustainable"

19. For output indicators, **clearly define what qualifies as "sustainable"** for monitoring purposes in order to obtain more accurate data and comparable results. This definition should be based on existing policies and guidelines. It can refer to: single sustainability attributes; standards or certification schemes; or other common SPP criteria set at the national or regional level.

Table 2. Possible definitions of "sustainable" for output indicators

Aspects or areas		Definition of "sustainable"
2	Procurements with sustainability criteria	Based on: single attributes (e.g. recycled, bio-based[1], energy efficient); single or multi-attribute sustainability norms, standards and certification schemes (ISO Type I ecolabels[2], International Labour Organization conventions, fair trade, "Design for All"[3], etc.); or other SPP criteria developed at the national, regional or international level.
3	Sustainable products, services or works purchased	Same as item 2 above.
4	Contract or purchase with/from preferred companies	Based on policy priorities and complementary legislation. It might include: micro, small and medium-sized enterprises (MSMEs); social, sheltered or set-aside enterprises (e.g. those that involve employment or ownership by aboriginal groups, the handicapped, veterans, as well as women or other groups at risk of social exclusion); and companies with environmental management systems and/or corporate social responsibility reporting.
5	Direct generation of employment opportunities	"Vulnerable groups" as defined by national legislation, which might include social minorities, the handicapped, women, youth and others.

The **United States Federal Government** uses single attributes and multi-attribute certification schemes to define "green" (Executive Order 13693) (United States Government, 2015), whereas the **European Union** refers to the common GPP criteria developed by the European Commission (EC, 2015).

1 Bioproducts or bio-based products are materials, chemicals and energy derived from renewable biological resources (Singh et al., 2003).
2 ISO Type I labels (often referred to as an "ecolabels") identify the overall environmental preference of a product (i.e. a good or service) within a product category based upon life cycle considerations. In contrast to a self-styled environmental symbol or claim statement developed by a manufacturer or service provider, an ecolabel is awarded by an impartial third party to products that meet environmental leadership criteria (Global Ecolabelling Network, 2015).
3 Design for All is design for human diversity, social inclusion and equality. Its aim is to make the built environment, everyday objects, services, culture and information accessible to all people regardless of their age, culture or abilities (EIDD, 2004).

The **European Union** monitors multiple criteria stemming from the common GPP criteria produced by the European Commission. In the 2012 report, results are presented at three levels of ambition: "some form of green criteria", "at least one core criterion" and "all core criteria". In this way achievements are acknowledged and further improvement is encouraged (EC, 2012).

20. When defining what is "sustainable", be aware of **the implications** this will have **on data tracking and on promoting improvement. Try to establish a balance between a definition that is easy to track and a definition that shows achievement and also promotes improvements**. It may be easier and less time consuming to monitor a single criterion (e.g. whether purchased computers are energy efficient) than multiple criteria (e.g. whether the computers are energy efficient, have low noise levels and do not contain certain hazardous substances). However, a single criterion might hinder completeness during procurement (i.e. practitioners might address only the criterion monitored and not cover other impacts on the product's life cycle). One way to avoid this is by using consensus-based multi-attribute standards and certification schemes such as Type I ecolabels as a reference, as they cover multiple attributes in a single criterion (e.g. if the computers are EPEAT-registered) and evolve through regular revisions, independently of the procurement system.

The **e-procurement platform in Estonia** provides practitioners with examples of GPP criteria when they prepare the technical specifications and award criteria for tenders. This fosters the inclusion of sustainability criteria from the beginning and allows automatic criteria use and tracking.

See the case study in this report.

21. **Provide supporting documentation** (e.g. standardised technical specifications, tender models, guidelines) **where the definition of "sustainable" is clearly stated,** so that practitioners can refer to them when procuring and monitoring. **Try to integrate the definition in procurement tools** for direct inclusion or adaptation to foster consideration in procurement processes and extract relevant information to improve implementation (to review the GPP criteria based on which are more or less used, to focus support activities, to identify levels of stringency, etc.).

B4. Data tracking and reporting

22. **Ensure that, for each monitored aspect or area, the relevant tracking and reporting systems are used** (Table 3). This might require combining more than one monitoring and reporting system.

This approach has been used in Ottawa, Canada, and in Chile, Estonia, India, the Republic of Korea and Switzerland.

See the case studies in this report and in the SEAD Guide.

23. **Conduct a preliminary analysis of existing software, data tracking tools and reporting mechanisms in place** that could be relevant for monitoring SPP or could be adapted for this purpose, in order to seek integration and minimise duplication. This is especially relevant in the case of quantitative output indicators.

In Estonia data tracking takes place during the preparation of each tendering process.

In Switzerland data provision is compulsory if purchasing agencies want to publish the results of the tendering process.

See the case studies in this report.

24. **For data tracking, prioritise electronic data sources** that:
    - » **are already available** (e.g. financial software, vendor databases, procurement platforms, or SAP systems to track relevant data for output indicators – aspects 2, 3 and 4). In some cases this might require the introduction of small changes in the data sources to generate useful, reliable and applicable data in an efficient way;
    - » **centralise information** for a larger number of units or authorities (e.g. national e-tendering platforms or e-product catalogues);
    - » **require the input of the smallest number of people** to minimise errors, eliminate bias, and be less time-consuming for the authority;
    - » **Ensure data tracking in a routine manner** (e.g. during each procurement process).
    - » can be programmed to **make data collection compulsory**.

Table 3. Possible data sources for different monitoring aspects or areas

Aspects or area		Possible data sources
1	SPP institutionalisation	• Status assessment questionnaires • Semi-structured interviews • Direct review of plans, procedures, reports, etc. • Scorecards
2	Procurements with sustainability criteria	• E-procurement platforms • Central procurement databases • SAP systems • Forms at tendering/awarding stage • Direct tender analysis
3	Sustainable products, services, or works purchased	• Centralised online product catalogues • Internal financial software/tools • Inventories (e.g. vehicle fleet, IT stock) • Suppliers/vendors' reports • Reports from external organisations
4	Contract or purchase with/ from preferred companies	• Internal financial software/tools • Suppliers'/vendors' reports • Reports required to companies by other government units
5	Direct generation of employment opportunities	• Suppliers'/vendors' reports • Reports required of companies by other government units

In Catalonia (Spain) sheltered companies must register and provide an annual report of turnover from public and private clients, making it very easy to monitor expenditure on sheltered companies in the region (Generalitat de Catalunya, 2014).

25. When a single data source (such as a central electronic tendering platform) is unavailable, **use IT solutions for data reporting that can be programmed to retrieve data automatically from existing sources and process the data**. This avoids data input duplication and allows the organisation to produce direct calculations and graphical output of results. However, it could require standardisation of procurement management software and other applications, which might not exist within an organisation (let alone between different public authorities).

B5. Piloting and deployment

In Ottawa, Canada, and in India this evaluation was carried out before the monitoring systems were set up. See the case studies in this report.

26. **Evaluate the technical and managerial capacities available in-house** to set up the monitoring system and thus minimise external costs.
27. **Provide clear instructions, definitions, guidance and training on the monitoring system** (what and how to track and report) to all stakeholders involved in the process (staff and vendors if relevant). This is key to ensure consistent, comparable and quality data, avoid misinterpretation and minimise errors, especially when procurement responsibilities and systems are decentralised and require a number of persons to input data.

See the different approaches used in South Australia, France and India in the case studies presented in this report and in the SEAD Guide.

This approach was followed in Switzerland. See the case study in this report.

28. **Test the monitoring systems in advance with a few pilot organisations or units**, as definitions and procedures are sometimes not as straightforward as intended. This will enable the lead monitoring agency to invest less time in responding to queries or verifying data and more time on data evaluation once implementation begins.

The United States Department of Energy has integrated green procurement in its environmental management system. See the case studies in this report and in the SEAD Guide.

29. Whenever relevant, **integrate SPP monitoring requirements in the organisation's environmental management systems or social responsibility strategies** so that the review processes for these systems and strategies yield results in line with the SPP monitoring system set up within the organisation or at a higher level.
30. As far as possible, **minimise changes in the monitoring system**, especially concerning how KPIs are calculated, to consolidate understanding of the system and ensure the data comparability required in order to assess progress and identify trends.

B6. Communication of results

The United States Department of Energy created the GreenBuy Award programme to recognise sites that fulfil leadership goals in GPP implementation, tracking and monitoring. See the SEAD Guide.

31. **Make SPP indicators and results publicly available** in order to increase government transparency and show leadership. This is especially relevant if the organisation establishes reputational incentives.
32. **Present results together with progress tiers** in order to encourage gradual implementation and easily present progress to all relevant stakeholders, especially when monitoring SPP institutionalisation.

Several forms of visual indicators have been used by the Government of the United Kingdom over the years to communicate performance. See the case study in the SEAD Guide.

33. **Consider using simple visual evaluation indicators** (e.g. a traffic light [green/yellow/red], medals [gold/silver/bronze], star ratings) to show results and to benchmark organisations in an easy-to-understand manner. This could be carried out alongside presentation of more detailed results.
34. **Don't report on results alone**, but include information on why and how exceptional results have been achieved by a department or authority. This will link actions to results and share examples that can help others to improve.

B7. Estimation of benefits

Recommendation to be provided by Working Group 2B on Measuring and Communicating the Benefits of SPP of the 10YFP SPP Programme.

3. Recommendations for an International Framework to Report on SPP Progress

The international community's recognition of the importance of SPP for improving consumption and production patterns has spurred many national governments to include SPP provisions in sustainable development-related policies and to adopt dedicated SPP programmes.

Although more information is being published about SPP implementation worldwide (UNEP, 2013), an approach to monitoring, evaluating and reporting SPP progress on a global scale has yet to be defined. That endeavour will require long-term collaboration and consensus in order to agree on a common approach, methods, indicators and definitions, among others.

The 10YFP SPP Programme has committed to publish a periodic Global Review of SPP to report on the progress of SPP implementation at the global level (UNEP, 2014).

Although the focus of the WG2A has been to make information on SPP monitoring more widely available and to provide recommendations on setting up efficient SPP monitoring systems, a first set of recommendations is proposed to contribute to progressively building a global monitoring and reporting system on SPP implementation.

These recommendations have been developed by the working group members, with input from diverse experts.

Recommendations for an International Framework to Report on SPP Progress

These recommendations are targeted at national and international organisations and other interested parties:

- Report on an **annual or biannual basis**.
- **Define a reporting form or template** to present SPP results and progress in a standardised manner. The minimum information to be provided by governments should include:
  - » **public administrations subject to the national monitoring** (e.g. only the central government, or central and local governments) **and the percentage** of these administrations that provide information, in order to be able to better assess results. Ideally, information on the procurement volume of targeted authorities (in financial terms) should also be provided for comparison purposes;
  - » for institutionalisation indicators, **the answers to a set of standard questions on key management areas**;
  - » for output indicators, until common indicators and methodologies are agreed on, **reporting by each government on its own indicators and results**. For assessment purposes, this reporting should include:
    - **the aspects monitored**, as identified in Table 1 (there may be several);
    - **the results achieved using the KPIs** in Table 1;
    - **the scope of the indicator(s)**, such as groups of products, services or works covered; procurement thresholds considered; whether the results refer to direct purchases/contracts or those made by contractors and/or subcontractors; etc.
    - **how "sustainable" is defined**.
    - **the data sources** used.
- for benefits indicators, if estimated, the **results and information about how they were calculated** should be provided, including links to the calculation tools used whenever publicly available.
- **good practices or special achievements** governments want to share.

4. Case Studies on Monitoring SPP Implementation

Although the literature review and mapping of existing SPP monitoring practices provide information on existing or planned systems, in many cases the level of detail is not adequate to understand the systems, especially regarding how data is tracked and reported (one of the key issues for resource efficient monitoring systems).

To provide greater insight, the WG2A has developed a series of case studies. They expand on the case studies presented in the SEAD Guide for Monitoring and Evaluating Green Public Procurement Programs (SEAD, 2013), which also includes additional short examples.

The case studies presented in Section 4 of this report are:

- Monitoring Sustainable Public Procurement in the City of Ottawa, Canada
- 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 Federal Government
- Monitoring Purchases from Micro and Small Enterprises in the Government of India
- Monitoring Job and Apprenticeship Creation for Social Inclusion through Procurement in South Australia

Additional case studies presented in the SEAD Guide for Monitoring and Evaluating Green Public Procurement Programs (SEAD, 2013) are:

- Monitoring Sustainable Public Procurement in Chile through Centralised Electronic Procurement Platforms
- Financial Mechanism to Promote Environmental Monitoring and Performance in France's Central Government
- Monitoring Green Public Procurement in the Republic of Korea with centralised and decentralised information sources
- Monitoring Green Public Procurement in the United Kingdom under the SOGE Framework
- Monitoring Green Procurement by the United States Department of Energy within the Federal Regulatory Framework

Case Study 1:
Monitoring Sustainable Public Procurement in the City of Ottawa, Canada

1 SPP institutionalisation

2 Procurements with sustainability criteria

Region: North America, Canada

Promoter: City of Ottawa, Supply Branch of the Department of Finance within the City Manager's Office

Targeted public administrations: Ottawa city administration (all employees responsible for setting specifications and procuring goods, services and construction; excluding the Ottawa Police Service, Ottawa Public Library and elected officials)

Enforcement: Voluntary

Background

In 2009, the City of Ottawa developed a draft green procurement policy and implementation plan to foster the integration of environmental considerations in procurement processes in order to support several of the city's strategic plans and policies. However, the policy was postponed as the city launched a long-term planning initiative to define the strategic goals of the municipality, which would require a corporate realignment of the GPP policy with the new strategic objectives.[7]

The City of Ottawa's sustainability goals are detailed in a comprehensive set of guidelines and policies which govern all aspects of the operations, design and construction of infrastructure, as well as delivery of services to the public.

In January 2013, after considering the previously drafted green procurement policy, an existing Ethical Purchasing Policy and best practices from other authorities, including members of the Municipal Collaboration for Sustainable Purchasing (MCSP) (which Ottawa joined in 2010),[8] the Supply Branch of the City of Ottawa published, at internal level, the Sustainable Purchasing Guidelines and Toolkit to support departments' consideration of sustainability criteria in their procurement decisions. The Guidelines and Toolkit identify the city's four sustainability pillars (social, economic, environmental and cultural sustainability) and how to factor these criteria into procurement decisions.

Since 1998 the city has used SAP licensed software as its organisation resource planning system for all financial and operational information management requirements, including procurement, accounts payable and materials management.

For each tendering process and purchase order over 10,000 Canadian dollars (CAD 10,000), departments (referred to as client departments or staff) require the Supply Branch (or purchasing officer) to conduct the procurement process based on a description of the requirement for the purchase. With the results of the process, the Supply Branch creates for approval by the client departments a Contract Approval Request which summarises the procurement process including the identity of the successful bidder(s)/ contractor(s), a description of the requirement, the basis of the award, the contract period, contract pricing and the basis of payment. Subsequently, the Supply Branch creates a purchase order/contract in SAP with the information recorded on the Contract Approval Request.

7 Snedden, L.A. (2012). Sustainable Procurement. City of Ottawa. Sustainable Communities Conference and Trade Show (SCC) 2012. Retrieved on 22nd June 2014 from: https://www.fcm.ca/Documents/presentations/2012/SCC2012/Sustainable_Procurement_City_Of_Ottawa_EN.pdf

8 The Municipal Collaboration for Sustainable Procurement (MCSP) is a group of Canadian Municipalities that facilitates collaboration and the sharing of resources and technical expertise to advance sustainable procurement. The group was formed in 2010; 18 municipalities were participating in 2012.

Sustainable procurement commitments and/or targets

The city's sustainable procurement goals are:

- to integrate the city's sustainable guidelines and policies in all procurement processes, where practicable;
- to report on the consideration and inclusion of sustainable criteria in all competitive and non-competitive procurements.

Apart from these overall goals, no quantitative target or progress tiers have been established so far.

Monitoring system

Ottawa's system of monitoring the implementation of sustainable public procurement is two-fold:

- monitoring SPP institutionalisation in the culture of the organisation;
- monitoring actual procurements with sustainability criteria.

Monitoring SPP institutionalisation

As a member of the Municipal Collaboration for Sustainable Purchasing (MCSP), the City of Ottawa reports annually on the current state, progress and challenges of its municipal SPP as part of the Annual Report on the State of Municipal Sustainable Procurement in Canada, conducted by the MCSP.

On an annual basis, the secretariat of the MCSP (an independent firm) asks key municipal representatives to self-assess their progress in implementing "The MCSP Best Practice Framework for Sustainable Procurement".

The framework is based on the collective experience of MCSP members and consists of ten key SPP programme areas or elements for a comprehensive and successful SPP programme. The programme areas include a documented action plan, policy, supplier code of conduct tools, and training and monitoring, among others.[9]

Monitoring sustainable procurements

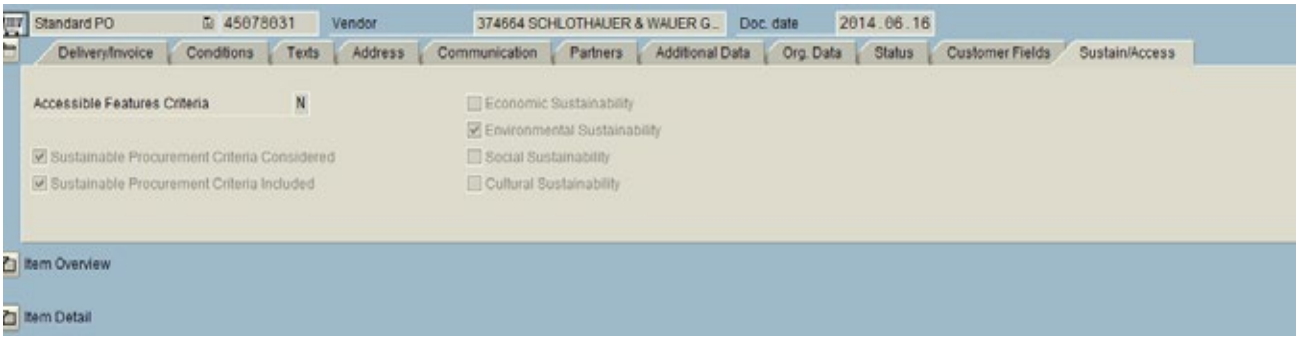
In January 2013, the Supply Branch worked with the Information Technology Department to integrate the SPP monitoring system in the existing SAP system in order to easily record and monitor the progress of consideration and inclusion of the four sustainability pillars in procurement decisions.

That information was to be provided in the description of the purchases requested of the Supply Branch (those over CAD 10,000). The SAP system was modified **to record, for each purchase order or contract** created in the system, whether client departments had considered and/or included sustainability criteria in the process. The new fields that are filled in SAP when concluding a tendering process or purchase order are (see Figure 3):

- whether client staff had "considered including sustainable criteria" in their procurement decision;
- whether client staff had "included sustainability criteria" in their procurement decision, translating the consideration into actual criteria;

9 Reeve Consulting (2013). The Annual Report on the State of Municipal Sustainable Procurement in Canada, Trends & Best Practices. The Municipal Collaboration for Sustainable Procurement.

Figure 3. Snapshot of the SAP system section where SPP monitoring information is gathered



- whether client staff answered "yes" to both the questions above, and which of the four pillars applied to their purchasing requirement (multiple choice).

The **definition of sustainable** is based on the considerations and criteria models specified in the SPP Guidelines and Toolkit. At present the criteria are open (i.e. not defined by product groups or categories)[10] and applicable to any relevant tender or non-competitive procurement process.

Based on the information in the SAP system, the Supply Branch can easily generate reports in SAP (without requiring each unit or department to report data) and obtain the following **indicators**:

- procurement processes – both tendered (competitive) and non-competitive – that consider and/or include sustainability criteria in total and according to each of the four sustainaiblity pillars (in number and economic volume).

The Supply Branch publishes summary sustainable procurement data in the "Purchasing Year-in-Review" report submitted annually to the City Council. The Supply Branch also distributes summary reports to each department and continues to work with client departments to increase the level of reporting to reflect actual levels of sustainable procurement.

10 Open sustainable criteria do not specify the environmental, social or economic aspects to be considered in the procurement process. Instead, it is left to the procurer to define them.

Human and economic resources

The city estimates that approximately one person month of resources from the Supply Branch and the Information Technology Services Department was dedicated to setting up the monitoring system.

