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**EU4Environment**  
Green Economy in Eastern Partner Countries

**REPORT ON THE PROGRESS OF IMPLEMENTATION OF SUSTAINABLE PUBLIC  
PROCUREMENT  
IN THE REPUBLIC OF MOLDOVA  
(2017-2020)**

2021

Action implemented by:



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Please cite this publication as: EU4Environment (2021), “Report on the progress of implementation of sustainable public procurement in the Republic of Moldova (2017-2020)”.

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## List of Abbreviations

EaP GREEN	EU-funded Greening Economies in the Eastern Neighbourhood
EMAS	Eco-Management and Audit Scheme
EU	European Union
EU4Environment	European Union for Environment
EU EaP	European Union Eastern Partners
ILO	International Labour Organization
ISO	International Organization for Standardization
LCC	Life Cycle Costing
MAPS	Methodology for Assessing Procurement System
MAPS SPP	MAPS Module Sustainable Public Procurement
MOF	Ministry of finance
Moldova	Republic of Moldova
NGO	Non-Government Organization
OECD	Organisation for Economic Co-operation and Development
PPA	Public Procurement Authority
PPL No. 131	Law on Public Procurement No. 131 of 03.07.2015
SDGs	Sustainable Development Goals
SMEs	Small and Medium Enterprises
SPP	Sustainable Public Procurement
SPP Action Plan	Implementing of Sustainable Public Procurement Action Plan, Final Report by the State Public Procurement Agency, Republic of Moldova, 2015
SWOT	Strength, Weaknesses, Opportunities, Threats
UNECE	United Nations Economic Commission for Europe
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization

## Executive Summary

Sustainable public procurement (SPP) is one of the most important manifestations of the government's commitment to support the call for sustainable consumption and production patterns (SDG 12) by serving as an example for the private sector to follow. Specifically, SDG 12.7 calls for the promotion of public procurement practices that are sustainable in accordance with national policies and priorities, and governments are encouraged to participate in the monitoring of the number of countries that are implementing SPP policies and action plans.

This progress report provides a preliminary assessment of the current environmental legal framework affecting the public procurement and existing instruments to support the implementation of SPP in the Republic of Moldova.

Accordingly, Moldova's legal framework for public procurement, while supportive of the three dimensions of sustainability - economic, environmental, and social dimensions, by highlighting sustainable development as one of the principles of procurement legislation, still needs enhancement, more particularly by strengthening sustainable procurement practices through the adoption of a secondary legislation that will highlight the importance not only of reducing environmental impact and fighting climate change (if necessary), but also the promotion of appropriate measures for the respect of human rights (where there is a risk of violation of such rights).

The enactment of the proposed secondary legislation on the implementation of SPP in Moldova can be the missing link in strengthening its existing SPP framework for at least three reasons: First, it will elaborate the sustainability provisions in its public procurement law (Law on Public Procurement No. 131 of 03.07.2015) by requiring the mandatory application of SPP requirements and criteria, the use of life cycle costing methodology for energy-using products and the inclusion of sustainability clauses in the standards terms and conditions of the contract. Second, it will highlight not only the role of the Public Procurement Authority as an institution dedicated for SPP implementation but also the importance of the Procuring Working Group as the potential prime mover in mainstreaming SPP initiatives in every contracting authority. Third, it will prescribe the policy for SPP registration, evaluation, and surveillance, which will enhance the monitoring capability of regulatory agencies.

Other measures such as the establishment of administrative procedures to support the SPP agenda, more particularly focused on raising SPP awareness not only to the procurers and contracting authorities, but more importantly, to suppliers and the wider public while highlighting the benefits of sustainable procurement are also necessary. The Public Procurement Authority can start with contracting authorities in local government units by involving them in the development of SPP approaches, while maximizing the opportunities for capacity building through training, advice, and assistance on public procurement. With the assistance of partner organizations such as UNEP, the Public Procurement Authority can focus on developing additional tools, templates, models texts, including internet seminars on challenging areas in SPP implementation such as contract management, non-price, criteria, and performance requirements.

In conclusion, this report recommends at least three activities as urgent measures to ensure the achievement of Moldova's target of at least 15% of its annual procurement to be green procurement by 2022. The first activity focuses on the need to maximize SMEs opportunities to participate in green tenders by (a) updating of secondary legislation, standard documents, and guidelines for SMEs participation through either state aid or public procurement for innovation, (b) providing more opportunities for training of contracting authorities and SMEs in their respective roles on the promotion of SPP, and (c) enhancing e-procurement to promote SPP good practices.

To be able to do this, it is necessary that the second action direction will focus on strengthening the role of the Public Procurement Agency in SPP data collection and analysis by (a) professionalisation of its internal employees through trainings and other SPP capacity building certifications, (b) providing sufficient operational, advisory, and training support on SPP approaches to contracting authorities, and (c) an immediate workshop on the SPP Index Methodology for SDG Indicator 12.7.1.

Lastly, it has now become inevitable for Moldova's partners such as the partner agencies under the EU4Environment Programme to assist selected contracting authorities in prioritizing the implementation of SPP pilot projects and address some of the SPP barriers such as lack of technical capacity to implement SPP. Accordingly, project partners such as UNEP will provide assistance not only in identifying and defining the targeted contracting authorities for this project, but more importantly in selecting priority products/services to be purchased through SPP, with an objective of proposing for the approval of mandatory SPP in selected categories for products and services.

## Introduction

Building on important achievements of the EU-funded Greening Economies in the Eastern Neighbourhood (EaPGREEN) project in 2013-2017<sup>1</sup>, the *EU4Environment* Initiative was launched in 2019 by bringing together environmental and economic actors in six EU Eastern Partner (EaP) countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine to support policy dialogue and institutional building of these EaP countries towards a green economy and an improved environmental management.<sup>2</sup>

The general objective of *EU4Environment* is to help the partner countries preserve their capital and increase people's environmental well-being by supporting environment-related action, demonstrating, and unlocking opportunities for greener growth, and setting mechanisms to better manage environmental risks and impacts. Its programmed is structured around five results:

- Result 1. Greener decision-making (implemented by UNEP and UNECE, with coordination by UNIDO);
- Result 2. Circular economy and new growth opportunities (implemented by UNEP and UNIDO, with coordination by UNIDO);
- Result 3. An environmental level playing field (implemented by OECD);
- Result 4. Ecosystem services and livelihoods (implemented by the World Bank);
- Result 5. Knowledge sharing and coordination (implemented by OECD, with input from all implementing Partners).

This progress report in the Republic of Moldova is a part of the activities for Result 2 in the final *EU4Environment* work plan for the years 2019-2022, more particularly, Output No. 2.3 on the promotion of green public procurement and complementary tools. Accordingly, its expected outputs include the assessment/advisory services to establish SPP and eco-labeling policies (Activity 2.3.1) and the promotion of capacity development of business sectors to respond to public tenders and eco-labeling policies through trainings for companies and authorities on SPP and eco-labeling/certification and launching of new pilot tenders (Activity 2.3.2) through the assistance of one of the five partner agencies in implementing the said project - the United Nations for Environment Programme (UNEP), and in partnership with the Public Procurement Agency and the NGO EcoContact in the Republic of Moldova.

Though Moldova has already advanced the development of SPP communication tools through the completion of the Sustainable Public Procurement (SPP) Guidelines in 2017 and the establishment of a dedicated website for SPP,<sup>3</sup> the challenge remains on its implementation.

Through the *EU4Environment* Initiative, UNEP aims to strengthen the capacity of the Republic of Moldova to implement SPP through technical assistance, advisory services, and capacity development,

<sup>1</sup> OECD, Active the United Nations, October 2019, p. 58, available at [Active with the United Nations by OECD - issuu](#) (last accessed 15 March 2021).

<sup>2</sup> See also, [Eastern Partnership - European Neighbourhood - European Commission \(europa.eu\)](#) ("*EU4Environment was formally launched at the Eastern Partnership Panel on Environment and Climate change on 12-13 2018 and the first coordination meeting of EU4Environment Regional Assembly was held in Brussels on 27-28 2019. Its main objective is to support policy dialogue and institutional building of the six Eastern Partner countries and deliver concrete results in the context of of the strategic framework of the Eastern Partnership as confirmed by the EaP Ministerial meeting on October 2016. It will help the partner countries to progress faster towards a green economy and improve environmental management more generally.*")

<sup>3</sup> EaPGreen, Progress in Individual Countries and at the Regional level (May 2016-2017), p. 61, available at [EU – Moldova cooperation, November - December 2020 by euassistancemoldova2020 - issuu](#)

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including trainings to policy makers, procurement practitioners, business and business associations and SMEs, as well as NGOs and other stakeholders.

For the year 2020, UNEP had engaged national and international experts to draft governmental decrees on integrating SPP provisions into Moldovan legislation and in consultation with the Public Procurement Authority, these experts conducted an initial review on the progress of SPP in Moldova since 2017. *(See Chapters 1 and 2 of this report)*

The progress review was conducted from December 2020 to mid-February 2021 following a preliminary assessment of Moldova's current environmental legal framework affecting public procurement and existing instruments to support the implementation of SPP practices. As part of the EU4Environment, the primary aim of this report was to review the progress of SPP under EaP GREEN project (2013-2017) and suggest the next steps to further promote the implementation of SPP in the Republic of Moldova by applying, among others, relevant SPP provisions in their secondary legislations on public procurement.

The first part of progress review focuses on the assessment of the legal, regulatory and policy framework in Moldova that supports SPP implementation through documentary reviews of the published documents in the official website of the Public Procurement Authority of the Republic of Moldova - [Public Procurement Agency | Ministry of Finance of the Republic of Moldova \(gov.md\)](https://www.gov.md) and other international organizations such as the European Union, the United Nations, the World Bank Group and the Organization of Economic Development Cooperation (OECD). It is worth to note, however, that this part is limited to the assessment of SPP implementation in Moldova using the indicators under the Pillar 1 of the OECD MAPS SPP<sup>4</sup>, hence, it was not exhaustive, and will not, in any way, substitute the importance of an in-depth country procurement assessment using, for instance, the core OECD MAPS assessment tool.

Nonetheless, and for purpose of recommending a set of activities for the implementation of EU4Environment Output 2.3 Green Public Procurement and tools in Moldova, including the assessment of the readiness of Moldova to report on target 12.7.1 of the SDGs, an initial evaluation of Pillars II to IV are likewise initiated, albeit, limited solely on the available data in the annual reports of the Public Procurement Authority for the years 2018 to 2020 and the result of an interview to selected representatives of contracting authorities using structured questionnaires, of which only ten of the invited contracting authorities that participated in the recently conducted workshop on 4 February 2021 had submitted their completed questionnaires. Two of them used the 2018 SPP Status Assessment Questionnaire by UNEP *(See Annex "A")* and eight answered the four standard questions on the awareness of policies that support SPP implementation in Moldova using the 2021 SPP Interview Questionnaire. *(See Annex "B")*

Thereafter, this review evaluated the institutional framework, including the level of SPP implementation in selected contracting authorities and in different pillars of sustainability (i.e., economic, environmental, and social), whilst looking on strategies, if any, on stakeholder engagement to promote more sustainability in public procurement.

Thereafter, this paper recommends a set of activities for the implementation of EU4Environment Output 2.3 Green Public Procurement and tools in Moldova, including strategies on how to improve the readiness of Moldova to report on target 12.7.1 of the SDGs.

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<sup>4</sup> The Methodology for Assessing Procurement Systems for Sustainable Public Procurement (MAPS SPP) is a supplementary module to the Methodology for Assessing Procurement Systems (MAPS) developed by the Organization for Economic Development Cooperation (OECD) and released in April 2020, and available at [Sustainable Public Procurement \(mapsinitiative.org\)](https://mapsinitiative.org). The OECD MAPS SPP is intended to provide a harmonized tool for use in the assessment of sustainable public procurement. It was first tested in the assessment of SPP in Norway from May 2019 to March 2020.



## CHAPTER I. ASSESSMENT ON THE MOLDOVA'S SPP LEGAL, REGULATORY AND POLICY FRAMEWORK

This chapter details the results of an assessment of SPP in Moldova, using the OECD Sustainable Public Procurement Module of the Methodology for Assessing Procurement System (MAPS SPP), more particularly, the three indicators and eighteen sub-indicators under Pillar I on the existing legal, regulatory and policy framework for public procurement. It covers SPP reviews on (1) whether the existing legal framework includes adequate and clear provisions to effectively support the implementation of SPP, (2) the extent to which sustainability has been integrated in regulatory instruments and tools that supplement the law and help making sustainable procurement operational, and (3) whether the country's SPP policy and strategy provide an enabling framework for transforming the national public procurement system into a more sustainable one.<sup>5</sup>

The assessment was conducted in consultation with the Public Procurement Authority, UNEP and the international legal experts.

### Indicator 1. The public procurement legal framework covers sustainable procurement principles.

#### *Sub-indicator 1(a). Coverage of sustainability criteria*

Moldova has set the legal framework for SPP by including sustainability criteria in the coverage of public procurement (*Sub-indicator 1a*)<sup>6</sup>. The public procurement law (*Law on Public Procurement No. 131 of 03.07.2015*) has specifically incorporated the principle of “protecting the environment and promoting sustainable development through public procurement” as one of the core principles governing public procurement,<sup>7</sup> (*Sub-indicator 1a-a*)<sup>8</sup> which authorizes the contracting authorities to take into account sustainability (i.e., economic, environmental and social criteria) throughout the whole process of procurement (*Sub-indicator 1a-b*)<sup>9</sup>. This includes the integration of sustainability in

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<sup>5</sup> OECD, MAPS SPP, p. 12.

<sup>6</sup> *Id.*

SPP-Sub-indicator 1(a) – Coverage of sustainability criteria. The legal framework meets the following conditions:

- (a) Sustainability is integrated as a core principle or objective of public procurement.
- (b) Sustainability encompasses economic, environmental, and social criteria (sustainability criteria).
- (c) There are clear provisions on the inclusion of sustainability criteria throughout the procurement process.
- (d) The legal framework provides for a well-balanced approach to sustainability criteria, requiring observation of proportionality.

