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NATIONAL POLICY AND ACTION PLAN ON THE IMPLEMENTATION OF SUSTAINABLE PUBLIC IN UKRAINE (2015 – 2020)



State Ecology Academy of Postgraduate Education and Management of
the Ministry of Ecology and Natural Resources of Ukraine

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Contact: Svetlana Berzina, Marina Dyachenko, Eugene Khlobystov, spp_dea@ukr.net



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ABBREVIATIONS:

ACU	Antimonopoly Committee of Ukraine
EU	European Union
NAP	National Action Plan
NMO	National managing organization
SPP	Sustainable public procurement
SPC	Sustainable production and consumption
UNEP	United Nations Environment Programme
UNDP	United Nations Development Programme
PC	Paints and coatings
D	Detergents
IM	Insulation materials
MAPF	Ministry of Agrarian Policy and Food
SSU	State Standard of Ukraine
OHSAS	Health and Safety Management System
ISO	International Organization for Standards
MD	Multifunction device
MEDT	The Ministry of Economic Development and Trade
CPV	Common Procurement Vocabulary
SCNU	State construction norms of Ukraine
SRNU	Sanitary rules and norms of Ukraine
VOC	Volatile organic compounds
MSPU	Ministry of Social Policy of Ukraine
MFU	Ministry of Finance
STSU	State Treasury Service of Ukraine



MENRU

Ministry of Ecology and Natural Resources of Ukraine

SFIU

State Financial Inspection of Ukraine

SSCU

State Statistics Committee of Ukraine

EPD

Environmental Product Declaration

MJU

Ministry of Justice of Ukraine

MESU

Ministry of Education and Science of Ukraine

Introduction

The National Policy and Action Plan for the Implementation of Sustainable Public Procurement in Ukraine in 2015-2020 have been developed based on the methodological approach of UNEP, taking into account international practices and the results of several studies conducted within the framework of the Ukrainian component 1.6 of the Regional Program ‘Greening Economies in the Eastern Neighborhood’ (EaP GREEN) ‘Promoting Changes in Public Consumption through Sustainable Public Procurement Practices (SPP)’. In particular, we used the results of the following studies:

I. ‘Status Assessment’ – was aimed to assess the current state of public procurement and identify steps to improve it. The assessment was conducted by questioning representatives of government-funded organizations and institutions. As inventory, Status Assessment Questionnaires (primary and secondary) developed by UNEP were applied.

The main questionnaire provides information about:

- how public procurement is implemented in the country (legal regulation, budget management, training on public procurement);
- how public procurement is implemented in an organization (how the organization’s procurement is structured; how the organization manages contracts; how bids are evaluated on criteria other than price; if suppliers are audited; training of staff; monitoring and reporting; if and how sustainability criteria are used in procurement, small businesses are supported);
- engagement of major market participants and other stakeholders? in the process of implementing SPP (government agencies, NGOs, consumer organizations, civil society);
- application of international agreements.

Auxiliary questionnaire allows you to get more specific information on the application of procurement processes and practices; the country’s experience in SPP and green public procurement; opinions, barriers and impediments to SPP and contracting them; training in and support of SPP.

The main results received due to processing the completed questionnaires are the following:

1. Budget-funded entities and institutions in Ukraine are mostly aware of the concepts: sustainable development, recycling/re-use, eco-efficient products, efficient procurement, ecological procurement, and green procurement.

2. The most frequently used source of funding for public procurement is the national budget (internal) – 65%. Also, loan (25%) and other sources (10%) are used.

3. The most applicable procurement procedure is open tender, framework agreements and direct purchases are a little less used, and the least used is private bidding.

4. In most cases, when conducting procurement procedures, organizations are guided by economic factors.

5. From among information sources used to identify and assess the environmental impact of the purchased products, the greatest confidence of contracting authorities rests with Internet resources, public institutions, eco-labeling, technical regulations and national standards.

6. From among the specific aspects of sustainability paradigm in the evaluation of suppliers, the most frequently used one is product conformity with the requirements of ToR based on state standards and requirements of national standards related to impact on the environment and human health.

7. According to buyers the most technically feasible way of integrating environmental and social criteria in the procurement process is to establish requirements for the purchased products to meet environmental regulations.

8. Contracting authorities believe that the use of SPP mechanisms in public procurement is possible. The need to fulfill specific purposes related to environmental improvement and protection (pursuant to the law), the need to increase efficiency and reduce the costs under procurement contracts, and the need to ensure compliance with the social commitments were listed as the main motivation for the introduction of SPP in Ukraine. The motivators able to urge contracting authorities to start and/or accelerate the implementation of sustainable procurement are: informational seminars; online access to environmental criteria database; access to printed information (manuals or guidelines on procurement); sharing sustainable procurement practices among countries or institutions being leaders in this field; recommendations from external consultants; development of the legislative framework.

9. The main obstacles that impede and/or slow down the adoption of the SPP practice in Ukraine, according to contracting authorities, are: lack of information and awareness about SPP; absence of laws and regulations governing SPP; 'procurement price' being the main criterion for the choice of successful bidder; lack of motivation to use SPP.

10. The main barriers for integration of environmental criteria in purchasing processes by contracting authorities, have been defined as: lack of information, budgetary constraints, and lack of interest.

II. 'Legal Review' – was aimed to determine the legal opportunities and barriers associated with the inclusion of social and environmental aspects in public procurement and to make recommendations on changes to the legal framework conducive to the adoption and use of SPP in Ukraine.

The analysis of legal opportunities related to introduction of SPP in Ukraine was based on:

1) review of international agreements entered by Ukraine, the terms of which may affect SPP, and the legal framework of Ukraine (the Constitution of Ukraine, the Law

of Ukraine ‘On Public Procurement’, the laws of Ukraine establishing particular aspects for procurement in specific areas and procurement of certain goods; budgeting and financial legislation, policy and program regulations, current regulations defining environmental, social and economic standards which can help, or influence, or be used in SPP, drafts of normative legal acts, which may contribute to, influence, or be used in SPP);

2) review of international, national and industry standards aimed to determine the possibility of their use in the preparation of the criteria for the application of SPP;

3) review the tender procedures in order to identify the current practices of applying environmental and social criteria in the tender documentation as of the current time, for the following industries: construction, construction materials and machinery; computers, software; household goods, cultural and household products; light industry; furniture; healthcare and social services; research and development; real estate and leasing; energy, fuels, chemicals; printing, publishing; agriculture; food industry and catering; technological equipment, components and materials, maintenance; vehicles and components thereof, maintenance, transport services; goods, works, services; metals and metal products; consulting services, training; housing and utilities, consumer services and buses (based on information from the official web portal for public procurement www.tender.me.gov.ua for the period from 01.04.2014 to 31.12.2014);

4) analysis of the results of a survey among contracting authorities conducted in order to identify the practices and problems of SPP components’ application;

5) analysis of the legal systems and law of developed and developing countries applying SPP and green procurement (EU, Japan, USA, Mauritius, Colombia, Uruguay, Lebanon, Tunisia, Chile, Costa Rica);

6) analysis of the EU case law;

7) review of the sustainability criteria¹ for some of the EU countries and the possibility of applying sustainability criteria analysis to SPP in Ukraine (for example, the Swedish sustainability criteria for the procurement of computers, office paper and passenger transport);

8) review the implementation of SPP practices;

9) progress analysis of the environmental labeling program in Ukraine.

The review of Ukrainian legislation has unraveled: the main obstacles/barriers to the implementation of SPP stemming from national legislation; key issues and changes that need to be streamlined in the legislation, in order for the SPP concept to be implemented well in line with international experience; and also proposals and recommendations were drafted in terms of amending the existing legislation required for integration of SPP.