The Supply Branch produces reports in the SAP system that are compiled automatically from data entered in the system as part of routine duties.

Summary of results

SPP Institutionalisation

In regard to embedding SPP in the culture of the organisation, based on the "10 Best Practice Program Areas" framework of the MCSP Ottawa's self-assessment from 2010 to 2013 is as follows.[11]

SPP procurement level

According to the reporting summary for 2013, of the more than 2,800 new purchase orders created by the

11 Data extracted from the different annual reports commissioned by MCSP. Retrieved on 23rd June 2014 from: http://blog.reeveconsulting.com/resources/

Table 4. Ottawa's self-assessment in each area of the MCSP SPP Best Practice framework (2010-13)

Program areas		2010	2011	2012	2013
1	Strategy & Action Plan	◖	◖	◖	◖
2	Green Purchasing Policy	●	◖	●	●
3	Supplier Code of Conduct	●	◖	●	●
4	Additional Sustainability Commitments	●	◖	◖	◖
5	Dedicated Staffing & Resources	◖	◖	◖	◖
6	Procurement Tools & Procedures	○	◖	●	●
7	Training & Communication	◖	◖	●	●
8	Supplier Engagement	○	◖	◖	◖
9	Measurement & Reporting	○	○	◖	◖
10	Leadership & Collaboration	◖	◖	◖	◖

○ = just beginning/future priority; ◖ = in progress with room for improvement; ● = well-developed with solid experience

Supply Branch in SAP that year client departments considered SPP in 40% of the processes and translated that into specific sustainability procurement criteria in almost 30% of them. Of the four sustainability dimensions, the ones included in the highest number were economic and environmental criteria (70% and 60%, respectively).

In the first two quarters of 2014 (Q1 and Q2), client departments reported having considered SPP in 67.5% of the new processes and having included sustainability criteria in 58% of them.

So far the breakdown of the sustainability criteria in the four sustainability dimensions is dominated by economic considerations, followed by environmental and social considerations.

Comparing the results for 2013 with those for the first semester of 2014, the increase in SPP is approximately +30 percentage points in number and +35 points in economic terms for both the consideration and inclusion of sustainability in procurement processes.

The figures and tables below present the results in detail.

Figure 4. Procurement processes that considered sustainability (number and percentage)

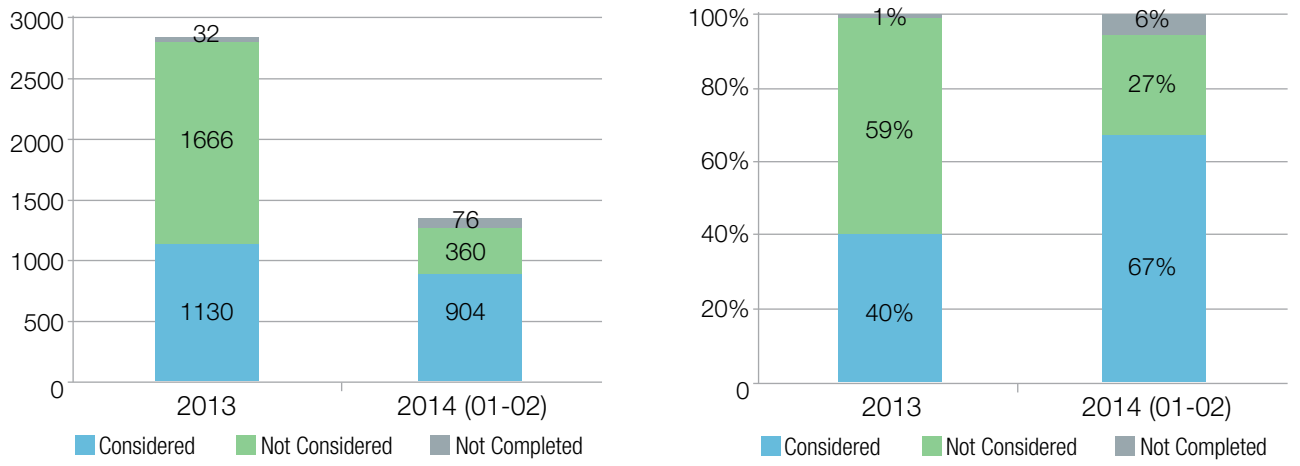


Figure 5. Procurement processes that included sustainability criteria (number and percentage)

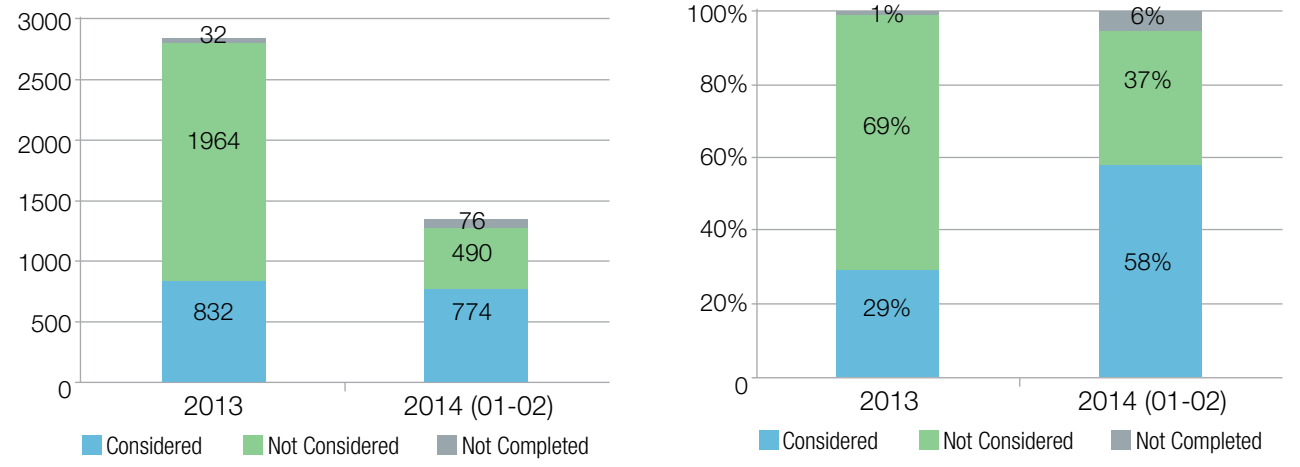


Table 5. Processes that considered and included sustainability criteria (number and amount in Canadian dollars [CAD])

Sustainability	**2013**		**2014 (Q1-Q2)**	
Considered*	Number (%)	Million CAD (%)	Number (%)	Million CAD (%)
Yes	1,130 (39.96%)	221.7 (36.6%)	904 (67.46%)	232.8 (72.47%)
No	1,666 (58.91%)	383.4 (63.3%)	360 (26.87%)	75.1 (23.37%)
Not available	32 (1.13%)	0.9 (0.2%)	76 (5.67%)	13.4 (4.16%)
Total	**2,828 (100%)**	**606.1 (100%)**	**1340 (100%)**	**321.2 (100%)**
Included*	Number (%)	Million CAD (%)	Number (%)	Million CAD (%)
Yes	832 (29.42%)	178.0 (29.4%)	774 (57.76%)	212.9 (66.27%)
No	1,964 (69.45%)	427.2 (70.5%)	3,490 (36.57%)	94.9 (29.57%)
Not available	32 (1.13%)	0.9 (0,2%)	76 (5.67%)	13.4 (4.16%)
Total	**2,828 (100%)**	**606.1 (100%)**	**1,340 (100%)**	**321.2 (100%)**

* "Yes" means the option Sustainability Criteria Considered/Sustainability Criteria Included was checked in SAP, "No" means this option was not checked. "Not available" refers to processes for which information was not provided in SAP.

Table 6. Processes that consider each sustainability dimension (number and amount in CAD)

Sustainability dimension	**2013**		**2014 (Q1-Q2)**	
	Number	Million CAD	Number	Million CAD
Economic	579 (69.6%)	132.3	664 (85.8%)	202.8
Environmental	499 (60.0%)	75.4	432 (55.8%)	154.1
Social	189 (22.7%)	52.4	358 (46.3%)	96.86
Cultural	104 (12.5%)	35.5	127 (16.4%)	61.8

Note that each process can have multiple dimensions of sustainability associated with it.

Table 7. Improvement in SPP Results from 2013 to Q1-Q2 2014

Parameter	**2013**		**Q1-A2 2014**		**Improvement**	
	Number	CAD	Number	CAD	Number	CAD
Sustainability considered	39.9%	36.6%	67.5%	72.5%	+27.5%	+35.8%
Sustainability included	29.4%	29.4%	57.8%	66.3%	+28.4%	+36.9%

Key take-aways

The main factors that contribute to the success of the current system are:

- Sustainability has been integrated in the culture of the City of Ottawa through the implementation of policies such as the Green Building Policy for the Construction of Corporate Buildings and the Accessibility Design Guidelines.
- There are four definitions of sustainable procurement criteria, which are broad enough to apply to all procurement decisions
- The data tracking system has been integrated within the existing SAP system, which ensures regular collection of data during the procurement decision and automatic calculation of indicators.
- There is simplified data entry on sustainable procurement criteria in the SAP system.
- Ongoing education has improved reporting levels, as shown by increased levels of compliance from 2013 to Q1-Q2 2014.

Nevertheless, some implementation challenges exist:

- Client departments are challenged to associate the broad definitions of the sustainable procurement criteria with the city's many policies and guidelines for sustainability and accessibility, which they reference in their daily work.
- Reporting levels are less than the estimate of actual sustainable dimensions included in all procurements, as not all staff is reporting and the system has not yet been programmed to make this compulsory.
- The approach allows for a "free" interpretation of what is sustainable. Therefore, it is not possible to assess how demanding the procurements are.

Further reading

- Presentation of the overall process in the definition of the City of Ottawa's SPP approach: https://www.fcm.ca/Documents/presentations/2012/SCC2012/Sustainable_Procurement_City_Of_Ottawa_EN.pdf
- 2013 – Purchasing Year in Review Report: http://app05.ottawa.ca/sirepub/agdocs.aspx?doctype=agenda&itemid=314788
- Accessibility policies and procedures: http://ottawa.ca/en/city-hall/your-city-government/accessibility-policies-and-procedures
- Green Building Policy: http://ottawa.ca/en/green-building-policy
- Ethical Purchasing Policy: http://ottawa.ca/en/city-hall/your-city-government/policies-and-administrative-structure/ethical-purchasing-policy

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Case Study 2:

Monitoring Green Public Procurement in Japan's Public Sector

1 SPP institutionalisation

3 Sustainable products, services or works purchased

Region: Asia, Japan

Promoter: Government of Japan, Ministry of the Environment

Targeted public administrations: All levels

Enforcement: Mandatory for the Central Government (ministries and Incorporated Administrative Agencies;[12] 26 in 2013); Voluntary for local authorities (prefectures, cities, towns and villages; 196 in 2013)

Background

Japan is one of the world's pioneers in promoting green public procurement. In 1993, the Basic Environment Act (Act nº 91 of 19 November 1993) included, in article 24, promotion of the use of goods and services, which helps reduce environmental impact. In 1994, the Government published its Action Plan on Green Government Operations,[13] which included green public procurement (GPP) commitments and reporting requirements. Around that time one of the first Green Purchasing Networks, if not the first, was established in the country with the participation of major private companies, government authorities, consumer associations and non-governmental organisations (NGOs). Its objective was to promote environmentally responsible procurement in the Government and the private sector.

Shortly afterwards, in 2000, the Central Government of Japan reinforced its commitment to GPP by enacting the Act concerning the Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities (Act nº 100 of 31 May of 2000, also known as the. Act on Promoting Green Purchasing).[14] The Act defines responsibilities for the Central Government and state public institutions (article 3), as well as for local governments (article 4).

In order to promote the procurement of eco-friendly goods and services, the Act (article 6) states that the Central Government will determine a basic policy for promoting the procurement of eco-friendly goods and services (referred to hereinafter as "the basic policy"), which identifies the priority product groups to be purchased with environmental attributes (i.e. designated products and services) and the environmental criteria that should be requested. Since its first publication in 2001, the basic policy has been reviewed every year to increase the number of designated products and services[15] and to update the requested environmental requirements.

Another act related to GPP is the Act concerning the Promotion of Contracts Considering Reduction of Emissions of Greenhouse Gases and Others by the State and Other Entities (Act nº 56 of 2007). The Act applies to six types of products/services[16] and is meant to encourage the selection of low-carbon solutions. However, this case study focuses only on the monitoring system for the Act on Promoting Green Purchasing.

12 Incorporated Administrative Agencies (IAAs) are government-owned corporations that are under a competent ministry but act independently of the State. A list of IAAs as of December 2013 can be found here: http://www.cas.go.jp/jp/gaiyou/jimu/jinjikyoku/files/18_iaa.pdf (retrieved on July 28, 2014).

13 http://www.env.go.jp/policy/kihon_keikaku/sossenjikkou.html

14 http://www.env.go.jp/en/Acts/policy/green/1.pdf

15 In 2014 there were a total of 267 designated products and services organised in 20 categories, including: paper, stationary, office furniture, office IT and electric equipment, home appliances, climatization equipment, lighting, vehicles, textile products, and works. All the categories are described in the basic policy, as found here: http://www.env.go.jp/en/laws/policy/green/2.pdf

16 The six contract categories stipulated in the Act are: electricity supply, buying and renting cars, design of ships, energy service contracts, building design, and industrial waste disposal plants.

Sustainable procurement commitments and/or targets

The Act on Promoting Green Purchasing does not set any overall quantitative GPP target to be achieved by all organisations. Instead, it requires each ministry and incorporated Administrative Agency (IAA) annually to:

- define and make public a green procurement policy or plan, which shall stipulate self-defined procurement targets for the designated product and services;
- prepare and make public a summary of its green procurement track records and submit this summary to the Minister of the Environment after the end of each fiscal year (FY).

For local public authorities (prefectures, cities, towns and villages) the Act stipulates that they shall also endeavour to define a policy every year for promoting the procurement of eco-friendly goods and services, while taking into account their budget, activities and planned projects for the fiscal year concerned.

Monitoring system

In order to assess progress on the implementation of the Act, the Ministry of the Environment has been monitoring GPP implementation since the Act came into effect (in 2001). The monitoring system is different depending on the target group; thus there is one approach to monitoring GPP implementation at central government level and another approach at local level.

Monitoring GPP implementation in the Central Government and its agencies

To monitor progress on the implementation of the Act on Promoting Green Purchasing, two aspects are monitored:

- **GPP institutionalisation** in operations and policy, namely, the number of government departments and agencies developing GPP policies and reporting on its implementation;
- the level of **actual purchase of green products and services**.

With the information gathered with respect to the level of purchasing of green products, the Ministry of the Environment estimates:

- the **environmental impact of GPP** based on the consumption and/or use of green products (this is at present under revision).

And with information from the market, the Ministry of the Environment also calculates:

- the percentage of **green products on the market**.

Monitoring GPP Institutionalisation

GPP Institutionalisation is monitored based on the number of ministries and Incorporated Administrative Agencies that submit their annual GPP policy to the Ministry of the Environment.

Monitoring the level of purchasing of green products and services

The monitoring of green purchasing covers the acquisition of **designated products and services** (see footnote 15). To qualify as green, they must comply with the environmental criteria set in the basic policy.

Each ministry and Incorporated Administrative Agency has to track and report the total number of designated products/services purchased or contracted as well as the number that meet the basic policy criteria in order to calculate the following **indicators**:

- the total amount of designated products/services purchased (in units), so as to assess the evolution in overall consumption;
- the percentage of designated products that comply with the environmental criteria, so as to evaluate progress in the level of green purchases.

The system for **data tracking** differs from one organisation to another, depending on the organisations' pre-existing systems and procedures. For example, in the Ministry of the Environment the finance/accounting department centralises all tenders and delivery cards for all purchases. It checks whether those purchases comply with the green criteria and marks them as compliant with the criteria or not in order to obtain the annual figures.

To facilitate **data reporting**, the Ministry of the Environment has provided a standardised reporting form (a spreadsheet with monthly reporting sheets and a yearly sheet). Each ministry and Incorporated Administrative Agency fills in the number of designated

products/services purchased (in total and green) and the total annual data is automatically calculated in the form. After the end of the fiscal year, all organisations submit the form to the Ministry of the Environment, which will prepare aggregated results for the whole Central Government.

Percentage of green products on the market

In order to promote green growth in the market, the Act states that the public sector must use its purchasing power as a positive pulling instrument. To evaluate the share of green products on the market, the Ministry of the Environment monitors the market presence (as a percentage) of green products over the total for ten product groups (the designated groups in the basic policy), most of them office supplies,[17] and compares it to the baseline in 2001. The information required is provided by each industry association every year.

Monitoring GPP implementation in local authorities

As the Act encourages local governments to strive to promote green purchases but does not set any obligations at the local level, since 2001 the Ministry of the Environment annually monitors local authorities' actions to implement the Act on Promoting Green Purchasing. The rationale for this monitoring approach is to assess the current status of GPP, identify good examples, and be able to provide advice and support for that endeavour.

Monitoring consists of a **survey conducted via a questionnaire** (with mostly multiple-choice questions). Information is gathered on efforts by the local authorities to implement the Act. The survey is sent to the person responsible for GPP in all local authorities nationwide based on the contacts list, which the Ministry of the Environment keeps up-to-date (a total of 1,789 authorities in 2013). The number may vary from year to year depending on annual administrative reorganisations.

Some of the topics or questions on the questionnaire are: whether the organisation implements GPP; what policies and/or management systems include GPP obligations; and success factors and challenges in the implementation of GPP.

17 The product groups monitored are: mechanical pencils and mechanical pencil refills, pens, markers, staplers, rulers, plastic binders, plastic files, fluorescent lamps, and cars.

Using all the responses, the Ministry of the Environment prepares a general report. The Ministry also provides feedback papers to all local authorities with information relevant to the authority, including the GPP situation of neighbouring and same-scale authorities so that they can benchmark themselves against similar organisations.

Publication of results

Once all data has been compiled, the Ministry of the Environment produces two reports: one on GPP in the central government and the other on GPP at local level. The reports are placed on the website of the Ministry, where the public can easily access them.

In addition, based on the information gathered through the surveys, the Ministry of the Environment prepares the "Green Purchasing Guideline for Local Authorities". This guideline, which is reviewed regularly, provides recommendations for implementing GPP together with a collection of good practice case studies from Japanese local authorities (a total of 44 in the last update). Furthermore, the status of GPP in each local authority based on the questionnaire responses and the case studies (organised by organisations' size and category[18]) are available in a searchable database.

Human and economic resources

The Ministry of the Environment, which is in charge of the monitoring every year, estimates that annual costs amount to around 32,000 US dollars (USD 32,000), which includes updating the basic policy, dissemination and other activities.

Summary of results

The results of monitoring of the 1st GPP Plan and of the research study on its impacts are presented below.

GPP results in the Central Government and its agencies

The report on GPP implementation by the Central

18 The good practice case studies are classified in seven categories: i) formulation of a basic policy for each local authority; ii) creation of the policy or system cooperating with related departments; iii) building a network within the organisation's structure for GPP; iv) creation of the Procurement Guide; v) collection of product information; vi) understanding the aggregated results and effects of GPP; and vii) awareness raising and trainings on GPP for staff members. See: http://www.env.go.jp/policy/hozen/green/g-law/jirei_db/index.html

Government presents the aggregated results for the year and evolution since the first monitoring in order to evaluate general progress. Some results from fiscal year 2012 are presented here.

All ministries and agencies (100%) subject to the Act have published their GPP policies and summaries of their annual green purchases on the Ministry's website.

Furthermore, for each product/service group covered in the basic policy, results in terms of total purchases and percentage of green purchases are provided in parallel to market share data since 2001 (see Figures 6 and 7, using the example of fluorescent lamps).

Regarding the market share of green products, all product groups monitored have increased their market share since 2001, as shown in Figure 8.