<sup>7</sup> Article 6, Law on Public Procurement No. 131 of 03.07.2015:

*Article 6. The principles governing public procurement relations*

*The regulation of public procurement relations is based on the following principles:*

- a) Efficient use of public money and minimizing the risks of contracting authorities;*
- b) the transparency of public procurement;*
- c) ensuring competition and combating unfair competition in the field of public procurement;*
- d) protecting the environment and promoting sustainable development through public procurement;*
- e) maintaining public order, good morals and public safety, protecting the health, protecting the life of humans, flora and fauna;*
- f) the liberalization and expansion of international trade;*
- g) free movement of goods, freedom of establishment and provision of services;*
- h) equal treatment, impartiality, non-discrimination with regard to all bidders and economic operators;*
- i) proportionality;*
- j) mutual recognition;*
- k) assuming responsibility in public procurement procedures. (Bold supplanted)*

<sup>8</sup> *Supra* at note 2.

Sub-indicator 1(a): Sustainability is integrated as a core principle or objective of public procurement.

<sup>9</sup> *Id.*

Sub-indicator 1(b): Sustainability encompasses economic, environmental and social criteria (sustainability criteria)

qualification criteria<sup>10</sup>, specifications<sup>11</sup>, award criteria<sup>12</sup> and contract clauses,<sup>13</sup> albeit, with limited coverage on SPP in contract management. (*Sub-indicator 1a-c*<sup>14</sup>)

Nonetheless, “the legal framework provides a well-balanced approach to sustainability criteria, requiring the observation of proportionality” (*Sub-indicator 1a-d*).<sup>15</sup>

#### *Sub-indicator 1(b). Procurement methods*

Since the procurement methods in Moldova’s public procurement legislation “support innovative approaches” (i.e., solution competition<sup>16</sup>) (*Sub-indicator 1b-a*) and provides for “options to reserve certain contracts for certain suppliers... in support of national policy objectives” (i.e., public procurement procedures may be reserved for sheltered workshops where majority of the employees involved are persons with disabilities) without violating the principles of non-discrimination and competition (*Sub-indicator 1b-b*), then it is safe to note that Chapter VII on Public Procurement Procedures of Public Procurement Law No. 131 of 03.07.2015 supports sustainability.

#### *Sub-indicator 1(c). Rules on participation*

The restrictions on the participation of economic operators or the preferences for certain categories of firms are allowed (*Sub-indicator 1c-a*) if they are “established by the contracting authority” and are “clearly linked to the subject of the contract to be awarded.”<sup>17</sup> (*Sub-indicator 1c-b*)

Moreover, the contracting authority is required to apply “proportionate qualification and selection criteria to the subject matter of the contract only to (a) the personal situation of candidates or

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<sup>10</sup> Article 17, Law on Public Procurement No. 131 of 03.07.2015:

*Article 17. Qualification and selection criteria*

*The contracting authority shall apply proportionate qualification and selection criteria to the subject matter of the contract only:*

*a) the personal situation of candidates or tenderers;*  
*b) capacity to exercise professional activity;*  
*c) economic and financial capacity;*  
*d) technical and / or professional capacity;*  
*e) quality assurance standards;*  
*f) environmental protection standards.*

<sup>11</sup> Article 21, Law on Public Procurement No . 131 of 03.07.2015:

*Article 21. Technical and/or professional capacity xxx (2) In the case of a procedure for the award of a public service contract for the purpose of verifying the technical and / or professional capacity of the tenderers / candidates, the contracting authority has the right to require them, depending on the specificity of the volume and complexity of the following services to be provided and only to the extent that this information is relevant to the performance of the contract, the following: xxx f) where applicable, information on environmental protection measures that the economic operator may apply during the performance of the contract; xxx.*

<sup>12</sup> Article 17, *supra* at note 7.

<sup>13</sup> Article 69, Law on Public Procurement No. 131 of 03.07.2015:

*Article 69. Special conditions for the execution of the public contract*

*The special conditions for the execution of a public contract must be laid down in the notice / invitation to tender or in the tender specifications. They can, in particular, aim at encouraging workplace training, employing the unemployed, young people and people with integration difficulties, reducing unemployment, training the unemployed and young people, protecting the environment, improving conditions Employment and occupational safety, development of the rural environment and training of farmers, protection and support of small and medium-sized enterprises, including during the execution of the contract and under subcontracting.*

<sup>14</sup> *Supra* at note 2.

Sub-indicator 1(c): There are clear provisions on the inclusion of sustainability criteria throughout the procurement process.

<sup>15</sup> Please refer to Articles 16 and 17 of Law on Public Procurement No. 131 of 03.07.2015:

*Article 16. Economic operators’ qualification data xxx (9) The contracting authority has the obligation to observe the principle of proportionality when defining the qualification and selection criteria and the level of minimum requirements that bidders/candidates have to meet.*

*Article 17. Qualification and selection criteria, supra at note 7.*

<sup>16</sup> Article 44. Law on Public Procurement No. 131 of 03.07.2015

*Article 44. Public procurement procedures xxx f) solution competition; xxx*

<sup>17</sup> Article 16, *supra* at note 12.

tenderers; (b) capacity to exercise professional activity; (c) economic and financial capacity; (d) technical and / or professional capacity; (e) quality assurance standards; and (f) environmental protection standards.”<sup>18</sup>

It is also possible to exclude economic operators with recorded violations of legislation on environmental and social protection (*Sub-indicator 1c-c*) “to the extent that this has undermined his/her professional conduct.”<sup>19</sup>

#### *Sub-indicator 1(d). Procurement documentation and specifications.*

Article 37 of PPL No. 131 on the description of goods, works, and services permits the use of output based (functional) specifications (*Sub-indicator 1d-a*), which may result in a more sustainable public procurement approach. While Articles 22 on Quality Assurance Standards and 23 on Environmental Protection Standards provide for the use of labels (eco and social) for goods and services and authorize contracting authorities to request certified labels or their equivalents in the tenders. (*Sub-indicator 1d-b*)

#### *Sub-indicator 1(e). Evaluation and award criteria.*

The evaluation and award criteria allow for price and non-price attributes (*Sub-indicator 1e-a*), which include but are not limited to price, delivery terms, payment terms, quality, aesthetic, functional and technical characteristics, technical service possibilities and costs, technical assistance, quality offered, unit price, total price, and other terms considered significant for the evaluation of bids/tenders (Article 26).

In 2018, Article 2, par. 2 of the PPL No. 131 on the award criterion has been amended expanding the criteria to four: (1) lowest price, (2) the lowest cost, (3) best quality/price ratio, and (4) the best quality/cost ratio.

Though nothing in PPL No. 131 suggests the use of life-cycle costing, as it “does not define the concept of product life cycle,” and “contracting authorities are to decide independently on their approach,”<sup>20</sup> this has changed in 2018. (*Sub-indicator 1e-b*) Among the important amendments of PPL No. 131, which took effect on 01.10.2018 (i.e., on the transposition of the basic elements of Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement) includes the development of the “concept of sustainable procurement by including the term life cycle used for the purpose of applying award criteria on the basis of the profitability assessment.” (2018 PPA Annual Report)

Despite these developments, there is still no available data supporting that externalities arising from environmental impacts associated with goods, services or works (i.e., cost of externalities) are likewise considered in the amended legislation. (*Sub-indicator 1e-c*)

#### *Sub-indicator 1(f). Contract Management*

While the functions for contract management are defined with specific assignment on responsibilities, there is no clear provision for SPP contract management nor specific provision for enforcement of

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<sup>18</sup> Article 17, *supra* at note 7.

<sup>19</sup> *Supra* at note 1, p. 29.

<sup>20</sup> *Id.*, p. 16.

sustainability clauses (*Sub-indicator 1f-a-b*), which has an effect on the consideration of sustainable outcomes in the entire lifespan of the procurement (*Sub-indicator 1f-c*).

## Indicator 2. Implementing regulations and tools support SPP

To implement PPL No. 131, the Government of the Republic of Moldova had already approved secondary legislation in the form of government decrees and the Ministry of Finance has released the standard tender documents that contracting authorities may use as guide in conducting better public procurement procedures.<sup>21</sup> Secondary normative acts and tender documents can be accessed on the official website of the PPA.<sup>22</sup>

Interestingly, there are eight (8) government decrees that are currently published and accessible in the official website of the PPA, to wit:

1. Decision for the approval of the Regulation on Low-Value Public Procurement no. 665 of 27.05.2016
2. Decision approving the Regulation on procurement of goods and services through the request for proposal (RFP) process no. 666 of 27.05.2016
3. Decision approving the Regulation on the activity of the Procurement Working Group No. 667 of 27.05.2016
4. Decision approving the Regulation on public procurement using the negotiated procedure no. 668 of 27.05.2016
5. Decision for the approval of the Regulation on public works contracts no. 669 of 27.05.2016
6. Decision on the approval of the 2016-2020 Public Procurement Development Strategy and the Action Plan on its Implementation no. 1332 of 14.12.2016
7. Decision approving the Regulation on procurement planning no. 1419 of 28.12.2016
8. Decision approving the Regulation on the List of Qualified Economic Operators no. 1420 of 28.12.2016

### *Sub-indicator 2(a). Implementing regulations to define sustainable public procurement procedures.*

There is no specific government decree that defines sustainable procurement procedures, except for Decision No. 668 of 27.05.2016 on the use of negotiated procurement permits the use of environmental performance and environmental considerations in the technical specifications and contract awards criteria, respectively, and Decision no. 669 of 27.05.2016 on public work contracts includes environmental and social protection in the qualification criteria,

### *Sub-indicator 2(b). Model documents for sustainable procurement standard contract conditions*

There are two model documents on the standard documentation; one is for the procurement of goods and services (Order No. 71 of 24.05.2016) and the other is for the procurement of goods, services and works through competitive negotiated procedure (Order No. 85, of 15.06.2016). Specifically, these model documents or standard documents reflect the sustainability considerations in PPL No. 131.

The model/standard documents apply the procurement principle on environmental protection in the public procurement contract (General Provisions No. 2), the qualification criteria for quality assurance and environmental protection standards (General Criteria Nos. 11, 18, 19). (*Sub-indicator 2b-a*) Nonetheless, the model does provide for mandatory sustainability standards, as these standards are

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<sup>21</sup> *Id.*, p. 8.

<sup>22</sup> *Id.*

required only where they are appropriate. (*Sub-indicator 2b-b*) In case there is a requirement for submission of evidence of product conformity, identified by reference or relevant specifications or standards, including eco-labels, the model provides the standard contract condition for this requirement. (*Sub-indicator 2b-c*)

*Sub-indicator 2(c). Toolkit supports sustainable procurement.*

The PPA website has published the Guide for Sustainable Public Procurement (2017) (“Guide for SPP”) which provides for the toolkit to support sustainable procurement. (*Sub-indicator 2c-a*) The Guide for SPP defines the core sustainable product criteria including the standard methodology or tool supporting reliable life cycle costing calculations. (*Sub-indicator 2c-b*) The Guide for SPP is publicly accessible. (*Sub-indicator 2c-c*)

*Sub-indicator 2(d). Sustainable Procurement Manual*

The Guide for SPP serves as the sustainable procurement manual of Moldova. It integrates sustainable procurement requirement, processes, techniques, and tools that contracting authorities may use in ensuring the correct implementation of procurement laws and regulations. (*Sub-indicator 2d-a*) The Guide for SPP published lessons learned, but they were not regularly updated. While there were only two reported SPP cases, the initial interview to some of the contracting authorities showed some potential cases for SPP that are worth evaluating for assessment of lessons learned in the implementation of SPP in Moldova (*Sub-indicator 2d-b*)

Indicator 3. Policy and strategy provide enabling framework for implementing sustainable procurement.

The Public Procurement Agency of the Republic of Moldova has a policy document entitled “Implementation of Sustainable Public Procurement,” (SPP Action Plan) which highlights the aim of the government in ensuring that by 2020, at least 15% of all public procurements will be green,<sup>23</sup> but no records were available to review the status of its accomplishment.

*Sub-indicator 3(a). Sustainable procurement policy*

The SPP Action Plan discusses the Moldova’s SPP Policy (*Sub-indicator 3a-a*), which reflects the overall government goals in line (coherent) with the Moldova-EU Association Agreement on the need for public procurement reform and legal harmonization of the overall legal framework for public procurement (*Sub-indicator 3a-b*). Key stakeholders (i.e., Public Procurement Agency, Ministry of Finance, National Center for Public Health, National Agency for Food Safety, Ministry of Agriculture and Food Industry, Energy Efficiency Agency, Ministry of Construction and Regional Development, Specialized NGOs, and Contracting Authorities) have contributed to policy development (*Sub-indicator 3a-c*).

*Sub-indicator 3(b). Sustainable procurement strategic action plan*

Moldova has adopted a strategic action plan that comprises its objectives, priorities, targets, measures, responsibilities, timelines, and estimated cost/funds. Annexes 1 and 2 of the SPP Action Plan provide the basic criteria for the SPP procurement of its priority product category – Organic Food Stuff and Energy-efficient windows. The SPP Action Plan also includes monitoring arrangements and responsibilities.

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<sup>23</sup> Adapting the 2030 Agenda on Sustainable Development to the Context of the Republic of Moldova: Results of the consultation process on adapting the 2030 Agenda to the context of the Republic of Moldova, March 2019, P. 42

While the SPP Action Plan is an integral part of the national public procurement system, it has to be appropriately linked to broader government programs (e.g., sustainable development strategy). Public procurement should be one of the most important signs of the Government's commitment to support sustainable development, which should serve as an example for the private sector.<sup>24</sup> One priority area should be the inclusion of specific objectives on promoting sustainable public procurement practices in the Environmental Strategy for the years 2014-2023.<sup>25</sup>

There is no published data showing that key stakeholders have contributed to strategy development.

### **Key findings: Gap assessment**

Moldova's legal framework for public procurement does not only support the three dimensions of sustainability - economic, environmental, and social dimensions, it also highlights sustainable development as one of the principles of procurement legislation. Nonetheless, there is a need to manifest in its procurement practices the importance not only of reducing environmental impact and fighting climate change (if necessary), but also the promotion of appropriate measures for the respect of human rights (where there is a risk of violation of such rights).

Moreover, there is a gap not only on the implementation of life cycle costs, more particularly on the possibility of including the cost imputed to environmental externalities linked to the products, services or works during the life cycle (e.g., cost of emissions of greenhouse gases, other pollutant emissions and other climate change-mitigation costs), but also on the evaluation of sustainability outcomes in the entire lifespan of the procurement as sustainability is not among the expressed requirements for contract management (i.e., there is no specific provisions on contract management for SPP in the procurement law).