In particular, the review of the current legislation has shown that the current legal framework of Ukraine generally supports the prospects of SPP implementation, has the prerequisites for the implementation of SPP and enables customers to include SPP

¹ The term ‘sustainability criteria’ in this document shall refer to a set of economic, environmental and social requirements applicable to the subject of procurement.

elements in the bidding documents. The review of bidding documents has confirmed the application of environmental and social requirements to the subject of procurement (see examples in section 1.1. of this Report).

In terms of the provisions of the current legislation, the main obstacles/barriers to active use of SPP elements in Ukrainian public procurement are:

- regulatory restrictions (the Law of Ukraine ‘On Public Procurement’ establishes a limited list of qualification requirements and criteria for evaluation of bids (price being the main criterion). Limitation of contracting authorities with price being the main criterion deprives them of the opportunity to choose bids on the basis of the real ‘cost’ of the subject procured throughout its life cycle);

- regulatory vagueness (the Law of Ukraine ‘On Public Procurement’ states that ‘technical and qualitative characteristics of the subject procured should include the need for environmental protection measures’ (Art. 22, 38).

The phrase ‘environmental protection measures’ is rather general and unspecified, and therefore causes difficulties with most contracting authorities when drawing up such measures to be included in the bidding documents. Therefore, despite the clear requirement for measures to protect the environment, contracting authorities do not indicate in the bidding documents any requirements on sustainability, even in cases where such requirements are necessary for the implementation of the above provision of the Law (for example, in the procurement of construction works);

- absence of clear regulation of the use of environmental and social criteria in public procurement;

- lack of clearly defined environmental and social criteria to be used in public procurement;

- lack of guidelines/manuals/procedures/instructions for the development and application of environmental and social criteria.

III. ‘Prioritization Exercise’ – was aimed to identify priority procurement areas, being groups of products and services, for the application of SPP.

The research methodology was based on the performance of logical steps to develop proposals for the formation of public procurement policy.

The study was conducted on the basis of the available techniques and documents, statistics, results of stakeholder survey, incl.:

- formal reports of UN Programs: UNEP, UNDP;
- the legal framework of Ukraine;
- analytical and statistical reporting documents of Ukrainian public authorities
- reports on the research results of sectoral research institutions.

The study included:

- review of policy priorities for the implementation of SPP;
- analysis of public procurement costs in Ukraine;
- expert assessment of the impact of external factors on product categories in terms of the implementation of SPP.

Based on the survey, five priority economic sectors were identified for the implementation of SPP:

1. Energy, fuel and chemicals;
2. Construction, construction materials and machinery;
3. Metals and metal products;
4. Food industry and catering;
5. Agriculture.

IV. ‘Market Readiness Analysis’ – was aimed to assess market readiness for the implementation of SPP in Ukraine to the priority product categories. This study included:

- research of priority product categories in order to determine the most stable groups;
- review of the priority categories of products in the domestic market based on the analysis of the main producers and importers;
- analysis of the risks and opportunities inherent in the implementation of SPP approach related to the priority categories of products;
- analysis of market opportunities for evaluating the potential competitiveness of the priority categories of products; identification of the key environmental impacts at all stages of the life cycle;
- development of recommendations for the implementation of SPP approach related to the priority categories of products, etc.

Based on the results of the study, the following product groups were identified as potentially sustainable:

- *paints (coatings)* based on condensation and polymerization resins; on the basis of natural resins; on the basis of cellulose ethers; water-dispersive paints;
- *detergents*: synthetic detergents and detergents on oleochemical (natural) basis;
- *thermal insulation materials (TM)*: organic and mineral TM.

Subsequently, the number of priority product groups for the implementation of SPP approach will be gradually expanded to include product groups from the industries defined by the results of ‘Prioritization Exercise’.

1. The basis for the implementation of SPP in Ukraine

1.1. The history of SPP implementation in Ukraine

The background and basis for Ukraine’s adoption of sustainable development principles and implementation of sustainability principles in its public procurement system are contained in Agenda 21², the Plan for Implementation of Resolutions of the World Summit on Sustainable Development in Johannesburg³, the Ministerial Declaration adopted at the Conference of Ministers ‘Environment for Europe’ in Kiev in 2003⁴, Resolution on the results of Rio + 20⁵.

² http://www.un.org/ru/documents/decl_conv/conventions/agenda21.shtml

³ http://www.un.org/ru/events/pastevents/pdf/plan_wssd.pdf

⁴ http://www.ecoaccord.org/efe/kyiv_declaration.pdf

⁵ <http://daccess-dds-ny.un.org/doc/UNDOC/LTD/N12/436/90/PDF/N1243690.pdf?OpenElement>

Ukraine, despite the official recognition of the above-mentioned international instruments, has not yet adopted a national strategy for sustainable development, aimed at ensuring the implementation of ideas and principles declared by the above-mentioned international instruments. We cannot say that the Sustainable Development Strategy ‘Ukraine-2020’ approved by Presidential Decree of 12.01.2015 №5/2015⁶, is consistent with the principles of sustainable development as such and applies the concept of sustainable development in its well-established meaning. This document only mentions sustainable economic growth in environmentally inexhaustible way and uses the expression ‘sustainable development’ in the title.

In order to consolidate Ukraine’s transition to sustainable development, several attempts were made at the legislative level to approve its Sustainable Development Concept:

- draft Law ‘On the Concept of Sustainable Development of Ukraine’ № 3234 from 25.04.2001⁷;
- draft Law ‘On the Concept of Ukraine’s Transition to Sustainable Development’ № 3234-1 from 19.12.2001⁸;
- draft Resolution of the Parliament of Ukraine ‘On the Concept of Ukraine’s Transition to Sustainable Development’ № 5749 from 02.07.2004⁹;
- draft concepts that have not reached the stage of bills. One of the latest from among these initiatives was the draft Concept of Ukraine’s transition to sustainable development developed by the National Academy of Sciences of Ukraine in 2012 and submitted to the Cabinet of Ministers of Ukraine.

But none of the above attempts was successful, the drafts were not approved. The reason for this is:

a) a low level of public awareness of the benefits and advantages of adhering to the principles of sustainable development, which results in absence of active public lobbying for legislative consolidation of Ukraine’s transition to sustainable development;

b) lack of political will, which to some extent is also due to the lack of awareness among policy makers in this area and the lack of public lobbying.

Also, the activities of advisory bodies proved ineffective; one of the objectives thereof was to develop proposals for a national strategy for the transition of Ukraine to the principles of sustainable development and to ensure the implementation of a sustainable development model. In particular:

- The National Commission for Sustainable Development of Ukraine under the Cabinet of Ministers of Ukraine (established according to the Decree of the

⁶ <http://www.president.gov.ua/documents/18688.html>

⁷ http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_2?skl=4&pf3516=3234

⁸ http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=11647

⁹ http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_2?id=&pf3516=5749&skl=5

- Cabinet of Ministers of Ukraine of 08.10.1997 №1123¹⁰, and dismissed by the Cabinet of Ministers of Ukraine of 04.09.2003 №1414¹¹);
- The National Council on Sustainable Development under the President of Ukraine (established according to the Decree of the President of Ukraine of 04.02.2003 № 76/2003 and dismissed by the Decree of 19.02.2007 №118/2007¹²);
 - The National Council for Science, Innovation and Sustainable Development of Ukraine under the President of Ukraine (established in accordance with the Decree of the President of Ukraine of 21.08.2009 № 664/2009 and dismissed by the Decree of 02.04.2010 №492 /2010¹³).

At the same time, a number of legal acts aimed at implementing the principles of sustainable development have been developed and adopted.

