



Sustainable Public Procurement as Accelerator of Sustainable Development

Public procurement accounts for...

In Asia
20%
of GDP

In the MENA region
18%
of GDP

In OECD countries
29%
of government expenditure

12%
of GDP

In Africa
15%
of GDP

In Latin America and the Caribbean
22%
of government expenditure

7%
of GDP

In the European Union
14%
of GDP

- Governments are the largest buyers in economies: 29% of government expenditures in OECD countries.
- Public Procurement is a powerful tool for value for money and efficiency but also for achieving secondary policy objectives: sustainable green growth, SMEs development, innovation, responsible business conduct or industrial policy objectives.
- Target 12.7 of Agenda 2030 focuses specifically on promoting “public procurement practices that are sustainable, in accordance with national policies and priorities”.





SPP Implementation Challenges

Source: H. Carsten. SPP and the 2030 Agenda, August 2020



Legislative & Policy Framework

- Insufficient legislative and policy framework to guide SPP implementation and prioritizations.
- Inconsistent SPP definitions and application of government policies and regulations.
- Lack of embedded SPP goal setting in overarching policies and public communication on SPP targets.
- Lack of SPP monitoring and evaluation system overseeing policy application and outcomes.

Capacities and Tools

- Training gap in designing and implementing SPP-informed tendering procedures.
- Lack of category-specific expertise, tools, and criteria to assess life cycle costs.
- Lack of processes and tools for conducting consistent and effective supplier due diligence.
- Lack of practical tools to guide procurers and suppliers.

Organizational and Buy-in

- Absence of organization-wide awareness on SPP
- Absence of high-level buy-in & support from executive management.
- Reluctance to change & organizational culture barriers.
- Lack of organizational guidelines & performance measurement.
- Limited empowerment & enabling institutional frameworks.
- Lack of financial resourcing of procurement departments for SPP implementation.

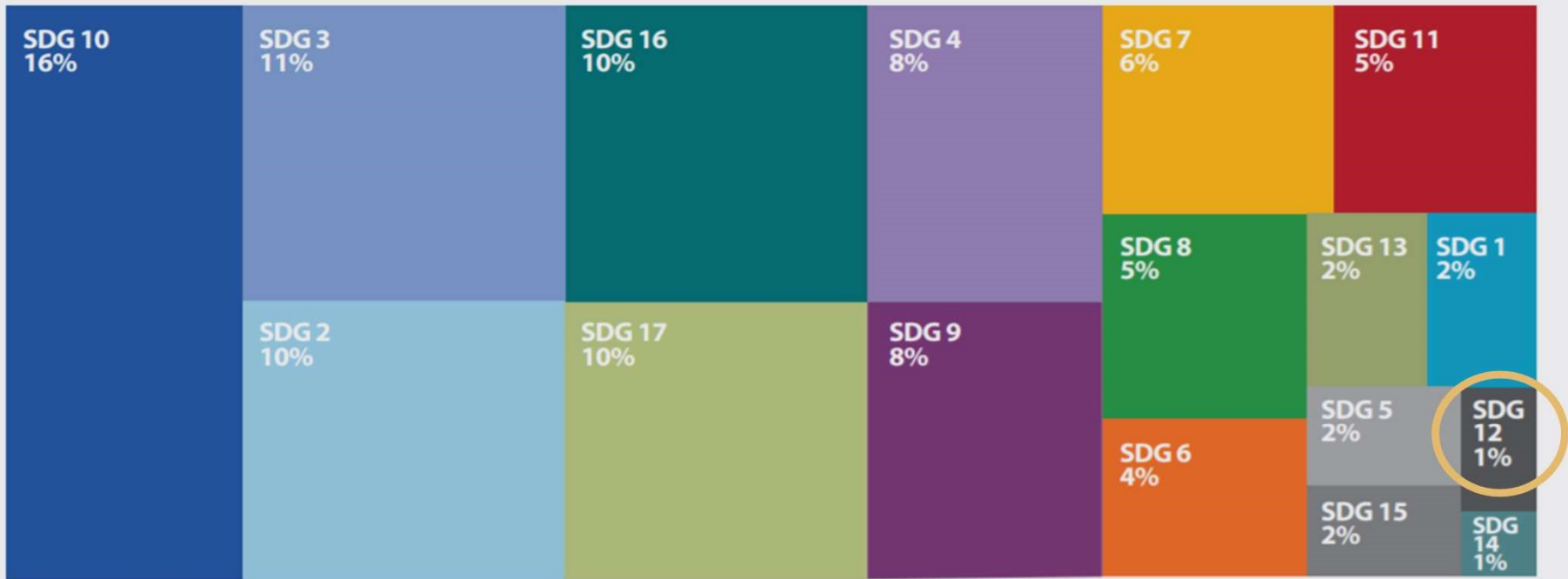
Supply Market Readiness

- Lack of industry & individual supplier awareness of SPP criteria & evaluation process
- Lack of communication on SPP goals & objectives to market makers.
- Absence of available sustainable goods & services (context and category-specific).
- Lack of market incentives for developing sustainable technologies & innovation, or fiscal/tax incentives.



ODA for SDG 12 is limited to 1%

Gross ODA disbursements by SDGs, 2017
(Percentage of total)



Source: OECD SDG Financing Lab based on OECD/DAC data.