Moldova's Guide for Sustainable Public Procurement, while helpful in implementing sustainability considerations in public procurement, is not a specific government decree on the implementation of sustainable public procurement. In fact, there is no secondary legislation specifically for sustainable public procurement.

While the SPP Action Plan requires the preparation of reports on the implementation of sustainable procurement, there are no available SPP reports on the PPA website. Interestingly, the 2019 PPA published report did not include data on SPP implementation except for one reported training.

### **Recommendations**

To make a binding commitment to prioritize sustainability considerations in public procurement, it is necessary to adjust the procurement legislation by identifying which of the sustainability requirements may already be considered as mandatory.

A government decree supporting the immediate prioritization of SPP on certain categories is a must. It also is recommended to include in the said decree a specific provision on establishment of a specific unit with permanent mandate to promote and implement SPP and extend the monitoring function, or at the very least, amend Decision No. 667 of 27.05.2016 on the activity of the Procurement Working Group by including a sustainability expert in the composition of the Procurement Working Group.

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<sup>24</sup> *Id.*, p. 87

<sup>25</sup> *Id.*

Though not necessary, a model SPP standard document for procurement of goods, services and works will be an added value, more particularly, if the said model document contains the drafts of any of the following sustainability requirements:

1. Protection of the environment, biodiversity, and restoration of natural habitats (e.g., sustainable or organic agriculture, fishing or forestry,
2. Social health and wellbeing of consumers/recipients of good or service (e.g., hazardous chemicals handling, labelling of chemicals,
3. Sustainable resource use such as energy saving measures, recycling, take-back programmes and responsible end-of-life management,
4. Promotion of Vendors' participation to the UN Global Compact,
5. Whole life cycle cost,
6. Climate change mitigation and adaptation such as energy efficiency, greenhouse gas reporting and emission offsetting,
7. Gender issues such as gender mainstreaming, targeted employment of women, promotion of women-owned businesses,
8. Local communities and SMEs (e.g., reserve labour opportunities for local communities, use of local materials, reserved procurement for local companies), and
9. Promoting sustainability throughout supply chain (e.g., sustainability requirements for tier 2 suppliers, identification, and approval of subcontractors).<sup>26</sup>

## **CHAPTER II. STRENGTHENING SPP FRAMEWORK, MANAGEMENT CAPACITY AND STAKEHOLDER ENGAGEMENT**

This chapter assesses how the procurement system in Moldova is operating in practice through the institutions that are part of the overall public sector governance in the country by evaluating the SPP framework, management capacity, and stakeholder engagement, including SPP awareness. It likewise checks on linkages with public financial management system, regulatory functions, procuring entities and systems to manage and improve SPP, while examining the operational efficiency, transparency and effectiveness of the procurement system based on the perceptions of selected contracting authorities.

### *SPP Framework*

Although Moldova has a specialized institution (i.e., the Public Procurement Agency) that can support SPP, its implementation, including the level of SPP awareness among contracting authorities, remains a big challenge.

While contracting authorities are aware of SPP policies (i.e., sustainability is included in the public procurement laws and is applied in some procurement activities) (*See responses in question nos. 17 and 18 of Annexes "A" and "B"*), their organizations do not include a specific approach to sustainability in their procurement practices, (*See responses in questions nos. 35 and 36, id.*) They, however, know that the public procurement law has taken sustainability into account and that the national government has adopted SPP initiatives though some of them are under development (*See responses in question no. 19, id.*) In fact, contracting authorities have already considered economic factors in the procurement plans (*See responses in question no. 37, id.*) and even applied economic aspects in the sustainability criteria when buying products and services (*See responses in question no. 38, id.*).

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<sup>26</sup> See, for example, sustainable notices published at the United Nations Global Marketplace at [Search tender notices \(ungm.org\)](https://www.un.org/ungm/).

Though the 2018 amendments in the Public Procurement Law No. 113 have already introduced the concept of life cycle costing (LCC), none of the eight respondents had considered life cycle costing in the pre-procurement planning stage nor included it in the preparation of the technical specifications in any of the procurement projects. In fact, one of them commented that he/she “wanted to apply (it), but it is difficult to understand and how this (life cycle costing) works in practice,” and another manifested the importance of having “a detailed analysis to calculate the cost of the whole life cycle for the procedure to be started.” (*Please refer to Annex “C”*)

One of the potential barriers for the use of the LCC approach is the absence of flexibility in the overall budgetary process in Moldova. Since a big percentage (i.e., 90 – 100%) of the funding sources that are used for procurement and contracting are sourced from the national budget (*See responses in question No. 11, id.*), which was described as either fixed in the annual budget and cannot be carried over to the next year or with fixed amount in the project/task budgets to deliver a specific project/task over any timeframe (*See responses in question no. 12, id.*), then there will be no room for providing flexibility for LCC as it involves potential investment or funds that must be appropriated over a long timeframe.

Moreover, there are no available records to support the potential use of environmental and social accounting systems in Moldova. Nonetheless, contracting authorities recognize some of the national initiatives on environmental and social management that can support the promotion of SPP. These include existing initiatives on pollution prevention and clean production in the private sector, the ISO certification, the use of eco-labels, energy efficiency, compliance with labor laws and employment promotion, including employment opportunities for disabled workers and the implementation of anti-discrimination programmes based on racial, gender, or native communities. (*See responses in question no. 20, id.*)

While the 2015 SPP Action Plan has already established an institutional set-up that could drive SPP policies in Moldova, (i.e., creation of the SPP Implementation Unit under the Public Procurement Agency and the SPP Task Force), there is no record (at least based on the annual reports of the Public Procurement Agency from 2018 to 2020) of their actions, decisions, nor accomplishments. Neither the SPP Implementation Unit of the PPA nor the SPP Task Force composed of representatives from specialized central bodies, i.e., Ministry of Finance, Ministry of Agriculture and Food Industry, Public Procurement Agency, Energy Efficiency Agency, and the National Food Safety Agency has published any report on the status of the SPP Action Plan implementation.

### *Management Capacity*

While most of the responsibilities concerning the implementation of SPP are part of the mandate of the PPA, which has the overall responsibility for public procurement policy, the responsibility for providing advice on SPP lies in the SPP Task Force, which serves as the decision-making body for the implementation of the SPP Action Plan. Its responsibilities include 1) supervision of Action Plan implementation; 2) follow-up on the actions of the Public Procurement Agency; 3) examination and approval of the results of implemented actions; and 4) strategic planning.<sup>27</sup> Interestingly, the Ministry of Environment has been identified in the 2030 Moldova Agenda as a partner institution of the MOF in the promotion of sustainable public procurement, yet it is not included in the SPP Task Force.

Though the primary target groups for PPA’s work under the SPP Action Plan include its staff and the staff of contracting authorities, support and training on SPP are limited to procurers, budget

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<sup>27</sup> Action plan p, 15.



holders/specifiers/users, finance managers, and lawyers within the central government. *(See responses in question no. 27, id.)* There was no reported national training on how to implement SPP in any level of government (i.e., central, regional, local) irrespective of the aspects of sustainability (i.e., economic, environmental, social) *(See responses in question no. 28, id.)*.

Although there are available tools (e.g., standard specifications) on how to implement SPP using economic and environmental aspects, *(See response in question no. 29, id.)*, none of the two respondents reported on the support of the national government on SPP. *(See responses in question no. 30, id.)* One respondent claimed that training by the national government was limited on “how to buy” (e.g., choosing suppliers, writing specifications, evaluating bids, supplier debriefing) but this does not include any aspects of sustainability *(See responses in question no. 31, id.)* In fact, both claimed that they had not received any training on SPP. *(See responses in question no. 32, id.)* One possible reason is that there was “little” interest among procurement officials for participating in SPP training and/or information programmed. *(See response in question no. 33, id.)*

In fact, even on an institutional level, there was no training provided to procurement and training staff *(see responses in question no. 34, id.)*, hence, if they had to define and evaluate certain environmental characteristics for the products that they procure (e.g., procurement of lighting equipment using energy efficiency as environmental criteria, *(see response in question no. 41)*, they would use the “internet” as their primary source of information. *(See response in question no. 39, id.)*

While contracting officers are familiar with concepts related to SPP, such as sustainable development, sustainable procurement/green purchasing, recycled/reusable, eco-efficient product/sustainable product, green procurement, efficient procurement, environmental procurement, clean procurement, sustainable procurement, responsible procurement *(see responses in question no. 4, id.)* and some of them participate in the development of conditions of the tenders or supervise the procurement process in one of its phases *(see response in question no. 3, id.)*, their organizations have not yet identified the products or services which have the highest economic, environmental or social impacts. *(See responses in question no. 46, id.)*

In fact, none of the respondents have undertaken sustainability risk assessment in the procurement *(see responses in question no. 47, id.)* nor performed ex-ante impact analyses and ex-post evaluation of environmental and social impact of procurement and contracting of goods and services. *(See responses in question nos. 48 and 49, id.)*

### *Stakeholder Engagement*

The limited capacity development of contracting authorities has an effect in strengthening supplier’s engagement to achieving sustainable public procurement goals.

While contracting authorities evaluate potential suppliers on their fitness to supply (e.g., financial stability, quality, service performance, capacity), including a few sustainability criteria (e.g., legislative compliance, policies) and sustainability impacts associated with the products or services supplied, the assessment was limited to economic aspects *(see responses in question no. 50)*, which is based on the purchase price plus other key costs such as running costs, maintenance etc., but also includes assessment of non-cost criteria such as quality and durability, etc. *(see responses in question no. 51)* In doing so, they take into account the compatibility of supplier’s contracting policies with ISO, EMAS standard and conventions signed by Moldova (e.g., ILO), including the compatibility of the products, practices and policies of the suppliers with the contracting authorities’ sustainability policy, *(see responses in question no. 52)* if any. *(Note, that in question nos. 35 and 36, respondents claimed that their organizations do not include a specific approach to sustainability in their procurement practices).*

In fact, respondents claimed that except for job creation (e.g., recruitment of unemployed), their organizations do not have compliance audit for suppliers on the areas such as environmental impacts, impacts of products and services on health, education (e.g., learning, youth training), human rights (e.g., discrimination), employment conditions (e.g., minimum wage, health and safety), use of innovative environmental technologies, encouraging, where possible, certain percentage of local materials, components and labor that contribute to a finished product, promoting SMEs, promoting supplies from less privileged areas within a country, promoting technology transfer and capacity building, promoting tenders that create opportunities for disadvantaged groups, etc. *(See responses in question nos. 53)*

Nonetheless, contracting authorities may support SMEs either through an ad hoc personal support to encourage bids from small suppliers or by dividing the contracts into lots of a suitable size for SMEs to bid for. *(See responses in question no. 54)* In fact, about 20 to more than 50% of SMEs participated in public procurement and contracting in Moldova, *(see responses in question no. 55)* more particularly on the procurement of food products, light products and catering service. *(See response in question no. 56)*

#### *Contract management, SPP monitoring and evaluation*

While gathering and analyzing information on SPP is paramount for an effective SPP policy, contracting authorities in Moldova review their procurement contracts on an annual basis covering only economic issues on delivery, quality, cost, service, etc. *(See responses in question no. 57)*. The internal auditing systems, though already in place, do not yet consider SPP aspects and reports that are produced using this system demonstrate only the achievement of procurement in terms of savings. *(See responses in question no. 58)*.

#### *SPP Awareness Raising*

Despite the limitations on the SPP framework and management capacity, contracting authorities still consider that the procurement departments of the public sector are in a position to implement sustainable procurement mechanisms in their purchases *(see responses in question no. 59)*, albeit, find it difficult to adopt SPP practices due to either insufficient supply of green goods and services aggravated by the resistance and obstacles generated by suppliers, or lack of interest and commitment from users of the procurement system caused most probably by lack of information and knowledge about SPP. *(See responses in question no. 63)*

Nonetheless, respondents claimed that one of the possible motivations for adopting SPP policy is by improving efficiency and reducing the contracting cost *(see responses in question no. 60)* of sustainable products and services. They added that an exchange of practical examples of environmental procurement with pioneer countries or institutions, including information workshops may accelerate the implementation of environment procurement in their organizations *(see responses in question no. 61)* since lack of information and technical capacities on environmental issues are the top two barriers in integrating environmental criteria in their organizations' procurement process.

It is equally important to address the resistance of suppliers to rule changes *(see responses in question no. 64)* by involving them and other stakeholders such as NGOs, consumer organizations, including the general public in the development of SPP approach *(see responses in question no. 65)*. According to the respondents, only the Ministry of Economy and the Public Procurement Authority are the organizations that work on the promotion and implementation of SPP in Moldova, *(see responses in*

question no. 67) which should not be the case as suppliers are equally important in the development of more sustainable products and services. (See responses in question no. 68)

### **Key Findings: Addressing the Gap**

The enactment of the proposed secondary legislation on the implementation of SPP in Moldova could be the missing link in strengthening its existing SPP framework for at least three reasons:

First, the provisions in PPL No. 131 (*i.e.*, Article 6 para. d on the principle of protecting the environment and promoting sustainable development through public procurement, Article 17 para. f on the application of environmental protection standards in the qualification and selection criteria, Article 21, paras. (2)f) and (3) on the right of contracting authorities to require economic operators, where applicable, the submission of environmental protection measures, Article 22 on quality assurance standards, Article 23 on environmental protection standards, Article 37 paras. 8 to 15 on the use of environmental labels, and Articles 41, 68 and 69 on the possible application of environmental and social protection standards in the execution of public contracts) that support the SPP framework are elaborated in both in the general provisions and the general conditions of the proposed Government Decree on Sustainable Public Procurement, more particularly the authority to apply mandatory SPP requirements and criteria, the use of life cycle costing methodology for energy-using products and the inclusion of sustainability clauses in the standards terms and conditions of the contract.

