



# OCDE

## PC 277 on sustainable procurement


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# In a snapshot



PUBLIC	PRIVATE	DRIVERS	OBSTACLES	SOLUTION
PROCUREMENT = <b>7% GDP</b> <b>33 BILLION €</b>	71% PROCURE ENVIR.	ACCESS TO PUBLIC BUDGETS	COMPETITION	<b>ISO: SAME LANGUAGE, COMMON PRACTICE</b>
LEGISLATION AT ALL LEVELS SINCE 1993	25 % APPLY ESG CRITERIA	LONG TERM RELATIONSHIP = RESILIENCE	SHORT TERM	<b>NEW TOTAL QUALITY: PEANUTS, MONKEYS</b>
PUBLIC <b>PROCUREMENT:</b> 50% - BUT <b>15-20%</b> IN PRACTICE	16% AUDIT	INNOVATION & QUALITY	ETERNAL QUEST FOR GROWTH ... UNTIL <b>OBESITY</b>	BETTER ESG CONDITIONS = BETTER PRODUCT
WEB PLATFORMS, HELPDESKS, FAIRS AND TRAINING	BUSINESS CASE  	BRAND PROTECTION & PROMOTION  ... PERSONAL REPUTATION EGO!	KNOWLEDGE & INFORMATION	PUBLIC PRIVATE <b>DIALOGUE,</b> DAVOS

# Maturity of market players?



- Public
  - Size of market: 7% of GDP – 33 billion €
  - ESG criteria? 50% in principle, 15-20% in practice
- Private:
  - Private (2012 survey on >510 large companies):
    - 71% during procurement phase, on environment
    - 30% have code of conduct
    - 25% apply criteria
    - 15-20% perform evaluation and audit on site
- Citizens:
  - Virtually nothing

# Drivers & obstacles for business



## Drivers

- Access to public procurement budgets (7% of GDP – 33 billion €)
- Brand protection & promotion
- « Total quality »: better conditions = better product

Competitiveness  
?

## Obstacles: lack of..

- Competition – Price only criteria ?
- Short term = rule of the market
- Growth quest for multinational... until obesity???
- Knowledge of ESG criteria on both sides

solutions

# Relevant government & collective initiatives



## Federal

- Legislation
- Web platform with register per product category
- Appointment of contact points - helpdesks within administrations

## Regional

- Legislation
- Training and sensibilisation of public servants and private sector
- Events (cities Ghent, Antwerp)

## Private sector CSR

- Surveys and sensibilisation



# Incentives needed?

- Promotion= Public platform with register of eligible suppliers
- Competition: Greater weight of ESG criteria
- Transparency: Compulsory assessment/reporting of ESG quality of service/ product/management
- Know-how: Training for buyers and sellers

# Why ISO work – PC277?



- There is a need for standardization :  
=> Are we talking the same language ?
  - Today, price does not need standardization, but a new concept of « total\* quality » is emerging, that needs standardization
    - Including ESG issues
- \* Total quality = the purpose of the product or service (functional unit), but also good working conditions, respect of human rights and the environmental...

# Business case



- Address virtually all shelves
  - Food: meat, fish, eggs, asparagus, rice, palm oil
    - Bans, fair trade, organic, local
  - Non-food: toys, hygiene, paper
    - Social conditions
- Address internal functioning:
  - Green electricity
  - Paper cash tickets