

# **Regional Workshop on Green Public Procurement**

## Date: February 27 2024 (TBC), Time: 1100 to 1300 IST

### Mode: Online (Zoom)

Sustainable public procurement (SPP) is a "process whereby public organizations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life-cycle basis in terms of generating benefits not only to the organization, but also to society and the economy, whilst significantly reducing negative impacts on the environment."<sup>1</sup> While SPP addresses economic, social, and environmental concerns, Green public procurement (GPP) is a component of SPP that uses the public sector's purchasing power to achieve environmental concerns as a primary objective.<sup>2</sup> In 2008, the European Commission defined GPP as "a process whereby public authorities seek to procure goods, services, and works with a reduced environmental impact throughout their life cycle when compared with goods, services, and works with the same primary function that would otherwise be procured."<sup>3</sup> Green Public Procurement (GPP) is a first step in the journey of a wholistic Sustainable Public Procurement.

Leveraging purchasing power by promoting sustainable public procurement practices can play a key role in achieving Sustainable Consumption and Production (SCP), a goal of SDG 12. It calls for the promotion of public procurement practices that are sustainable / green, in accordance with national policies and priorities. Sustainable public procurement (SPP) practices are thus acknowledged as a vital strategic element in the global efforts to establish more sustainable consumption and production patterns.<sup>4</sup>

#### Benefits of Green Public Procurement in the context of South Asia

- a) Accelerate country's climate and net-zero targets According to the World Economic Forum, public procurement is responsible for a significant proportion of global greenhouse gas (GHG) emissions. Governments currently spend USD 11 trillion every year, producing 7.5 billion tons of direct or indirect GHG emissions, roughly 15 percent of the world's total.<sup>5</sup> Countries in the South Asia region are most vulnerable regions to climate stocks. Procurement has been identified as a climate risk adaptation strategy.<sup>6</sup> By prioritizing the sustainable / green public procurement, governments can accelerate their path to net-zero emissions.
- b) **Support establishing a greener economy** Public procurement accounts for up to 30 percent of Gross Domestic Product (GDP) in many developing countries. For instance, Bhutan's

<sup>&</sup>lt;sup>1</sup> Definition adopted by the Task Force on Sustainable Public Procurement led by Switzerland (membership includes Switzerland, USA, UK, Norway, Philippines, Argentina, Ghana, Mexico, China, Czech Republic, State of Sao Paolo (Brazil), UNEP, IISD, International Labor Organization (ILO), European Commission (DG-Environment) and International Council for Local Environmental Initiatives (ICLEI) and adopted in the context of the Marrakech Process on Sustainable Production and consumption led by UNEP. and UN DESA; UNEP SPP Review 2017

<sup>&</sup>lt;sup>2</sup> Green Public Procurement: An Overview of Green Reforms in Country Procurement Systems, World Bank Group, 2021

<sup>&</sup>lt;sup>3</sup> European Commission 2008

<sup>&</sup>lt;sup>4</sup> One Planet Network 2023

<sup>&</sup>lt;sup>5</sup> World Economic Forum, Green Public Procurement: Catalysing the Net-Zero Economy,

<sup>&</sup>lt;sup>6</sup>https://www.elibrary.imf.org/view/journals/001/2021/217/article-A001-

en.xml#:~:text=By%20contrast%2C%20Bangladesh%20has%20committed,BAU)%20for%20the%20year%202030.



economy revolves around public procurement, which accounts for approximately 21 percent of the GDP and 60-70 percent of the government budget.<sup>7</sup> Bangladesh allocates approximately USD 25 billion, accounting for about 40 percent of its annual budget, towards public procurement. In India, the total volume of public procurement is estimated to constitute about 20-22<sup>8</sup> percent of the nation's GDP. The potential for shifting markets in the direction of a green economy is immense.

- c) Enable greener market and supply chain SPP / GPP has a potential for accelerating sustainable development as it can enable greener markets and supply chains. By procuring environmentally friendly products and services, governments can reduce environmental impacts and preserve ecosystems.
- d) Enable green employment opportunities SPP / GPP also offers ancillary economic benefits for South Asian countries. It can spur economic growth and job creation by creating market demand for sustainable goods and services. For example, the renewable energy sector has the potential to generate substantial employment opportunities. According to the International Renewable Energy Agency (IRENA), over 33 percent of people in Asia were employed in renewable energy services by 2020. By prioritizing green projects through sustainable procurement, governments can create greener jobs.
- e) Build international relationships and mobilize green investments By adopting green procurement practices and highlighting their commitment to sustainable practices, countries in the South Asia region can forge partnerships, and access international funding. This commitment also leverages knowledge exchange opportunities with other countries and organizations.