Second, the proposed Decree highlights not only the role of the Public Procurement Authority as an institution dedicated for SPP implementation but also the importance of the Procuring Working Group as the potential prime mover in mainstreaming SPP initiatives in every contracting authority. The present institutional set-up in Moldova, though adequate to drive SPP policies, is limited to advisory and policymaking functions; hence, there is a need to empower contracting authorities through the PWG in the actual SPP implementation. In doing so, the proposed SPP Decree ensures that in SPP implementation, the Public Procurement Authority, contracting authorities will have the obligation to ensure not only the efficiency in public procurement, but also the objectivity, impartiality, transparency, and publicity of the adopted SPP procedures.

Third, and since monitoring of SPP is one of Moldova's weaknesses in the area of SPP implementation, the proposed SPP Decree prescribes the policy for SPP registration, evaluation and surveillance. Accordingly, SPP contracts must be registered to be valid, thereby mandating contracting authorities not only to include in their annual report their SPP contracts, but must register them immediately (*i.e.*, within 15 days) after execution to have legal effects. This way, it will be easier for the Ministry of Finance through the State Treasury or the Territorial Treasuries or the PPA to monitor the SPP implementation *motu proprio*.

### **Recommendations**

Adopting a secondary legislation that promotes sustainable public procurement in Moldova, by itself, will not be enough to further develop its strategic framework for sustainable public procurement. Additional measures are necessary to further strengthen the legal foundation for SPP. These include implementing measures to establish operational and programmatic procedures to support the SPP agenda, more particularly focused on raising SPP awareness not only to the procurers and contracting authorities, but more importantly, to suppliers and the wider public while highlighting the benefits of sustainable procurement.

The Public Procurement Authority can start with contracting authorities in local government units by involving them in the development of SPP approaches, while maximizing the opportunities for capacity building through training, advice, and assistance on public procurement.

With the assistance of partner organizations such as UNEP, the Public Procurement Authority can focus on developing additional tools, templates, model texts, including internet seminars challenging areas on SPP implementations such as contract management, non-price, criteria, and performance requirements.

### CHAPTER III. STRATEGIES FOR SPP IMPROVEMENT IN THE REPUBLIC OF MOLDOVA (INCLUDING ITS READINESS TO REPORT ON TARGET 12.7.1 OF SDGS)

Sustainable public procurement is one of the most important manifestations of the government's commitment to support the call for sustainable consumption and production patterns (SDG 12) by serving as an example for the private sector to follow. Specifically, SDG 12.7 calls for the promotion of public procurement practices that are sustainable in accordance with national policies and priorities, and governments are encouraged to participate in the monitoring of the number of countries that are implementing sustainable public procurement policies and action plans.

SDG 12.7 is an important target not only because shifting to sustainable public procurement is recognized as a key activity to achieve more sustainable consumption and production but, more so, because it is an indication of the willingness of governments to walk the talk on sustainable consumption and production. Governments are encouraged to report SDG 12.7.1 to contribute to the SDGs global movement, to monitor and benchmark their progress in SPP implementation and to set up a baseline and identify gaps useful for the implementation of sound sustainable public procurement policies.

There are at least three aspects by which the government can monitor the progress of its SPP implementation. The first is the adoption of SPP policy and practical SPP implementation which include measures taken at political and legal levels to mandate and facilitate the implementation of SPP such as SPP policies, action plans and/or supplementary regulatory requirements. The second aspect covers the presence of public procurement legal framework, including practical outputs of SPP policy implementation and support given to public procurement practitioners (e.g., practical support and guidance and environmental and social considerations in public procurement), and the third looks at the mechanisms for monitoring actual results and outcomes of SPP implementation (i.e., adoption of monitoring system and computation of the percentage of SPP).

The first two chapters of this Report have already addressed the three aspects in monitoring the SPP implementation in the Republic of Moldova.

Using SWOT Analysis<sup>28</sup> as a framework, this Chapter attempts to analyze the strategies that the Republic of Moldova may use not only in evaluating its readiness to report on target 12.7.1 of the Sustainable Development Goal (i.e., promotion of public procurement that is sustainable), but, more importantly, in identifying the suggested activities for the implementation of EU4Environment Initiatives in Moldova for the years 2021 to 2022, thereby, ensures the achievement of its target of at least 15% of its annual public procurement to be green by 2022. (See Figure 1 on the next page for details)

<sup>28</sup> SWOT (strengths, weaknesses, opportunities and threats) analysis is a framework used to evaluate an organization's competitive position and to develop strategic planning. It assesses internal and external factors, as well as current and future potential. See generally, [Strength, Weakness, Opportunity, and Threat Analysis \(SWOT\) Definition \(investopedia.com\)](https://www.investopedia.com/terms/s/swot-analysis/).

Action implemented by:



Figure 1. “Promote, Lead and Assist Now” (PLAN) Strategy for SDG 12.7.1 in the Republic of Moldova: A SWOT Analysis<sup>29</sup>

GOAL	STRENGTHS	WEAKNESSES
<p>Achieve the target of at least 15% of annual public procurement will be green public procurement by 2022</p>	<p><b>Strategic Partners:</b> European Union (EU Association Agreement with the Republic of Moldova), EU4Environment Partners, e.g., UNEP</p> <p><b>SPP Legal Framework:</b> Law on Public Procurement No. 115 of 03.07.2015, Guide to SPP (2017), SPP Action Plan (2015)</p> <p><b>SPP Policy Making Institution:</b> Public Procurement Authority</p>	<p>Weak institutional capacity affects the implementation green public procurement (integration)</p> <p>Lack of shareholder participation, i.e., suppliers and transparency on the adoption of SPP approaches hinder SPP growth (resilience)</p> <p>Green products and services mostly lacking (green transition)</p>
<p><b>OPPORTUNITIES</b></p> <p>EU4Environment Initiative and other available sources for grant funds to support county SPP strategy</p> <p>Small and medium-sized enterprises (SMEs) are the backbone of Europe’s economy, including Moldova.</p> <p>Governments in the Eastern Partnership countries are important consumers (i.e., public procurement in Moldova represents about 27.3 % of GDP)</p>	<p><b>S-O: PROMOTE</b></p> <p>With the help of its strategic partners, Moldova can leverage on its purchasing power (approximately 27.3% of its GDP) to promote SPP by maximizing opportunities for SMEs to participate in pilot projects for the procurement of green products and services, an initiative that is supported by the SPP legal framework of Moldova.</p>	<p><b>O-W: LEAD</b></p> <p>The EU4Environment Initiative through UNEP can lead the conduct of capacity development of public procurers and contracting authorities on implementation of SPP policies and other stakeholders such as the suppliers on how to respond to green tenders.</p>
<p><b>THREATS</b></p> <p>SP is not widely implemented at the level of contracting authorities.</p> <p>Dependency on external reform drivers (e.g., pilot tenders from external partners)</p>	<p><b>S – T: ASSIST</b></p> <p>As an established procurement policy institution, the Public Procurement Authority should assist contracting authorities in the implementation of SPP by monitoring and evaluating all pilot SPP tenders whether internally or externally funded and recording the best practices, a mandate that is specifically provided in the existing law</p>	<p><u>No turning back strategy</u>  <u>(No threats nor weakness should stop the Republic of Moldova in accomplishing its initial target of ensuring that at least 10% of its annual public procurement is green public procurement):</u></p> <p>NOW</p>

<sup>29</sup> SWOT (strengths, weaknesses, opportunities and threats) analysis is a framework used to evaluate an organization’s competitive position and to develop strategic planning. It assesses internal and external factors, as well as current and future potential. See generally, [Strength, Weakness, Opportunity, and Threat Analysis \(SWOT\) Definition \(investopedia.com\)](#).

Action implemented by:



<p>Change in leadership &amp; administration may result in a shift in priorities or absence of shared commitment and consensus among stakeholders.</p>	<p>on public procurement in Moldova.</p>	<p>is the right time for the Public Procurement Authority to exhaust all means to increase the level of SPP awareness of various stakeholders (internal and external) in Moldova by maximizing the opportunities to <b>PROMOTE</b>, <b>LEAD</b>, and <b>ASSIST</b> in the SPP implementation through the EU4Environment Initiative.</p>
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## **Goal: Achieve the target of at least 15% of annual public procurement will be green public procurement by 2022**

In Moldova, while the 2015 National Action Plan for the Implementation of Sustainable Public Procurement correlates with SDG 12.7 by aiming at ensuring that by 2020, at least 15% of all public procurements will be green, the same did not materialize for various reasons, such as weak institutional capacity (which affects the implementation of green public procurement), lack of shareholder participation in the adoption of SPP approaches which hinders the SPP growth, and limited, (if not totally lacking) of supply for green products and services. (See Chapter 3 for details)

Nonetheless, it is not too late for Moldova to accomplish its goal of ensuring that **at least 15% of the annual public procurement will be green to a new target of 2022** by adopting the “Promote, Lead and Assist Now” (PLAN) Strategy to improve its readiness to report SDG 12.7.1 through the assistance of the EU4Environment Initiative. (See Figure 1 above)

### **Strengths:**

- **Strategic Partners:** European Union (EU Association Agreement with the Republic of Moldova), EU4Environment implementing Partners, e.g., UNEP.
- **SPP Legal Framework:** Law on Public Procurement No. 115 of 03.07.2015, Guide to SPP (2017), SPP Action Plan (2015). The Law on Public Procurement No. 115 of 03.07.2015 provides an appropriate legal framework to implement SPP. While it was drafted to reflect EU’s public procurement directives of 2004, Moldova’s Association Agreement with the EU now requires further amendments in order to conform with the 2014 directives, which add new provisions for facilitating SME participation in public procurement.
- **SPP Policy Making Institution:** The main policy-making institution in the field of public procurement is the Ministry of Finance, with the Public Procurement Agency, subordinated to the Ministry, in charge of policy implementation.<sup>30</sup>

### **Opportunities:**

- EU4Environment Initiative<sup>31</sup>
- Small and medium-sized enterprises (SMEs) are the backbone of Europe’s economy, including Moldova.<sup>32</sup>
- Governments in the Eastern Partnership countries are important consumers (i.e., public procurement in Moldova represents about 27.3 % of GDP)<sup>33</sup>

<sup>30</sup> OECD et al. (2020), *SME Policy Index: Eastern Partner Countries 2020: Assessing the Implementation of the Small Business Act for Europe*, SME Policy Index, European Union, Brussels/OECD Publishing, Paris, <https://doi.org/10.1787/8b45614b-en>.

<sup>31</sup> EU4Environment is helping Moldova develop green investment strategies, finalise the Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) laws, implement Resource Efficient and Cleaner Production (RECP) in SMEs activities, assess Sustainable Public Procurement (SPP) and eco-labelling, develop waste management strategy, contribute to green innovation, strengthen green regulations for enterprises and compliance assurance, reinforce policy dialogues on green finance and investment, support public environmental expenditure management, greening SMEs, assess and reinforce administrative capacity and develop Green Growth Indicators (GGIs). See [Republic of Moldova - EU4ENVIRONMENT](#)

<sup>32</sup> Small and medium-sized enterprises (SMEs) are the backbone of Europe’s economy, including Moldova (i.e., representing 99% of all businesses in EU, account for more than half of Europe’s GDP and play a key role in adding value in every sector of the economy.) In Moldova, SMEs represented approximately 99.8% of all enterprises in 2016 and micro-enterprises accounted for 93% of the total business population, See, European Commission, 2018 SBA Fact Sheet: Moldova, available at [sba-fs-2018\\_moldova.pdf \(europa.eu\)](#)

<sup>33</sup> Governments in the Eastern Partnership countries are important consumers. their expenditure represents some 20% of their GDP, ranging from 11.3% in Azerbaijan to 27.3% in Moldova. Through sustainable (green) public procurement (SPP), governments can lead by example, (i.e., contracting authorities’ initiatives to incorporate sustainability considerations in public procurement). See, *EaP Green Programme, Greening Economies in the European Union’s Eastern Partnership Countries*, Action implemented by:



## Weaknesses:

- Weak institutional capacity affects the implementation green public procurement (integration) (e.g., non-collection of data on the value of annual tenders, domestic contract awards, number and value of international contract awards, number, and value of awards to SMEs, number and value of contract awards evaluated based on MEAT method or on Lowest Price method, etc.)<sup>34</sup>
- Lack of shareholder participation, i.e., suppliers and transparency on the adoption of SPP approaches hinder SPP growth (resilience)
- Green products and services mostly lacking (green transition)

## Threats:

- SP is not widely implemented at the level of contracting authorities.
- Dependency on external reform drivers (i.e., pilot tenders from external partners, e.g., GIZ)
- Change in leadership & administration may result in a shift in priorities or absence of shared commitment and consensus among stakeholders.<sup>35</sup>

## S-O Strategy: PROMOTE

With the help of its strategic partners such as UNEP, Moldova can leverage on its purchasing power (approximately 27.3% of its GDP) to promote SPP by maximizing opportunities for SMEs to participate in pilot projects for the procurement of green products and services, an initiative that is supported by the SPP legal framework of Moldova.

## O-W Strategy: LEAD

The EU4Environment Initiative through UNEP can lead the conduct of capacity development of public procurers and contracting authorities on implementation of SPP policies and other stakeholders such as the suppliers on how to respond to green tenders.

## S – T Strategy: ASSIST

As an established procurement policy institution created by law, the Public Procurement Authority can and should assist contracting authorities in the implementation of SPP by monitoring and evaluating all pilot SPP tenders whether internally or externally funded and recording and sharing SPP best practices, a mandate that is specifically provided in the existing law on public procurement in Moldova.

## No turning back strategy

No threats nor weakness should stop the Republic of Moldova in accomplishing its initial target of ensuring that at least 15% of its annual public procurement is green public procurement. Now, more than ever, is the right time for the Public Procurement Authority to exhaust all means to increase the level of SPP awareness of various stakeholders (internal and external) in Moldova by maximizing the opportunities to **PROMOTE**, **LEAD**, and **ASSIST** in the SPP implementation through the EU4Environment Initiative.

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<sup>34</sup>World Bank, Moldova Country Profile for 2019, 2020, available at [https://www.globalpublicprocurementdata.org/gppd/country\\_profile/MD](https://www.globalpublicprocurementdata.org/gppd/country_profile/MD)

<sup>35</sup> [Moldova in 2021: Political and Economic Turbulence Could Worsen Emigration | Balkan Insight](#)

The Final EU4Environment work plan for 2019-2022 for the Republic of Moldova the years 2019-2022 has already identified the promotion of green public procurement and complementary tools as one of the important outputs (output 2.3) for Result 2 on circular economy and new growth opportunities.