Figure 6. Total procurement and green purchases ratio for fluorescent lamps

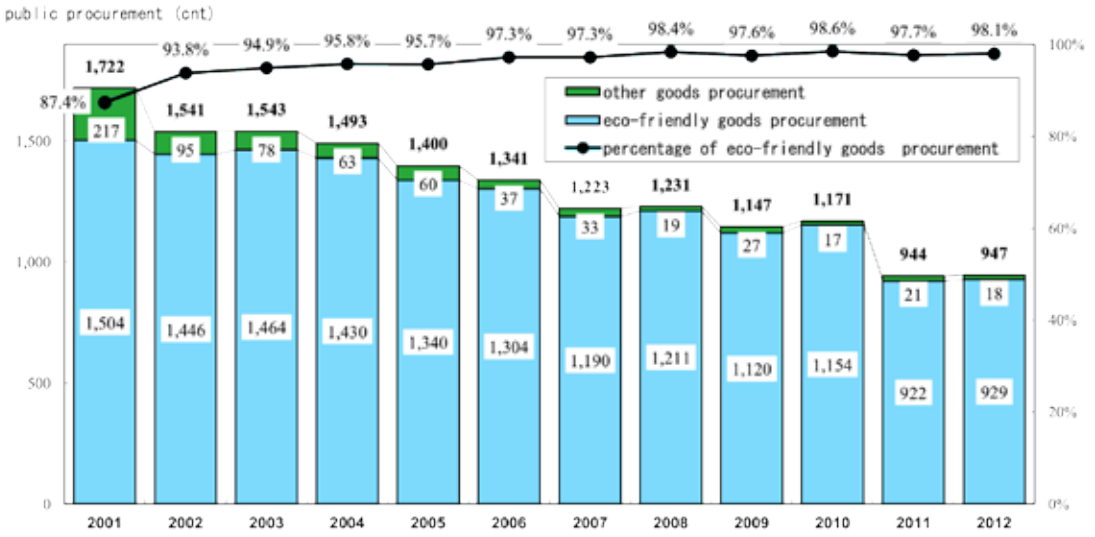
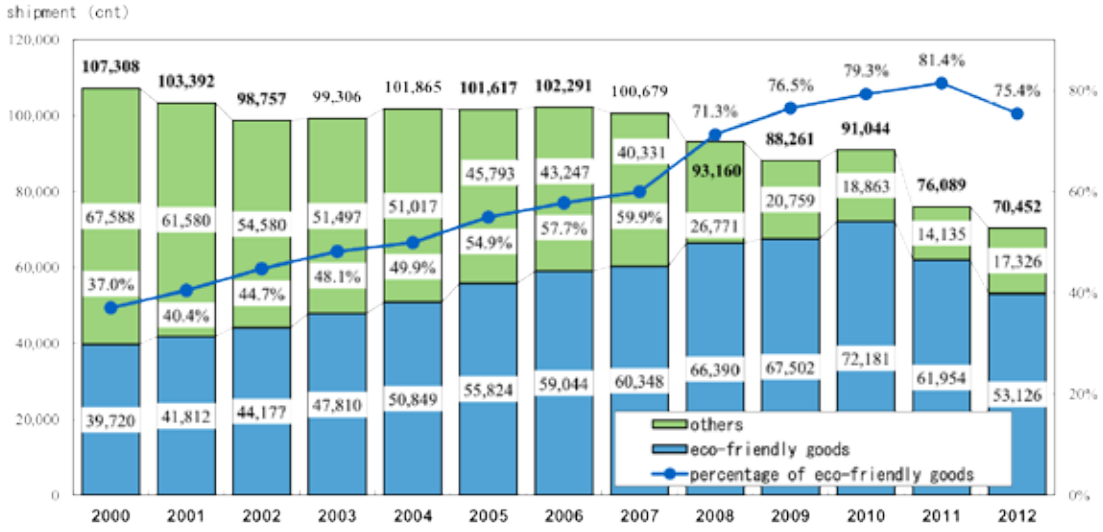


Figure 7. Market share of eco-friendly fluorescent lamps



GPP results in local authorities

At local level, the survey report produced every year includes a detailed analysis of each question on the survey questionnaire broken down into the three types of local organisations (towns, cities and prefectures) and also aggregated for all local authorities.

The key result from the monitoring of GPP for fiscal year 2012 is that almost all local authorities implement GPP in their organisations (96% of all surveyed authorities), with a higher percentage in larger authorities than smaller ones as shown in Figure 9.

Figure 8. Percentage of green products on the market (in FY 2012 against the 2001 baseline)

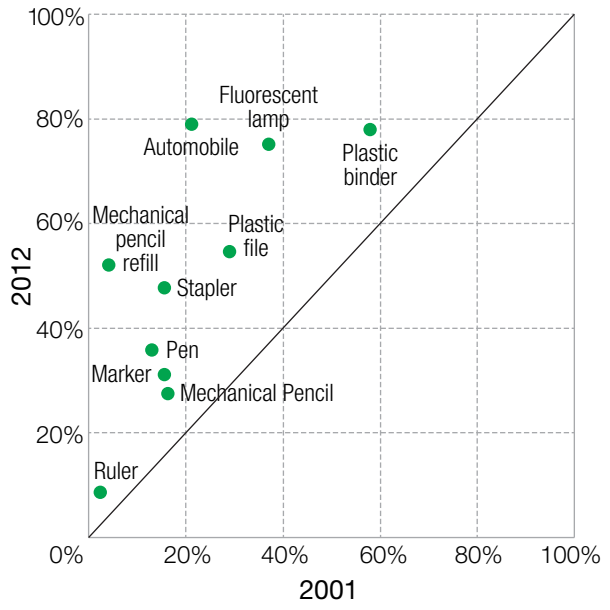
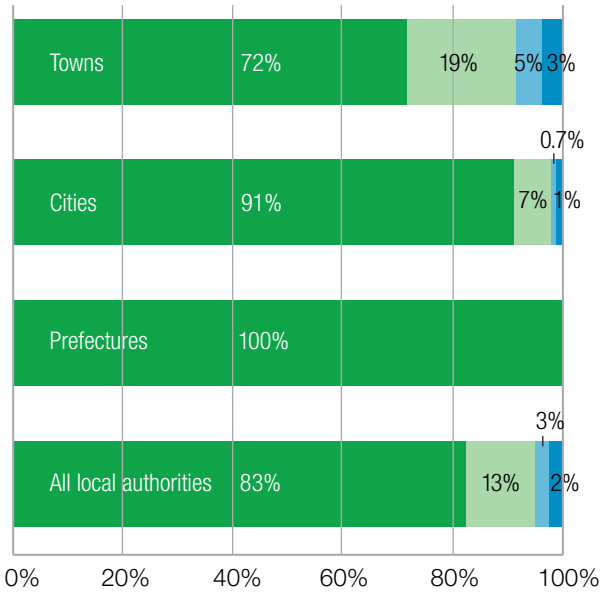


Figure 9. Status of GPP implementation in local authorities (in FY 2012)



Further reading

- ActandBasicPolicyforthePromotionofProcurement of Eco-Friendly Goods and Services (in English): http://www.env.go.jp/en/Acts/policy/green/index.html
- General green public procurement website of Japan's Ministry of the Environment, with links to policies, product criteria and evaluation results at national and local level (only in Japanese): http://www.env.go.jp/policy/hozen/green/g-Act/index.html
- GPP Monitoring Report at the central level for 2012 (only in Japanese): http://www.env.go.jp/policy/hozen/green/g-Act/jisseki/reduce-effect_h24.pdf
- GPP Monitoring Report at the local level for 2013 (only in Japanese): http://www.env.go.jp/policy/hozen/green/g-Act/archive/refe/result_of_qs13.pdf
- GPP Case Studies database (only in Japanese): http://www.env.go.jp/policy/hozen/green/g-law/jirei_db/index.html

Key take-aways

Some key lessons from the Japanese Government's approach to promoting and measuring GPP implementation are as follows:

- It is important to establish clear GPP policies and obligations to encourage organisations to consider the environmental variable in their purchases and help the market react. According to Japan's Green Purchasing Network, at an early stage the movement towards green purchasing was accelerated by the Act on Promoting Green Purchasing.[19]
- The responsibility of each organisation to develop and publish a GPP policy, implement it, track purchasing records and report them publicly, together with the publication of the overall reports on the internet since the Act came into effect, contributes to keeping all organisations accountable and encouraging enterprises to supply eco-friendly goods from the demand side.
- The open publication of the GPP results of local authorities where an organisation's performance is shown, and the provision of a feedback paper that helps authorities improve their results, might be among the reasons why the response rate from local authorities is so high (around 95% in 2013) even though the monitoring system at local level is voluntary.
- Setting different monitoring approaches (with quantitative data for the central government and a qualitative survey of local authorities) allows the Ministry of the Environment to take stock of the overall situation with respect to GPP in the country's public sector.
- Monitoring the amount (in units) of products purchased that comply with the environmental criteria defined in the basic policy makes it possible to estimate the environmental benefits obtained from those purchases.
- Monitoring the level of green purchases makes it possible to assess the effect of the Act on the market and offers relevant information for the review of environmental specifications. If the ratio of products meeting the GPP criteria is high for the government as a whole, the Ministry of the Environment might consider reviewing the environmental criteria to push the market forward.
- Even though monitoring actual purchases provides useful information for other evaluations (as indicated in the two previous points), data tracking can be very time consuming if appropriate mechanisms are not implemented.

19 Sato, H. (n.d.). Demand side approach and Green Purchasing Network in Japan. ECP Newsletter No. 20, Japan Environmental Management Association for Industry (JEMAI).

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Case Study 3:
Monitoring Green Public Procurement in the Government of Thailand

3 Sustainable products, services or works purchased

Region: Asia, Thailand

Promoter: Government of Thailand, Pollution Control Department, Ministry of Natural Resources and Environment

Targeted public administrations: Central government agencies (1st Plan); Central government agencies, local authorities, public organisations and universities (2nd Plan)

Enforcement: Voluntary

Background

The promotion of green public procurement (GPP) in the Government of Thailand can be traced back to 2005, when the Pollution Control Department of the Ministry of Natural Resources and Environment started to develop support instruments and actions for the implementation of environmental criteria in the Government's procurement practices. This included the development of GPP criteria sheets and pilot actions within the Ministry.

Policy awareness led to the inclusion of GPP in the 10th National Economic and Social Development Plan (2007-2011) and the Environmental Quality Management Plan (2007-2011), which state that the government sector should be the leader in green procurement in order to create proper markets of environmentally preferable products and services.[20]

20 Suksod, J. (2013, August). Thailand Green Public Procurement (Thai GPP) [slide presentation]. Green Public Procurement Workshop, 28-29th August 2013. Thailand: Bangkok.

The Government further endorsed this commitment with the approval by Cabinet Resolution on 22 January 2008 of the 1st Green Public Procurement Promotion Plan 2008-2011 for the Central Government.

Based on the positive results obtained, in 2012 a 2nd Green Public Procurement Promotion Plan (2013-2016) was drafted to further promote GPP, this time at all levels of the public sector (from central to local). The 2nd Plan has been approved by the National Environment Board and is awaiting Cabinet resolution; however, the Pollution Control Department (PCD) of the Ministry of Natural Resources and Environment has already started to implement it.

Sustainable procurement commitments and/or targets

The main goal of the Green Public Procurement Promotion Plans is to increase the Government's

Table 8. GPP Plan targets (2008-2011 and 2013-2016)

1st GPP Plan targets by year	2008	2009	2010	2011
Number of implementing agencies (out of 170 in total)	≥ 25%	≥ 50%	≥ 75%	≥ 100%
Expenditure on green products and services*	≥ 25%	≥ 30%	≥ 40%	≥ 60%

*Objective set for each designated product/service in terms of amount of green expenditure compared with total expenditure on that product/service.

2nd GPP Plan targets by year	2013	2014	2015	2016
Number of implementing agencies (local authorities)	≥ 10%	≥ 15%	≥ 30%	≥ 50%
Number of implementing agencies (public organisations and universities)	≥ 50%	≥ 60%	≥ 70%	≥ 100%
Expenditure on green products and services (Central Government only)	≥ 70%	≥ 75%	≥ 80%	≥ 90%

spending on environmentally preferable products and services. To achieve this goal, progress targets are defined both in terms of the number of targeted agencies and the amount of green purchases (Table 8).

Monitoring system

To assess progress in achieving the policy targets, PCD put in place a voluntary monitoring system in 2009 focusing on:

- the number of authorities that are implementing agencies;
- the level of purchasing of green products and services for a list of designated product groups.
- With the information gathered on the level of purchasing of green products, PCD in collaboration with the National Science and Technology Development Agency (NSTDA) also calculates:
- the estimated sustainability benefits of buying green products;
- the contribution to the availability of green products on the market.

Monitoring the number of implementing agencies

To qualify them as implementing agencies, PCD keeps track of which and how many agencies comply with at least one of the following criteria:

- the agency has signed the declaration of implementation form or sent an equivalent official letter;
- it is registered on the GPP website, which gives access to the reporting system;
- it has participated in a GPP training workshop;
- it submits GPP reporting data.

Monitoring the level of purchases of green products and services

The level of actual purchases of green products and services is monitored for certain **prioritised or designated product/service groups** (17 in total).[21]

To qualify as green, purchased products and services have to comply with the Thai Ecolabel (Green label),[22] the Green Leaf label (for hotels) or the environmental procurement criteria developed by PCD; and/or be included in the GPP products reference directory, a database produced by PCD that lists the products on the market that comply with either of the first two criteria (being certified for the Thai Ecolabel or complying with the GPP criteria).

The **indicators** calculated are:

- total amount of purchases of designated products/services that are green (both in units and economic value);
- percentage of designated products/services that are green in relation to total purchases of those products/services.

To facilitate **data reporting** and homogeneity, PCD set up an electronic reporting system available on-line but also on paper. Implementing agencies are requested to summit procurement data every six months. As procurement is decentralised within the Government, each agency makes its own purchases, using the directory as an information source, and tracks purchases through its own mechanisms in order to be able to report afterwards.

Evaluating the sustainability benefits of buying green products

To communicate the benefits of GPP and promote it further, in 2012, after the end of the 1st Plan, PCD and NSTDA conducted a research project in order to be able to estimate the sustainability benefits of buying green.

From the list of 17 designated products/services, 10 products were selected due to the availability of life cycle data. Using different methodologies (life cycle assessment, life cycle costing and others) NSTDA estimated the difference in impacts of conventional versus green products and established impact reduction coefficients per green product unit in terms of CO_2 equivalent emissions reduction and environmental externalities costs reductions (linked to, for example, energy use, waste management and operational costs).

21 The designated groups of products and services are those for which GPP criteria sheets had been defined. They are: printing paper, envelopes, document files, document boxes, correction fluid, whiteboard markers, printers, photocopying machines, printer toners, toilet paper, fluorescent lamps, primary batteries, building paints, steel furniture, photocopier leasing services, office cleaning services, and accommodation services (hotels).

22 Type I environmental labelling, according to International Organization for Standardization (ISO) standard ISO14024.

By multiplying the amount of green products purchased by the impact reduction coefficients, NSTDA calculated the estimated emissions and costs reductions of buying green.

Evaluating the availability of green products on the market

To assess the impact on the market of the 1st Green Public Procurement Promotion Plan, NSTDA evaluated two aspects:

- the evolution of the number of products certified with the Thai Ecolabel, differentiating between products included in the 1st Green Public Procurement Promotion Plan (designated products) and products not included in the Plan, to assess whether the Plan encouraged manufacturers to produce and certify designated green products;
- the evolution of market sales of ecolabelled products (Thai Ecolabel) including the government purchases (for three product groups: building paints, printing papers and photocopying machines).

Publication of results

With the information provided each semester by implementing agencies, PCD compiles a monitoring results report that is presented to the Cabinet (the highest bureaucratic level in the Government) every year. Based on that report, a summary is posted on PCD's green procurement website (link in the "further reading" section).

Furthermore, an Evaluation Report based on the results of the research project conducted by PCD and NSTDA was also produced and made available on NSTDA's website.

Finally, in order to encourage implementation through reputational incentives, since 2009[23] a GPP Recognition Award has been given to the best performing agencies based on the reported results submitted to PCD.

Human and economic resources

The estimated costs and/or person-months dedicated to the different activities to set up and conduct GPP monitoring for the 1st GPP Plan were as follows:

- around 1 million Baht (USD 30,000) for setting up the products and reporting database (the initial set up of the data reporting system was around three months);
- about one week in each agency to track and report purchases;
- about one person-month to compile annual results after reports have been submitted, but more time is allocated for report call back.
- Furthermore there are two staff working on the products database and data collection all year long.
- The research study on the impacts of GPP policy took around nine months.

Summary of results

The results of monitoring of the 1st GPP Plan and of the research study on its impacts are presented below.

23 The only year without awards was 2013, as no monitoring was conducted given the gap between the 1st and 2nd Plans.

Table 9. Estimated benefits from reported purchases of green products in 2008-2011

Indicator	Results
Total expenditure on prioritised products/services [12 selected products]	929.25 Million Baht
Expenditure on green products/services	570.02 Million Baht
Percentage of GPP	61%
Economic benefits of GPP (costs savings)	223.51 Million Baht
Environmental benefits of GPP (greenhouse gas emissions reduction)	25,685 tonnes CO_2eq

Figure 10. Number of government agencies that Implement GPP by year (percentage)

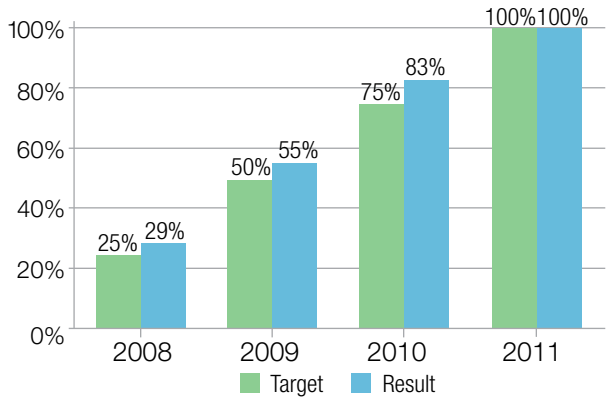


Figure 11. Amount of reported products/ services by year (number)

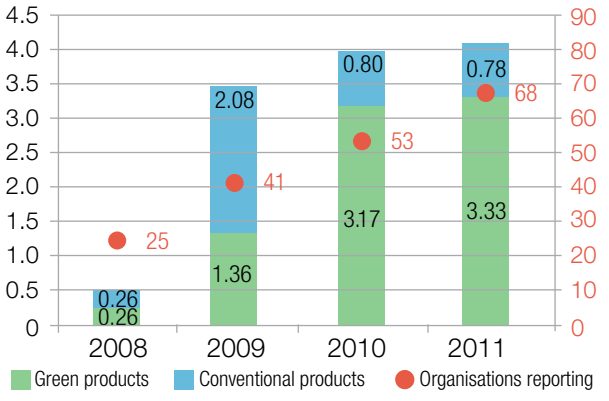


Figure 12. Amount of designated green products/services purchased by product category and year (%)

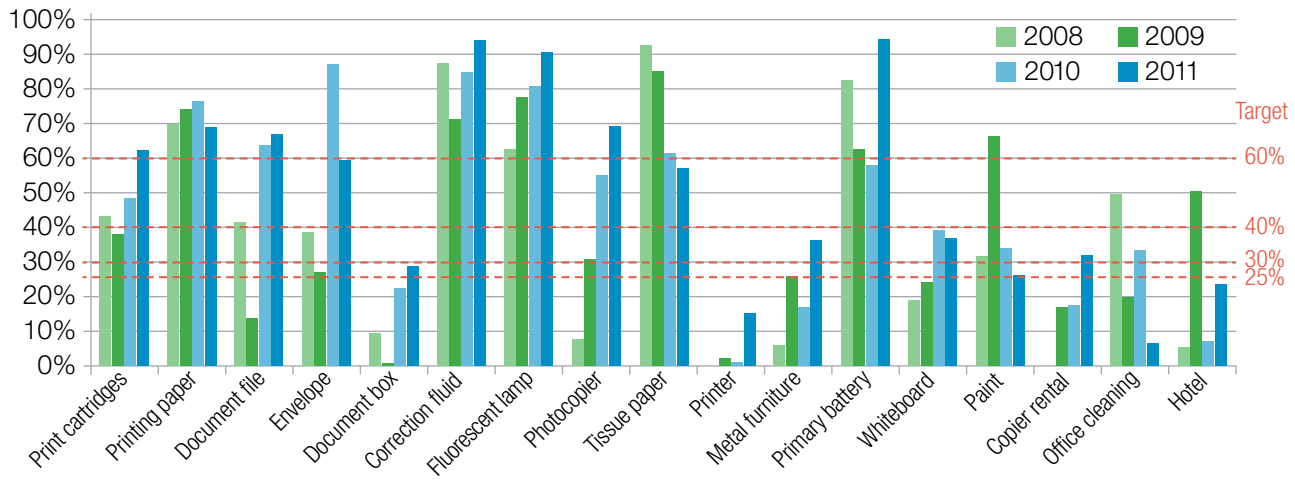
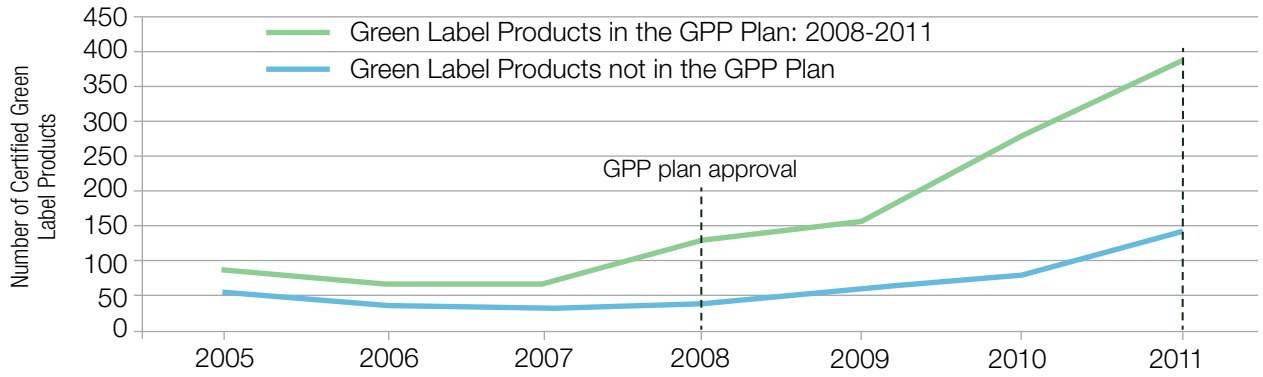


Figure 13. Effect on the market of the GPP Plan in numbers of green label products certified by year



Key take-aways

Some successful elements of the monitoring system are:

- It is important to use a standardised reporting system to ensure data comparability and aggregation.
- The positive aspect of monitoring purchases of green products is that estimates of environmental benefits can be calculated.
- By linking green criteria to ecolabels, the possible effect of public procurement on the market can also be assessed.
- The GPP recognition award has a positive impact on implementation, as it recognises best practice agencies in a voluntary GPP implementation framework.