One of the first acts of this kind was the Concept for Sustainable Development of Human Settlements approved by the Supreme Council of Ukraine from 24.12.1999, № 1359-XIV¹⁴, the provisions of which correspond to the principles enshrined in the Agenda 21, in the final documents of the United Nations Conference on Human Settlements (Habitat-II), and in the recommendations of the United Nations Economic Commission for Europe. The concept was designed for the long term: 15–20 years and, according to the Decree, was the basis for the development of normative and legal acts, programs and projects for the management of planning and development, stimulating investment, improving tax policies, filling and rational use of local budgets for socio-economic development of settlements.

In 2003, the Comprehensive Programme was approved for national-level implementation of the decisions made at the World Summit on Sustainable Development 2003-2015. (Decree of the Cabinet of Ministers of Ukraine №634 from 26.04.2003¹⁵). In 2003, the Comprehensive Programme was approved for national-level implementation of the decisions made at the World Summit on Sustainable Development 2003-2015. (Decree of the Cabinet of Ministers of Ukraine №634 from 26.04.2003). But despite the importance of introducing a balanced model of production and consumption, protection and sustainable use of natural resources, optimizing resource base of economic and social development, the implementation of this program has not been supported with sufficient funding. In 2011, due to chipping away and consolidation of state programs (p. in the list of repealed Decrees of the Cabinet of Ministers approved by the Decree of the Cabinet of Ministers of Ukraine of 22.06.2011 №704¹⁶) the program was canceled.

In 2003, in order to create conditions for the development of a balanced (sustainable) development of agro-ecosystems and eliminating the negative processes taking place in them, the order of the Ministry of Agrarian Policy and Food of Ukraine

¹⁰ <http://zakon4.rada.gov.ua/laws/show/1123-97-%D0%BF>

¹¹ <http://zakon4.rada.gov.ua/laws/show/1414-2003-%D0%BF>

¹² <http://zakon4.rada.gov.ua/laws/show/118/2007>

¹³ <http://zakon2.rada.gov.ua/laws/show/492/2010>

¹⁴ http://www.uazakon.com/documents/date_a0/pg_ixchon.htm

¹⁵ <http://zakon2.rada.gov.ua/laws/show/634-2003-%D0%BF>

¹⁶ <http://zakon2.rada.gov.ua/laws/show/704-2011-%D0%BF>

of August 20, 2003 № 280 approved the concept for sustainable development of agro-ecosystems in Ukraine for the period until 2025¹⁷ (order). This concept is also aimed at ensuring the implementation of ideas and principles declared by the United Nations Conference on Environment and Development (Rio de Janeiro, 1992) and the World Balanced Development Summit (Johannesburg, 2002).

In 2010, the Cabinet of Ministers of Ukraine by its resolution of February 3, 2010 № 121-p approved the Concept of the State Target Program for Sustainable Development of Rural Areas for the period until 2020¹⁸. The program aims at ensuring the sustainable development of rural areas, improving the living standards of the rural population, protection of the environment, preservation of natural, human and industrial resources, improving the competitiveness of agricultural production. But in September 2010 this Concept was canceled¹⁹.

The Law of Ukraine of 21.12.2010 №2818-VI approved the State Environmental Policy Strategy of Ukraine till 2020²⁰, which defines the objectives and tasks of the state policy, including green economy, sustainable consumption and production, and the introduction of an eco-labeling system for products and food.

In 2011, it approved an action plan to implement the Strategy – National Action Plan on Environmental Protection for 2011-2015 (Decree of the Cabinet of Ministers of Ukraine of 25.05.2011 №577-p²¹).

However, as evidenced by progress assessment of Strategy implementation and execution of the NAP for the Protection of the Natural Environment²², many of the strategic tasks and activities have not been respected, including those related to the development of SCP.

On May 18, 2011 the Cabinet of Ministers of Ukraine by its Decree №529 approved the Technical Regulation on Eco-Labeling²³, which had been designed in line with the Regulations of the European Parliament and the EU Council 66/2010/EC of 25 November 2009 concerning the eco-labeling sign of the European Union. This technical regulation establishes requirements for the assignment and use of additional (voluntary) eco-labeling in Ukraine, regulates the procedure for the development and revision of the environmental criteria. According to the Technical Regulations environmental criteria are developed through elaboration (development) of:

- preliminary technical report;
- draft environmental criteria and annexes thereto (technical report);
- a manual for potential eco-labeling users and eco-labeling bodies;
- guidelines for public procurement.

¹⁷ <http://www.uazakon.com/document/fpart88/idx88535.htm>

¹⁸ <http://zakon4.rada.gov.ua/laws/show/121-2010-%D1%80>

¹⁹ <http://zakon4.rada.gov.ua/laws/show/1761-2010-%D1%80>

²⁰ <http://zakon4.rada.gov.ua/laws/show/2818-17>

²¹ <http://zakon4.rada.gov.ua/laws/show/577-2011-%D1%80>

²² Assessment of the implementation of the State Environmental Policy Strategy until 2020 and the National Environmental Action Plan for 2011-2015 (draft). Additional support to the Ministry of Ecology and Natural Resources of Ukraine in the implementation of sectoral budget support - Kiev, 2014.: <http://www.menr.gov.ua/index.php/ecopolit>

²³ <http://zakon4.rada.gov.ua/laws/show/529-2011-%D0%BF>

In 2013, in the implementation of the Strategy and p.184 of the NAP on Environmental Protection, the Concept for introduction of cleaner production in Ukraine was drafted. However, the draft Concept has not yet been approved. The main purpose for the adoption of the Concept was defined as introduction of the framework needed to implement restructuring of man-made environment, technical re-equipment of industrial complex through the introduction of the latest know-how, energy- and resource-saving technologies, environmentally friendly production processes, the use of renewable energy solutions, and disposal of all types of waste.

The focus of public policy on sustainable development, development of SCP, an greening economy is also cross-cutting in other strategic and policy documents. For example:

- State program for the development of domestic production approved by the Cabinet of Ministers of Ukraine on 12.09.2011 №1130²⁴, – among other things, aimed to:

- boost innovative refurbishment of the energy sector through the promotion of perspective developments (in technology and equipment) in the field of energy saving;
- promote the use of renewable energy sources and alternative fuels;
- introduce of low-waste, resource-saving, and environmentally friendly technologies in the chemical and petrochemical industries;
- improve the environmental performance of power machines;
- provide for greening of the main production in metal-production industry
- modernize the production and introduce modern environmental standards in mining and industrial complex;
- provide for greening of industrial processes, and the use of the mineral resource base of the country;
- provide for greening in land use and crop production;
- provide for introduction of efficient technologies for environmentally safe resource food production and processing of agricultural raw materials;
- provide for greening and energy efficiency of the economy (including the formation of energy-market through the production of energy efficient and environmentally friendly products, ensuring proper green infrastructure, environmental services, etc.).

