

# **SPP-India**

**Ministry of Finance  
Department of Expenditure  
Government of India**

# Why SPP? Our commitment...

- ▶ Responsibility towards Environment;
- ▶ Social Sustainability;
  - Responsibility towards population;
  - Creation of Jobs;
- ▶ Responsibility towards Tax Payer's Money by achieving Value for Money (VfM) through the use of Life Cycle Costing (LCC)

**SDG 12.7 pertains to SPP and can be adopted by countries as per their national policies; (no international obligation per se)**

However, SPTF is committed to work in the area of SPP because it is important for the Environment, Society and Economy;

**Few initiatives so far...**

# Enabling provisions in existing - Rules & Policies

## Revision of General Financial Rules (GFR), 2017

- Criteria for determining **responsiveness of bids** should consider elements such as **performance/efficiency/environmental characteristics**;
- While designing the projects etc, principles of **Life Cycle cost** may also be considered
- **Star rating certification**: ... electrical appliances shall ensure notified threshold or higher Star Rating of BEE
- **Reserved items** and other **Purchase/Price Preference Policy for SMEs**
- **Prior turn over and prior experience** may be relaxed for **Start-ups**, subject to meeting of quality & technical specifications

## *Launch of Manual For Procurement of Goods*

### **Formulation of Technical Specification**

- Complies with **Sustainable Criteria & legal requirements of Environment or Pollution control board**;
- Emphasizes on **acquisition of Environmental friendly material** through the use of ISO 14020 or voluntary environmental standards

**Effective, Efficient & Economic use of Resources** through:

Recycle; Minimizing Waste & Greenhouse Emission; Conserving Water and Energy; Minimizing habitat destruction & Environment degradation

## EESL Model

▶ Energy Efficiency Services Limited (EESL): **UJALA Scheme**  
<http://www.ujala.gov.in> As of 14th February, 2019

- Government of India initiative for domestic lighting and appliances;
- **326 Million LED Bulbs** distributed across India;
- **Cost Savings** of Rs. 16,941 crores (USD **2.25 Billion approx**);
- Development of market for Sustainable products and hence reduction of rates;
- **34 Million tonne CO2 reduction**

## Eco-Mark Status

- ▶ Eco-Mark scheme was instituted in 1991 by MoEFCC for procurement of environmental friendly products;
- ▶ Eco-Mark certification is given by BIS and is an addition to the ISI Certification. At present there are 52 eco-mark licenses;
- ▶ **Lack of interest from market/ Govt. Procurement Policies;**
- ▶ Task Force hopes to revive the Eco-Mark; Strengthening of the labelling

# Sustainable Procurement Task Force (SPTF)

focus area

- ▶ Established in March 2018 for:
  - Review International Best Practices in the area of SPP;
  - Inventorise the current status of SPP in India across Government organizations;
  - Prepare a draft *Sustainable Procurement Action Plan*;
  - Recommend initial **set of product/ service categories** (along with their specifications) where SPP can be implemented

## Sub-Committee 1

- Computers;
- Printers;
- Other office automation equipment

## Sub-Committee 2:

- Printing Writing Paper;
- Sanitary Ware
- Washroom Chemicals;
- Soaps;
- Ply Wood

## Sub-Committee 3:

- Vehicles

The Task Force is to submit its report by December, 2018.  
Now extended till March 2019.

# Issues & Way Forward

# Limitations & Way forward

- USD 300 Billion worth of e-Procurement happens every year;
- Major reforms have taken place in Public Procurement sector in India in last 4-5 years (e.g. revision in GFR, launch of Procurement Manuals etc.).

- ▶ *For SPP reforms to take place, **time and expertise both are needed**; for which insufficient time/ even perhaps lack of expertise within SPTF*
- ▶ **Lack of sustainable products and information** is a barrier in SPP implementation; For example
  - ▶ Which is better, Virgin Paper or Recycled Paper?;
  - ▶ What is the quantum of paper purchase by Government offices?
  - ▶ The manufacturing capacity of vendors, if any of the above mentioned paper type is selected fit for purchase?



# 10YFP SPP Programme & SPTF

## ► The SPP Programme may assist SPTF in:

- ❖ Bring in International **Best Practices**;
- ❖ Carry out **market analyses**;
- ❖ **Identify the sustainable products** and **fixing of technical parameters**;
- ❖ **Guidance and support on the use of LCC.**  
Specifically:
  - Tender documents where in LCC approach has been used;
  - Case studies from other countries that have utilized LCC in their procurement;
  - To held a conference on LCC in the upcoming months;

*Thank you !!*