Nevertheless, there are also challenges:

- Since GPP monitoring is voluntary, there is a risk of a low response rate, resulting in a misrepresentation of the actual level of procurement of green products and services. In 2012, only 40% of agencies submitted their GPP monitoring reports.
- The lack of centralised purchases and/or procurement platforms requires each implementing agency to track its own GPP data, which can be time consuming.
- To fully track green purchases, greater integration with financial/budgeting rules and systems is required, which is not expected in the medium term.
- Despite the results achieved, greater efforts need to be made to encourage procurers to buy green alternatives.

Further reading

- GPP Policy Impacts Report by PCD and NSTDA (only in Thai): http://www.nstda.or.th/prs/images/files/final%20report%20gpp1.pdf

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Case Study 4:
Monitoring Green Public Procurement in Estonia through the National e-Procurement Platform

2 Procurements with sustainability criteria

Region: Europe, Estonia

Promoter: Government of Estonia, Ministry of the Environment

Targeted public administrations: All public administrations that have to tender through the national electronic tendering platform (the National Register of Public Procurement)

Enforcement: Compulsory in the existing system and automatic in the newly developed one

Background

Since 2001 Estonia has an Internet portal (the National Register of Public Procurement) where tendering processes conducted by all public authorities in the country have to be announced. In 2006, in line with various developments at the European Union level, the Government of Estonia approved the Estonian Information Society Strategy 2013[24] to broaden the use of information and communication technology (ICT) in the country and thus increase efficiency in economic and societal processes. One of the measures included in the Strategy was provision of user-friendly public sector e-services, including high-impact services such as electronic procurement (e-procurement). In 2009 the Ministry of Finance started to develop an advance e-procurement platform to expand the National Register, which would allow not only the announcement of tenders but also accessing of tendering documents, submission of proposals, evaluation of bids and awarding of contracts through the platform. In 2011 this platform was officially launched. In order to transition to the electronic system, the Government mandated all public authorities in the country to conduct at least 50% of their procurements (in economic value) through the e-procurement platform from 2013.[25]

Moreover, in 2006 the Government started to amend its Public Procurement Act to include the environmental and social provisions of the European Directive 2004/18/EC of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts.26 Actions to promote green public procurement (GPP) were incorporated in the National Environmental Action Plan of Estonia for 2007-2013, in line with the environmental and sustainable public procurement priorities published by the Ministry of the Environment.[27]

Some of the measures included defining environmental criteria for tenders (based on those defined by the European Commission,[28] but adapted to the national context and market availability) and setting up a system to monitor progress.

Monitoring system

Monitoring of green public procurement started in 2007. It focuses on monitoring the **inclusion of environmental criteria in tenders**, as the tender announcement portal already existed, and it covers all product and service groups. The **indicators** calculated are:

24 http://www.riso.ee/sites/default/files/elfinder/article_files/estonian-information-society-strategy_2013.pdf

25 Peedu, A. (2012). Estonia's experience in e-procurement. 1st Annual Conference on Electronic Procurement, Challenges and Opportunities, 26 June 2012. DG Internal Market and Services, European Commission. Retrieved on June 26, 2014 from: http://www.europarl.europa.eu/document/activities/cont/201207/20120710ATT48608/20120710ATT48608EN.pdf

26 http://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32004L0018

27 Estonia. UN CSD18: National Reporting on 10-Year Framework of Programmes on Sustainable Consumption and Production. Retrived on June 26, 2014 from: un.org/esa/dsd/dsd_aofw_ni/ni_pdfs/NationalReports/estonia/ESTONIA_SCP10YearCSD18.pdf

28 http://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm

- total amount of tenders (in number and economic value) that include green criteria;
- percentage of green tenders from all tenders conducted.

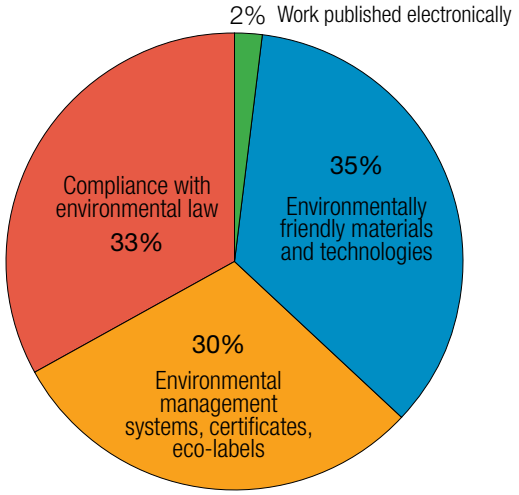
In a first stage (from 2007) it was required to specify in all tender announcements published in the National Register of Public Procurement whether environmental requirements had been included (a yes/no question). In 2008, an amendment to the Public Procurement Act was introduced also requiring a short description to be provided of the environmental specifications included. Once the e-procurement platform was launched in 2011, those questions where included in the standard form that was to be completed for the tender announcement (Figure 14).

As there were no official GPP criteria to help define what could be considered as green, each procurer made this decision based on his/her own understanding. In some cases, the procurer even considered a tender green only because it was conducted through the electronic platform. Figure 15 presents the type of criteria used in 2009.

Aware of the limitations and problems related to the lack of a clear definition of what is green and to leaving such a question to the end (once the tenders have already been defined, which reduces opportunities to promote the greening of tenders), in 2014 an update of the system was prepared in order to obtain more sound responses and results and to foster the inclusion of environmental specifications from the beginning. The improvements have been:

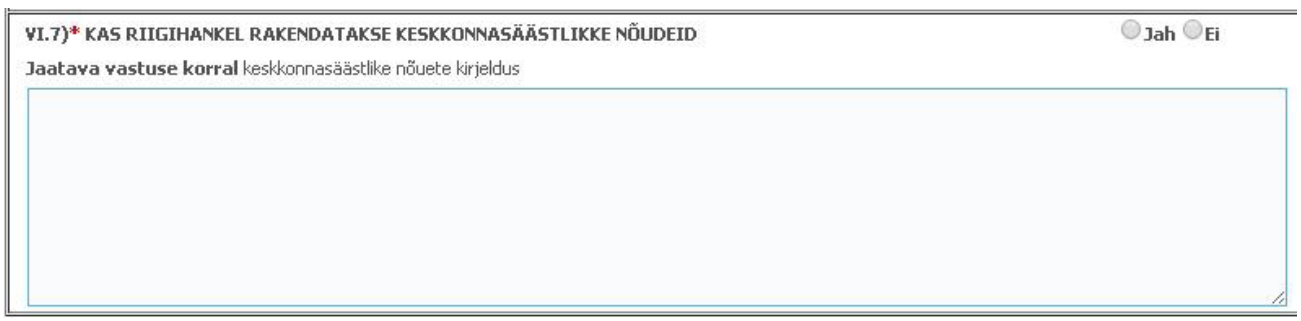
1. *To include the GPP element in the early stages of the tendering process*. The e-procurement platform requires completion of several forms for the different parts and stages of a tendering process (from preparation of the different sections of the tender to the announcement and publication of awarding results). Previously information about GPP was required at the end, in the announcement of the tender, but GPP considerations were now included at the beginning (when authorities start filling in the forms to define the technical specifications and award criteria for the tender).

Figure 15. Types of GPP criteria used in tenders published in 2009



Source: Estonia. UN CSD18: National Reporting on 10-Year Framework of Programmes on Sustainable Consumption and Production.

Figure 14. Question on the tender announcement form concerning use of environmental requirements in the tender documents (screen shot)

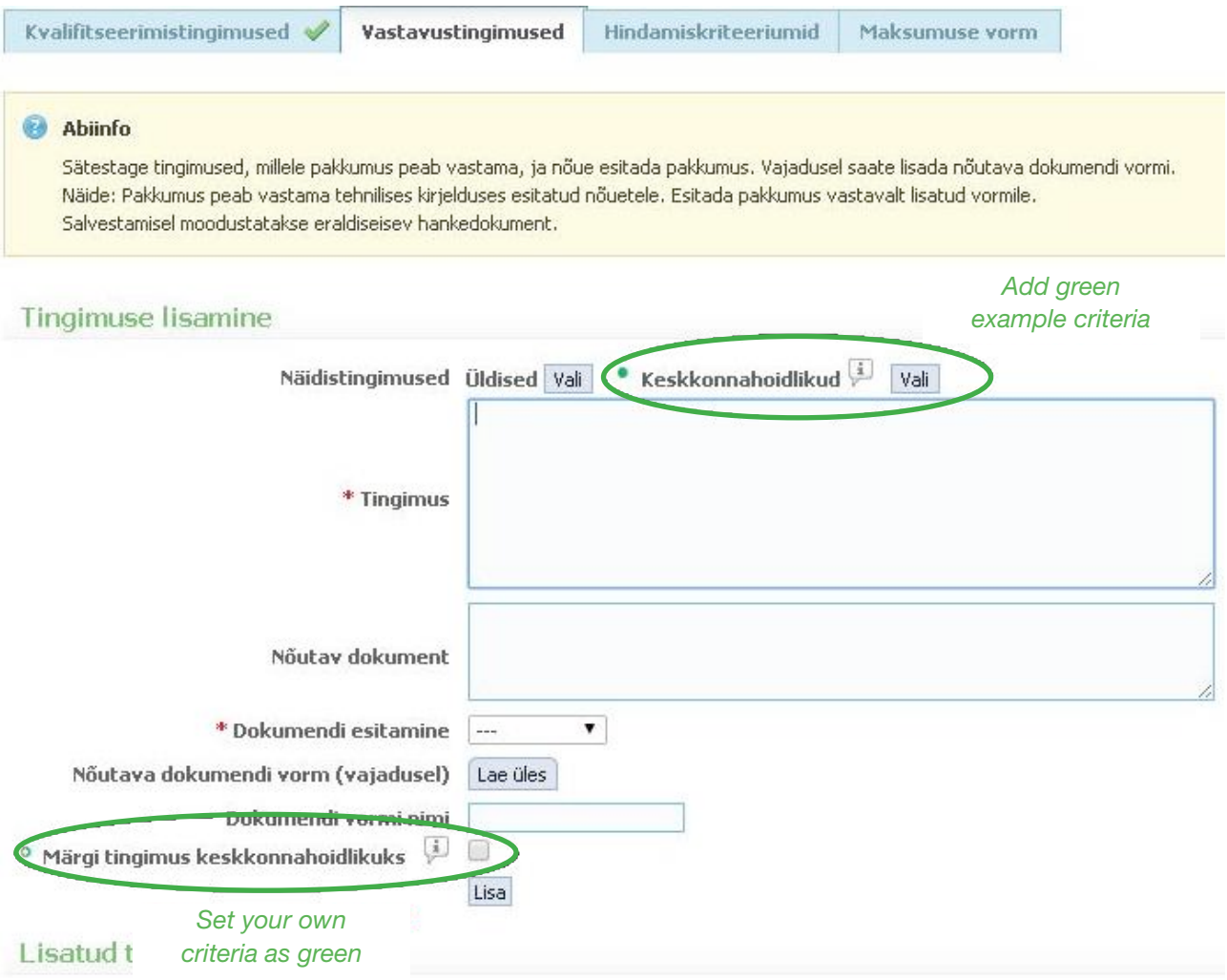


2. *To provide resources to better define "green"*. In the forms that define the technical specifications of the product or service to be contracted, specific environmental criteria for several product groups have been included as criteria examples alongside other already existing quality-related criteria. Procurers can determine whether there are criteria examples for the product/service they are contracting by clicking on the example criteria button (Figure 16). If there are, a pop-up window appears where the procurers select the product group and then the specific product or service within the product group in order to visualise all the criteria examples for that product/service (Figure 17). The procurers can decide to include some of those criteria in their tenders (by selecting suitable criteria) as technical specifications or as award criteria. The criteria have been developed based on the European Commission's criteria[29] but adapted to the Estonian context for ten product groups.[30] In case the criteria examples do not contain suitable specifications, the procurers can develop their own green specifications (Figure 16).

29 http://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm

30 These are: paper, IT equipment, vehicles, cleaning services and products, gardening services and products, textiles, furniture, catering services, construction, and electricity.

Figure 16. Adding environmental specifications in tender documents (screen shot)



3. *To identify greened tenders*. When procurers select one of the environmental criteria examples provided in the platform (as shown in Figure 17) the platform automatically records the tenders as greened. When procurers develop their own green specifications, they have to manually mark the tender as green (Figure 16). This information is then automatically included in the generated tender documents, in the "Procurement Announcement". It becomes a qualification parameter in the Register's tender search option, in order to let suppliers know that the tender

Figure 17. Pop-up menu with environmental criteria examples for the tender document (screen shot)

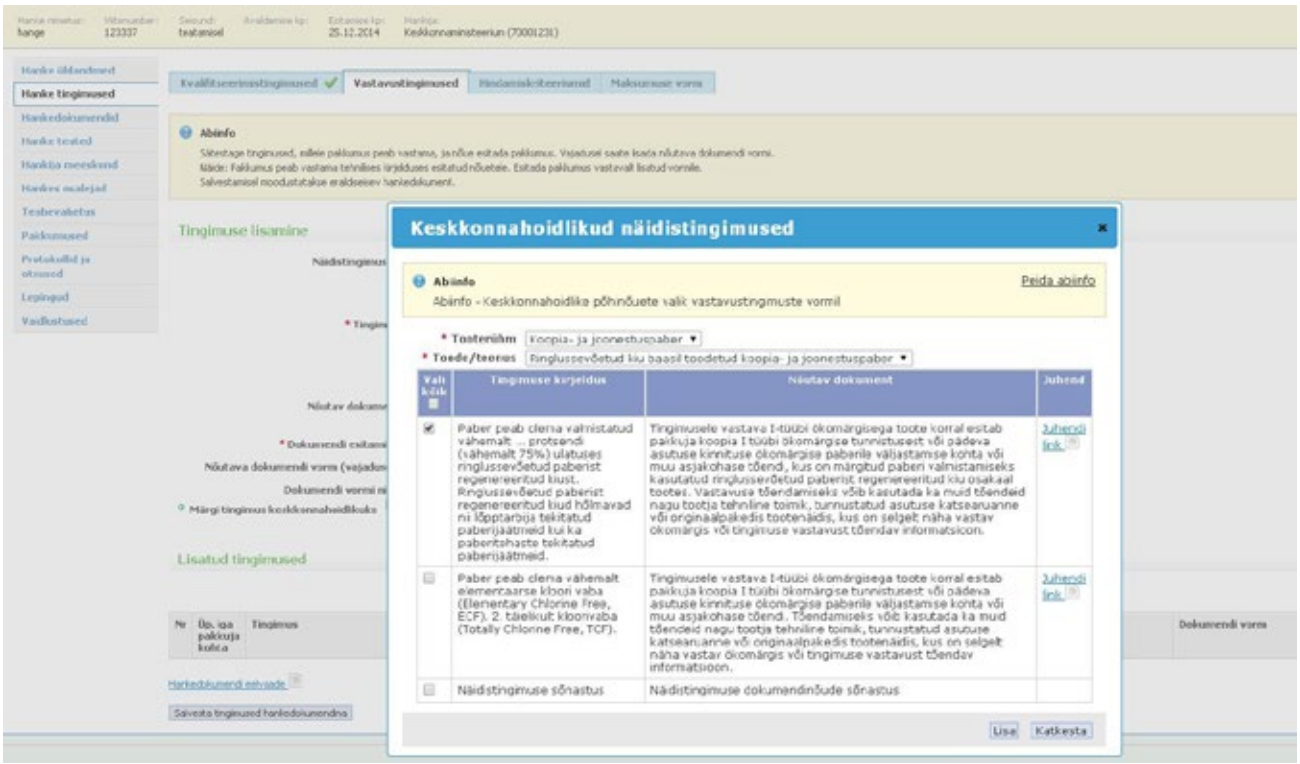


Figure 18. Information displayed on the e-procurement platform: tender announcement (screen shot)

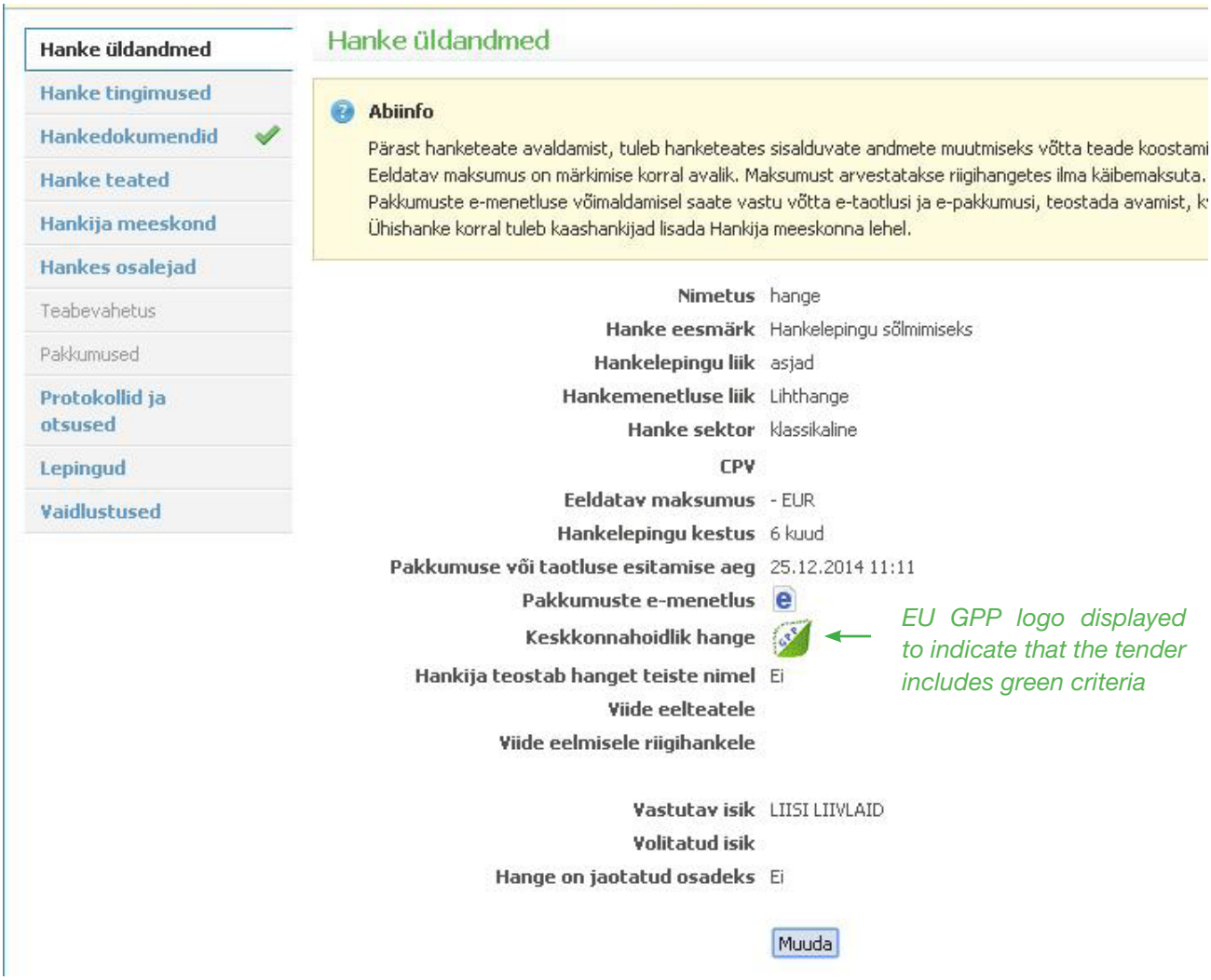
includes environmental considerations and to make monitoring easier. Furthermore, the EU GPP logo is displayed in the tender's general information and search display if example criteria have been chosen (Figures 18 and 19).