Accordingly, UNEP through the EU4Environment Initiative will spearhead the conduct assessment/advisory services to establish SPP and eco-labeling policies (Activity 2.3.1) and assist the Public Procurement Authority in promoting capacity development of business sectors to respond to public tenders and eco-labeling policies through trainings for companies and authorities on SPP and eco-labeling/certification and launching of new pilot tenders (Activity 2.3.2) in Moldova. Moreover, UNEP can also assist the Republic of Moldova in implementing SPP Pilot Projects in targeted contracting authorities with an objective of helping the Public Procuring Authority to select, and, thereafter, approve the categories for prioritized products and services for the potential application of mandatory SPP.

#### **CHAPTER IV. SUGGESTED ACTIVITIES IN THE FRAMEWORK OF THE EU4ENVIRONMENT INITIATIVES IN THE REPUBLIC OF MOLDOVA**

While recognizing the developments since 2017 as set out in the previous chapters and annexes of this progress report and the current plans for further improvements of SPP implementation in Moldova, there are at least three important activities for the years 2021-2022 that can be highlighted to further promote SPP in Moldova.

The first activity is on the urgent need to maximize SMEs opportunities to participate in green tenders by (a) updating of secondary legislation, standard documents, and guidelines for SMEs participation through either state aid or public procurement for innovation, (b) providing more opportunities for training of contracting authorities and SMEs in their respective roles on the promotion of SPP, and (c) enhancing e-procurement to promote SPP good practices.

While the first action direction on the need for secondary legislation has been addressed in the proposed draft of the secondary legislation on public procurement, it is likewise urgent that specific guidelines on the participation of SMEs in public procurement either through state aid procurement or public procurement for innovation be adopted. This way, the government can assist small suppliers not only in adopting the new requirements for green public procurement but will also encourage them to improve the environmental performance of their products and services.

To be able to do this, it is necessary that the second action direction will focus on strengthening the role of the Public Procurement Agency in SPP data collection and analysis by (a) professionalisation of its internal employees through trainings and other SPP capacity building certifications, (b) providing sufficient operational, advisory and training support on SPP approaches to contracting authorities, and (c) an immediate workshop on the SPP Index Methodology for SDG Indicator 12.7.1.

Lastly, it has now become inevitable for Moldova's partners such as the partner agencies under the EU4Environment Programme to assist selected contracting authorities in prioritizing the implementation of SPP pilot projects and address some of the SPP barriers such as lack of technical capacity to implement SPP. Accordingly, project partners such as UNEP will provide assistance not only in identifying and defining the targeted contracting authorities for this project, but more importantly in selecting priority products/services to be purchased through SPP, with an objective of proposing for the approval of mandatory SPP in selected categories for products and services.

For details on the action needed to implement these activities, see Table 1 on the next page.

**Action plan for the implementation of the suggested activities in the framework of the EU4Environment Initiatives in the Republic of Moldova for the years 2021-2022**

No.	Action Title	Time frame	Responsible Institution/s	Monitoring Indicators	Estimated costs, MDL	Sources of financing
<b>Specific objective: Achieve the target of at least 15% of annual public procurement will be green public procurement by 2022</b>						
<b>Action Direction 1. Maximize SMEs opportunities to participate in green tenders</b>						
1	Adoption of secondary legislation on the implementation of sustainable public procurement	3 <sup>rd</sup> – 4 <sup>th</sup> Quarter, 2021	Ministry of Finance	Draft approved	Within the annually approved limits in the state budget law	State budget
2	Updating of standard documents incorporating the standard sustainability clauses provided in proposed secondary legislation o SPP	3 <sup>rd</sup> -4 <sup>th</sup> Quarter, 2021	Ministry of Finance, Public Procurement Authority	Updated Standard Documents with sustainability clauses approved	Within the annually approved limits in the state budget law	State budget
3	Formulation of guidelines for SMEs participation through either state aid or public procurement for innovation	3 <sup>rd</sup> -4 <sup>th</sup> Quarter, 2021	Ministry of Finance, Public Procurement Authority	Draft of the Guidelines for SMEs participation in public procurement approved	Within the annually approved limits in the state budget law	State budget
4	Organizing online trainings for contracting authorities on the guidelines for SMEs participation in public procurement	4 <sup>th</sup> Quarter, 2021 to 1 <sup>st</sup> Quarter, 2022	Ministry of Finance, Public Procurement Authority	Complete training materials prepared and published on the website of the Public Procurement Agency	Within the annually approved limits in the state budget law	State budget
5	Organizing online trainings for SMEs on participation in public procurement	4 <sup>th</sup> Quarter, 2021 to 1 <sup>st</sup> Quarter, 2022	Ministry of Finance, Public Procurement Authority	Complete training materials prepared and published on the website of the Public Procurement Agency	Within the annually approved limits in the state budget law	State budget

Action implemented by:



6	Enhancing e-procurement to promote SPP good practices	Beginning 3 <sup>rd</sup> – 4 <sup>th</sup> Quarter, 2021	Public Procurement Authority, contracting authorities	Publication of SPP good practices on the website of Public Procurement Agency	Within the annually approved limits in the state budget law	State budget
<b>Action Direction 2. Strengthen the role of the Public Procurement Agency in SPP data collection and analysis</b>						
7	Organizing online SPP trainings of internal employees of contracting authorities	3 <sup>rd</sup> - 4 <sup>th</sup> Quarters, 2021	Public procurement authority, contracting authorities, procuring working group	Complete training materials prepared and published on the website of the Public Procurement Agency	Within the annually approved limits in the state budget law	State budget
8	Professionalisation of its internal employees	4 <sup>th</sup> Quarter, 2021	Contracting authorities, procuring working group	Appointment/ Designation of sustainability expert in the procuring working group per contracting authority	Within the annually approved limits in the state budget law	State budget
9	Providing sufficient operational, advisory and training support on SPP approaches to contracting authorities	3 <sup>rd</sup> Quarter, 2021 onwards	Public Procurement Authority	Introduction of specific search engines on SPP approaches in the websites Public Procuring Authority, with autoboot (chatbot) on common operational issues with advisory notes.	Within the annually approved limits in the state budget law	State budget
10	Immediate online workshop on the SPP Index Methodology for SDG Indicator 12.7.1	3 <sup>rd</sup> – 4 <sup>th</sup> Quarters, 2021	Public Procurement Authority, UNEP	Complete training materials prepared and published on the website of the Public Procurement Agency	Within the annually approved limits in the state budget law, EU funds	State budget, EU funds
<b>Action Direction 3. Implement SPP Pilot Projects for the procurement of priority products/services by Targeted Contracting Authorities</b>						
11	Preparatory Steps (i.e., definition of responsible team for SPP Pilot	3rd Quarter, 2021	Public procurement authority, UNEP	Approved Project Management Team for SPP Pilot Projects	Within the annually approved limits in the	State budget, EU funds

	project, defining the scope of the activities)				state budget law, EU funds	
12	Selection of the priority products/services for SPP Pilot projects	3rd Quarter, 2021	Public Procurement Authority, Project Management Team, UNEP	Approved priority products/services for SPP Pilot projects	Within the annually approved limits in the state budget law, EU Funds	State budget, EU funds
13	Identification/Selection of the targeted contracting authorities for the SPP Pilot Projects and preparation of the project procurement management plan and annual procurement plan for 2022 reflecting the SPP Pilot Project	4 <sup>th</sup> Quarter, 2021	Public Procurement Authority, Project Management Team, UNEP	Contracting authorities targeted for the SPP Pilot project are selected. Publication of the approved annual procurement plan which reflects the project procurement management plan for the SPP Pilot Project	Within the annually approved limits in the state budget law, EU Funds	State budget, EU funds
14	Implementation of the SPP Pilot Project	1 <sup>st</sup> – 2 <sup>nd</sup> Quarters, 2022	Public Procurement Authority, Project Management Team, UNEP, Targeted Contracting Authorities	Contract Awards with assessment of the lessons learned from the SPP Pilot Project	Within the annually approved limits in the state budget law, EU funds	State budget, EU funds
15	Completion of the SPP Pilot Project	3 <sup>rd</sup> Quarter, 2022	Public Procurement Authority, Project Management Team, UNEP, Targeted Contracting Authorities	Report on the SPP Pilot Project with recommendations on the possible approval of mandatory SPP for priority products/services.	Within the annually approved limits in the state budget law, EU funds	State budget, EU funds

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**Annex A. Summary of responses to the survey of selected contracting authorities using the 2018 version of the UNEP SPP Assessment Questionnaire**

Questions	Respondent 1	Respondent 2
<b>A. ABOUT YOU AND YOUR ORGANIZATION/DEPARTMENT</b>		
<i>1. About your current position</i>		
Title of current position:		Main consultant
Company/Organization:		Ministry of Internal Affairs
Length of time in current position:	3 years	3 years
Area or department:	achiziții	logistics
Time performing activity linked to public procurement	12 years	7 years
Responsibilities	planificare, organizare, monitorizare, control	Public procurement
Year during which you entered the public sector:	12 years	2006
Date filled	10 Feb 2021	4 Feb 2021
<i>2. Please list your professional training qualifications (Enter all that apply).</i>		
1. Secondary	Studii gimnaziale	
2. Tertiary	Studii liceale	
3. Undergraduate	Licențiat în drept	
4. Masters	Master în drept	International Law
5. Doctorate	Doctor în drept	Economic Law
<i>3. Which of the following statements best describes your responsibility in your organization in relation to procurement? (Check only the one that best describes your situation)</i>		
<ol style="list-style-type: none"> <li>1. Purchases depend on your personal technical reports.</li> <li>2. Purchases depend on reports on which you participate</li> <li>3. You participate in the development of the conditions of the tenders or supervise the procurement process in one of its phases</li> <li>4. You receive instructions and implement them</li> <li>5. You approve the purchasing process</li> <li>6. You participate actively in defining your organization's procurement policies</li> <li>7. You have a degree of involvement in the definition of procurement policies.</li> <li>8. Other</li> </ol>	<ol style="list-style-type: none"> <li>2. Purchases depend on reports in which you participate</li> </ol>	<ol style="list-style-type: none"> <li>3. you participate in the development of the conditions of the tenders or supervise the procurement process in one of its phases</li> </ol>
<i>4. Are you familiar with the following concepts?</i>		
Sustainable Development Sustainable procurement/green purchasing Recycled/reusable Eco-efficient product/sustainable product Green procurement Efficient procurement	Sustainable Development Sustainable procurement/green purchasing Recycled/reusable Eco-efficient product/sustainable product Green procurement Efficient procurement	REsponsible procurement



Environmental procurement Clean procurement Sustainable procurement Responsible procurement	Environmental procurement Clean procurement Sustainable procurement Responsible procurement	
<i>5. Are you a member or have you ever participated in the Steering Committee (SC) for the Sustainable Public Procurement (SPP) Project?</i>		
SC Member Not a member but participated in at least one SC meeting. Not a member, never participated in SC meetings	Not a member, never participated in SC meetings	Not a member, never participated in SC meetings
<b>B.1. Procurement structure</b>		
<i>6. Is your national/federal government's procurement:</i>		
Centralized (i.e., the majority of purchasing is the responsibility of a single unit or designated units purchase particular products or services) Decentralized (i.e., responsibility for procurement is shared between departments) Outsourced (i.e., private company carries out procurement on behalf of your National/Federal government) Mixed	Decentralized (i.e., responsibility for procurement is shared between departments)	Decentralized (i.e., responsibility for procurement is shared between departments)
<i>7. Indicate the procurement and contracting mechanisms provided for in the regulations of your country, assigning 1 to the most used and 5 to the least used.</i>		
Mechanisms Public Bidding Framework Agreements Private Bidding Direct Purchasing	Degree used (please rank from 1 to 5) 1	Degree used (please rank from 1 to 5) 1 3 4 2
<i>8. Is there an electronic procurement system in your country?</i>	yes	yes
<i>9. If so, for what mechanisms does your country use e-procurement?</i>		
Mechanisms Public Bidding Framework Agreements Private Bidding Direct Purchasing Other (please specify)	Is e-procurement used? Yes No No Yes request for price offers, negotiation without publication,	Is e-procurement used? Yes No No Yes request for price offers of goods
<i>10. Indicate the percentage of public purchasing for the following groups of public actors</i>		
Area of application Central administration Public works and services Decentralized bodies (provinces, municipalities) State enterprises and companies Universities Armed forces		% of participation in the procurement system 100%

Other (please specify)		
<b>B.2. Budget management</b>		
<i>11. Indicate the estimated percentage of different funding sources that are used in the country for procurement and contracting.</i>		
National budget (internal only)	100%	90%
Credit (internal/external)		
Other (donations, royalties, etc.)		10%
<i>12. Which of the following best describes how the national/federal government manages budgets?</i>		
Annual Budgets e.g., fixed amount for a year that cannot be carried over to the next year. Annual Budgets e.g., fixed amount for a year, but a small amount can be carried over to the next year. Multi-year budgets e.g., fixed amount over more than one year Project/ Task budgets e.g., a fixed amount to deliver a specific project/ task over any timeframe. Operating costs are included in these budgets. Other (please specify)	Annual Budgets e.g., fixed amount for a year that cannot be carried over to the next year.	Project/ Task budgets e.g., a fixed amount to deliver a specific project/ task over any timeframe. Operating costs are included in these budgets.
<b>B.3. Regulations and international agreements applied to public procurement.</b>		
International agreements and conventions are instruments by which nation-states and international organizations regulate matters of common concern. Their purposes include the development and codification of international law, the creation of international bodies, and the resolution of actual and potential international disputes. A number of these international agreements and conventions have an indirect and direct impact on procurement. Some of the key agreements and conventions have been included in the questions below.		
<i>13. Is your national/federal government a member of the World Trade Organization (WTO) <b>Government Procurement Agreement</b> and Regional Agreements?</i>	Yes	Yes
<i>14. How is the Labor clause in (public) contracts convention 1949 (No. 94) applied in procurement in your country? If you would like to see if your country has ratified this convention, please click on the web link <a href="http://www.ilo.org/ilolex/english/newratframeE.htm">http://www.ilo.org/ilolex/english/newratframeE.htm</a></i>	Do not know	Do not know
<i>15. Which ILO Core Conventions do you apply in your procurement practice? (If you would like to find out more about these conventions and to see if your country has ratified the ILO Core Conventions please click on the web link <a href="http://www.ilo.org/ilolex/english/newratframeE.htm">http://www.ilo.org/ilolex/english/newratframeE.htm</a></i>		
Worst forms of child labour convention 1999 (No. C182) Freedom of Association and the right to organised convention 1948 (No. 87) Forced labour convention 1930 (No. 29) Abolition of forced labour convention 1957 (No.105) Equal remuneration convention 1951 (No. 100) Discrimination (employment and occupation) convention 1958 (No. 111) Minimum age convention 1973 (No. 138)	Do not know	Do not know