- the Energy Strategy of Ukraine for the period until 2030 approved by the Cabinet of Ministers of Ukraine dated 24.07.2013 №1071-p²⁵, , in particular, aimed to increase the efficiency of energy consumption and use; reduction of anthropogenic impact on the environment; development of non-conventional and renewable energy sources and alternative fuels;

²⁴ <http://zakon4.rada.gov.ua/laws/show/1130-2011-%D0%BF>

²⁵ <http://zakon4.rada.gov.ua/laws/show/1071-2013-%D1%80/paran6#n6>

- the Transport Strategy of Ukraine for the period until 2020 approved by the Cabinet of Ministers of Ukraine of 20.10.2010 №2174-p²⁶, aimed at stimulating the development of energy-saving and environmentally friendly modes of transport, including urban transport; ensure the use of energy-efficient, environmentally friendly and alternative types of liquid and gaseous fuels; greening of the construction and maintenance of roads through the use of environmentally friendly and energy-saving materials and the latest technologies;

- the State Target Economic Program for the development of passenger car production within the period until 2020, the concept of which was approved by the Decree of the Cabinet of Ministers of Ukraine of 15.01.2014 №25-p²⁷, and the implementation of which is expected to ensure the introduction of resource-saving, environmentally friendly innovative technologies, and the transition to non-waste technologies in this area;

- the National Regional Development Strategy for the period until 2020 approved by the Cabinet of Ministers of Ukraine from 06.08.2014 №385²⁸ which, in order to increase the level of innovation and investment capacity of the regions, provides for green product stewardship;

- The National Security Strategy of Ukraine ‘Ukraine in a Changing World’ approved by the Decree of the President of Ukraine of February 12, 2007 №105 (as amended by the Decree of the President of Ukraine of June 8, 2012 № 389/2012)²⁹, one of its tasks envisages the creation of safe environment for the population through the use of modern green and resource-saving technologies.

The Action Plan for the implementation of the Programme of the Cabinet of Ministers of Ukraine and the Sustainable Development Strategy ‘Ukraine-2020’ in 2015 approved by the Cabinet of Ministers of Ukraine on March 4, 2015, №213-p³⁰ for the sustainable development of rural areas provides for the development project of the Concept of development of rural areas, which should include promotion of entrepreneurial activity, diversification of rural employment (green (rural) tourism, crafts, services), influence mechanisms of local self-government and regional self-regulation on the socio-economic components of the life of communities and territories).

The government’s policy of green economy is embodied in the Concept of public ‘green economy’ policy until 2020, the draft of it having already been designed.

For the time being, public procurement in Ukraine has not yet been actively applying the criteria of sustainability. The concept of ‘sustainable public procurement’ or ‘green procurement’ is still not introduced in the public procurement system at the normative level. Accordingly, there are no clearly defined criteria for SPP. Frequently changing legislation in the field of public procurement provided opportunities for the application of sustainability criteria in procurement at different times to a different

²⁶ <http://zakon4.rada.gov.ua/laws/show/2174-2010-%D1%80>

²⁷ <http://zakon4.rada.gov.ua/laws/show/25-2014-%D1%80>

²⁸ <http://zakon4.rada.gov.ua/laws/show/385-2014-%D0%BF#n11>

²⁹ <http://zakon4.rada.gov.ua/laws/show/389/2012/paran5#n5>

³⁰ <http://zakon4.rada.gov.ua/laws/show/213-2015-%D1%80>

extent. At different times, the level of interest in the implementation and application of sustainability criteria was also different.

Thus, the Law of Ukraine ‘On Procurement of Goods, Works and Services for Public Funds’ active in the period from 2000 to April 2008, although it contained no clear requirements regarding the use of certain sustainability criteria, nevertheless did not limit the possibility of including, for example, environmental performance of products in technical specifications, or the application of sustainability criteria during evaluation of proposals (unlimited list of evaluation criteria).

During this period, to some extent, attention to the issue of implementing green procurement was paid by voluntary association of municipalities in Ukraine – Network of Environmentally Sustainable Cities of Ukraine³¹, created in 2001–2002. The purpose of the Network is introduction of sustainable management system by its participants in accordance with the State Standard of Ukraine ISO 14001. Besides, one of its activity lines was conducting workshops and advising network participants on issues related to the implementation and application of green procurement. In 2004, the city of Mykolayiv, as the leader of the Network, received the Bremen Award under the aegis of the United Nations, due to which the Ukrainian side had the opportunity to more profoundly explore the experience of British municipalities in various fields, including in bidding procedures; for the first time an international seminar was held in Ukraine on green public procurement with experts from the UK, Zaporizhzhia, Kyiv, Mariupol, Moscow, Mykolayiv, Odesa, Sevastopol and Kherson.

Between April and October 2008 public procurement was carried out in accordance with the Provisional Regulation on Procurement of Goods, Works and Services for Public Funds approved by the Cabinet of Ministers of Ukraine of 28.03.2008 №274. This Regulation was among the list of criteria for evaluating the bids: the criterion of ‘environmental compliance’.

Since the end of October 2008 and July 2010, the implementation of public procurement was governed by the Regulation on Procurement of Goods, Works and Services for Public Funds approved by the Cabinet of Ministers of Ukraine on 17.10.2008 №921. This regulation prolonged the existence of such evaluation criteria as ‘environmental compliance, but made it possible for the contracting authority to choose this or the other criteria from the list.

From August 2010 until April 2014, the main regulation in the field of public procurement was the Law of Ukraine ‘On Public Procurement’. This law established the requirement that the technical and qualitative characteristics of the procurement subject should include compulsory measures to protect the environment, and significantly limited the criterion in terms of evaluation of bids as compared with the previous acts. The law established the ‘price’ as the sole criterion for evaluation of bids in the procurement of goods where there is a permanent market, and for specialized procurement the price criterion was linked to other criteria, in particular, such as: the quality of work and services; payment term; deadline; warranty service; operating costs;

³¹ <http://www.gorsovet.mk.ua/surrounding/network.ru>

technology transfer and training of managerial, scientific and operational skills, including the use of local resources.

In 2010, the translation of the English publication of ICLEI (International Council for Local Environmental Initiatives) ‘Guideline “Purchase +”. Instructions for sustainable profitable public procurement’(2nd edition)³² was published, which was developed by the Mykolayiv City Civic Organization ‘Research Center for Sustainable Development’ as an output of the contract with the European Secretariat of ICLEI in partnership with the Mykolayiv City Council project ‘Network of Environmentally Sustainable Cities of Ukraine’. The Guideline provides clear instructions for any European authority on the practical implementation of sustainable procurement, regardless of the authority’s scope or experience level. The Guideline includes practical advice on the integration of sustainability in procurement, information on the cost of sustainable procurement model for managing the systematic implementation of sustainable procurement, the main procurement criteria for 6 priority groups of goods and services (buses, cleaning substances, electricity, food, IT equipment, construction and reconstruction of buildings).

According to the NPA for environmental protection, in 2011, amendments to the then existing version of the Law of Ukraine ‘On Public Procurement’ were to be developed, related to the introduction of environmentally sound (green) procurement (p. 183). But this point has remained unfulfilled.

In 2013, at the initiative of Ukrainian public organization ‘Living Planet’ with the support of the Ministry of Ecology and Natural Resources of Ukraine and of the Project ‘Additional Sectoral Budget Support to the Ministry of Ecology and Natural Resources of Ukraine’, a handbook ‘Guidelines on the Application of Green Procurement in the Public and Private Sectors’ was developed and published in the series ‘On the Way to Sustainable Consumption and Production in Ukraine’³³.

The Guidelines set out the principles of sustainable consumption and production as the basis of ‘green economy’, provide an overview of the Ukrainian legislation on the applicability of the environmental component to the subject of procurement, and provide guidelines and practical examples on the implementation of green procurement in the public and private sectors, taking into account the best European and Ukrainian use practices.

The Development Strategy of public finance management system, approved by the Cabinet of Ministers of Ukraine on 01.08.2013 №774-p states that public procurement system should play a strategic role in the development of Ukraine, in particular, promoting good governance, social accountability and sustainable development.

Since November 2013, the Project ‘Harmonisation of Public Procurement System in Ukraine with EU Standards’³⁴, has been working in Ukraine. The Project aims to

³² http://www.procuraplus.org/fileadmin/files/Manuals/Russian_Manual/Procura_Manual_Rus.pdf

³³ [http://www.zhiva-planeta.org.ua/novuny/191-new.html](http://www.zhiva-planeta.org.ua/novyny/191-new.html)

³⁴ <http://eupublicprocurement.org.ua/?lang=UK>

promote the development of a reliable and coherent system of public finance management. The project promotes a comprehensive and transparent legal and regulatory framework of public procurement, an effective institutional framework of public procurement systems, responsible and honest public procurement authorities, as well as the development of the state aid system in Ukraine.