The system has been developed and is ready to be uploaded in the system. However, due to recent changes in European procurement legislation that affect other sections of the electronic procurement procedures and forms, entire updating of the system has been put on hold until the new Directive 2014/24/EU[31] is transposed into national legislation. It is estimated that the changes in the platform that will allow better tracking and monitoring of GPP will be in place from 2016.

Up to now, GPP statistics have not been reported regularly but only on demand. However, as the new system will allow for better, more accurate information, results may be reported on a regular basis.

31 Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0024

Figure 19. Search display showing the inclusion of environmental criteria (screen shot)



Human and economic resources

The development of the new way green public procurement is integrated in the platform and monitored occurred in two steps. A first step took place in 2013. As there were many limitations, a second step took place after that. All together the development costs were 36,000 euros (EUR 36,000) (equivalent to 600 labour hours), which were financed up to 85% by the European Social Fund through the project "Better Implementation of Environmental Management in the Public Sector".[32]

Additional human resources will be allocated once the monitoring system goes online in order to conduct training seminars on GPP and the new platform developments.

Furthermore, the adaptation of the EU's GPP criteria involved human resources from the Ministry of the Environment and expenditure of an additional EUR 10,000 on experts for the adaptation of the criteria of four specific product groups (construction, transport, textiles and cleaning products). As the development is currently on hold, adaptation of the rest of the criteria is also on hold.

32 http://www.envir.ee/en/improving-environmentally-sound-public-procurements

Key take-aways

The main lessons that shaped the new way of introducing GPP criteria and monitoring these criteria are:

- It is important to include the monitoring system in a platform that is already used by procurers and to integrate it in such a way that data tracking automatically occurs during each tendering process without the need to respond to additional monitoring questions, in order to reduce administrative burdens.
- It is desirable to introduce GPP criteria at an early stage of the process (in the definition of the tender specifications) and not at the end (in the announcement once the tenders have already been developed) in order to foster GPP.
- There is a need to provide a clear definition of what GPP is, so as to obtain more accurate statistics. This can be done by providing the adapted EU GPP criteria directly in the platofrm as example criteria.
- It is possibile to automatically add those environmental criteria or develop one's own green criteria, and to distinguish between them. These criteria can be used subsequently to review the GPP criteria based on which ones are used more or less (e.g. in order to focus support activities and identify levels of stringency).

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Case Study 5:

Monitoring Sustainable Public Procurement in Switzerland through the Government's e-Tendering Platform

2 Procurements with sustainability criteria

Region: Europe, Switzerland

Promoter: Swiss Federal Government, Federal Office for Buildings and Logistics

Targeted public administrations: The Federal Government's centralised procurement organisations (there are four, but only three report)

Enforcement: Mandatory

Background

The commitment of the Swiss Federal Government to promote sustainable public procurement (SPP) can be traced back to 1996 when the Federal Public Procurement law came into force. This law included acknowledgement of the importance of evaluating bids based on the most advantageous offer, social contract clauses, and the possibility to consider environmental criteria in the awarding phase. Since 1996, several strategic plans have included commitments to SPP. The most recent is the Sustainable Development Strategy 2012-2015. This Strategy pursues, in its fourth measure, increasing economic productivity while decoupling from resource and energy use; aligning consumption with sustainable development; and reinforcing the Federal Government in continuing to demand products, services and construction works that satisfy high economic, social and environmental requirements throughout their life cycles.

To move further in that direction, in 2013 the Government approved the revised Ordinance on the organisation of public procurement in the Federal Administration,[33] whose objective is to guarantee the economic efficiency, legality and sustainability of federal procurement. One of the main developments of the Ordinance is the importance it gives to controlling and monitoring whether federal procurement complies with the Ordinance's objectives, which requires, among others, collection of data on the uptake of economic, environmental and social criteria when awarding contracts.

In addition, since 2002 the Swiss public sector has an on-line information system for public procurement in Switzerland called SIMAP (www.simap.ch).[34] SIMAP is an electronic platform shared by the Federal Government, regional governments (cantons) and municipalities (communes), where tendering processes in the country are announced and bidders can search for tenders, access tender documents and ask the contracting authority questions. For contracts above World Trade Organization (WTO) thresholds, public authorities must also publish the award announcement on the platform.

Sustainable procurement commitments and/or targets

As indicated above, the Federal Government has made an overall commitment to promote sustainability in its procurement processes but it has not set any quantitative target so far.

Monitoring system

To comply with the Federal Ordinance and monitor the inclusion of sustainability criteria in purchases made by the Federal Government's centralised procurement organisations, an internal working group, led by the Federal Office for the Environment (FOEN), studied the different characteristics that the monitoring system should have in order to minimise additional burdens on the procurer and obtain meaningful results.

The solution was to integrate the monitoring system in the SIMAP electronic platform, given that all federal procurement entities were already familiar with it

33 172.056.15 Ordonnance du 24 octobre 2012 sur l'organisation des marchés publics de l'administration fédérale. (Org-OMP). Retrieved on July 18, 2014 from: http://www.admin.ch/opc/fr/classified-compilation/20120667/index.html

34 SIMAP (Système d'Information sur les Marchés Public) stands for Information System on Public Procurement in Switzerland.

(using it to publish their calls for tenders), and that some statistical data was already gathered for those tenders above WTO thresholds.

Since July 2014 the system is **monitoring the inclusion of sustainability criteria in awarded contracts** (winning bids or offers) for those contracts above WTO thresholds for which an award announcement has to be published in SIMAP.

In the first phase, the system is programmed to monitor SPP for a **set of pilot product groups**[35] that cover products, services and works and have been selected due to the existence of federal SPP recommendations for them and/or for their relevance in terms of federal expenditure and sustainability impacts.

Data gathering takes place simultaneously with the publication of the award announcement. When the procurement unit is one of those responsible for the pilot product groups (centralised procurement agencies) and the product code corresponds to one of the pilot groups (on the basis of the Common Procurement Vocabulary of the European Union[36]) – all of which is information that must be provided before each call for tenders – procurers receive an alert reminding them that, at a later stage, a questionnaire on SPP will have to be filled in before the award announcement can be published on SIMAP (the announcement is to be published within 30 days after awarding the contract). At that time the platform prompts a SPP monitoring questionnaire (one for goods and services and another for buildings and civil engineering) that must be completed for the award announcement to be published on-line. The questionnaires are not available to the public, but are only for internal monitoring.

The questionnaire includes questions about the consideration of total costs of ownership; requirements for equal remuneration of men and women, working conditions, occupational safety, and respect of International Labour Organization (ILO) conventions; inclusion of environmental specifications, which criteria are used, and their weight in the awarding phase; types of accreditation documents provided for the social and environmental criteria; and the promotion of innovative technologies through the tender.

The **indicators** calculated will be:

- volume of tenders (in economic value) that include sustainability criteria;
- volume of contracts/awarded bids (in number) that show evidence of compliance with the environmental specifications through a label or standard;
- volume of contracts/awarded bids (in number) showing evidence of compliance with the eight core ILO conventions either by a positive audit or an SA-8000 certificate;
- usefulness of the different support services and criteria recommendations on SPP provided by the government.

All data gathered will be centrally treated in order to report to the Federal Council for the first time in 2016. The two central procurement entities that have administration rights on the SIMAP platform will be in charge of consolidating the gathered data. Reporting from 2016 onwards will be on an annual basis.

Human and economic resources

Implementation of the changes in the SIMAP platform has required approximately 70,000 US dollars (USD 70,000) and in-house human resources.

35 The designated product groups are: paper products, IT equipment, textiles, vehicles, furniture, all-purpose cleaners and cleaning services (for which SPP recommendations exist), as well as building construction and civil engineering.

36 The common procurement vocabulary establishes a single classification system for public procurement aimed at standardising the references used by contracting authorities and entities to describe the subject of procurement contracts. More information here: http://simap.ted.europa.eu/cpv

Key take-aways

The main success factors when designing and implementing the SPP monitoring system are:

- The integration of monitoring in the awarding process of each tender allows the collection of relevant data in a routine manner, reducing the monitoring burden.
- The obligation to fill in the reporting questionnaires before being able to finalise the procurement process (i.e. the publication of the award announcement) ensures the gathering of all monitoring data, making data reporting compulsory.

The limitations or challenges are:

- The monitoring system only gathers data for a fraction of all purchases (only contracts above WTO thresholds).
- The monitoring system (data collection) does not allow evaluation of how sustainable the awarded product/service is. It only allows reporting on the minimum sustainability criteria it meets that are set in the technical specifications.

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Case Study 6:
Monitoring Green Public Procurement in the United States Federal Government

1 SPP institutionalisation

2 Procurements with sustainability criteria

Region: North America, United States of America

Promoter: Office of Management and Budget (OMB)/Council on Environmental Quality (CEQ) in the Executive Office of the President (EOP)

Targeted public administrations: All Federal Government departments and agencies

Enforcement: Mandatory for the 25 largest agencies; Voluntary for another 20-30 smaller agencies

Background

The United States Federal Government occupies nearly 500,000 buildings, operates more than 600,000 vehicles, employs more than 1.8 million civilians, and purchases more than 450 billion US dollars (USD 450 billion) per year in goods and services.[37] For procurements, the Federal Government has established mandates for socio-economic[38] and environmental goals. This case study focuses on efforts to monitor green procurement, given that the monitoring approaches are not integrated into a single system.

Green purchasing/sustainable acquisition in the Federal Government dates to 1976, with the passage of the first law establishing a preference programme for recycled products.[39] Since then, several statutory mandates from Congress, Executive Orders by the President of the United States, and implementation guidance have been published to help agencies understand and meet the wide array of green purchasing mandates.[40] The mandates define different environmental attributes in order to define what is considered "green".

Three agencies have the lead in designating products and providing purchasing recommendations to the other agencies: the United States (US) Environmental Protection Agency, the US Department of Energy and the US Department of Agriculture. These three agencies have designated more than 300 products.[41] (Visit www.sftool.gov/greenprocurement for the full list and the recommendations.)

All of the sustainability mandates have also been incorporated into the Federal Acquisition Regulation, which covers all procurement requirements for federal purchases (through competitive and non-competitive procedures). Moreover, the Federal Government has been emphasising GPP monitoring and reporting since the early 1990s, reporting to the US Congress every two years (biennially) on results.

37 http://usaspending.gov/

38 More information on the socio-economic goals can be found at:
- Small business set-asides: https://www.sba.gov/content/small-business-goaling
- Severely handicapped individuals, mandatory sources: http://www.abilityone.gov/laws,_regulations_and_policy/far.html
- Women, Native Americans, other minorities and veterans owned business set-asides: https://www.sba.gov/content/small-business-goaling
- Avoiding human trafficking: http://www.whitehouse.gov/the-press-office/2012/09/25/executive-order-strengthening-protections-against-trafficking-persons-fe
- Buy American Act: https://www.acquisition.gov/?q=/browse/far/25

39 Resource Conservation and Recovery Act (RCRA).

40 Some include: Clean Air Act Amendments (1990); Energy Policy Act (1992 and 2005); Executive Order 13101 – Greening the Government Through Waste Prevention, Recycling, and Federal Acquisition (1998); Executive Order 13423 – Strengthening Federal Environmental, Energy, and Transportation Management (2007); and Executive Order 13514 – Federal Leadership in Environmental, Energy, and Economic Performance (2009) (described in this case study).

41 The products correspond to these ten categories: Design and/or Construction Operations and Maintenance; Janitorial Products/Services; Office Supplies; Furniture; Cafeteriaware/ Services; Fleet Management; Hospitality: Uniforms/ Bedding/ Linens; Meetings and Conference Services; and IT Equipment.

Regarding procurement, agencies can purchase products and services in three ways: by issuing a call for tenders and purchasing orders themselves or by using the government purchase cards;[42] through procurement platforms such as the General Services Administration's GSA Advantage or the Defense Logistics Agency's Emall, where pre-selected products are already available (there is an electronic products catalogue); or by issuing calls against established framework contracts such as GSA's multiple award schedule contracts.

Sustainable procurement commitments and/or targets

Previously, the general GPP commitment was to purchase green products either directly or as part of service contracts. Starting in 2010, the 2009 Executive Order (EO) 13514 on Federal Leadership in Environmental, Energy and Economic Performance has replaced earlier GPP commitments and introduced a shift from products to contracts.

The new overall GPP target for the Federal Government is:

- 95% of new contract actions for supplies or services should use products that are energy-efficient (Energy Star or Federal Energy Management Program designated), water-efficient, bio-based, environmentally preferable (e.g. Electronic Product Environmental Assessment Tool [EPEAT] certified), not ozone-depleting, less or non-toxic, and/or with recycled content.

The Executive Order mentioned above sets other targets on energy and water efficiency, reduction of carbon dioxide (CO_2) emissions and reduction of fleet petroleum use when they are affected by procurement decisions and actions, but these are not GPP commitments or targets per se.

Furthermore, each agency must develop, implement and annually update an integrated Strategic Sustainability Performance Plan in order to achive the goals and targets established in that Executive Order.[43]

Monitoring system

United States federal agency compliance is monitored through a variety of mechanisms.

As already indicated, compliance with the sustainable acquisition goal ultimately contributes to achieving the United States Government's goal to reduce greenhouse gas (GHG) emissions, contributes to energy and water efficiency, reduces the Government's petroleum use, and creates and supports markets for recovered and bio-based materials. However, those goals are monitored separately.

Regarding GPP, the monitoring and evaluation system focuses on:

1. GPP institutionalisation based on overall plan development; and
2. contracts issued with environmental criteria.

Monitoring GPP institutionalisation

To monitor GPP institutionalisation, the approaches used have changed over the years.

In the beginning agencies had to answer a standardised questionnaire and describe with narrative answers and explanations the scope and quality of their GPP plans (content and scope of the plans, goals set, training given to procurement staff, auditing and review processes in place, integration of GPP into facilities' environmental management systems). Metrics on the actual procurement of green products were also required (see below).

From 2006 until 2010, GPP institutionalisation was tracked using three scorecards (one specifically with GPP questions) prepared by the Office of Management and Budget (OMB) and the Executive Office of the President (EOP). These scorecards were used to assess and benchmark agencies' performance and progress. They also included metrics on green procurements. Departments were required to complete the scorecards and send them to the OMB twice a year (biannually), reporting achievements and corrective actions planned for the following six-month period to address the barriers and underlying conditions for non-compliance (Figure 20, next page).

Since 2010, in order to monitor and assess agencies' institutionalisation of GPP, the agencies submit to the

42 More information on the government cards here: https://smartpay.gsa.gov/

43 The agencies' individual sustainability plans can be accessed on the following webpage, section "Develop Agency Sustainability Plans": http://archive-sustainability.performance.gov/

Figure 20. Example of an Environmental Stewardship Scorecard, including GPP requirements

ENVIRONMENTAL STEWARDSHIP SCORECARD
Department of Energy

	CURRENT STATUS (As of January 1, 2009)[1]		PROGRESS		COMMENTS
ENVIRON-MENTAL STEWARDSHIP **Senior Official:** Cathy Zoi, Assistant Secretary, Energy Efficiency and Renewable Energy **Lead EOP Analysts:** Cyndi Vallina and Dana Arnold	 Green ↑	• EMS report card : _X_ ≥80% green & ≤5% red on EMS metrics (G) __ <10% red on EMS metrics (Y) • Green purchasing: _X_ Agency has affirmative procurement program (APP) for all green products and services, demonstrates & monitors compliance, develops corrective actions if applicable, and conducts training (G) __ Agency has APP and representative acquisitions for all covered areas (Y) • Sustainable design/green bldgs[2]: _X_ Implements Guiding Principles and on track to meet the 15% goal by 2015 (G) __ Implements Guiding Principles on all *new* building projects & leased space (Y) • Electronic stewardship (ES): _X_ Acquires ≥ 95% EPEAT-registered electronics; enables Energy Star features; extends life & uses sound disposition practices (G) __ Has ES plan & on track to implement goal by 2010 (Y)	 Green	Actions taken since January 1. 2009: • Fully declared 43 of 47 DOE facilities conformant to OFEE Clarification of Declaration of Conformance Requirements. • Supported & expanded EMS assistance to facilities. • Purchased 27 designated BioPreferred products, performed procurement self-assessment for approximately 1/3 of the contracting activities, & provided green purchasing training sessions to 3 sites & at 2 workshops. • Implemented SBIP milestones; continued assessing & validating buildings meeting SB Guiding Principles. • Implemented ES plan milestones. Planned actions for next six months: • Expand EMS & green product training & tech. assistance. • Submit EMS Guides for formal review & publication in Directives System. • Provide continuous learning/continuing education credits for procurement professionals. • Provide 10 contract examples containing green requirements • Update SBIP & implement SBIP targeted milestones by 12/09. • Accurately report FRPP data element #25 by 12/15/09 & provide by 12/09 a planned schedule & milestones for meeting 15% goal by 2015. • Implement targeted ES plan milestones by 12/09; continue with plug-in until R2 stood up. • Complete FY09 ES reporting requirements	• DOE Status remains Green as only Progress is assessed in July. • DOE Progress remains Green as substantially all planned actions were completed for the last six months. • To remain Green on Progress, DOE needs to complete all planned actions for the next six months. FY 2009 Summary Results: • Issued DOE Acquisition Letter AL-2009-08 to ensure that all contracts with ARRA-funded work performed at a DOE covered workplace contain sustainability requirements, including EMS objectives and targets. • Issued new Green Purchasing Contract Clauses as a separate "Section H" for A-E contracts; construction contracts; janitorial service contracts; computer contracts; & service contracts. Clauses alert contractors that products provided to DOE under these contracts are to be "green." • Replaced >12,000 computers with "Thin Client" computing stations, reducing associated energy usage by 35-40%, doubling the life-span of the equipment, and significantly reducing M&O needs. • Requested that GSA specify LEED Gold for new facilities and set preference for LEED Gold for existing space.

Note: The full questionnaire and scorecard are included in the DoE case study presented in the SEAD Guide for Monitoring and Evaluating Green Public Procurement Programs (SEAD, 2013). See: http://www.superefficient.org/Activities/Procurement/~/media/Files/SEAD_GPP_ME_Guide_final.pdf

OMB their annual Strategic Sustainability Performance Plan, which identifies the actions and goals they plan to achieve in the coming year. The OMB directly reviews these Plans and assesses the level of commitment to GPP, among other subjects.

