SPP as a modern financial/fiscal tool, creating new markets for sustainable products & jobs, improving competitiveness

Juraj Nemec, CEPA

Sustainable PP

• EU:

– Sustainable Public Procurement (SPP) is a process by which public authorities seek to achieve the appropriate balance between the three pillars of sustainable development - economic, social and environmental - when procuring goods, services or works at all stages of the project.

Economic goals: procurers

- On the side of procurers:
 - Financial management tool to purchase in effective (do we buy right things?) and efficient (best quality/costs ratio) way.
 - However:
 - Effectiveness in not covered by PP legislation in most countries
 - Economy is too frequently used in many countries also for works and services

Economic goals: suppliers and markets

Several possible goals, like:

- Improving competitiveness
 - However, really many countries suffer from extremely low level of competition in PP – collusion cartels, systemic corruption
- Supporting innovations Public Procurement of Innovative solutions (PPI) and <u>Public Procurement</u> of <u>Innovative solutions (PPI)</u> and <u>Pre-Commercial</u> <u>Procurement (PCP)</u> are for example recognised and supported by the EU However, defined methods are rarely utilised in many countries.