The project is implemented by a consortium led by a leading international company Crown Agents Ltd in cooperation with British companies BDO LLP and CIPS (Chartered Institute of Purchasing and Supply), and is funded by the European Union until November 2016.

Since April 2014, the main regulation in the field of public procurement is the Law of Ukraine ‘On Public Procurement’³⁵ of 10.04.2014 №1197-VII. As it was the case with the previous version of the law, the Act retains the requirement that the technical and qualitative characteristics of procurement subject should include the provision on measures to protect the environment. The main criterion for evaluation of the bids is the ‘price’ criterion, but the law has no clear regulations on the use of environmental and social criteria in public procurement.

Despite the legal requirement for measures to protect the environment, it is respected only by a small amount of contracting authorities, and the implementation of this requirement, as a rule, does not include all the possible requirements to the subject of procurement. So, the analysis of bidding documents³⁶ showed that buyers generally include the requirement of compliance with ISO 14001, OHSAS 18001, or simply indicate that the participant must apply measures to protect the environment.

Among other requirements of contracting authorities, the following may be mentioned:

- the need to provide information about environmental friendliness of the materials to be used for construction (contracting authority – the National University of Law n.a. Yaroslav the Wise);
- when performing extensive repairs of the bridge over the river (contracting authority – Directorate for Management of Public Works and Housing Policy at the Kryvyi Rig Executive Committee of Dnepropetrovsk region);
- preventing spills of petroleum products, oils and other chemicals in the soil, and asphalt pavement;
- during operation of vehicle, exhaust emissions must not exceed the permissible limits;
- avoid storing waste in unauthorized places;
- economize water;
- compensate for the damage caused in the event of contamination or other adverse effects on the environment;
- in case of procurement of PCs (contracting authority – Public Joint Stock Company ‘Donbasenergo’), the following must be considered:

³⁵ <http://zakon4.rada.gov.ua/laws/show/1197-18/page>

³⁶ <https://tender.me.gov.ua>

configuration of system unit: Certification ENERGY STAR 5.0;
 monitor configuration: environmental standard not lower than TCO 5.0.
 compliance with the requirements to the level of power consumption during operation and in power saving mode, the maximum power consumption, etc. (contracting authority – Directorate of Odessa Regional Council for Property Relations):

- *PC*: power consumption – not more than 10W under normal operation, no more than 2 W in power saving mode;
 - *monitor*: power consumption – not more than 18W in operation, no more than 0.5W in power save mode;
 - *printer*: maximum power consumption – not more than 600W; in stand-by mode – not more than 8W; power consumption in power saving mode – not more than 7W;
 - *multifunction device (MFD)*: maximum power consumption – not more than 600W; in stand-by mode – less than 11W; power consumption in power saving mode – not more than 10W;
 - *high-performance MFD*: maximum power consumption – not more than 800W; power consumption in stand-by mode – not more than 19W; power consumption in power saving mode – not more than 4.5W.
- use good quality paper – certified according to FSC Mixed Credit (contracting authority – Kharkiv City Council);
 - to request a Oeko-Tex Standard 100 certificate for the fabric from which the clothing (winter jackets) is made (contracting authority – Subsidiary Enterprise ‘Ukravtogaz’ of the National Joint Stock Company ‘Naftogaz of Ukraine’);
 - the need to provide information about the quality of the materials from which the furniture is made, including environmental safety of materials (contracting authorities – Kharkiv Institute of Banking of the University of Banking at the National Bank of Ukraine, Lviv Institute of Banking of the University of Banking at the National Bank of Ukraine);
 - buses must comply with the environmental standards established by the technical regulations and national standards; compliance with environmental standards – not less than Euro 4 (contracting authorities – Kharkiv City Council, municipal enterprise ‘Ritual’);
 - trolley buses with low floor adapted for passengers with disabilities (contracting authority – Khmelnytsky municipal enterprise ‘Electrotrans’):
 - height of the steps from the level of the road in accordance with UNECE Regulation 107-01, not more than 340 mm;
 - ramp for entry and exit of passengers with disabilities using wheelchair;
 - low floor – 100%.

In addition, the potential for introduction and application of SPP in Ukraine is being strengthened by:

- the goals and commitments declared by Ukraine under international regulations and agreements on sustainable development, green economy, environmental protection, energy efficiency, and protection of social and labor rights;
- development of SPP worldwide and availability of best practices;
- increased public awareness, in particular by the civil society institutions, of environmental and social issues, raising awareness of sustainable development, sustainable production and consumption.
- the development of tools to facilitate the application of SPP. For example, such as:
 - eco-labeling of products, goods and services (since 2004, Ukraine has been running a program on eco-labeling according to ISO 14024 (the ‘Green Crane’³⁷ sign) being part of the Global Eco-Labeling Network, GEN; the Cabinet of Ministers of Ukraine by its Decree of 18.05.2011 №529 approved the Technical Regulations on Eco-Labeling³⁸);
 - environmental management system (ISO 14001) and occupational safety management system (OHSAS 18001);
 - Resource-efficient and cleaner production;
 - energy management system (ISO 50001).

Possibilities of SPP implementation in Ukraine have been significantly strengthened with the ratification of the Association Agreement ‘between Ukraine, on the one part, and the European Union, the European Atomic Energy Community and its Member States, on the other part’³⁹ ((hereinafter – the Association Agreement) (the Law of Ukraine of 16.09. 2014 №1678-VII).

The Association Agreement requires gradual approximation of Ukrainian public procurement legislation to the EU *aquis*, including those on application of environmental and social criteria in line with the stipulated timeframe and stages. This requirement applies not only to the current directives on public procurement, but also to future legislative amendments in this field. I.e., Ukraine should ensure the implementation of:

- Directive 2004/18/EC on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts;
- Directive 2004/17/EC coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors, as well as those acting in the EU since April 2014;
- Directive 2014/24/EC on public procurement and repealing Directive 2004/18/EC⁴⁰,

³⁷ <http://www.ecolabel.org.ua/>

³⁸ <http://zakon4.rada.gov.ua/laws/show/529-2011-%D0%BF>

³⁹ http://zakon4.rada.gov.ua/laws/show/984_011

⁴⁰ <http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1419890370900&uri=CELEX:32014L0024>

- Directive 2014/25/EC on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC⁴¹, which, among other things, provide for the use of environmental, social and labor criteria at different stages of public procurement.
- Besides, Ukraine also needs to take into account the respective interpretation of the Court of Justice of the European Union and the activities of the European Commission for the implementation of these directives.

According to the Action Plan on Implementation of the EU-Ukraine Association Agreement for 2014-2017 approved by the Cabinet of Ministers of Ukraine on 09.17.2014 №847-p⁴² during February-April of 2015 the following milestones must be achieved:

- drafting of legal acts for implementing the basic provisions of Directive 2004/18/EC;
- completing institutional reform in public procurement;
- development of a comprehensive Roadmap for the implementation of the provisions of EU Directives with timelines and the key expected step-by-step results, which should include all reforms concerning legislation approximation and building institutional capacity. This is one of the priority tasks to fulfill the requirements of the Association Agreement. The Roadmap must be drawn up in the form of a detailed plan for the full transposition of the EU directives on public procurement in the Ukrainian legislation and its effective implementation must occur within the eight-year period, taking into account the steps and time frames stipulated in Annex XXI to the Association Agreement. In fact, developing the Roadmap means developing a comprehensive strategy for reforming the public procurement system, and this is one of the requirements of the Ukraine-EU Association Agenda updated in June 2013.⁴³

Based on the milestones and time frames set out in Annex XXI of the Association Agreement, the provisions of the Directives relating to SPP must be implemented at the 2nd stage of approximation (within 3 years from the date of enactment of the Agreement on Public Procurement⁴⁴) – the basic elements of Directive 2004/18/EC, and the 3rd stage (within 4 years) – the basic elements of Directive 2004/17/EC.