Monitoring actual green procurement

At the beginning agencies had to report on the amount of green products purchased (in units). In a first stage, purchasing data was required for eight designated products (with recycled content as an environmental characteristic) and EPEAT-registered office information technology (IT) equipment. For other products only qualitative information on how the agency promoted these products' acquisition was required. This reporting was done through a standardised questionnaire.

With the introduction of the first set of scorecards, agencies reported procurement data using two instruments. On the scorecard only purchases of EPEAT-registered office IT equipment were reported and assessed. For all designated products (including those which were EPEAT-registered) agencies had to provide data on green products purchased through the Federal Procurement Data System (FPDS).

The FPDS is a database where agencies had to input their purchases of green products. Additionally, central procurement services (such as GSA Advantage or the Defence Logistics Agency's Emall) input purchases of green products through their systems to obtain the overall picture for each agency. During that period (i.e. before Executive Order 13514 went into effect in 2010), many agencies focused on improving the quality

of green acquisition data submitted to the FPDS, as they might have included the requirements in contracts but did not have mechanisms in place to accurately track the required data. (In the Department of Energy (DoE) case study presented in the 2013 SEAD Guide for Monitoring and Evaluating Green Public Procurement Programs the approach used by the DoE to track data from multiple facilities is explained).

Since Executive Order 13514 went into effect, agencies no longer report on the amounts of purchased products but on acquisitions and contracts awarded that include green criteria. They are required to conduct quarterly reviews of at least 5% of all acquisitions and contracts awarded during the previous quarter, and report on compliance with the sustainable acquisition goals. Selection of the 5% is made by each agency based on its particular areas of emphasis. This information is reported to the OMB and the Council on Environmental Quality (CEQ) using the general sustainability scorecard. If agencies fall below the 95% compliance rate, agencies have to identify actions they will take during the following six-month period to address the situation (as in the case of monitoring of GPP institutionalisation).

Furthermore, FPDS was modified to be able to track the sustainability requirements included in contracts. FPDS data is currently being used as backup for checking compliance, but once the quality of data improves, it may become the main reporting tool for biannual assessments through the public scorecard process.

Publication of results

At the federal level, both the Strategic Sustainability Performance Plans and scorecards are made publicly available on the Government's website (http://archive-sustainability.performance.gov/).

The OMB evaluates the current status and progress of each department based on actions reported on the scorecards and uses a "traffic light" scoring system (Figure 21) to distinguish performance in implementing the requirements according to a set of parameters.

Figure 21. Traffic light indicator to evaluate status and progress on the scorecards

Green	Success
Yellow	Mixed results
Red	Unsatisfactory

The latest scorecards do not include the GPP target and progress towards this target. Previous scorecards did include them, as shown in Figure 20.

Incentives to promote implementation and reporting

Apart from making achievements publicly available in the form of scorecards to promote implementation, since the 1990s Presidential awards have been given to federal personnel, agency teams, projects, facilities and programmes that exemplify leadership in the pursuit of the goals Executive Order 13541 was intended to achieve, including green procurement goals.

Human and economic resources

The process for information gathering and reporting by each agency varies, as some agencies are larger than others and may manage different numbers of sites. Senior Sustainability Officers within individual agencies determine their own needs and provide the resources and staffing for their agency-level sustainable acquisition programmes. Therefore, no estimates can be provided for the whole Federal Government.

At centralised level, the OMB in cooperation with other agencies reviews the scorecards and the Strategic Sustainability Performance Plans. Even though it is difficult to estimate the amount of resources used for the review, one person at OMB invests about 10-20% of her overall workload in reviewing all scorecards every six months and all plans annually. At least 25-30 other people review a specific agency plan and scorecard assessment annually as part of their duties.

Summary of results

Scorecard results on green acquisition are not made public, but are reported by agencies to the OMB. For the other targets, the scorecards are published here: http://sustainability.performance.gov/.

Key take-aways

Some of the key lessons from the GPP monitoring system's evolution within the United States Federal Government are:

- When monitoring actual purchases of green products, it is very important to be aware of the mechanisms in place that will allow each agency to track the relevant data, especially when:
  - » there is not a single, unified green purchasing law or a unified procurement system. In this context, and with hundreds of thousands of buying points across multiple agencies, it is very difficult for Federal Government agencies to obtain accurate information and track which green products they purchase;
  - » many items are purchased as part of services contracts, where product-level data is not usually tracked. This makes tracking and reporting even more difficult.
- If freedom is given on what to monitor (regarding the evaluation of at least 5% of contract actions), general guidelines have to be provided to make sure that information is relevant.
- Scorecards are simple tools to monitor and communicate whether individual agencies are staying on track toward achieving the overarching government-wide goals, and how much progress the agencies are making toward achieving the activities and milestones identified in their annual plans or prescribed by the OMB and the CEQ for all agencies.
- The Federal Government is developing new and improved ways to integrate green products into acquisition systems. Some agencies have found innovative ways to lead. For example, in addition to reporting per the goals and mandates of Executive Order 13514, the Department of Energy's GreenBuy Program provides DoE sites with additional recognition for reporting on purchases of specific "priority products" (for more information, see the 2013 DoE case study referred to above).

Further reading

- "Green Procurement: Overview and Issues for Congress." This 2010 report addresses several key policy questions surrounding green procurement, especially for federal acquisitions. http://www.epa.gov/epp/draftGuidelines/CRSR41197.pdf
- "Environmental Considerations in Federal Procurement: An Overview of the Legal Authorities and Their Implementation." This 2013 report analyses federal legal authorities and other policy questions with respect to environmental considerations in federal procurement. https://www.fas.org/sgp/crs/misc/R41297.pdf
- "Executive Order 13514 – Federal Leadership in Environmental, Energy and Economic Performance." This Executive Order requires agencies to measure, manage and reduce greenhouse gas emissions and other types of environmental impacts to meet agency-defined targets. It describes a process by which agency goals should be set and reported. https://www.whitehouse.gov/assets/documents/2009fedleader_eo_rel.pdf
- GreenGov Presidential awards. http://www.whitehouse.gov/greengov/presidential-awards

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Case Study 7:
Monitoring Purchases from Micro and Small Enterprises in the Government of India

1 SPP institutionalisation

2 Procurements with sustainability criteria

Region: Asia, India

Promoter: Government of India

Targeted public administrations: Central government ministries, departments and Central Public Sector Undertakings (CPSUs)

Enforcement: Mandatory

Background

In 2006, the Ministry of Micro, Small and Medium Enterprises (Ministry of MSME) approved the Micro, Small and Medium Enterprises Development Act, Nº 27 of 2006, in order to facilitate the promotion, development and competitiveness of micro, small and medium enterprises.

In March 2012, based on the powers conferred in the Act, the Ministry issued Order S.O. 581 (E), entitled "Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012", defining the policy regarding the procurement of goods and services produced and/or provided by MSEs by all India government ministries, departments and Central Public Sector Undertakings (CPSUs)[44].

The Policy sets an overall target for public procurement from MSEs (see below) and envisages certain benefits/ preferential treatment for MSEs to enhance their participation in government procurement. Some of the measures include access to tender documents free of cost to MSEs registered in designated organisations,[45] the provision of preferential treatment in the evaluation of economic offers from MSEs in tendering processes, and the reservation for exclusive purchase from MSEs of more than 350 designated items (a list of these items is annexed to the Order).

Sustainable procurement commitments and/or targets

The target set in the Policy is that all central government ministries, departments and CPSUs shall purchase a minimum of 20% of their annual value of products and services from MSEs – either directly or through sub-contracts – by 2015-16,[46] with 20% of this amount (i.e. 4% overall) to come from MSEs owned by Scheduled Castes or Scheduled Tribes (SC/ST).[47]

To reach this objective, each targeted organisation shall set an annual target of procurement from MSEs from financial year 2012-13 onwards until the overall 20% by 2015-16, when the objective will become mandatory. Furthermore, Annual Plans for

44 In India, the government-owned corporations are referred to as Public Sector Undertakings (PSUs) and can be classified as Public Sector Enterprises, Central Public Sector Enterprises and Public Sector Banks. Source: Government of India (2012). Public Sector Undertakings in India. Retrieved June 2, 2014 from: http://www.archive.india.gov.in/spotlight/spotlight_archive.php?id=78

45 To have access to the benefits, MSEs must be registered in one of the organisations specified by the Ministry of MSME as capable to register and/or approve micro and small enterprises, namely: District Industries Centers, Khadi and Village Industries Commission and Board, Coir Board, National Small Industries Corporations, Directorate of Handicraft and Handloom, and any other body specified by the Ministry of MSME.

46 http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/public_050712.pdf

47 Scheduled Castes or Scheduled Tribes (SC/ST) are social groups that have been traditionally disadvantaged, and for which the Constitution of India foresees special care to promote their educational and economic interests and to protect them from social injustice and all forms of exploitation. Some of the provisions included in the Constitution guarantee political representation of SC/ST in the representative chambers at state and national level, or preferential treatment in access to public sector services and posts. For more information, see the Indian Constitution, retrieved on June 26, 2014 from: http://lawmin.nic.in/coi/coiason29july08.pdf

Procurement from MSEs shall be prepared and made available on the website of each targeted public administration so that MSEs may obtain advance information.

Reporting requirements

To strengthen the Policy all organisations are requested to include, in their Annual Reports, their targets for procurement from MSEs and their achievements in this respect. Moreover, on a yearly basis (at the end of each fiscal year) organisations have to report results to the Ministry of MSME. If they fail to meet their annual goals, they must justify that failure to the Review Committee set up by the Ministry.[48]

The monitoring system in the Ministry of Railways

In order to comply with the Policy set by the Ministry of MSME, each organisation is responsible for setting establishing own targets and monitoring systems. Therefore, in July 2012 the Ministry of Railways (also known as Indian Railways) issued a letter to its units[49] requesting them to incorporate into the Ministry's own regulations the requirements of the Policy. The letter provides guidelines for setting up the system that will allow extending the benefits foreseen in the Policy to eligible MSEs, as well as tracking the relevant data to monitor progress and, ultimately, compliance with the Government requirement of 20% of purchases from MSEs.

To make this as effective as possible, Indian Railways analysed how to better integrate **data tracking** into its existing electronic procurement solutions.

For the purchase of goods, the Ministry has in place the Indian Railways Electronic Procurement System (IREPS) (https://www.ireps.gov.in), through which the procurement of goods is conducted. To capture data on purchases to MSEs, the vendor registration module on IREPS was modified so that vendors could be categorised as MSEs and, within that category, as SC/ST whenever relevant.

To enter the system, it is compulsory for all new vendors registering on IREPS to input details and provide the appropriate documentation about their enterprise category (e.g. micro, small, medium, large, consortia of MSEs, joint venture), ownership category (such as SC/ST) and the approving agency (i.e. the agency nominated by the Ministry of MSME that can register/approve MSEs). Vendors already registered were invited to update their details.[50]The IREPS was reprogrammed so that only companies which had provided all relevant information could claim the benefits foreseen in the Policy for MSEs.

Since all information is centrally available in the vendors' module on IREPS, each unit can simply extract a report regarding the value of the orders placed with MSEs to find out the value of procurement from MSEs during each period.

For works and services, as procedures are not carried out on the IREPS platform, data is not centrally tracked. Each unit has to set up its own mechanism for data tracking and collection. For this purpose, all units approving or registering vendors for contracts for works and services are requested to prepare vendor profiles and categorise them as in the IREPS. This was emphasised after the first annual reporting period, given that almost all units reported only on goods purchases through the IREPS.

The Policy also requires tracking indirect expenditure through sub-contracting. However, no real attempt to collect this data has been made so far as the information is not directly available to units. Some units have asked large vendors to provide this information, with little success so far.

To make sure all units within Indian Railways provide the same indicators, in July 2013 a letter was issued that specified the **set of indicators** to be provided. After the first reporting period some weaknesses were identified: no reporting by some units; the diversity of data reported by different units; and the reporting of incomplete data (only data for purchases, but none for works or services or from sub-contracts).

48 In March 2014 a review meeting to monitor policy progress was held by the Cabinet Secretary, the highest bureaucratic level in India. Explanations of non-compliance were requested and ministires, departments and Public Sector Undertakings (PSUs) were advised to put in place the appropriate measures and prepare for the mandatory commitment starting in 2015-16.

49 A total of 26 zonal railways and production units.

50 See informative note here: http://www.ireps.gov.in/ireps/upload/files/e17/epsadmin_doc/ImportantNoticeforVendorUsers06022014_1.pdf

As a corrective action in preparation for the second annual reporting period, the Railway Board issued in December 2013 another letter to improve data reporting and allow benchmarking of units at internal level. The set of indicators was further defined, with the final set being the following:

- total orders placed by each unit (in number and economic value);
- total orders placed with MSEs – in general and with SC/ST entrepreneurs only (in number and economic value);
- percentage of orders placed with MSEs – in general and with SC/ST entrepreneurs only – out of the total (in economic value);
- total number of MSE vendors approved/registered;
- confirmation of uploading annual MSE procurement plans on the designated website;
- number of cases of preferential orders placed with MSEs.

Furthermore, all units were reminded of the need to report on MSEs' expenditure in regard to works and services contracts.

The Railway Board requires all units to **report on a monthly basis**, alongside other key performance indicators, so that it can assess progress and will be able to apply corrective measures.[51] **At the end of the fiscal year** all indicators listed above have to be provided and data is aggregated and reported to the Ministry of MSME.

51 Furthermore, the progress made by railway units is discussed in quarterly meetings of the Controller of Stores Conference. For example, during the meeting held in December 2013 it was pointed out that most units still had not uploaded their annual MSEs procurement plans on their websites.

Table 9: Procurement from MSEs by Indian Railways

Procurement details	FY 2012-13	FY 2013-14
Total procurement (crore*)	36,026.09	37,823.46
Total procurement (excluding Railway Board and Directorate General for Supplies and Disposals [DGS&D]** (crore)	18,759.01	20,326.15
Total procurement from MSEs (crore)	2,101.18	2,482.55
Percentage from MSEs (%)	5.8%	6.6%
Percentage from MSEs [excluding Railway Board and DGS&D] (%)	11.2%	12.2%

* A crore equals 10 million Indian rupees [INR].
** Purchases from these departments of Indian Railways include items such as diesel fuel, steel, rolling stock, wheels and axles, for which no MSEs vendors are available on the Indian market.

Table 10: Total procurement from MSEs by the Government of India

Indicators	FY 2012-13	FY 2013-14***
Total procurement (crore*)	84,490.17	71,955.66
Total procurement from MSEs (crore and % over the total)	12,930.62 (15.3%)	10,997.65 (15.3%)
Total procurement from SC/ST owned MSEs (crore and % over the total)	419.93 (0.5%)	79.83 (11.0%)

*** Provisional data, as the monitoring has not been concluded yet.

Human and economic resources

Setting up the monitoring system has not required extensive resources and no external costs have been incurred.

The changes in IREPS were carried out internally by the Centre for Railway Information System (a unit within Indian Railways) with the dedication of about 50 person-days. To provide the monthly reports, each unit can easily extract the data automatically from IREPS with the dedication of less than ten minutes per month.

No estimate is provided for tracking data from works and services, as units did not report on that during the first reporting period.

Summary of results

From Indian Railways

Since the approval of the Policy in 2012, two monitoring reports have been produced, for financial years 2012-13 and 2013-14. So far, only overall data from MSEs is reported, without distinguishing purchases from SC/ST enterprises (Table 9).

These figures do not include procurement of works and services from MSEs, as data collection for such contracts is still a challenge, due also to initial confusion among purchasers on various issues, resulting in a delay in implementation by various units. Therefore, total actual procurement from MSEs may be more than actually reported by railways units.

To promote compliance, several zonal railways units have organised and/or participated in "meet-the-vendor" events to raise awareness on this issue.

For the whole government

At the Ministry of MSME data was required from all ministries, departments and CPSUs for the fiscal years 2012-13 and 2013-14. The monitoring for 2013-14 was still in progress.

Preliminary results for 2013-14 (Table 10) show good progress towards achieving the overall policy objectives for 2016.

Regarding other aspects of the Policy, seven vendor development programmes for SC/ST-owned MSEs were organised (until July 2013) in different locations in India, with the participation of 167 MSEs; and the Ministry of MSME is also planning to develop web-based software to facilitate government organisations – especially CPSUs – finding out about MSEs vendors for particular products and vice versa (i.e. MSE vendors will be able to find out which departments need their products).

Key take-aways

The factors that have contributed to the partial success of the monitoring system in Indian Railways are:

- There has been political support for the promotion of MSEs within Indian Railways (e.g. instructions were sent to all units and corrective measures were taken when challenges arose; monitoring was conducted monthly in order to be able to correct results).
- Mandatory reporting requirements and clear instructions have been provided to all units on what data to track and how to report the data. This is key to ensure consistent and comparable data, and was a lesson after the first reporting period.
- The elements for data tracking have been integrated within the existing e-procurement platform (IREPS) used by all units, making data gathering and reporting very efficient.
- The required technical and managerial capacity existed in-house to set up the data collection and monitoring system in IREPS, so that external support (with the associated costs) was not required.
- New vendors have had to provide all relevant data in order to be able to participate in the system and enjoy the benefits that accrue to MSEs vendors if they do provide all relevant information. This is a motivation to keep information on their status updated.

However, the system is not perfect. It faces some challenges or limitations:

- Procurement procedures exist outside IREPS (for works and services), which requires establishing specific mechanisms to track data by each individual purchasing unit. Lack of commitment by some units is slowing down the process.
- The Policy objective includes purchases through sub-contracts, but this information is not readily available to contracting units through the existing platforms. Units have difficulty tracking expenditure on sub-contracted MSEs and solutions to this problem have yet to be found and put in place.
- Given the purchasing needs of Indian Railways, it might be difficult to reach the overall objective set by the Ministry of MSME. MSEs vendors do not operate in some of the market sectors where Indian Railways makes large purchases (e.g. steel, rolling stock, wheels, axles, diesel, and other supplies for train manufacturing).
- At Government level, given that the target is still voluntary, there is a lack of general commitment by many ministries, departments and CPSUs. Greater efforts must be made to ensure that they implement the Policy, starting by ensuring that organisations define and publish annual plans for procurement from MSEs.
- Finally, as a general remark, policymakers should be aware that verifying the MSEs status of vendors in all tendering processes (in order for them to benefit from the provisions within the Policy) increases the overall procurement time, and that measures need to be implemented to facilitate SC/ST vendors' participation in public procurement.

Further reading

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- Ministry of Railways. Letter of 16.12.2013. Subject: Public Procurement Policy for goods produced and services rendered by Micro and Small Enterprises (MSEs) by Central Ministries/ Departments/Public Sector Undertakings (PSUs). Ref: Board's letter Nº 2010/RS(G)/363/1 date 5.7.2012 circulating the policy. http://www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/RS%20G/policy_MSEs2_161213.pdf

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Case Study 8:

Monitoring Job and Apprenticeship Creation for Social Inclusion through Procurement in South Australia

5 Direct Generation of Employment Opportunities

Region: Oceania, Australia

Promoter: Province of South Australia Government, Department of Planning, Transport and Infrastructure

Targeted public administrations: South Australia government agencies engaged in building and civil construction procurement

Enforcement: Voluntary/mandatory

Background

In December 2010 the Government of South Australia approved the Workforce Participation in Government Construction Procurement Policy to support several of its policies and strategies on social inclusion and job creation. The aim of the Policy is to improve social inclusion by increasing the workforce participation of certain target groups and to up-skill overall workforce. The Policy focuses on government building and civil construction contracts, given the big impact of such contracts on labour demand. The target groups of the Policy are Aboriginal people (as individuals and as company owners), trainees, apprentices and local people with barriers to employment.[52]

In order to ensure the required coordination between industry, current and potential employees, and relevant skills and employment programmes, the Policy appoints the Department of Planning, Transport and Infrastructure (DPTI) as policy administration and the Department of Further Education, Employment, Science and Technology as support in the implementation of the skills and workforce development aspects of the Policy.

52 According to the policy implementation guidelines: i) Aboriginal persons are those identified as Aboriginal and/or considered by members of their community (defined by law) as being Aboriginal; ii) Trainees or apprentices are those undertaking training in a trade or declared vocation under a training contract, as provided for in the Training and Skills Development Act of 2008; and iii) local persons with barriers to employment are those residing in South Australia who are unemployed at the beginning of the contract and also those that are registered in an official employment agency or disability employment network, are immigrants holding a general skilled migrant visa, or participate in a South Australia work programme.

