Ukrainian experience and progress on SPP and eco-labelling

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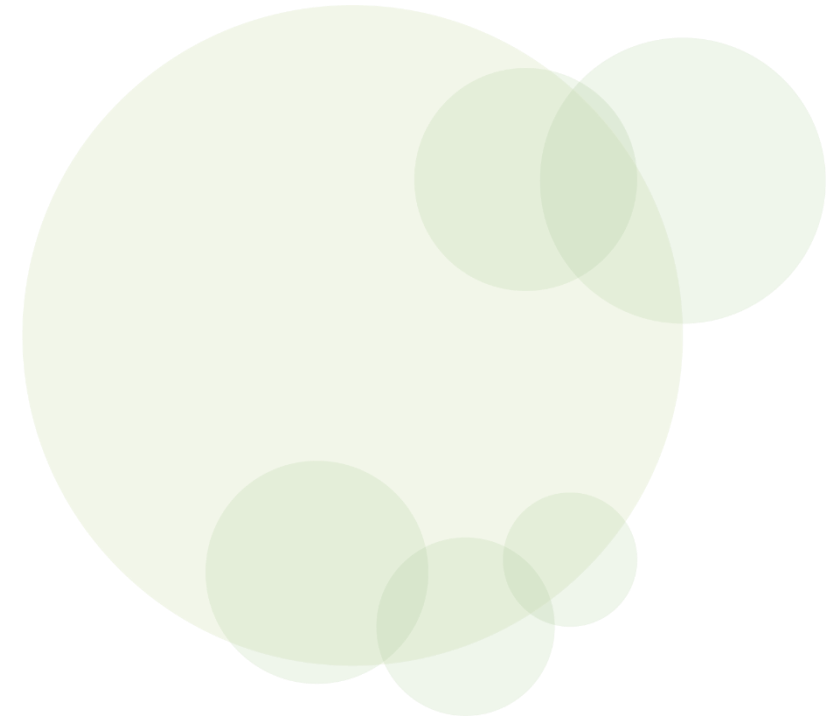National Action Coordinator for Ukraine

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Action implemented by:

Outline

1. SPP Business Case in Ukraine
2. Enabling Framework
3. Market Engagement
4. Professionalization
5. Implementation Tools
6. Monitoring
7. Eco-labeling in Ukraine
8. Next steps

1. SPP Business case in Ukraine

Achievements	• Growing donor interest: EU, UNEP, SlovakAid, GIZ, World Bank (since 2013) • Growing NGO engagement: Living Planet, GoLocal • Awareness raising materials available in Prozorro Infobox
Gaps	• Lack of clear communications on the specific benefits of GPP in Ukraine • Persistent bias against GPP as more complex, riskier and costly • Lack of clear high-level political will to make GPP a national priority • Lack of GPP champions identified across Ukrainian society
Recommen-dations	• Explore how GPP can help deliver on Ukraine's political and economic goals • Engage stakeholders across Ukraine to identify 'entry points' and support 'GPP champions' • Recognize how GPP strengthens Ukraine's leadership in the modernization of a procurement system that serves a strategic function

2. Enabling Framework

Achievements	• Commitment to align with EU and global procurement standards (WTO GPA) • Clear legal basis for GPP in the 2020 version of the Public Procurement Law • Institutions in place with clear lead coordination role by the Ministry for Economy and its Public Procurement Department • Active participation of Ministry of Environmental Protection and Natural Resources
Gaps	• Need for an updated prioritization exercise to inform design of a progressive implementation approach • Need for detailed mandatory or voluntary rules for procurers to buy environmentally-friendly products • Need for roadmap/plan to guide SPP implementation • Need to involve other Ministries and departments that may champion (e.g. State Agency on Energy Efficiency) or create obstacles to SPP (e.g. Anti-Monopoly Committee)
Recommen-dations	• Create an institutional framework to support SPP implementation • Prioritize spend categories for green purchasing • Increase certainty for procurers through SPP instructions

3. Market Engagement

Achievements	• Market readiness assessed for three priority products: detergents, paints and thermal insulation materials (2015) • Market readiness assessed for energy efficient products (2020)
Gaps	• Minimal interaction with and understanding of green market potential in Ukraine • Lack of awareness amongst suppliers about SPP, seen from complaints about discriminatory bids during pilots
Recommen-dations	• Engage the market early to identify needs, obstacles and opportunities for SPP • Consult the market to seek feedback on the environmental criteria

4. Professionalization

Achievements	• Handbook on SPP (2016) and Guidebook on energy efficient procurement (2020) • SPP e-learning course on Prozorro Edubox and at the Kyiv Scholl of Economics • 15 pilot tenders conducted
Gaps	• Procurers avoid non-price criteria due to fears of challenges from suppliers and the Anti-Monopoly Committee • No clear opportunities or incentives for procurers to attend trainings, participate in peer learning or ask questions (e.g. helpdesk) • Few procurers know about the pilot tenders conducted to date or any lessons learned from GPP in Ukraine • Lack of organizational, budgetary and human resources processes that reward and recognize procurers that buy green • SPP themes not covered in the "Public Procurement Professional" certification course and Procurement Competency Centre
Recommen-dations	• Integrate SPP modules into the Public Procurement Specialist course • Create opportunities for peer-to-peer learning between procurers

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5. Implementation Tools

Achievements	• Ecolabels "Green Crane" • Environmental criteria for 15 product categories • Innovative tools in Prozorro system: non-price criteria tool, ESCO module
Gaps	• Few procurers are able to use, or even aware of the existing implementation tools without expert support (e.g. ecolabels, environmental criteria) • Lack of large-scale ESCOs • Non-price criteria are not integrated into centralized procurement approaches (e.g. framework agreements, Prozorro Market)
Recommen-dations	• Pilot cost-effective and simplified approaches to SPP, including framework agreements or joint procurements and more • Integrate green products and services into Prozorro Market e-catalogue

6. Monitoring

Achievements	• ESCO analytical model in Prozorro to monitor energy efficient procurements
Gaps	• Lack of an analytical module in Prozorro to monitor the use of non-price criteria in tenders • Lack of monitoring plan and targets for GPP systems
Recommen-dations	• Update Prozorro system to monitor GPP performance and impact

Eco-Labelling

- Ukraine has its own Eco-Label – Green Crane

- Type I Ecolabelling Program

- Private operator: All-Ukrainian Non-Governmental Organization Living Planet

- 2003 Member of Global Eco-labelling Network – GEN .

- The environmental criteria of the program cover **48 categories of goods and services**

- As of 12.12.2022 there are **101 users** and **1272 certified products and services**

www.ecolabel.org.ua

Plans

- **UNEP withing EU4Environment**
  - Green criteria are being incorporated into the Prozorro
  - Analytical module is being developed for Prozorro to monitor the use of non-price criteria in tenders
- **GIZ**
  - Guidelines for SPP for school buildings
- **WB**
  - Looks to incorporate green criteria into rebuilding of Ukraine

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