#### About the Regional Workshop

Sustainable/ green public procurement (SPP/ GPP) is the cornerstone of transition to a low carbon future. USAID has been pioneering SPP/ GPP activities in India. USAID through the South Asia Regional Energy Partnership (SAREP) program aims to work with partners in the South Asia region to integrate and scale SPP/ GPP, in line with the objectives of the specific country. As a first step, a study was conducted to document the state of play of each of the South Asia countries on their journey and progress made on sustainable / green public procurement.

As a next step, a regional workshop is being proposed with potential public entities (ministries, government departments, utilities, building and construction infrastructure, etc.), in the region to take this discussion forward. The workshop aims to initiate a dialogue on the journey so far and priorities of the entities towards adoption and scaling of sustainable/ green public procurement (SPP/GPP). This workshop would facilitate collaborative discussions on the country's challenges and opportunities for integration of sustainable public procurement. The outcome of this workshop along with subsequent discussions will contribute to developing a comprehensive Sustainable / Green Public Procurement (GPP) workplan for interested partner entities and country. The regional workshop will set the foundation for the next dialogues or discussions to take place.

<sup>&</sup>lt;sup>7</sup> CSCP, A Cross-Sectoral Strategy for Sustainable Industrial Competitiveness.

Available at: https://www.cscp.org/our-work/gpp-in-bhutan/ (Accessed: 16 May 2023).

<sup>&</sup>lt;sup>8</sup> Ministry of Finance, FM Reviews Capital Expenditure & Payments of Maharatnas and Navratnas CPSEs, Posted on: 28 SEP 2019 by PIB Delhi



## AGENDA OF THE REGIONAL WORKSHOP

Time (IST)	Торіс	Speakers
11:00-11:10	Welcome remarks & Context setting	Ms. Apurva Chaturvedi, Senior Clean Energy Specialist, USAID India
11:10-11:20	Green Public Procurement (GPP) - Global Best Practices	Mr. Eriks Mezalis International Public Procurement Consultant Former Member of EC Stakeholders Expert Group on Public Procurement
:20-  :40	Integrating and Scaling adoption of GPP in South Asia	Ms. Nidhi Gupta, USAID SAREP
11:40-12:40	<ul> <li>Perspective of South Asian countries <ul> <li>Reflections on prior experience, lessons learnt and government initiatives/programmes on GPP.</li> <li>Focus areas / future on GPP</li> </ul> </li> </ul>	<ol> <li>India         <ol> <li>Shri. Prakash Mirani, Joint Secretary and Additional CEO, Government e Marketplace (GeM), Ministry of Commerce and Industry</li> <li>Shri. Manish Gupta, Executive Director - Electrical Engineering Management, Indian Railways</li> <li>Mr. Vishal Kapoor, Chief Executive Officer, Energy Efficiency Services Limited (EESL)</li> </ol> </li> </ol>
		Q & A session for India context
		<ul> <li>Bangladesh</li> <li>I. Mr. Mohammed Shoheler Rahman Chowdhury, Chief Executive officer, Bangladesh Public Procurement Authority (BPPA)</li> <li>2. Mr. SK Munir Ahmed, Director (Management), Power Cell, Power Division, Ministry of Power, Energy and Mineral Resources</li> </ul>
		Q & A session for Bangladesh context
		<ul> <li>Bhutan</li> <li>I. Ms. Tshering Chhoden, Director, DPP</li> <li>2. Mr. Leki Tshering, Chief Procurement officer, DPP</li> </ul>
		Q & A session for Bhutan context
		Nepal I. Dr. Buddi Sagar POUDEL, Joint Secretary (Tech.), Climate Change Management Division, Ministry of Forests and Environment (MoFE)
		Q & A session for Nepal context



Time (IST)	Торіс	Speakers
		<ul> <li>Sri Lanka         <ol> <li>Mr. A.D.P.I. Prasanna, Director (Policy), National Procurement Commission (NPC)</li> <li>Ms. Chandima, Programme Assistant, Officer (GPP), Ministry of Environment (MoE)</li> </ol> </li> <li>Q &amp; A session for Sri Lanka context     </li> <li>Maldives         <ol> <li>Mr. Ajwad Mustafa, Permanent Secretary of the Ministry of Climate Change, Environment and Energy</li> <li>Q &amp; A session for Maldives context</li> </ol> </li> </ul>
1240 - 1300	Conclusion & Vote of Thanks	Namrata Mukherjee, Deputy Chief of Party, USAID SAREP

#### About USAID's SAREP program

South Asia Regional Energy Partnership (SAREP) is a five-year USAID-funded program focused on helping six South Asian countries - Bangladesh, Bhutan, India, Maldives, Nepal, and Sri Lanka to improve access to affordable, secure, reliable, and sustainable energy through expanded, transparent, and efficient markets for energy services, products, and resources. More details are available at https://sarepenergy.net/.