Furthermore, in June 2011 Implementation Guidelines for Contractors and Contracting Agencies were published to assist with the deployment of the Policy. The guidelines provide clear definitions, step-by-step actions for better implementation, tender clauses to be included in the tendering documents, reporting requirements and provisions for the calculation of compliance, as well as information on support programmes and services for contractors to meet the targets.

Sustainable procurement commitments and/or targets

To achieve the objective, the policy sets an overall workforce participation and up-skilling target of:

- at least 15% of total estimated labour hours to be allocated to employment and up-skilling, with:
  - » up to 2% of the total on-site labour hours for the employment of Aboriginal people (the target can be higher in state regions with a higher than average Aboriginal working age population);
  - » a maximum of 4% of the total labour hours for up-skilling.

For construction or upgrade contracts for housing in Aboriginal communities under the Remote Indigenous Housing National Partnership Agreement, the requirement is for 20% of total on-site labour hours under the contract to be undertaken by

Aboriginal people. No other workforce participation targets apply.

The policy applies to all building and civil construction contracts valued at over 150,000 Australian dollars (AUD 150,000). It is to be conducted by any government agencies subject to the internal circular[53] that guides construction procurement in South Australia in line with the State Procurement Act 2004. Other agencies are also encouraged to implement the Policy.

Monitoring system

In order to implement the Policy and monitor compliance, three different implementation levels are defined in the policy with different reporting requirements:

- For contracts over AUD 150,000, bidders must include a formal statement of intent to work with the Government in meeting the 15% target.
- For Tier 1 contracts (between AUD 5 million and AUD 50 million, and of at least six months duration), awarded contractors must submit a Workforce Participation and Skills Development Plan before the begining of the contract with an estimate of on-site labour hours by target group and for up-skilling of staff engaged for the contract by either the contractor or its subcontractors.
- For Tier 2 contracts (over AUD 50 million and for a minimum of six months duration), awarded contractors must submit a Workforce Participation and Skills Development Strategy with the estimated hours by target group and for up-skilling together with an explanation of how those targets will be met.

Both the Workforce Participation and Skills Development Plans and Strategies are submitted through the **on-line forms** on the DPTI policy page[54] to ensure standardisation.

The estimated labour hours are to be calculated based on the procedures and coefficients provided in the guidelines to estimate on-site hours from the total contract budget. These values are the targets against which to monitor and report progress.

The **indicators** monitored are:

- actual target hours for the contract reached in total and by target group;
- percentage of total target hours reached in total and by target group.

Contractors r**eport on a quarterly basis and at the end of the contract** on performance using a **standardised reporting spreadsheet**. Contracting agencies have to produce performance summaries for their contracts (number of hours by target group and for up-skilling) in order for DPTI to be able to report, at internal level only, on across-government implementation.

Furthermore, the Policy foresees conducting independent audits in order to verify the accuracy of the data reported by contractors and results reports (especially for Tier 2 contracts) and making them available to other contracting agencies to assess bidders' capacity to comply with the policy target in future tenders. However, this is still being clarified and defined.

Human and economic resources

In order to set up the monitoring system, the Department of Further Education, Employment, Science and Technology was provided with about AUD 97,000, which included funding for other support tasks.

In regard to the human resources needed to follow up contracts, produce performance summaries and compile annual results, no estimates are available at the moment.

Summary of results

Results of the Policy's implementation across the government are not publicly available. However, in this section results from DPTI only are presented. They are extracts from internal reports by DPTI to the Minister for Transport and Infrastructure from September 2013 and February 2014.

53 Department of the Premier and Cabinet Circular PC 028, Construction Procurement Policy Project Implementation Process. http://dpc.sa.gov.au/sites/default/files/pubimages/Circulars/PC028_Construction_Procurement_Policy__Project_Implementation_Process.pdf

54 http://www.dpti.sa.gov.au/wpgcp/wpgcp_strategy_form and http://www.dpti.sa.gov.au/wpgcp/wpgcp_plan_form

Table 11. Workforce participation rates across DPTI major building and civil construction projects (September 2013)

Project	Aboriginal employment	Apprentices, trainees, cadets	Local people with barriers to employment	Up-skilling	Workforce participation rate (total)
Seaford Rail Extension	3.9%	5.9%	8.1%	1.0%	18.9%
Wallara School Redevelopment	3.8%	6.2%	2.9%	3.7%	16.6%
Southern Expressway Duplication	3.9%	6.2%	20.7%	2.0%	32.9%
Electrification Major Works	2.1%	40.6%	0.0%	1.3%	44.0%
Sustainable Industries Education Centre	1.0%	18.0%	4.0%	4.0%	27.0%
Adelaide Oval Development	1.0%	12.0%	3.0%	3.0%	19.0%
Average	**2.6%**	**14.8%**	**6.5%**	**2.5%**	**26.4%**

Table 12. Workforce participation rates across DPTI major building and civil construction projects (February 2014)

Project	Aboriginal employment	Apprentices, trainees, cadets	Local people with barriers to employment	Up-skilling	Workforce participation rate (total)
Active project*					
Southern Expressway Duplication	4.0%	7.0%	18.0%	2.0%	32.0%
Electrification Major Works	2.4%	21.4%	17.7%	0.9%	42.4%
Pavement Marking of Roads in SA	9.1%	0.0%	0.0%	0.0%	9.1%
Mt Gambier Hospital Redevelopment	3.7%	17.1%	5.7%	0.9%	27.4%
Adelaide Ova Redevelopment	2.0%	9.0%	4.0%	2.0%	18.0%
Tonsley Park	2.0%	8.0%	11.0%	3.0%	23.0%
South Road Superway	2.3%	2.8%	6.0%	4.0%	15.2%
Completed projects					
Seaford	3.4%	5,9%	7.9%	0.9%	18.1%
McLaren Vale Overpass	0.0%	0,0%	6.0%	5.7%	11.7%
Average	**3.2%**	**7.9%**	**8.5%**	**2.2%**	**21.9%**

* The figures are monthly averages over the life of the project, provided as of January 2014.

Key take-aways

The main lessons from the implementation of this policy monitoring system are the following:

- In regard to this kind of policies and approaches, it is important to work in coordination with the departments or agencies in charge of employment (in this case the Department of Further Education, Employment, Science and Technology).
- It is key to establish clear definitions and calculation methodologies and to provide awareness-raising and training on procedures and monitioring requirements, in order to ensure that companies define realistic plans and provide accurate information.
- It is important to provide standardised templates for submission of the Workforce Participation and Skills Develoment Plans and Strategies and to report monitored data, in order to facilitate data collection, treatment and evaluation.
- Linking the commitment to define a Workforce Participation and Skills Development Plan in small construction contracts, as well as accuracy and performance in Tier 1 and 2 contracts, to the evaluation of the contractors' capacity in regard to future contracts provides incentives to contractors.
- Given the success of the policy on large construction projects, the State Government is considering creating a new category of target group under the policy for displaced automotive industry workers and increasing the target to 20% for construction contracts above AUD 100 million.[55]

55 In the document "13. Our Jobs Plan. Building a Stronger South Australia. Government of South Australia" the Government has initiated this action, together with other employment measures, in response to the announcement by General Motors Holden that it will close its Australian car manufacturing in 2017.

Further reading

All the information about the policy, implementation guidelines, workforce participation plans to be completed by Tier 1 and 2 projects and quarterly reporting spreadsheets can be found on the Workforce Participation in Government Construction Procurement website:

- http://www.dpti.sa.gov.au/wpgcp

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Annex I: Literature Review – SPP Monitoring Systems

To make information on SPP monitoring systems more widely available, the WG2A conducted a literature review and compiled available references on this subject.

The research built on previous work completed for the SEAD Initiative (SEAD, 2013). It was expanded with additional references, especially on monitoring socially responsible and sustainable public procurement, given that the focus of the SEAD's literature review was on green public procurement.

The literature review was conducted between November 2013 and March 2014 through desktop research and input from a wide outreach action via several sustainable procurement mailing lists and forums, including the work group on monitoring GPP of the European Commission.

Each reference has been listed with the following elements:

- geographic region;
- year;
- reference;
- document type: study, methodology, regulation, results report, article, case study;
- focus: environment, socially responsible or sustainable public procurement;
- monitored aspects, based on the mapping of existing approaches (Annex II):

  1 SPP institutionalisation

  2 Procurements with sustainability criteria

  3 Sustainable products, services, or works purchased

  4 Contract or purchase with/from preferred companies

  5 Direct generation of employment opportunities

- Link to the document

Geographic region	Year	Reference	Type of document
International	2014	UNOPS (2014). 2013 Annual Statistical Report on United Nations Procurement. UNOPS.	Results report
International	2013	Ecoinstitut (2013). SEAD Guide for Monitoring and Evaluating Green Public Procurement Programs. SEAD Initiative Procurement Working Group.	Study/methodology
International	2013	O'Rourke, A., Leire, Ch. & Bowder, T. (2013). Sustainable Public Procurement: A Global Review Final Report. United Nations Environment Programme.	Results report
International	2013	Amphos (2013). Green Public Procurement in the Asia Pacific Region: Challenges and Opportunities for Green Growth and Trade. APEC Committee on Trade and Investment.	Results report
International	2010	Singh, J. et. al. (2010). Public Procurement of Energy Efficiency Services. Lessons from International Experience. The World Bank.	Study
International	n.d.	Swiss Federal Office for the Environment (n.d.). Marrakesh Task Force on Sustainable Procurement Status Assessment. Swiss Federal Office for the Environment.	Study/methodology
European Union	2012	Renda, A. et. al. (2012). The uptake of Green Public Procurement in the EU27. European Union.	Results report
European Union	2008	PriceWaterhouseCoopers, Significant, Ecofys (2008). Collection of statistical information on Green Public Procurement in the EU. Report on data collection results. PriceWaterhouseCoopers.	Results report
European Union	2007	Brammer, S., Walker, H. (2007). Sustainable procurement practice in the public sector: An international comparative study. School of Management, Working Paper Series 2007.16. University of Bath, United Kingdom.	Article
European Union	2006	Bouwer, M. et. al. (2006) Green Public Procurement in Europe 2006 – Conclusions and recommendations. Virage Milieu & Management.	Results report
European Union	2005	Bouwer, M. et. al. (2005) Green Public Procurement in Europe 2005 – Status Overview. Virage Milieu & Management.	Results report
European Union	2003	Ochoa, A., Erdmenger, C. (2003). Study contract to survey the state of play of green public procurement in the European Union. Final Report. ICLEI.	Results report
Australia	2011	Yates, K. (2011). The State of Victorian Local Government Green Purchasing in 2009/10. An analysis of green purchasing by Victorian Local Governments under the ECO-Buy Local Government Program. ECO-Buy.	Results report

	Focus	Monitoring aspect	Link
	Sustainability	1 2	ungm.org/Areas/Public/Downloads/ASR_2013.pdf
	Environment	1 2 3	http://www.superefficient.org/Activities/Procurement/~/media/Files/SEAD_GPP_ME_Guide_final.pdf
	Sustainability	1	www.unep.org/resourceefficiency/Portals/24147/SPP_Full_Report_Dec2013_v2%20NEW%20%282%29.pdf
	Environment	1	publications.apec.org/publication-detail.php?pub_id=1426
	Environment	-	www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2010/01/04/000333037_20100104232226/Rendered/PDF/524560PUB0publ101Official0Use0Only1.pdf
	Sustainability	1	mtf.iclei-europe.org/about-the-assessment/
	Environment	1 2	ec.europa.eu/environment/gpp/pdf/CEPS-CoE-GPP%20MAIN%20REPORT.pdf
	Environment	1 2	ec.europa.eu/environment/gpp/pdf/statistical_information.pdf
	Environment	1	www.bath.ac.uk/management/research/pdf/2007-16.pdf
	Environment	1	ec.europa.eu/environment/gpp/pdf/take_5.pdf
	Environment	1 2	ec.europa.eu/environment/gpp/pdf/Stateofplaysurvey2005_en.pdf
	Environment	1	
	Environment	1 2 3	http://static1.squarespace.com/static/5212c4fae4b088f3b6718038/t/5248f034e4b03fcb7c65ae55/1380511796388/State_of_LG_GP_Report_10-11.pdf

Geographic region	Year	Reference	Type of document
Australia	2011	ECO-Buy Awards (2011). 2011 Winner: Cardinia Shire Council Tracking green purchases via its finance system. ECO-Buy.	Case study
Australia	2008	FRD No. 24C - Reporting of Office-based Environmental Data by Government Entities. State Government of Victoria. 2008.	Regulation
Australia	2004	Johnson, P. et al. (2004). The State of Green Procurement In Australia. Australian Environmental Labelling Association Inc.	Study
Brasil	2012	(2012). Governo Aumenta Aquisição de Produtos Sustentáveis (published 7 May 2012).	Results report
Canada	2013	Reeve Consulting (2013). The Annual Report on the State of Municipal Sustainable Procurement in Canada, Trends & Best Practices. The Municipal Collaboration for Sustainable Procurement.	Study
Canada	2013	Environment Canada (2013). The 2012 Progress Report of the Federal Sustainable Development Strategy. Minister of the Environment, Canada Government.	Results report
Canada	2010	Aboriginal Affairs and Northern Development Canada (2010). Procurement Strategy for Aboriginal Business – Federal Results Report – 2005-2009. Department of Aboriginal Affairs and Northern Development, Canada Government.	Results report
Chile	2012	Loyola, C. (2012, June) Compras sustentables en el Mercado Público. XVI Encuentro Empresarial, Valparaíso.	Results presentation
Costa Rica	2013	CEGESTI (2013). Estado de implementación de las compras públicas sustentables en Costa Rica. Ministerio de Hacienda y CEGESTI.	Results report
France	2013	Déléguée interministérielle au développement durable (2013). Bilan des Plans pour une Administration Exemplaire, Exercise 2011. Ministère de l'Écologie, du Développement durable, des Transports et du Logement, République Française.	Results report
France	2011	Maison de l'emploi de Paris (2011). Bilan 2010 et Perspectives 2011. ASR Ministeriels et mise en oeuvre des clauses sociales dans les marchés accompagnés par la Maison de l'Emploi de Paris. Services des Achats de l'Etat (SAE).	Results report
France	2010	Complément à la circulaire nº5451/SG du 11 mars 2010 relative au dispositive financier accompagnant la mise en oeuvre des plans administration exemplaire – indicateurs 2012 [nº5585/SG]. Le Première Ministre. République Française.	Regulation
France	2010	La Lettre de l'OEAP L'achat public durable en 2010. Edition spéciale nº22, Octobre 2011. Observatorire Economique de l'Achat Public – OEAP.	Results report

Focus	Monitoring aspect	Link
Environment	3	https://static1.squarespace.com/static/5212c4fae4b088f3b6718038/t/5241982ae4b09847f93fc7b4/1380030506050/Cardinia_Measurement.pdf
Environment	1 2 3	http://www.epa.vic.gov.au/about-us/environmental-performance/~/media/Files/projects/Docs/FRD24B-Enviro-Disclosures-final.pdf
Environment	-	
Environment	3	cpsustentaveis.planejamento.gov.br/?p=2243
Environment	-	reeveconsulting.files.wordpress.com/2011/05/2012-state-of-munic-sust-proc-canada.pdf
Environment	1 3	ec.gc.ca/Publications/CC4A6872-E0BE-4C90-A4AA-DD11320F10BF%5C2012_Progress_Report_of_the_FSDS.pdf
Socio-economic (sheltered companies)	4	www.aadnc-aandc.gc.ca/eng/1318423041968/1318423169288
Sustainability	2 3 4	
Sustainability	1	www.comprasresponsables.org/manuales.html
Sustainability	2 3	www.developpement-durable.gouv.fr/IMG/pdf/RAPPORT_PAE_2011.pdf
Socio-economic (employment)	5	
Sustainability	-	circulaires.legifrance.gouv.fr/pdf/2012/05/cir_35225.pdf
Environment	1	www.economie.gouv.fr/files/files/directions_services/daj/marches_publics/oeap/publications/lettre/2011/lettre-OEAP-N-special.pdf

Geographic region	Year	Reference	Type of document
France	2008	Complément à la circulaire nº5351/SG du 3 décembre 2008 relative à l'exemplarité de l'Etat au regard du développement durable dans le fonctionnement de ses services et de ses établissements publics – fonctionnement du dispositive financier accompagnant la mise en oeuvre des plans administration exemplaire [nº5451/SG]. Le Première Ministre. République Française.	Regulation
France	2008	Circulaire du 3 décembre 2008 relative à l'exemplarité de l'Etat au regard du développement durable dans le fonctionnement de ses services et de ses établissements publics [nº5351/SG]. Journal Officiel de la République Française (12 février 2009, Text 4 sur 135).	Regulation
France	2008	Eco Maires, ADEME (2008). Resultats de l'enquete « Collectivites et Commande Publique Durable ». Réseaux territoriaux Commande Public & Développement Durable.	Results report
Germany	2012	Bundesministerium für Wirtschaft und Technologie (BMWi) (2012) Allianz für eine nachhaltige Beschaffung. Bericht des Bundesministeriums für Wirtschaft und Technologie an den Chef des Bundeskanzleramtes, 24. Oktober 2011. BMWi.	Study
India	2012	Ministry of Railways (2012). Public Procurement Policy for goods produced and services rendered by Micro and Small Enterprises (MSEs) by Central Ministries/Departments/Public Sector Undertakings (PSUs). Government of India.	Regulation
Italy	2012	Del Gobbo, I. (2012).Stato d'attuazione degli acquisti verdi della Provincia di Roma [slide presentation]. Provincia di Roma.	Results report
Japan	2013	Ministry of the Environment (2013). Green on the purchase of local government. Questionnaire survey, result 2012. (only in Japanese)	Results report
Japan	2012	Ministry of the Environment (2012). Green Purchasing Procurement of institutions of the State for 2011. (only in Japanese)	Results report
Korea, Republic of	2013	Lee, H. (2013). Korea's Green Public Procurement & Lessons Learned. KEITI [slide presentation]. International SCP Conference 2013, 30 October-1 November 2013, Seoul.	Results presentation
Korea, Republic of	2013	(2013). PPS's roles in GPP for a change towards a green economy [slide presentation]. Regional Workshop on Green Public Procurement and Eco-Labeling, 1 May 2013, Phuket.	Results presentation
Netherlands	2009	PriceWaterhouseCoopers (2009). Monitor Duurzaam Inkopen 2008. Meting van het niveaux van duurzaam inkopen bij overheden. PriceWaterhouseCoopers.	Results report

	Focus	Monitoring aspect	Link
	Sustainability	-	www.developpement-durable.gouv.fr/IMG/pdf/cir_30729.pdf
	Sustainability	-	www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000020243534
	Environment	1	
	Environment	-	www.bmwi.de/DE/Mediathek/publikationen,did=467440.html
	Socio-economic (MiSMEs)	4	www.indianrailways.gov.in/railwayboard/uploads/directorate/stores/downloads/circular/public_050712.pdf
	Environment	2	www.pattodeisindaci.provincia.roma.it/moduli/downloadFile.php?file=oggetto_documenti/1232615234100__Oglt gpp-8novembre 2012sara.pdf
	Environment	1 3	www.env.go.jp/policy/hozen/green/g-law/archive/refe/result_of_qs12.pdf
	Environment	1 3	www.env.go.jp/policy/hozen/green/g-law/jisseki/reduce-effect_h23.pdf
	Environment	3	
	Environment	3	
	Environment	1 2	www.pianoo.nl/sites/default/files/documents/documents/monitorduurzaaminkopen2008.pdf