The Plan for implementation of Directive 2006/32/EC on energy end-use efficiency and energy services and repealing Council Directive 93/76/EEC, approved by the Cabinet of Ministers of Ukraine on 11.26.2014 №1150-p provides for the development of the draft Law of Ukraine on application of the principles of sustainable

⁴¹ <http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1419890432183&uri=CELEX:32014L0025>

⁴² <http://zakon4.rada.gov.ua/laws/show/847-2014-%D1%80>

⁴³ http://www.kmu.gov.ua/control/uk/publish/article?showHidden=1&art_id=245907265&cat_id=223345338&ctime=1372230312791

⁴⁴ Соглашение об ассоциации вступило в силу 1 ноября 2014. Поскольку в 2014 году было принято решение об отсрочке вступления в силу экономической частью Соглашения на один год, соответствующие положения Соглашения о государственных закупках вступят в силу только 1 января 2016 года.

energy use and energy saving as evaluation criteria for tender procedures and public procurement.

1.2. The Significance of SPP for Sustainable Development

ACTION PLAN – PART 1	
<p><i>Activities in the field of SPP are aimed at ensuring compliance of the public bodies with sustainable management principles, and enhancement thereof.</i></p> <p><i>SPP may impact such areas as climate change, natural resources use, cost reduction, improved social security and guaranteed labor and social rights, better working conditions, increased employment, and the development of innovations.</i></p> <p><i>SPP is aimed at promoting economizing and responsible management of natural resources, and promoting the use of renewable natural resources or recycled materials where possible, and reducing waste.</i></p> <p><i>SPP is an important tool for country's sustainable development, and boosting domestic production with the use of cleaner technologies and innovations.</i></p> <p><i>SPP policy can contribute to revaluation of procurement needs so as to reduce overall costs. Life cycle assessment of the procurement subject affords an opportunity for more balanced assessment of its real overall cost, and makes it possible to avoid unnecessary purchases.</i></p> <p><i>SPP can influence the employment and working conditions, social justice and equality.</i></p> <p><i>For Ukraine, this impact of SPP will be very important, given the existence of such problems as:</i></p> <ul style="list-style-type: none"> <i>– the formation of significant amounts of production and consumption waste⁴⁵;</i> <i>– deterioration of the ecological condition of water basins;</i> <i>– depreciation of fixed assets;</i> <i>– increased risks of man-made emergencies, etc. These problems are also noted as the main threat to national security⁴⁶;</i> <i>– increase in unemployment⁴⁷.</i> 	
SPP Benefits	Sustainable Development Policies and Strategies
Reducing greenhouse gas emissions	State Environmental Policy Strategy until 2020
Reducing emissions and discharges	State Environmental Policy Strategy until 2020
Development of a system for eco-labelling of products and food products; quality assurance and product stewardship	State Environmental Policy Strategy until 2020; State Regional Development Strategy for the period until 2020, State Programme for the Development of Domestic Production

⁴⁵ Ukraine ranks one of the highest in the world in terms of consumption of energy, water, minerals and other resources per unit of gross domestic product. In Ukraine, non-renewable natural resources' consumption per production unit is 2-2.5 times higher, and energy consumption – 2.5-3 times higher than in Germany, Britain, France, the United States.

⁴⁶ Decree of the President of Ukraine from 12.02.2007 №105/2007 'On the National Security Strategy of Ukraine' (as amended by the Decree of the President of Ukraine of 08.06.2012 №389/2012. <http://zakon4.rada.gov.ua/laws/show/105/2007>

⁴⁷ According to the State Statistics Service of Ukraine, the number of registered unemployed persons in 2014 amounted to 1847.6 thous., while in 2013 – 1510.4 thousand. www.ukrstat.gov.ua



Development of organic production/labelling of organic products	State Environmental Policy Strategy until 2020; the Law of Ukraine 'On Production and Circulation of Organic Agricultural Products and Raw Materials' ⁴⁸
Development of environmental management systems	State Environmental Policy Strategy until 2020
Boosting innovations	State Environmental Policy Strategy until 2020; State Regional Development Strategy for the period until 2020
Development of cleaner production	State Environmental Policy Strategy until 2020; National Security Strategy of Ukraine; draft Concept on Implementation of Cleaner Production in Ukraine
Production modernization	State Environmental Policy Strategy until 2020; State Regional Development Strategy for the period until 2020
Development of green energy market	State Environmental Policy Strategy until 2020; State Regional Development Strategy for the period until 2020, State Programme for the Development of Domestic Production
Increased use of renewable and alternative energy sources and alternative fuels	State Environmental Policy Strategy until 2020; Energy Strategy of Ukraine for the period until 2030, State Regional Development Strategy for the period until 2020, State Programme for the Development of Domestic Production, the Law of Ukraine 'On Alternative Energy Sources' ⁴⁹
Increased energy efficiency and energy saving	State Environmental Policy Strategy until 2020; Energy Strategy of Ukraine for the period until 2030, State Regional Development Strategy for the period until 2020; State Programme for the Development of Domestic Production; the Law of Ukraine 'On Electric Power Industry'; the Law of Ukraine 'On Energy Saving' ⁵⁰
Increased storage, recycling and use of waste as secondary raw materials	State Environmental Policy Strategy until 2020;
Minimizing harmful effects of transport on the environment; improving environmental performance and energy efficiency of vehicles; encouraging the consumption of alternative types of liquid and gaseous motor fuels	Transport Strategy Ukraine for the period until 2020; State Environmental Policy Strategy until 2020; The Concept of the State Target Economic Program for development of passenger car manufacturing within the period until 2020; the Law of Ukraine 'On Environmental Protection in Ukraine' ⁵¹ ; the Law of Ukraine 'On Transport'; ⁵² ; the Law of Ukraine 'On Road Transport' ⁵³
Preservation of natural areas and biodiversity	State Environmental Policy Strategy until 2020; State Regional Development Strategy for the period until 2020; the Law of Ukraine 'On Wildlife'; the Law of Ukraine 'On Flora'; the Law of Ukraine 'On the Natural Reserve Fund of Ukraine'; the Law of Ukraine 'On the Red Book'

⁴⁸ <http://zakon4.rada.gov.ua/laws/show/425-18/page>

⁴⁹ <http://zakon4.rada.gov.ua/laws/show/555-15>

⁵⁰ <http://zakon4.rada.gov.ua/laws/show/74/94-%D0%B2%D1%80>

⁵¹ <http://zakon4.rada.gov.ua/laws/show/1264-12>

⁵² <http://zakon4.rada.gov.ua/laws/show/232/94-%D0%B2%D1%80>

⁵³ <http://zakon4.rada.gov.ua/laws/show/2344-14>

Preventing violations of the legislation on the use of child labor	Law of Ukraine ‘On National Program “National Action Plan for the Implementation of the UN Convention on the Rights of the Child” for the period until 2016’ from 05.03.2009 №1065-VI ⁵⁴
Increasing employment	State Environmental Policy Strategy until 2020; State Regional Development Strategy for the period until 2020, the Law of Ukraine ‘On Employment’ ⁵⁵
Prevention of discrimination	The Law of Ukraine ‘On Ensuring Equal Rights and Opportunities for Women and Men’ ⁵⁶ ; the Law of Ukraine ‘On the Principles of Prevention and Counteracting Discrimination in Ukraine’ ⁵⁷ ; Decree of the Cabinet of Ministers of Ukraine ‘On Approving the State Program for Ensuring Equal Rights and Opportunities for Women and Men for the Period till 2016’ ⁵⁸
Ensuring the rights and needs of persons with disabilities	State Target Program ‘The National Action Plan on Implementing the Convention on the Rights of Persons with Disabilities’ for the period until 2020 approved by the Cabinet of Ministers of Ukraine on 01.08.2012 № 706 ⁵⁹

2. Legal foundation

2.1 Effective legal and regulatory framework of Ukraine, influences and / or associated with the SPP

According to the results of the review of the legislation it was found that in Ukraine there is a significant number of regulatory legal acts, both international and national, which to some extent can influence the implementation, or related to the implementation of the SPP.