Right to organize for collective bargaining convention 1949 (No.98)		
<i>16. How are the following international agreements applied in procurement in your country?</i>		
<u>The 1979 Geneva Convention on Long-Range Transboundary Air Pollution (LRTAP)</u> <u>Stockholm Convention on Persistent Organic Pollutants (POPs)</u> <u>United Nations Framework Convention on Climate Change (UNFCCC) - Kyoto Protocol</u> <u>Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention)</u> <u>Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal</u> <u>Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)</u> <u>The Montreal Protocol on Substances That Deplete the Ozone Layer</u> <u>Rotterdam convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade</u> <u>Convention on Biological Diversity</u> <u>Aarhus Convention on Access to Information Public Participation in Decision Making And Access To Justice In Environmental Matters</u> <u>Convention on The Transboundary Effects of Industrial Accidents</u> <u>Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter</u> <u>International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto (MARPOL 73/78)</u> <u>The Antarctic Treaty</u>	Do not know	Do not know
<b>C. COUNTRY'S EXPERIENCE WITH SPP AND GPP</b>		
<b>National approach to sustainable development and SPP</b>		
<i>17. To what extent is public procurement regulated by LAWS/ REGULATIONS in your country?</i>		
<p>There are no public procurement laws/regulations.</p> <p>There are public procurement laws/regulations, and they are applied in some procurement activities.</p> <p>There are public procurement laws/regulations, and they are routinely applied in procurement.</p> <p>There are public procurement laws/regulations, and they are routinely applied in procurement. Measures are taken to improve the degree of compliance.</p>	<p>There are public procurement laws/regulations, and they are routinely applied in procurement. Measures are taken to improve the degree of compliance.</p>	<p>There are public procurement laws/regulations, and they are routinely applied in procurement. Measures are taken to improve the degree of compliance</p>

<p><i>18. To what extent does the public procurement LAWS/ REGULATIONS take sustainability into account? Please only answer this question based on whether you have a law or regulation. Details of whether you have a policy, strategy, action plan will be asked later.</i></p>		
<p>Not at all It is included in public procurement laws/regulations. It is included in public procurement laws/regulations and it is applied in some procurement activities. It is included in public procurement laws/regulations and it is routinely applied in procurement. It is included in public procurement laws/regulations and it is routinely applied in procurement. Measures are taken to improve the degree of compliance.</p>	<p>It is included in public procurement laws/regulations and it is applied in some procurement activities.</p>	<p>It is included in public procurement laws/regulations and it is applied in some procurement activities.</p>
<p><i>19. Are there any defined initiatives – policy, action plan, strategy, programmes – in your country for implementing SPP? If so, please state the level to which it is applied.</i></p>		
<p><i>Policy and/or programme initiatives</i> Pollution prevention and clean production in the private sector Pollution prevention and clean production in the public sector ISO certification Eco-labels Awards for best practice Energy efficiency Supplier development Technology conversion Eco-design and life cycle analysis Compliance with labour laws Employment promotion Employment opportunities for disabled workers Anti-discrimination programmes (racial, gender, native communities) Promoting human rights Do not know/do not exist</p>	<p>Existing Initiative ISO Certification Eco-labels Energy efficiency Compliance with labor laws Employment opportunities for disabled workers</p>	<p>Existing initiative Pollution prevention and clean production in the private sector Energy efficiency Employment promotion Anti-discrimination programmes (racial, gender, native communities)</p>
<p><i>21. Is public procurement included in the national/federal government approach to sustainable development?</i></p>	<p>Yes</p>	<p>Yes</p>
<p><i>(if applicable) Does the national/federal government's approach to SPP cover:</i></p>		
<p>Economic aspects Environmental aspects Social Aspects None</p>	<p>Economic aspects Environmental aspects Social Aspects</p>	<p>Environmental aspects</p>
<p><i>22. (if applicable) Which of the following does your national/federal government's SPP approach cover and in which aspects of sustainability:</i></p>		
<p>Overall SPP objectives SPP Leadership Measuring the effects purchasing a product or service has on the environment, society and the economy.</p>		<p>Measuring the effects purchasing a product or service has on the environment, society and the economy.</p>

Multi-stakeholder Consultation on SPP How SPP will be delivered Links between SPP and management processes Who is responsible for delivery of SPP? Measures & control or monitoring Timeframe to deliver SPP. Raise staff awareness of SPP. No Others:		
<b>D. PROCUREMENT IMPLEMENTATION IN YOUR ORGANIZATION</b>		
<b>D.1. Procurement structure</b>		
<i>23. Is your organization's procurement:</i>		
<b>Centralized</b> (i.e., the majority of purchasing is the responsibility of a single unit or designated units purchase particular products or services) <b>Decentralized</b> (i.e., responsibility for procurement is shared between departments) <b>Outsourced</b> (i.e., a private company carries out procurement on behalf of your National/Federal government) <b>Mixed</b>	<b>Centralized</b> (i.e., the majority of purchasing is the responsibility of a single unit or designated units purchase particular products or services)  Mixed: Unele achiziții exceptate (care conțin secret de stat) se fac de departamentul vizat și nu de departamentul de achiziții.	<b>Decentralized</b> (i.e., responsibility for procurement is shared between departments)
<i>24. For the purchases made (in \$) last year in your organization, estimate roughly the percentage of those made through the different mechanisms below</i>		
Public bidding Abbreviated bidding Direct Purchase Others	90%   10%	40%  60%
<i>25. Select the phrase that best describes how specifications are drawn up for purchases in your organization.</i>		
The technical requirements are developed by the units that require the products and services. The Procurement Unit is responsible for administrative matters. The technical requirements are developed jointly by the units that require the products and services and the Procurement Unit. The technical requirements are developed by the units that require the products and services. The Procurement Unit is responsible for administrative matters. The units responsible for sustainable development, environmental and social issues then contribute their clauses or sustainability criteria for final consideration by the Procurement. Other (please describe)	The technical requirements are developed jointly by the units that require the products and services and the Procurement Unit.	The technical requirements are developed jointly by the units that require the products and services and the Procurement Unit.
<i>26. For the three main products or services that your organization has purchased over the past years, please estimate the percentage of purchases for which the same supplier has been retained.</i>		
Product/service 1 Product/Service 2		100% 50%

Product/Service 3		50%
<b>D.2. Support and training received on SPP.</b>		
<i>27. To which of the following target groups does your national/federal government provide general training on procurement in your country (e.g., good procurement skills development such as influencing, negotiating, contract law), if so to which target group and at which level of government? central, regional, local</i>		
Procurers	Central	Central
Budget Holders/Specifiers/Users		
Finance Managers		Central
Senior managers		
Lawyers		Central
Other		
<i>28. Does your national/federal government provide national training on how to implement SPP in your country, if so to which target group, at which level of government and in which aspects of sustainability?</i>		
Procurers		None
Budget Holders/requisitioners/Users		
Finance Managers		
Senior managers		
Lawyers		None
Other		
<i>29. Does your national/federal government provide tools on how to implement SPP in your country?</i>		
Some tools exist e.g., standard specifications, risk assessment templates, product/service fact sheets. A set of tools covering the key stages of procurement (e.g., standard specifications, risk analysis, supplier selection, bid evaluation and disposal) are in place. Systematic set of tools covering all stages of the procurement process are in place. Systematic set of tools covering all stages of the procurement process is in place. These tools are regularly reviewed and updated.		Economic/Environmental aspects
<i>30. What support do you receive on SPP from your national government and in which aspect of sustainability?</i>		
Law/policy Name of the support institution: Tools e.g., standard specifications, risk assessment templates, product/service fact sheets, bids evaluation criteria Name of the support institution: Training Name of the support institution: Measures and scrutiny Name of the support institution: Other: Name of the support institution:		None (economic) None (environmental) None (social)
<i>31. To what extent does your National/Federal government provide staff with procurement training (either externally delivered or in-house)?</i>		

<p>No training is provided.</p> <p><b>Training on “how to buy”</b> (e.g., choosing suppliers, writing specifications, evaluating bids, supplier debriefing) has been given to key procurement staff.</p> <p><b>Training on how to buy includes sustainability issues</b> and is given to <u>key procurement staff</u>. This covers areas such as life-cycle assessment, avoiding the purchase, risk assessment, specification, bid evaluation etc.</p> <p><b>Training on how to buy includes sustainability issues</b> and is given to <u>all key staff involved</u> in the procurement process e.g., Specifiers, Lawyers, Project Managers.</p> <p><b>Regular refresher training in SPP is delivered to key procurement staff.</b></p> <p>Each year, new key procurement staff receive “how to buy” training.</p>		<p><b>Training on “how to buy”</b> (e.g., choosing suppliers, writing specifications, evaluating bids, supplier debriefing) has been given to key procurement staff.</p>
<p><i>32. From the institutions listed below, please specify which one delivered the training(s) on Sustainable Public Procurement in your organization</i></p>		
<p>Government. Who in the government: International agencies Name: Private Name: Have not received training</p>		<p>Have not received training</p>
<p><i>33. Estimate the degree of interest among procurement officials in your organization for participating in sustainable public procurement training and/or information programmes.</i></p>		
<p>Substantial Some Little None</p>		<p>Little</p>
<p><i>34. To what extent does your organization offer procurement and contracting training to staff?</i></p>		
<p>No training is provided.</p> <p>There have been courses on “how to buy” for key personnel in the procurement system (choice of suppliers, specifications, tender evaluation, supplier assessment)</p> <p>Training courses on “how to buy” include sustainability issues and are given to key personnel in the procurement system. This includes areas such as life cycle assessment, avoiding the purchase, risk assessment, specifications, tender evaluation, etc.</p> <p>Training courses on “how to buy” include sustainability issues and are given to all personnel involved in the procurement system (specifications writers, lawyers, project managers, etc.).</p> <p>Others, please specify.</p>		<p>No training is provided.</p>

<b>D.3. Overall approach to sustainability in procurement practices</b>		
<i>35. Does your organization's approach to procurement include one or more aspects of sustainability?</i>		None
<i>36. Which of the following does your organization's approach to SPP cover:</i>		
Overall SPP objectives SPP Leadership SPP impact identification Consultation on SPP How SPP will be delivered Links between SPP and management processes Who is responsible for delivery of SPP? Measures & scrutiny Timeframe to deliver SPP. Raise staff awareness of SPP. None, others		None
<i>37. Indicate if your organization considers the following factors and where. (procurement plan, strategic/operational plans (e.g., SPP action plans, regulations)</i>		
Economic factors are considered. Environmental factors are considered. Social factors are considered. Social and economic factors are both considered. Environmental and economic factors are both considered. Environmental, social and economic factors are all considered. Providers are required to comply with environmental and/or social criteria		Procurement plans
<b>D.4. Sustainability criteria and impacts</b>		
<i>38. To what extent does your organization apply sustainability criteria when buying products/services?</i>		
It does not apply sustainability criteria. Sustainability criteria are applied to some products and services and these products and services are purchased e.g., recycled paper, energy efficient light bulbs, energy efficient IT (Energy Star), Fairtrade products etc. Sustainability criteria are applied to a wide range of products and services and these products and services are purchased e.g., recycled paper, energy efficient light bulbs, energy efficient IT (Energy Star) Sustainability criteria are applied to a wide range of products and services and these products and services are purchased. Suppliers are encouraged to offer more sustainable and innovative solutions, and these are often purchased. All products and services purchased are assessed for sustainability impacts and priorities identified. Sustainability		Economic aspects



criteria are applied to all priority products and services purchased. Where there are gaps in the market, incentives exist for suppliers to provide new products/services.		
<i>39. If you had to define and evaluate certain environmental characteristics for the products that you procure, what are the information sources you would use?</i>		
Public bodies Suppliers' claims Research centers Universities Environmental NGOs Internet Literature/specialist journals Eco-labels or environmental product declarations (please specify) Other (please specify) Procurement Guidelines (E.g., EU GPP Criteria)		Internet
<i>40. For purchases made by your organization, could you identify any product or service in the acquisition of which environmental or social criteria have been incorporated? If yes, please identify the product or service.</i>		
Products Environmental Criteria Social Criteria		Lighting equipment Energetic efficiency
<i>41. For purchases and/or consumption by your institution, have the environmental consequences of any of the following products or services ever been considered?</i>		
Paper Electricity Cleaning Water IT Furniture Other		Electricity
<i>42. According to your knowledge, prioritize from 1 to 10 (where 1 = high priority, and 10 = low priority) the following products that could potentially be purchased by your organization by applying environmental and social criteria, taking into account the reality of the market and your experience. columns</i>		
Lighting equipment Toner Paper Photocopiers Printers Cleaning services Cleaning products Computers Monitors Laptops Other	1 2 1 2 2 2 2 2 2 2 2	1 7 3 2 2 5 5 4 4 4
<i>43. What is the most feasible way to integrate environmental and social criteria in the procurement process? (Rate from 1 to 5: 1 is most feasible, 5 is least)</i>		

Requirements that providers meet environmental regulations.	1	1
Environmentally friendly Technical specifications and/or award criteria for the works, supplies or services	1	4
Environmental performance of candidates as one of the contract award criteria		
Environmental protection or efficiency during the execution of contracts or performance of goods or services	1	2
Others	1	3
<p><i>44. Indicate your degree of agreement with the following statements. (1: strongly disagree; 6: strongly agree) Rating from 1 to 6</i></p>		
In my organization, when making a purchase, the determining factor is usually price.	4	6
Public purchasers would be willing to incorporate sustainability criteria in procurement if they had sufficient training.	6	5
When planning the budget, what matters is economic reasoning; social and environmental aspects are secondary.	4	5
Current regulatory frameworks limit the ability of my organization to adopt sustainable public procurement systems.	3	2
In the market there are not enough reliable suppliers capable of providing sustainable services and products. If I add sustainability criteria, I limit the number of tenderers excessively.	6	3
Purchasing units have no experience or knowledge in developing technical requirements, so they cannot incorporate sustainability criteria in procurement specifications.	4	2
In general terms, we prefer large suppliers with extensive experience, compared to small suppliers with little or no experience.		
In the national market, the conditions are in place to provide the State with sustainable products and services, but it is a matter of political will.	4	4
	4	1
<p><i>45. Thinking about the three major products/services your organization purchases, if you were to include environmental criteria in procurement, how would you say the following attributes apply</i></p>		
Product (paper)		
Price	Same	Increased
Technical Characteristics	Same	
Functionality and performance	Same	Increased