Geographic region	Year	Reference	Type of document
Netherlands	2008	Prenen, E. (2008, August) Green and Sustainable in the Netherlands: An Inconvenient Truth. 3rd International Public Procurement Conference Proccedings, 28-30 August 2008. IPPC.	Article
Spain	2013	Departament d'Empresa I Ocupació (2013) Balanç de les empreses d'inserció 2012. Departament d'Empresa I Ocupació, Generalitat de Catalunya.	Results report
Spain	2011	Ecoinstitut (2011). Definición de una nueva metodología de medición de la compra y contratación pública verde en 2010. Ihobe. (unpublished)	Study/methodology
Spain	2011	Ecoinstitut (2011). Monitor green public procurement in the Basque Country: changes in the methodology, conclusions of the new system and main results of its testing in the Basque Government. Ihobe. (unpublished)	Study/methodology
Spain	2011	Ministerio de Medio Ambiente y Medio Rural y Marino (2011). Informe general sobre el estado de la contratación pública verde. Gobierno de España.	Results report
Spain	2010	WWF (2010). Observatorio Ciudades por los bosques 7ª actualización. WWF.	Results report
Spain	2010	Ecoinstitut (2010). Testing the methodology of the European Commission to monitor Green Public Procurement in the Basque Country: Adaptations made and Main conclusions. Ihobe. (unpublished)	Methodology
Spain	2010	Ecoinstitut (2010). Medición de resultados de compra y contratación pública verde en la CAPV. Ihobe. (unpublished)	Results report
Spain	2010	Ajuntament de Barcelona (2010). Contractació Responsable Social i Ambiental - Balanc Municipal 2009-2010. Informe al Consell Plenari de l'Ajuntament de Barcelona, 17 de desembre de 2010. Ajuntament de Barcelona.	Results report
Spain	2010	Direcció General d'Igualtat d'Oportunitats en el Treball (2010). Balanç social de les empreses d'inserció. Informe quadriennal 2006-2009. Departament de Treball, Generalitat de Catalunya.	Results report
Sweden	2013	Swedish Environmental Protection Agency (2013). Green Public Procurement, A tool for achieving national environmental quality objectives. Report 6600, November 2013. Naturvårdsverket.	Results report
Sweden	2010	Naturvårdsverket (2010). Miljöanpassad offentlig upphandling. En fråga om att kunna, vilja och förstå. Rapport 6326, Januari 2010. Naturvårdsverket.	Results report
Sweden	2010	Naturvårdsverket (2010). Utvecklingen av miljökrav i den statliga ramavtalsupphandlingen. Rapport 6327, Januari 2010. Naturvårdsverket.	Results report

Focus	Monitoring aspect	Link
Environment	2	www.ippa.ws/IPPC3/Proceedings/Chaper%2032.pdf
Socio-economic (Sheltered companies)	4	feicat.cat/docs/BalancSocial2012.pdf
Environment	1 2 3	
Environment	1 2 3	
Environment	2 3	
Environment	1	awsassets.wwf.es/downloads/factsheetobservatorio_ciudades_por_los_bosques.pdf
Environment	1 2 3	
Environment	1 2 3	
Sustainability	2 4	www.ajsosteniblebcn.cat/balanc_contractacio_responsable_2009_2010_8658.pdf
Socio-economic (sheltered companies)	4	
Environment	1	http://www.naturvardsverket.se/Documents/publikationer6400/978-91-620-6600-0.pdf
Environment	1	www.naturvardsverket.se/Documents/publikationer/978-91-620-6326-9.pdf
Environment	2	www.naturvardsverket.se/Documents/publikationer/978-91-620-6327-6.pdf

Geographic region	Year	Reference	Type of document
Sweden	2009	MSR (2009). Green Procurement: Taking it to the next level. MSR.	Study
Switzerland	2014	Venanzoni, E. (2014). Monitoring SPP in Switzerland. Federal Office of the Environment, Swiss Confederation.	Methodology
Switzerland	2013	Solidar Suisse (2013). Rating Solidar des communes 2013, Les résultats [website]. Solidar Suisse.	Results report
Thailand	2013	Tippamongkol, J. (2013, August). Monitoring and Evaluation of GPP Phase I [slide presentation]. GPP Workshop, 28-29 August 2013, Bankok.	Results presentation
United Kingdom	2013	LRS Consultancy (2013). Mayor of London's Green Procurement Code. Progress Review 2012-13. Greater London Authority.	Results report
United Kingdom	2012	Greater London Authority (2012). Delivering Responsible Procurement. Greater London Authority.	Results report
United Kingdom	2011	DEFRA (2011). Greening Government Commitments: Operations and Procurement. DERFA.	Regulation
United Kingdom	2011	DEFRA (2011). Sustainable Procurement in Government: Guidance to the Flexible Framework. DEFRA.	Methodology
United Kingdom	2009	London Remade (2009). Mayor of London's green procurement code progress review. London Remade.	Results report
United States	2012	Responsible Purchasing Network (2012). North Dakota's Greener Paper Project Tracking Recycled Content in Paper Products. Benchmarking and Recommendations for The North Dakota State Procurement Office. Responsible Purchasing Network.	Results report
United States	2012	Citywide District (2012). Environmentally preferable procurement policy, report for fiscal year 2010-2011. City of San José.	Results report
United States	2011	Department of Executive Services Finance and Business Operations Division (2011). 2011 Environmental Purchasing Program Annual Report - Supplemental Detail. King County.	Results report
United States	2011	Executive Office of Energy and Environmental Affairs (2011). Fiscal Year 2010 Annual Report of the Environmental Purchasing Toxics Reduction Task Force. Commonwealth of Massachusetts.	Study
United States	2010	Responsible Purchasing Network (2010). Tracking and Reporting Responsible Purchasing – Webinar presentation slides. Responsible Purchasing Network.	Study/methodology

Focus	Monitoring aspect	Link
Sustainability	-	https://noharm-global.org/sites/default/files/documents-files/2639/Green%20Procurement%20-%20Taking%20it%20to%20the%20next%20level.pdf
Sustainability	2	
Socio-economic (Fair Trade/ILO)	1	
Environment	3	
Environment	1 2 3	www.lrsconsultancy.com/documents/Green%20Procurement%20Code%20Progress%20Review%20Sep2013.pdf
Sustainability	1 2 4 5	
Environment	-	http://webarchive.nationalarchives.gov.uk/20140827110041/http://sd.defra.gov.uk/documents/Greening-Government-commitments-Jul2011.pdf
Sustainability	1	www.defra.gov.uk/publications/files/pb13423-flexible-framework-guidance-110928.pdf
Environment	1 2 3	
Environment	3	www.responsiblepurchasing.org/private/naspo/state_tech_assist/north_dakota_paper_report.pdf
Environment	3	
Environment	3	www.kingcounty.gov/operations/procurement/Services/Environmental_Purchasing/~/media/operations/procurement/documents/EP_2011_Annual_Report_Supplemental.ashx
Environment	3	www.mass.gov/eea/docs/eea/ota/tur-prog/epp-eo515-annual-report-2010.pdf
Environment	3	www.responsiblepurchasing.org/webinars/trackingwebinar_slides.pdf

Geographic region	Year	Reference	Type of document
United States	2010	Kitira, V., Weber, J., Leahu-Alaus, O. (2010). Model Responsible Purchasing Report: Guidance Document. Responsible Purchasing Network.	Study/methodology
United States	2010	Department of Defense (2010). FY 2009 sustainable acquisition practices: green purchasing, waste management, and chemicals management. Department of Defense.	Results report
United States	2009	Department of the Navy (2009). Green Procurement Program Implementation Guide v2. Department of the Navy.	Regulation
United States	2009	Bureau of Land Management (2009). Green Purchasing Plan. Department of the Interior.	Regulation
United States	2009	Office of Federal Procurement Policy (2009). Report on Agency Implementation of Buy-Recycled and Buy-Biobased Requirements in the Resource Conservation and recovery Act and the Farm Security and Rural Investment Act. Executive Office of the President.	Results report
United States	2009	Office of Health, Safety and Security (2009). Annual Progress Reports on Implementation of Environmental Provisions of Executive Order 13423, Strengthening Federal Environmental, Energy, and Transportation Management. Department of Energy.	Results report
United States	2008	(2008) Environmental Purchasing 2008 Annual Report. King County.	Results report
United States	2007	Office of Health, Safety and Security (2007). United States Department of Energy Affirmative Procurement & Recycling Fiscal Year 2006 Report. Department of Energy.	Results report
United States	2007	(2007). Leading by Example, A Report to the President on Federal Environmental and Energy Management.	Results report
United States	2007	(2007). Example Approaches to Green Purchasing Compliance Monitoring.	Methodology
United States	2005	Department of Citywide Administrative Services (2005). Environmentally preferable procurement and waste prevention annual report Fiscal Year 2005. The City of New York.	Results report

Focus	Monitoring aspect	Link
Environment	3	www.responsiblepurchasing.org/purchasing_guides/_download/modelreport_guide_pdf.pdf
Environment	1 3	www.denix.osd.mil/gpp/upload/FY2009-DoD-Consolidated_Sustainable-Practices-Report.pdf
Environment	1 2 3	
Environment	1 3	www.blm.gov/pgdata/etc/medialib/blm/wo/Information_Resources_Management/policy/im_attachments/2009.Par.84689.File.dat/IM2009-166_att1.pdf
Environment	1 3	www.whitehouse.gov/sites/default/files/omb/assets/procurement_green/rcra_and_fsria_rpt.pdf
Environment	1 3	homer.ornl.gov/sesa/environment/reports/eo13423/2009_request.pdf
Environment	1 3	www.kingcounty.gov/operations/procurement/Services/Environmental_Purchasing/Annual_Reports.aspx
Environment	1 3	
Environment	1 3	www.fedcenter.gov/Documents/index.cfm?id=18159&pge_prg_id=23170&pge_id=3286
Environment	3	www.fedcenter.gov/_kd/go.cfm?destination=ShowItem&Item_ID=14644
Environment	3	

Annex II: Mapping SPP Monitoring Practices

The mapping of SPP monitoring practices was produced after analysing all the examples identified in the literature review. The aim was to:

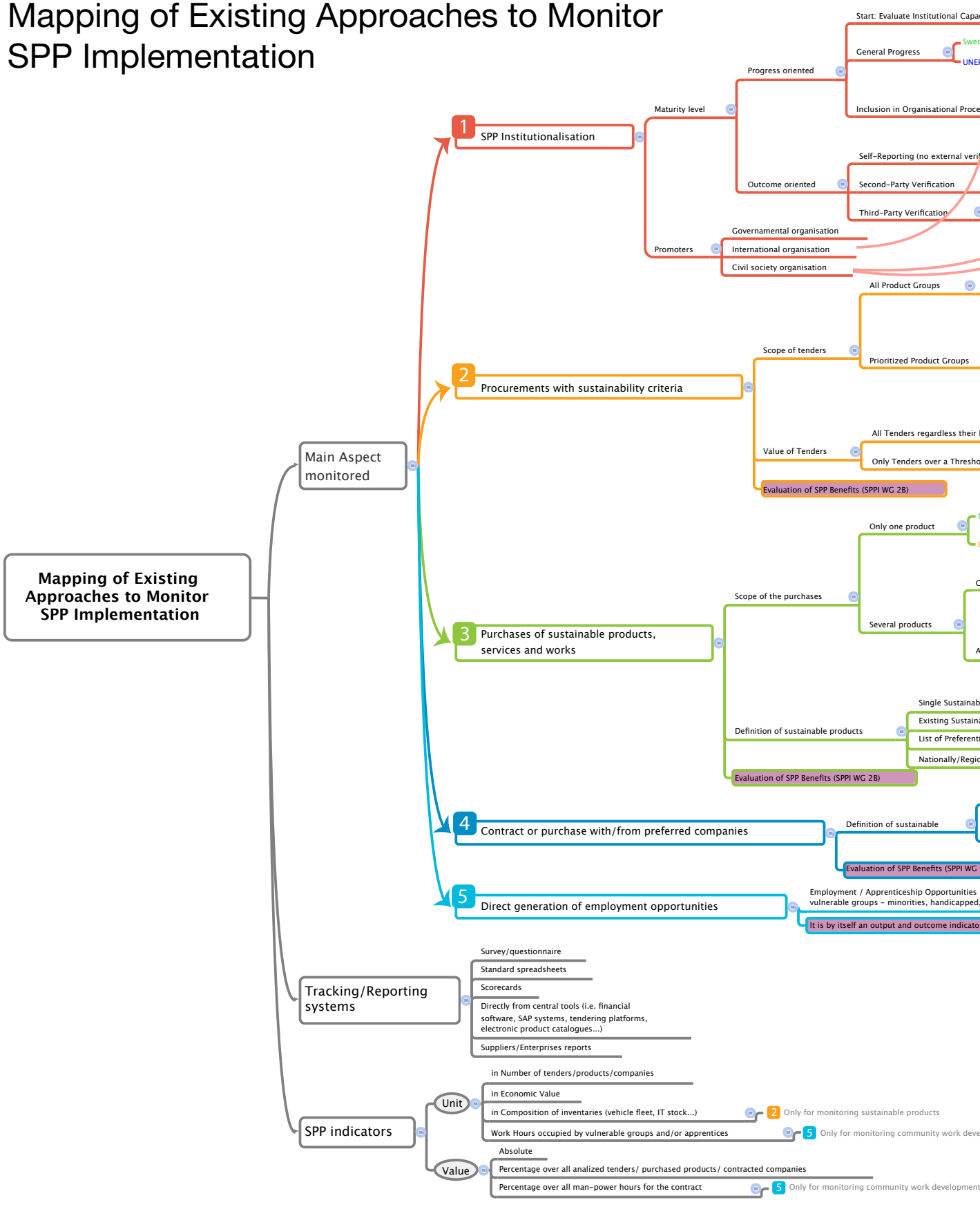
- identify and conceptualise the main elements that characterise existing practices and approaches to monitor SPP implementation;
- classify existing practices, and present in a brief and simple way their main aspects and differentiating factors.

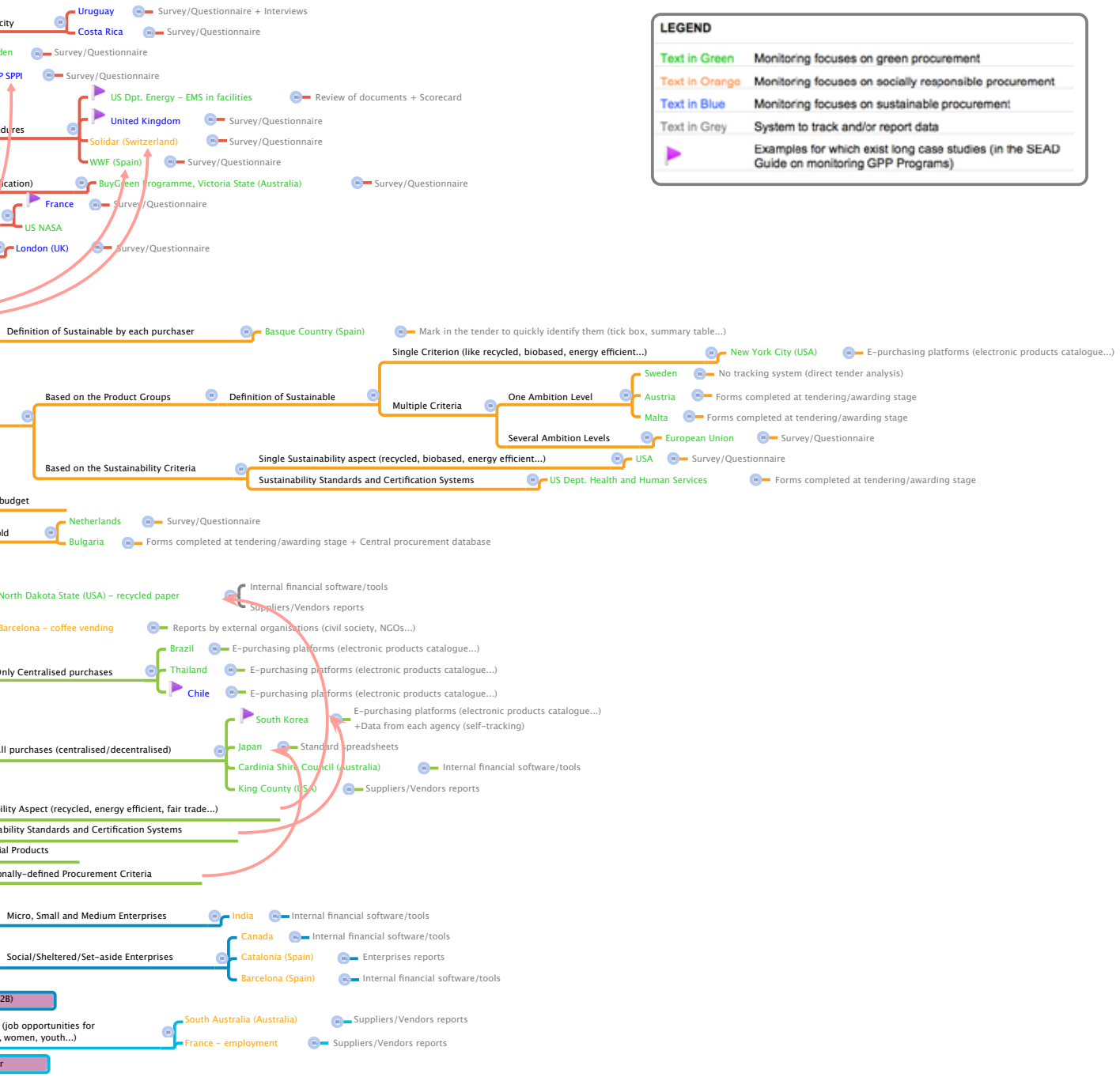
The examples are classified based on the main aspect the monitoring system focuses on, namely:

1. SPP institutionalisation
2. Procurements with sustainability criteria
3. Sustainable products, services, or works purchased
4. Contract or purchase with/from preferred companies
5. Direct generation of employment opportunities

Note: Zoom in to see mapping details

Mapping of Existing Approaches to Monitor SPP Implementation





Authors: Ecoinstitut SCCL with contributions from participants of the work group 2A on monitoring SPP implementation of the 10YFP on Sustainable Public Procurement.

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About the UNEP Division of Technology, Industry and Economics (DTIE)

Set up in 1975, three years after UNEP, the Division of Technology, Industry and Economics (DTIE) provides solutions to decision-makers and helps change the business environment by offering platforms for multi-stakeholder dialogue and cooperation, innovative policy options, pilot projects and creative market mechanisms to improve the quality of the environment and the well-being of citizens.

Within UNEP, DTIE has the mandate of delivering on environmental sustainability through technology, industry and economic policy by addressing environmental issues at global and regional levels, providing leadership and encouraging partnerships, and by informing and enabling nations and people to improve their quality of life without compromising that of future generations.

DTIE plays a leading role in three of UNEP's seven strategic priorities, namely in climate change, chemicals and waste, and resource efficiency.

The Office of the Director, located in Paris, coordinates activities through:

- The **Chemicals and Waste Branch** (Geneva, Paris and Osaka), which catalyses global actions to bring about the sound management of chemicals, the improvement of chemical safety and the management of waste.
  - » The **International Environmental Technology Centre - IETC** (Osaka) promotes the collection and dissemination of knowledge on Environmentally Sound Technologies with a focus on waste management. The broad objective is to enhance the understanding of converting waste into a resource and thus reduce impacts on human health and the environment (land, water and air).
  - » **OzonAction** (Paris) supports the phase-out of ozone depleting substances in developing countries and countries with economies in transition to ensure implementation of the Montreal Protocol.
- The **Economy and Trade Branch** (Geneva), which helps countries to integrate environmental considerations into economic and trade policies, and works with the finance sector to incorporate sustainable development policies. This branch is also charged with producing green economy reports.
- The **Energy, Climate, and Technology Branch** (Paris, Nairobi, and Copenhagen), which fosters energy and transport policies for sustainable development and encourages investment in renewable energy and energy efficiency.
- The **Sustainable Lifestyles, Cities and Industry Branch** (Paris), which delivers support to the shift to sustainable consumption and production patterns as a core contribution to sustainable development.

DTIE works with many partners (other UN agencies and programmes, international organizations, governments, non-governmental organizations, business, industry, the media and the public) to raise awareness, improve the transfer of knowledge and information, foster technological cooperation and implement international conventions and agreements.

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UNEP

Sustainable Public Procurement (SPP) is increasingly used by procuring entities to advance sustainable development. However, few public organizations have yet developed and implemented effective monitoring systems to measure their SPP activities (and the proportion of their procurement that can be considered sustainable or green). In addition, information about these monitoring systems is often scattered or not available externally.

This report contributes to closing the gaps that exist in the field by presenting a number of outputs produced by the 10YFP Programme on SPP. These outputs include recommendations for enabling frameworks and efficient SPP monitoring systems at the organization level; recommendations for an international framework to report on SPP progress; and case studies presenting in detail how governments at different levels – and in different parts of the world – monitor their SPP programmes.

DTI/1923/PA