International Acts

Ukraine actively participates in international relations and a party a considerable amount of international agreements, including economic, environmental and social nature.

Among the main agreements which can influence the SPP are the following: the "Charter of European Sustainable Cities and Towns" (Aalborg Charter); the 1979 Geneva Convention on Long-range Transboundary Air Pollution; The Stockholm Convention on Persistent Organic Pollutants; United Nations Framework Convention on Climate Change and the Kyoto Protocol; the Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention); the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Disposal; the Convention on International Trade in Endangered Species of Wild Fauna and Flora Threatened with Extinction (CITES); the Convention on Conservation of Migratory Species of Wild

⁵⁴ <http://zakon4.rada.gov.ua/laws/show/1065-17>

⁵⁵ <http://zakon4.rada.gov.ua/laws/show/5067-17>

⁵⁶ <http://zakon4.rada.gov.ua/laws/show/2866-15>

⁵⁷ <http://zakon4.rada.gov.ua/laws/show/5207-17>

⁵⁸ <http://zakon4.rada.gov.ua/laws/show/717-2013-%D0%BF>

⁵⁹ <http://zakon.rada.gov.ua/laws/show/706-2012-%D0%BF>

Animals (Bonn Convention); Agreement on the Conservation of Populations of European Bats (EUROBATS); Agreement on the Conservation of African-Eurasian Migratory Waterbirds (AEWA); Agreement on the Conservation of Cetaceans of the Black Sea, Mediterranean Sea and Contiguous Atlantic Area (ACCOBAMS); Convention on the Protection of Wild Flora and Fauna and Natural Habitats in Europe (Bern Convention); Montreal Protocol on Substances that Deplete the Ozone Layer; Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade; Convention on Biological Diversity; Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention); Convention on the Transboundary Impact of Industrial Accidents; Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter; Convention on the Protection of the Black Sea Against Pollution (Bucharest Convention); Protocol for the Protection of the Marine Environment of the Black Sea Against Pollution from Land-based Sources, 1992; Protocol on Cooperation in Combating Pollution of the Black Sea Environment by Oil and Other Harmful Substances in Emergency Situations, 1992; Protocol for the Protection of the Marine Environment of the Black Sea Against Pollution by Dumping, 1992; Protocol for the conservation of biodiversity and landscapes of the Black Sea to the Convention on the Protection of the Black Sea against Pollution, 2002; The International Convention for the Prevention of Pollution from Ships (MARPOL 73/78); The Antarctic Treaty; The Protocol on Environmental Protection to the Antarctic Treaty; The Framework Convention on the Protection and Sustainable Development of the Carpathians (Carpathian Convention); Protocol on saving and sustainable use of biological and landscape diversity, 2008; The Convention on Cooperation for the Protection and Sustainable Use of the River Danube (Convention for the Protection of the Danube River); The European Landscape Convention (Florence Convention); The European Energy Charter, 1991; The Energy Charter Treaty, 1994; Energy Charter Protocol on Energy Efficiency and Related Environmental Aspects (PEEREA), 1994; Convention on Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, 1999 (Convention No. 182), Convention on Freedom of Association and Protection of the Right to Organise Convention, 1948 (ILO Convention 87); Forced Labour Convention, 1930 (№ 29); Convention on the Abolition of Forced Labour, 1957 (№ 105), Equal Remuneration Convention, 1951 (№ 100); Convention concerning Discrimination in Respect of Employment and Occupation, 1958 (№ 111); Convention on the Minimum Age for Admission to Employment, 1973 (№ 138); Convention concerning the Application of the Principles of the Right to Organise and to Bargain Collectively, 1949 (№ 98); Convention on the Rights of Persons with Disabilities, as well as a number of international global and regional agreements of bilateral and multilateral nature, including the Agreement on Association of Ukraine - EU, the Treaty Establishing the Energy Community, and others.

National legislation

Constitutional legislation. The leading place in the Ukrainian legislation takes the Constitution of Ukraine which is the fundamental law of the state, defining basic principles of the national legal system.

Constitutional norms related to public procurement are:

- economic regulations (regulations on the formation of the country's budgetary policy (Articles 95, 116, 119, 143), regulations which protect competition in business (Article 42));

- regulations in the field of sustainable development, environmental and social problems (Article 13 (social orientation of the economy), 16 (obligation of the state to ensure the ecological safety and maintain the ecological balance in the Ukraine), 24 (equality of citizens' constitutional rights), 41 (use of the property does not May cause harm to the rights, freedoms and dignity of citizens, the interests of society, aggravate the ecological situation and the natural qualities of land), 42 (consumer protection, control of quality and safety of products and all types of works and services), 43 (labor law), 50 (right to secure for life and health of the environment), 66 (the duty of every not to harm nature)).

Finance and budget legislation. The basis of the financial and budget management is Budget Code of Ukraine, the Law on the State Budget, the Cabinet of Ministers of Ukraine of February 28, 2002 №228 «On approval of the preparation, review, approval and basic requirements for the implementation of budgets of public institutions".

In some cases, procedure of fund use of the state budget is specified by separate acts. For example, the procedure for using funds provided in the state budget for the implementation of measures aimed at emissions reducing (absorption increase) of greenhouse gases was approved by the Cabinet of Ministers of Ukraine on March 23, 2011 № 348, Order of state financing of capital construction, approved by the Cabinet of Ministers Ukraine on December 27, 2001 № 1764, and others.

Legislation on public procurement. The main legal act in the field of public procurement is the Law of Ukraine "On public procurement" (as revised in 2014)⁶⁰, which defines the conditions, order and procedures for procurement of goods, works and services in case the annual cost of subject of procurement of goods and services is equal to or exceeds 100 000 UAH and works – 1 000 000 UAH. The law also has a number of exceptions to its scope.

The law provides for five procurement procedures: open tendering, two-stage tendering, request price offers, pre-qualification of participants and negotiation procedures and the conditions and procedures for their application. The law defines the functions and powers of the authorized body on public procurement, which is the Ministry of Economic Development and Trade of Ukraine; Authorized body of appeal and detect violations in the sphere of public procurement is the Antimonopoly Committee of Ukraine, and also determines the order of the appeal procedure (Article 18).

The law also defines a detailed list of information subject to mandatory publication in electronic form (Article 10), the content of the bidding documents (Article 22), eligibility requirements (Articles 16-17), disclosure requirements and the evaluation of proposals competitive bidding, conditions of award of the contract (Article 27, 28, 29, 30), the terms of cancellation of biddings (Article 30) and special conditions of the procurement contracts (Article 40, 41).