Quality Acceptance in your organization Availability	Same Indifferent insufficient	negative
Product (food containers) Price Technical Characteristics Functionality and performance Quality Acceptance in your organization Availability	Increased More modern Increased Increased Positive sufficient	
<i>46. Has your organization identified the products/services which have the highest economic, environmental and social impacts?</i>		
No, it has not. Impacts of some products/ services purchased are known e.g., paper, stationery, energy etc. Note: This may just involve copying the priorities identified by another country etc. Impacts of key products/ services purchased are known and the organization has set targets to reduce them. There is evidence of how impacts have been reduced in the products/services bought. There is evidence of how impacts have been reduced in the products/services bought. Impact reduction through procurement is measured and scrutinized.	No, it has not.	No, it has not.
<i>47. To what extent does your organization undertake sustainability risk assessments in procurement?</i>		
It does not undertake sustainability risk assessments in procurement. A few key sustainability impacts are identified, and these are used to estimate risk in products and services bought. A few sustainability impacts are identified and are used to estimate risk in all products and services bought. This estimate has been used to determine a priority list of products and services and action is being taken to reduce impacts. The main sustainability impacts for all products and services bought are assessed and the priorities are reviewed. A systematic programme of actions to reduce impacts is undertaken for all priorities. A standard set of sustainability criteria are applied to all contracts. High risk contracts have specific sustainability criteria linked to detailed risk and impact assessment	It does not undertake sustainability risk assessments in procurement.	It does not undertake sustainability risk assessments in procurement.
<i>48. To what extent does your organization perform "ex-ante" analysis of environmental and social impact of procurement and contracting of goods and services?</i>		
No ex-ante impact analysis is performed.	No ex-ante impact analysis is performed.	No ex-ante impact analysis is performed.

<p>An analysis only of the environmental impact is performed.  An analysis only of the social impact is performed.  A comprehensive analysis is performed.  Briefly mention the mechanism through which this analysis is performed:</p>		
<p><i>49. To what extent does your organization perform “ex-post” evaluations of the environmental and social impact of procurement and contracting of goods and services?  50. To what extent does your organization evaluate suppliers?</i></p>		
<p>No, it does not evaluate suppliers.  Potential suppliers are evaluated to ensure they are fit to supply e.g., financial stability, quality, service performance, capacity.  Supplier evaluation includes a few sustainability criteria e.g., legislative compliance, policies.  Supplier evaluation includes the main sustainability impacts associated with the products or services supplied. Suppliers are required to prove that their policies are being applied.  Key suppliers demonstrate independent evidence that their policies are being applied. Examples include EMAS, ISO, ILO core conventions etc. are independently audited by an accredited organization. Supplier compliance with standards is regularly reviewed.</p>	<p>Potential suppliers are evaluated to ensure they are fit to supply e.g., financial stability, quality, service performance, capacity.  Supplier evaluation includes a few sustainability criteria e.g., legislative compliance, policies.  Supplier evaluation includes the main sustainability impacts associated with the products or services supplied.</p>	<p>Economic: Supplier evaluation includes a few sustainability criteria e.g., legislative compliance, policies.</p>
<p><i>51. Does your organization evaluate bids from suppliers other than on price?</i></p>		
<p>No  Evaluation is based on purchase price, plus other key costs such as running costs, maintenance etc., but also includes an assessment of non-cost criteria such as quality, durability etc.  Where appropriate, evaluation also includes some sustainability criteria as well as quality and key costs.  Where appropriate, evaluation also includes sustainability criteria as well as quality and key costs. Sustainability criteria are linked to any risk assessment undertaken.  Where appropriate, evaluation includes an assessment of total costs relating to key sustainability criteria, such as carbon dioxide emissions, job creation, training etc.  Sustainability criteria are linked to any risk assessment undertaken.</p>	<p>Evaluation is based on purchase price, plus other key costs such as running costs, maintenance etc., but also includes an assessment of non-cost criteria such as quality, durability etc.</p>	<p>Evaluation is based on purchase price, plus other key costs such as running costs, maintenance etc., but also includes an assessment of non-cost criteria such as quality, durability etc.</p>
<p><i>52. When evaluating suppliers, which specific aspects of the sustainability paradigm are currently taken into account?</i></p>		
<p>None  Supplier compatibility (products, practices and policies) with the organization’s sustainability policy.  Compatibility of the supplier’s contracting policies with ISO, EMAS standards and conventions signed by the country (e.g., ILO).</p>	<p>Supplier compatibility (products, practices and policies) with the organization’s sustainability policy.  Compatibility of the supplier’s contracting policies with ISO, EMAS standards and conventions signed by the country (e.g., ILO).</p>	

Other (please specify)		Compatibility of the supplier's contracting policies with ISO, EMAS standards and conventions signed by the country (e.g., ILO).
<i>53. Does your organization have a compliance audit for suppliers in the following areas?</i>		
<p>Job creation (e.g., recruitment of the unemployed)</p> <p>Environmental impacts</p> <p>Impacts of products and services on health.</p> <p>Education (e.g., learning, youth training)</p> <p>Human rights (e.g., discrimination)</p> <p>Employment conditions (e.g., minimum wage, health and safety)</p> <p>Use of innovative environmental technologies.</p> <p>Encouraging, where possible, a certain percentage of local materials, components and labour that contribute to a finished product.</p> <p>Promoting SMEs</p> <p>Promoting supplies from less privileged areas within a country</p> <p>Promoting technology transfer and capacity building</p> <p>Promoting tenders that create opportunities for disadvantaged groups.</p> <p>Other</p> <p>None</p>	None	Audit of first-tier suppliers
<i>54. Does your approach to SPP support small businesses?</i>		
<p>No, it does not.</p> <p>Contract opportunities are advertised to small business.</p> <p>Guidance material produced to assist them in bidding.</p> <p>Ad hoc personal support given to encourage bids from small suppliers. Contracts are divided into lots of a suitable size for small businesses to bid for.</p> <p>Programme to support bids from small suppliers is in place.</p> <p>Mentorship to assist these suppliers in bidding is provided.</p> <p>Financial support such as grants/tax breaks are available to support small business development.</p>	Ad hoc personal support given to encourage bids from small suppliers. Contracts are divided into lots of a suitable size for small businesses to bid for.	No, it does not.
<i>55. Estimate the level of participation of SMEs in public procurement and contracting in your country</i>	>50%	20 – 50%
<i>56. Indicate, if possible, the 3 main groups of goods and services provided by SMEs in your country:</i>		<p>1. Food products</p> <p>2. Light products</p> <p>3. Catering service</p>
<b>D.6. Contract management</b>		
<i>57. To what extent does your organization continue to manage contracts after they have been awarded?</i>		
They are not managed.		

<p>Contracts are reviewed on at least an annual basis covering issues such as delivery, quality, cost, service, etc.</p> <p>Contracts are reviewed on at least an annual basis including the sustainability aspects agreed in the contract e.g., percentage recycled content, health and safety, working conditions.</p> <p>Contract reviews include both the sustainability aspects agreed in the contract and additional sustainability targets agreed post-award. Suppliers are offered training and support as required. Targets for suppliers on sustainability are agreed, reported against and reviewed.</p> <p>Suppliers are rewarded or penalized depending upon their delivery against the agreed sustainability aspects of the contract. e.g., financial bonuses and penalties, award schemes.</p>	<p>Contracts are reviewed on at least an annual basis covering issues such as delivery, quality, cost, service, etc.</p>	<p>Contracts are reviewed on at least an annual basis covering issues such as delivery, quality, cost, service, etc. (Economics)</p>
<p><b>D.7. Monitoring &amp; reporting</b>  <i>58. To what extent does your organization undertake any monitoring and reporting on procurement?</i></p>		
<p>No monitoring and reporting process takes place.</p> <p>Internal auditing systems are in place, but do not consider SPP aspects. Reports are produced that demonstrate achievement of procurement e.g., savings.</p> <p>Internal auditing systems are in place and include SPP aspects. Reports are produced that demonstrate achievement of SPP e.g., energy saved, number of SME suppliers contracted, jobs created.</p> <p>Independent auditing systems are in place and include SPP aspects. Reports on SPP are independently verified. Results of independent audits, including SPP activities are published externally.</p>	<p>Internal auditing systems are in place, but do not consider SPP aspects. Reports are produced that demonstrate achievement of procurement e.g., savings.</p>	<p>Internal auditing systems are in place, but do not consider SPP aspects. Reports are produced that demonstrate achievement of procurement e.g., savings.</p>
<p><b>E. PERCEPTIONS, BARRIERS AND OBSTACLES REGARDING SUSTAINABLE PUBLIC PROCUREMENT AND CONTRACTING</b></p>		
<p><i>59. Do you consider that the procurement departments of the public sector are in a position to implement sustainable procurement mechanisms in their purchases?</i></p>	<p>Yes</p>	<p>Yes</p>
<p><i>60. What are the main motivations in your country for adopting SPP?</i></p>		
<p>Following international trends on the modernization of public procurement systems.</p> <p>Implementation of a framework policy for promoting sustainable development.</p> <p>Specific objectives for improvement and environmental protection.</p> <p>Improving efficiency and reducing contracting costs.</p> <p>Need to stimulate the environmental goods and services market.</p>	<p>Following international trends on the modernization of public procurement systems.</p> <p>Implementation of a framework policy for promoting sustainable development.</p> <p>Specific objectives for improvement and environmental protection.</p> <p>Improving efficiency and reducing contracting costs.</p> <p>Need to stimulate the environmental goods and services market.</p>	

Compliance with social aspects such as labor legislation, employment promotion, occupational health and safety, etc. Other, please specify:	Compliance with social aspects such as labor legislation, employment promotion, occupational health and safety, etc.	Need to stimulate the environmental goods and services market.
<i>61. Which of the following do you think could motivate your organization to initiate or accelerate the work with implementing environmental procurement? (Multiple choice)</i>		
Access to written information (procurement manuals or guides) Exchange of practical examples of environmental procurement with pioneer countries or institutions Information workshops Advice from an external consultant Online access to a database on environmental criteria Other (please specify)	Access to written information (procurement manuals or guides) Exchange of practical examples of environmental procurement with pioneer countries or institutions Information workshops Advice from an external consultant Online access to a database on environmental criteria	Exchange of practical examples of environmental procurement with pioneer countries or institutions Information workshops
<i>62. If your country has set a priority list of goods and services for implementing SPP, indicate the degree of availability with which they are found in the local market.</i>		
<i>63. Indicate the obstacles that are seen to hinder or impede the adoption of SPP practices in your country.</i>		
Sustainable products are more expensive. The main selection criterion is price. There is insufficient supply of goods and services. There is supply, but it is available only on the international market. Lack of information and knowledge about SPP. Lack of interest and commitment from users of the procurement system. Resistance and obstacles generated by suppliers. Difficulty getting Comptroller/Audit office approval. The overall public procurement system is inadequate for incorporating SPP. Lack of legislation or regulations. Others, please specify.	There is insufficient supply of goods and services.  Lack of interest and commitment from users of the procurement system.	Lack of information and knowledge about SPP.  Resistance and obstacles generated by suppliers.
<i>64. In your opinion, what are the barriers to integrating environmental criteria into your organization's procurement processes? (Place 1 next to the barrier that you consider most significant, 2 next to the one you consider to be in second place, and 3 next to any remaining obstacles). (Barrier ranking 1-7)</i>		
Lack of information Restricted supplier competition Supplier resistance to rule changes Lack of technical capacities on environmental issues Disinterest Budgetary restrictions Other:	1 1 2 1 2 2	1 4 3 2 5 6
<b>F. STAKEHOLDERS' ENGAGEMENT AND AWARENESS RAISING</b>		
<i>65. Are suppliers involved in developing your approach to SPP?</i>	No	No
<i>66. Are other stakeholders such as Non-Governmental Organizations, consumer organizations, general public, involved in developing your approach to SPP?</i>	Yes	No

<i>67. Does your organization co-operate and work with other organizations and public authorities to promote and implement SPP?</i>		
No Ministry of Economy – Finance Environmental Authority Ministry of Labour Ministry of Health Ministry of Social Affairs Legal system/Comptroller Other: Agency of Public Procurement	No	X      Agency of Public Procurement
<i>68. Are you engaging with suppliers to develop more sustainable products and services?</i>	Yes	Yes

## Annex B. Summary of responses in an interview conducted among selected contracting authorities using the 2021 SPP Interview Questionnaire

### Part I. Profile of the Respondent/Interviewee

No.	Agency	Office	Position	Years in public service	Years in public procurement
1	Ministry of Interior	Patrimony and Endowments Section of the Institutional Management Department	Consultant	15	7
2	Department of Education, Youth and Sports		Legal Consultant	8	5
3	Central Electoral Commission		Principal Specialist (main specialist in public procurement service)	18	10
4				12	12
5	Electronic Government Agency		Public Procurement Specialist	7	7
6	Customs Service of the Republic of Moldova		Superior Inspector	7	7
7	North Regional Development Authority		Procurement Specialist	0	11 months
8	National Bank of Moldova		Expert Consultant	14	12
9	Center Regional Development Agency		Public Procurement Specialist	21	11

### Question No. 1: Themes for Sustainable Public Procurement

Themes	R1	R2	R3	R4	R5	R6	R7	R8	R9	Mean	Rank
Social conditions in global supply chain	3	5		2	5	6	7		6	5	6
Social returns in investment	5	6		2	4	7	6		7	6	7
Green public procurement	1	2		1	3	5	1		1	1	1
Procurement of bio-based products	7	4		1	1	2	2		5	2	2



