Climate-smart Public Financial Management MENA Conference

February 26–29, 2024 Cairo, Egypt









Advancing Green Public Procurement in MENA

Methodology & Trends

Yolanda Saito
Chief Operating Officer, Impacti



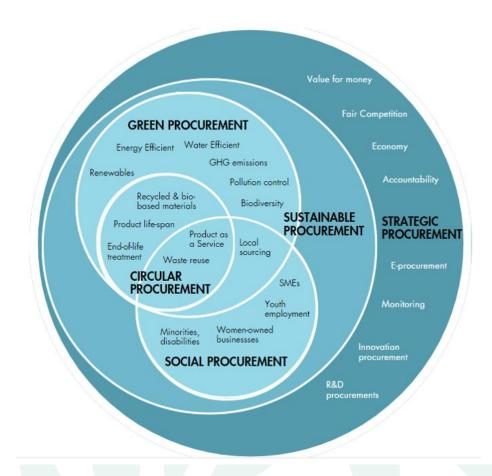






What is Green Public Procurement?

- Core element of a modern public procurement system (MAPS)
- Smart, rational public spending that reduces damage while contributing to national strategic priorities
 - citizen health, decarbonization, energy security, job creation, innovative industries
- Transformation of the procurement function from an administrative to strategic role
 - from "lowest cost" to "value for money"











GPP in MENA: Project Approach

- Nation-wide dialogues are underway in Jordan, Tunisia and Morocco, led by national teams collaborating with international GPP experts
- The goal is to design "whole-of-government" approaches to GPP implementation by:
 - Uncovering the existing state-of-art in GPP projects, policies, tools and practices across government agencies
 - Discussing concerns and potential structural obstacles to GPP that need to be addressed early
 - Analyse procurement spend data to design a data-driven GPP policy focused on priorities and continuous improvement
- Findings will inform future phases on capacity building & practical implementation tools



Phase 1: Diagnostic Study

Phase 2: Capacity Building

Phase 3: Practical Tools









Whole-of-government GPP implementation

Ministry of Finance

Ministry of Public Works

Coordinate works procurements; Set Building Codes and Sustainable infrastructure frameworks

Ministry of Energy

Promote renewable energy & energy efficiency; Set minimum energy performance standards

Ministry of Agriculture

Promote local farming and food production; Climate smart and water efficient farming

Private Sector

Develop green technologies, practices and innovations

Set procurement rules & policies; Coordinate procurement practice; Organize central procurement approaches

Ministry of Environment

Technical support on criteria & ecolabels; NDC and climate change; Define environmental priorities

Ministry of Industry

ncentivize green industry, innovation & entrepreneurship

Ministry of Transport

Promote Sustainable public transport, & electric vehicle incentives, Set minimum vehicle emission standards

Big Buyers

Agencies with high budgets on works and services (e.g. health, education, cities)

Civil Society & Academia

Provide tools and expertise

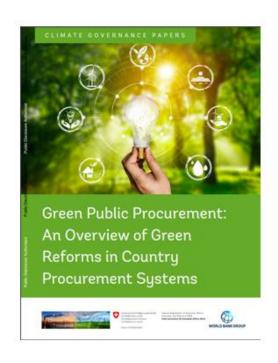


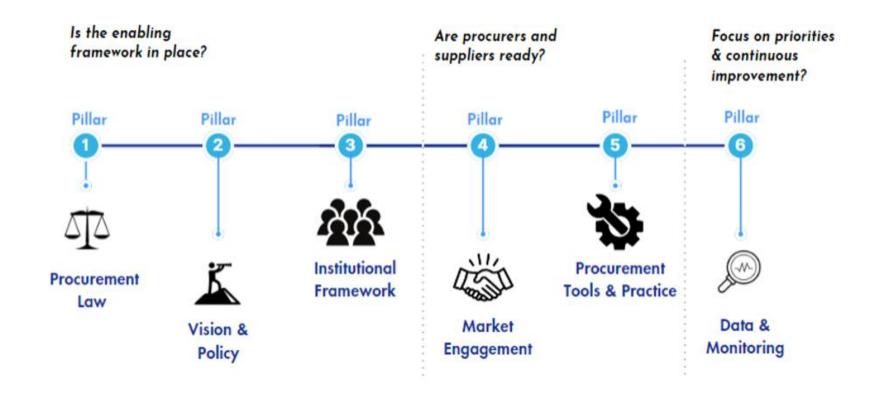






Diagnostic: Six Pillars of effective GPP reform













Six Transformations for GPP Reform

Environmental topic aimed at reducing environmental impacts



Strategic topic linked to rational, efficient public financial management

Siloed issue led by Environment ministries or ad hoc champions



Whole of government reform process led by central ministries

Led by ecolabels and environmental criteria



Informed by **market dialogue** and linked to **innovation** agenda

Focused on product-level



Exploring application to project level, especially large-scale public works

Focus on technical training (e.g. rated criteria, life-cycle costing)



Attention to both **technical training and organizational change** (help desk, peer groups, case studies, awards)

Lack of monitoring



Leveraging advances in **e-procurement** to rapidly track green procurements









Importance of a PFM-focused GPP approach

Allows for a systems-approach to tackling the "higher cost" dilemma of green public procurement.

- create carbon pricing, subsidies and fiscal incentives (e.g. import duties, taxes) for environmentally-friendly goods and services (e.g. EVs, energy-intensive equipment);
- influence greening of the financial system increasing availability of green lending and investment for green market/SMEs
- align green budget tagging with green procurement monitoring to show benefits of GPP









THANK YOU

Yolanda Saito

Chief Operating Officer, Impacti

yolanda@impacti.solutions
https://impacti.solutions







