

## Indicator 12.7.1

### Indicator Name, Target and Goal

**Indicator 12.7.1** Number of countries implementing sustainable public procurement policies and action plans

**Target 12.7** Promote public procurement practices that are sustainable, in accordance with national policies and priorities

**Goal 12** Ensure sustainable consumption and production patterns

### Definition and Rationale

#### ○ Definition

The indicator measures Sustainable Public Procurement (SPP) policies and action plans, by assessing the degree of implementation through an index.

To produce the index, the following main elements are self-assessed:

- Public procurement legal and regulatory framework
- Practical support delivered for the implementation of SPP
- SPP priority products and corresponding sustainable procurement criteria
- Existence of SPP monitoring system
- Measurement of actual SPP outcome

#### ○ Concepts

Sustainable Public Procurement (SPP) is a “A process whereby public organizations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life cycle basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst significantly reducing negative impacts on the environment” (Definition updated by the Multistakeholder Advisory Committee of the 10YFP SPP Programme).

A Sustainable Public Procurement (SPP) action plan is a policy document articulating the priorities and actions a public authority will adopt to support the implementation of SPP.

Plans usually/should address the economic, environmental and social dimensions of SPP, and recognise the potential for SPP to realise SDGs. In some cases, a country’s action plan may focus on a single aspect of sustainability, being either environmental (e.g. “Green” public procurement action plan), social (e.g. reference to human rights, fair trade, focus on employment of minorities, etc.), or economic (e.g. promotion of SMEs’ participation in tenders, focus on

employment of minorities, etc.).

#### ○ Rationale and Interpretation:

Public procurement wields enormous purchasing power, accounting for an average of 12 percent of gross domestic product (GDP) in OECD countries, and up to 30 percent of GDP in many developing countries. Leveraging this purchasing power by buying more sustainable goods and services can help drive markets in the direction of sustainability, reduce the negative impacts of an organization, and also produce positive benefits for the environment and society. The advancement of sustainable public procurement (SPP) practices is recognized as being a key strategic component of the global efforts towards achieving more sustainable consumption and production patterns. SPP stakeholders have long requested reliable and up-to-date information on activities and organizations involved in SPP.

As very few countries are able to measure the proportion of their public procurement which is green or sustainable, the methodology tries instead to assess the means and efforts countries are devoting to the implementation of SPP policies or national SPP programmes. Countries scoring above a certain threshold will be considered as SPP implementing countries.

### **Data Sources and Collection Method**

All individual components should be collected at the same source, i.e., focal points nominated to report on SDG 12.7.1. indicator, or SDG focal points, every two years.

To facilitate the data collection effort and reporting process, a questionnaire (calculation tool) to collect inputs was designed by UNEP, along with reporting instructions and frequently asked questions. This questionnaire provides a set of answers for each question, which need to be supported by evidence (e.g., policy document, procurement guidelines inclusive of sustainability criteria, enabling legislation, trainings, “green” contracts, etc.).

This questionnaire is submitted to UNEP every two years, and the responses are compiled in a report.

### **Method of Computation and Other Methodological Considerations**

#### ○ Computation Method

A specific threshold above which a country will be considered as having a sound SPP policy or action plan has been set, to determine whether this country will be considered compliant with the indicator in the final calculation of SDG Indicator 12.7.1, and it is proposed that this assessment is based on the evaluation of a national government's SPP implementation level, scope and comprehensiveness, which will lead to the calculation of a Government SPP Implementation Score.

UNEP classifies scores based on the questionnaires submitted by each country into the following five classification groups, and reflects the different stages in the advancement of SPP implementation.

#### SPP Implementation Classification Groups

Level 0	Insufficient data or insufficient implementation of SPP policy/ action plan, therefore not complying with the expected set level of implementation.
————— Threshold —————	
Level 1	Low level of SPP implementation.
Level 2	Medium-low level of SPP implementation.
Level 3	Medium-high level of SPP implementation.
Level 4	High level of SPP implementation..

Japan responds to the questionnaire on this indicator developed by UNEP, including the following perspectives:

- Formulation of guidelines for initiatives on the use of public procurement and subsidies to promote the active participation of women (Cabinet Office)
- Promotion of government procurement based on the Law to Promote Priority Procurement for Persons with Disabilities (Ministry of Health, Labour and Welfare)
- Promotion of the expansion of orders to small and medium-sized enterprises under the Act on Ensuring the Receipt of Orders from the Government and Other Public Agencies by Small and Medium-Sized Enterprises (Ministry of Economy, Trade and Industry)
- Promotion of government procurement under the Act on Promoting Green Procurement and the Act on Promoting Green Contract (Ministry of Environment)

## ○ Comments and limitations

The index aims to measure not only SPP but also GPP (Green Public Procurement) and SRPP (Socially Responsible Public Procurement). However, SPP, GPP and SRPP may be addressed in very different ways depending on the country. They may appear as a component of overarching policies such as Sustainable Development Strategies, Green Economy Roadmaps, etc. They may also be addressed directly with the adoption of a SPP action plan or policy, or through regulatory means, such as specific provisions in the Public Procurement legal framework.

## Data Disaggregation

N/A

## References

- SDG Target 12.7 and Indicator 12.7.1 on Sustainable Public Procurement implementation  
<https://www.unep.org/explore-topics/resource-efficiency/what-we-do/sustainable-public-procurement/sdg-127-target-and>
  - Guidelines for Initiatives on the Use of Public Procurement and Subsidies to Promote the Active Participation of Women:  
[https://www.gender.go.jp/policy/positive\\_act/wlb\\_torikumi.html](https://www.gender.go.jp/policy/positive_act/wlb_torikumi.html)
  - Website to Promote the Law to Promote Priority Procurement for Persons with Disabilities:  
[https://www.mhlw.go.jp/stf/newpage\\_02888.html](https://www.mhlw.go.jp/stf/newpage_02888.html)
  - Measures to ensure the receipt of orders from the government and other public agencies by small and medium-sized enterprises:  
<https://www.chusho.meti.go.jp/keiei/torihiki/kankoju.htm>
  - Act on Promoting Green Procurement:  
<https://www.env.go.jp/policy/hozen/green/g-law/index.html>
  - Act on Promoting Green Contract:  
<https://www.env.go.jp/policy/ga/index.html>
- (All of the above website are in Japanese only)

## Custodian Ministries of Data

Cabinet Office

Ministry of Finance

Ministry of Health, Labour and Welfare  
Small and Medium Enterprises Agency, Ministry of Economy, Trade and  
Industry,  
Ministry of Environment

### **Custodian Ministries of Related Policies**

Cabinet Secretariat  
Cabinet Office  
Ministry of Internal Affairs and Communications  
Ministry of Foreign Affairs  
Ministry of Finance  
Ministry of Health, Labour and Welfare  
Small and Medium Enterprise Agency, Ministry of Economy, Trade and  
Industry  
Ministry of Environment

### **International Organizations**

United Nations Environment Programme (UNEP)