Circular procurement	2	3	1	7	1	3	4	3	3.5
Public procurement of innovation	4	7	2	2	3	4	2	3	3.5
Opportunities for SMEs	6	1	1	6	4	5	3	4	5

**Question 2 a) In your experience, have you included any of the following sustainability considerations in the pre-procurement planning stage?**

	<b>Sustainability Considerations</b>	<b>R1</b>	<b>R2</b>	<b>R3</b>	<b>R4</b>	<b>R5</b>	<b>R6</b>	<b>R7</b>	<b>R8</b>	<b>R9</b>
1	Protection of the environment, biodiversity, and restoration of natural habitats	No	No	No	No	No	No	No	No	No
2	Social health and wellbeing of consumers/recipients of good or service (e.g., hazardous chemicals handling, labelling of chemicals)	No	No	No	Yes <sup>3</sup>	No	No	No	Yes	No
3	Sustainable resource use such as energy saving measures, recycling, take-back programmes and responsible end-of-life management	Yes <sup>1</sup>	No	Yes	Yes <sup>4</sup>	No	No	No	Yes	Yes <sup>8</sup>
4	Promotion of Vendors' participation to the UN Global Compact	No	No		No <sup>5</sup>	No	No	No	No	No
5	Whole life cycle cost	No	No		No <sup>6</sup>	No	No	No	No	No
6	Climate change mitigation and adaptation such as energy efficiency, greenhouse gas reporting and emission offsetting	Yes	No	No	No	No	No	No	Yes	Yes <sup>9</sup>
7	Gender issues such as gender mainstreaming, targeted employment of women, promotion of women-owned businesses	Yes <sup>2</sup>	No	Yes	No	No	No	Yes <sup>7</sup>	Yes	No
8	Local communities and SMEs (e.g., reserve labour opportunities for local communities, use of local materials, reserved procurement for local companies)	No	No	Yes	No	No	No	No	Yes	No
9	Promoting sustainability throughout supply chain (e.g., sustainability requirements for tier 2 suppliers, identification, and approval of subcontractors)	No	No	No	No	No	No	No	Yes	Yes <sup>10</sup>

**Comments**

<sup>1</sup> Use of energy efficient electronic equipment, category A

<sup>2</sup> Integration of women in the MIA system, increase in the number of women employed in the MIA system (up to 20%)

<sup>3</sup> When purchasing hygienic-sanitary goods, we request that the EcoLabel certificate be presented for several products

<sup>4</sup> Purchase of LEDs that allow energy savings. When purchasing electrical or electronic equipment, we request that the Supplier be registered in the List of manufacturers kept by the Environmental Agency

<sup>5</sup> I don't know what it is.

<sup>6</sup> We wanted to apply, but it is difficult to understand how this works in practice

<sup>7</sup> ADR Nord has organized tenders in the field of energy efficiency: Funded from the National Regional Development Fund: Auction no. 17/01671 Renovation of the Drochia "Anatolie Manziuc" health center through energy efficiency Auction no. 17/00557 energy efficiency works of the Edinet Health Center. Funded from external sources: INTERNATIONAL TENDER FOR THE PURCHASE OF CONSTRUCTION WORKS IN THE PROJECT "IMPROVING WATER SUPPLY SERVICES IN THE CITY OF EDINET", FINANCED BY THE EUROPEAN UNION (MSPL / GIZ / L / NA / 001 / R opening of tenders: 3 February 2021) INTERNATIONAL tender for the procurement of construction works to increase energy efficiency of the Theoretical High School "Dimitrie Cantemir" in Balti, with funding from European Union sources (MSPL / GIZ / L / NE / 001 / R opening of tenders: 23.10.2020)

<sup>8</sup> Requested from participant registration number in the list of producers of EEE for purchasing computers.

<sup>9</sup> In the projects implemented jointly with the Agency for International Cooperation of Germany (GIZ) for increasing the energy efficiency of educational institutions, as well as the rehabilitation and expansion of water supply systems, quality certificates referring to the environment were requested.

<sup>10</sup> The projects implemented jointly with GIZ.

**Question 2b Question 2 b) Have you included any of the following sustainability considerations in the technical specifications?**

	<b>Sustainability Considerations</b>	<b>R1</b>	<b>R2</b>	<b>R3</b>	<b>R4</b>	<b>R5</b>	<b>R6</b>	<b>R7</b>	<b>R8</b>	<b>R9</b>
1	Protection of the environment, biodiversity, and restoration of natural habitats	No	No	No	No	No	No	No	No	No
2	Social health and wellbeing of consumers/recipients of good or service (e.g., hazardous chemicals handling, labelling of chemicals)	No	No		Yes <sup>2</sup>	No	No	No	Yes <sup>7</sup>	No
3	Sustainable resource use such as energy saving measures, recycling, take-back programmes and responsible end-of-life management	Yes <sup>1</sup>	No	No	Yes <sup>3</sup>	No	No	No	Yes <sup>8</sup>	Yes <sup>14</sup>
4	Promotion of Vendors' participation to the UN Global Compact	No	No	No	No <sup>4</sup>	No	No	No	No	No
5	Whole life cycle cost	No	No		No <sup>5</sup>	No	No	No	No <sup>9</sup>	No
6	Climate change mitigation and adaptation such as energy efficiency, greenhouse gas reporting and emission offsetting	No	No	No	No	No	No	No <sup>6</sup>	Yes <sup>10</sup>	No
7	Gender issues such as gender mainstreaming, targeted employment of women, promotion of women-owned businesses	No	No		No	No	No	No	Yes <sup>11</sup>	No
8	Local communities and SMEs (e.g., reserve labour opportunities for local communities, use of local materials, reserved procurement for local companies)	No	No	Yes	No	No	No	No	Yes <sup>12</sup>	No
9	Promoting sustainability throughout supply chain (e.g., sustainability requirements for tier 2 suppliers, identification, and approval of subcontractors)	No	No	No	No	No	No	No	Yes <sup>13</sup>	Yes <sup>15</sup>

**Comments**

1 use of energy efficient electronic equipment, category A

2 When purchasing hygienic-sanitary goods, we request that the EcoLabel certificate be presented for several products.)

3 When purchasing electrical or electronic equipment, we request that the Supplier be registered in the List of manufacturers kept by the Environmental Agency.

4 (I don't know what it is)

5 We wanted to apply, but it is difficult to understand and how this works in practice)

6 ADR Nord has organized tenders in the field of energy efficiency: Funded from the National Regional Development Fund: Auction no. 17/01671 Renovation of the Drochia "Anatolie Manziuc" health center through energy efficiency Auction no. 17/00557 energy efficiency works of the Edinet Health Center; Funded from external sources:

INTERNATIONAL TENDER FOR THE PURCHASE OF CONSTRUCTION WORKS IN THE PROJECT "IMPROVING WATER SUPPLY SERVICES IN THE CITY OF EDINET", FINANCED BY THE EUROPEAN UNION (MSPL / GIZ / L / NA / 001 / R opening of tenders: 3 February 2021) INTERNATIONAL tender for the procurement of construction works to increase energy efficiency of the Theoretical High School "Dimitrie Cantemir" in Balti, with funding from European Union sources (MSPL / GIZ / L / NE / 001 / R opening of tenders: 23.10.2020)

7 When purchasing cleaning services, ECO labeling of the chemicals used to provide the services was requested)

8 When purchasing LED ceiling installation works, the old ceilings are replaced with LED ceilings that are more energy efficient, the management life of which is longer than the old ones, including the possibility of recycling them.)

9 A detailed analysis is made to calculate the cost of the whole life cycle for the procedures to be started.

10 It is expected to start the purchase of replacement windows that will lead to energy efficiency and reduce gas emissions into the atmosphere.

At the started purchases, we insist on the delivery of goods, etc., outside peak hours

11 the percentage of women employed in the NBM is much higher than the percentage of men employed

12 The NBM draws up lists of potential economic operators for participation in all procurement procedures, to which an invitation to participate is sent, in addition to the announcement published on M-Tender

13 The NBM draws up lists of potential economic operators for participation in all procurement procedures, to which an invitation to participate is sent, in addition to the announcement published on M-Tender

14 Within the projects jointly implemented with the German Agency for International Cooperation (GIZ)

15 he projects implemented jointly with GI

Question 2c

	Sustainability Considerations	R1	R2	R3	R4	R5	R6	R7	R8	R9
1	Protection of the environment, biodiversity, and restoration of natural habitats	No	No	No	No	No	No	No	No <sup>3</sup>	No
2	Social health and wellbeing of consumers/recipients of good or service (e.g., hazardous chemicals handling, labelling of chemicals)	No	No	No	Yes <sup>1</sup>	No	No	No	Yes	No
3	Sustainable resource use such as energy saving measures, recycling, take-back programmes and responsible end-of-life management	No	No	No	No	No	No	No	Yes	Yes <sup>4</sup>
4	Promotion of Vendors' participation to the UN Global Compact	No	No		No	No	No	No	No	No
5	Whole life cycle cost	No	No		No	No	No	Yes <sup>2</sup>	No	No
6	Climate change mitigation and adaptation such as energy efficiency, greenhouse gas reporting and emission offsetting	No	No	No	No	No	No	No	Yes	Yes <sup>5</sup>
7	Gender issues such as gender mainstreaming, targeted employment of women, promotion of women-owned businesses	No	No	No	No	No	No	No	Yes	No
8	Local communities and SMEs (e.g., reserve labour opportunities for local communities, use of local materials, reserved procurement for local companies)	No	No	Yes	No	No	No	No	Yes	No
9	Promoting sustainability throughout supply chain (e.g., sustainability requirements for tier 2 suppliers, identification, and approval of subcontractors)	No	No		No	No	No	No	Yes	Yes <sup>6</sup>

Comments

<sup>1</sup> Presentation of the sanitary-veterinary certificate of the goods (food products))

<sup>2</sup> No. 7. ADR Nord has organized tenders in the field of energy efficiency: Funded from the National Regional Development Fund: Auction no. 17/01671 Renovation of the Drochia "Anatolie Manziuc" health center through energy efficiency; Auction no. 17/00557 energy efficiency works of the Edinet Health Center. Funded from external sources: INTERNATIONAL TENDER FOR THE PURCHASE OF CONSTRUCTION WORKS IN THE PROJECT "IMPROVING WATER SUPPLY SERVICES IN THE CITY OF EDINET", FINANCED BY THE EUROPEAN UNION (MSPL / GIZ / L / NA / 001 / R opening of tenders: 3 February 2021) and INTERNATIONAL tender for the procurement of construction works to increase energy efficiency of the Theoretical High School "Dimitrie Cantemir" in Balti, with funding from European Union sources (MSPL / GIZ / L / NE / 001 / R opening of tenders: 23.10.2020)

<sup>3</sup> All purchases in the NBM are monitored by the internal audit.

<sup>4</sup> Within the projects jointly implemented with the German Agency for International Cooperation (GIZ)

<sup>5</sup> Within the projects jointly implemented with the German Agency for International Cooperation (GIZ)

<sup>6</sup> The projects implemented jointly with GIZ.

**Question 2d: Which of the following essential public services have sustainability considerations reflected in contracts with the providers?**

	Essential Public Services	Environmental Considerations	Social Considerations
	Education	1	2
	Residential Care	1	1
	Healthcare	1 <sup>1</sup>	2
	Housing	3 <sup>2</sup>	2
	Transportation	3 <sup>3</sup>	1
	Others	0	0

**Comments**

1 Produce ECO products (cleaning services)

2 Quality of materials

3 Transportation of materials, workers outside peak hours - construction materials

**Question 3: Which of the standards have the direct influence in the potential inclusion of environmental and social considerations in the public procurement process? Kindly rank your answer based on your perceived degree of influence, 1 being the highest or the standards that have the most direct influence?**

	Standards	R1	R2	R3	R4	R5	R6	R7	R8	R9	Mean	Rank
1	National standards (e.g., Moldova's Public Procurement Law No. 131 of 3/07/2015, and its secondary legislations)		1.5	1	1	2	3	1	2.5	3	1.75	1.5
2	EU standards (e.g., EU GPP Criteria, EU Directives)		1.5			1	1	2	2.5	2	1.75	1.5
3	International (e.g., WTO-GPA, UN)		3			3	2	3	2.5	1	2.75	3

**Question 4: General Question: In your opinion, how can Moldova further improve and strengthen integration of sustainability considerations in public procurement processes?**

	<b>Suggestions on how to further improve and strengthen the integration of sustainability considerations in public procurement processes</b>
1	adoption at national level of the development strategy in this field, with the determination of the general objectives and the determination of the necessary resources, Standard documentation templates can be developed in which sustainability considerations will be integrated, promoting, stimulating, and supporting the development of “green” products, adoption of the normative framework for regulating the given field
2	Development of a state (government) environmental protection program. Regulation at national and international level of requirements for producers. Prohibition of the production of goods, services, works that will not comply with environmental protection requirements. That is, the prohibition of the operation of this economic operator
3	increasing the estimated values of the contracts
4	The government must promote that economic operators place on the market goods, services and works that meet the requirements of sustainability. The Ministry of Finance and the Public Procurement Agency must provide practical instructions and guides for the practical application of environmental requirements, including training
5	By adjusting national public procurement legislation to include existing rules in EU legislation on sustainable public procurement.
6	Concrete regulations regarding the public procurement system with the introduction of sustainability aspects in the procurement process of public authorities. - Mechanisms for the access of innovative small enterprises to the public procurement market. - Development and adoption of advanced technologies. - Strategies and policies dedicated to sustainable public procurement taking into account the practice of those involved in public procurement.
7	Standard documentation templates can be developed in which sustainability considerations will be integrated
8	By promoting, familiarizing the field, and providing examples to public authorities by exchanging experience with other countries implementing sustainable procurement.
9	It is a prerogative of the government to insist on legal provisions with the rank of obligation and not only with recommended qualifications

Are there any other government or other measures that you would like to see promoting the integration of sustainability considerations in public procurement?

“I cannot underline a certain country, from the information I analyzed I noticed the legal difficulties encountered in formulating the sustainability criteria.” Superior Inspector, Customs Service of the Republic of Moldova

“We are trying to implement sustainable acquisitions from the knowledge obtained at the few seminars organized with this topic in the hope that more trainings, workshops, exchange of experience, etc. will be organized.” Expert, National Bank of Moldova