⁶⁰ <http://zakon4.rada.gov.ua/laws/show/1197-18/page>

Since 2012 there is the Law of Ukraine "On the specifics of procurement in selected areas of economic activity"⁶¹, which regulates procurement in the utilities and infrastructure services, namely:

- support for production, transportation and supply of heat;
- support for production, transmission, distribution, purchase and sale, supply of electricity and centralized dispatch (operational and technological) management of the incorporated power system of Ukraine;
- support for production, transportation and supply of drinking water;
- maintenance of the centralized drainage;
- provision of services on the use of railway infrastructure of common use;
- maintenance of the urban electric transport and operation of its facilities for transport service delivery;
- provision of bus stations, ports, airports services;
- provision of air navigation services for aircraft flights;
- provision of postal services;
- geological study (including research and industrial development of deposits) of oil and gas mineral resources, deposits of coal and other solid fuels;
- ensuring the operation and maintenance of telecommunication networks in the fixed public communication or provision of public telecommunications services;
- provision of transport, storage and processing of crude oil and petroleum products;
- provision of the functioning of the electricity market, the market "day-ahead" of the balancing market, ancillary services market, as well as the provision of services of the system operator, administrator settlement administrator of commercial accounting, market operator, guaranteed buyer in accordance with the provisions of the Law of Ukraine "On the basis of functioning electricity market of Ukraine"⁶²;
- provision of support services in the market of ancillary services and to equalize the conditions for competition in accordance with the provisions of the Law of Ukraine "On the basis of functioning electricity market of Ukraine".

To ensure compliance with the laws of Ukraine "On public procurement" and "On the specifics of procurement in selected areas of economic activity" there are such regulations:

- Resolution of the Cabinet of Ministers of Ukraine of 04.07.2012, № 603 "On peculiarities of the implementation of framework agreements"⁶³ establishes special rules for the application of the framework agreements;
- Resolution of the Cabinet of Ministers of Ukraine of 04.07.2012 № 602 "On approval of the definition of general customers and customer interaction with the general contractor on the framework agreements" establishes a mechanism for determining the general customers and customer interaction with the general contractor on the framework agreements;

⁶¹ <http://zakon4.rada.gov.ua/laws/show/4851-17>

⁶² <http://zakon4.rada.gov.ua/laws/show/663-18>

⁶³ <http://zakon4.rada.gov.ua/laws/show/603-2012-%D0%BF>

- Order of the Ministry of Economic Development and Trade of Ukraine of 26.07.2010 № 916 "On Approval of the Model Provisions on Competitive Bidding Committee"⁶⁴ defines the functions and organization of the committees of competitive bidding, that is, the group of experts of the customer intended responsible for organizing and carrying out procurement procedures according to the Law;

- Order of Ministry of Economic Development and Trade of Ukraine of 26.07.2010 № 919 "On Approval of Standard Bidding Documents"⁶⁵ contains samples of standard bidding documents (in tabular form), which is used to open and two-stage bidding, as well as instructions for participants to prepare proposals competitive bidding in order to include them all the information and documentation that provides customer requirements, and Article 22 of the Law of Ukraine "On Public Procurement");

- Order of the Ministry of Economic Development and Trade of Ukraine of 26.07.2010 № 921 "On approval of determining the subject of procurement"⁶⁶ establishes certain rules for determining the subject of procurement cases for procurement of goods and services for cases of procurement of works. In general, the mechanism for determining the subject of procurement of goods and services based on the existing state qualifiers and State Standards of Ukraine (DSTU) is understandable. However, the classification of the European Union (Common procurement vocabulary - CPV) is very different from the Ukrainian (structure, codification). Determination of the subject of procurement of works is carried out separately for each object of construction (works) considering to state building codes;

- Order of the Ministry of Economic Development and Trade of Ukraine of 15.09.2014 № 1106 "On approval of forms of documents in the field of public procurement"⁶⁷ asserts standard forms in public procurement, almost all forms of documents used by customers in the implementation of procurement, other than those prepared in some cases (such as the protocol on the rejection of proposals of competitive bidding);

- Order of the Ministry of Economic Development and Trade of Ukraine of 19.10.2011 № 155 "On the implementation of the monitoring of public procurement"⁶⁸ defines the procedure for the monitoring of public procurement Ministry of Economic Development and Trade of Ukraine;

- Order of the Ministry of Economic Development and Trade of Ukraine of 06.10.2014 №1190 «On approval of exemplary training programs for the organization and implementation of public procurement"⁷²;

- Order of the Ministry of Economic Development and Trade of Ukraine of 24.04.2012 № 504 "On the Peculiarities of concluding framework agreements"⁷³ establishes special rules for the use of framework agreements;

⁶⁴ <http://zakon4.rada.gov.ua/laws/show/z0622-10>

⁶⁵ <http://zakon4.rada.gov.ua/laws/show/z0653-10/paran15#n15>

⁶⁶ <http://zakon4.rada.gov.ua/laws/show/z0623-10>

⁶⁷ <http://zakon4.rada.gov.ua/laws/show/z1241-14>

⁶⁸ <http://zakon4.rada.gov.ua/laws/show/z1241-14>

- Order of the Ministry of Economic Development and Trade of Ukraine of 24.04.2012 № 503 "On approval of the list of goods and services which may be procured under framework agreements"⁷⁴. The list includes 93 items of goods and services;

- Order of the State Statistics Committee of Ukraine of 26.11.2012 № 485 "On Approval of the state statistical observation № 1 bids (quarterly)" Report on the procurement of goods, works and services for public funds"⁷⁵.

Furthermore, in Ukraine separately concession contracts were regulated.

The main legal and regulatory acts in this area are:

- Law of Ukraine "On concessions"⁷⁶;
- Law of Ukraine "On Concession for construction and operation of highways"⁷⁷;
- Law of Ukraine "On peculiarities of renting or concession facilities in the areas of heating, water supply and drainage of communal property"⁷⁸;
- Law of Ukraine "On peculiarities of renting or concession of the fuel and energy complex, owned by the state"⁷⁹;
- Law of Ukraine "On public-private partnership"⁸⁰ regulates the concession agreement, and provides a mechanism very similar to those provided by the legislation in this area (for example, in addition to concession agreements the Law provides for an agreement on joint activities, which are actually a type of concession agreements).

Secondary legislation established special rules and regulations on registration of concession agreements and the procedure for their registration, the list of objects that can be the subject of the concession contract, the methods of calculation of concession compensations, etc.

Environmental standards. Water, Forest, Land Codes of Ukraine, Natural Resources Code, laws of Ukraine "On Environmental Protection Ukraine", "Fundamentals of the Ukrainian legislation on health care, "On energy saving", "On sanitary and epidemiological welfare of population", "On Air Protection", "On Waste", "On the National Target Environmental Program of Radioactive Waste Management", "About fauna", "On Flora", "On the nature reserve fund of Ukraine" and "On the Red Book", "On pesticides and Agrochemicals " and etc.

In addition, the environmental requirements for products, goods and services are established in the technical regulations; environmental and social characteristics to products, goods and services as a result of activities established in the national standards of Ukraine (DSTU) and may be included in other regulations (DBN, SanPiN, etc.).

According to the rules of the National Standardization standards for products (services), production and use of which could harm the environment, must include a section "Requirements for Environmental Protection".

Social norms that must be considered in SPP are set mostly in the Code of Laws of Ukraine on labor and a number of other regulatory legal acts (laws of Ukraine "On wage", "On Collective Contracts and Agreements", "On Employment", "On Trade unions, their rights and guarantees of activity", "On social protection of invalids in Ukraine", etc.).

At this time, the draft Labour Code, which replaces the Code of Ukraine on labor and a significant portion of individual acts has been prepared and submitted for consideration to the Verkhovna Rada of Ukraine. The draft Code is aimed at adapting the labor legislation of Ukraine to the European Social Charter and the acts of the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, conventions and recommendations of the International Labour Organization relating to non-discrimination in employment, the prohibition of forced labor, the definition of fundamental rights employee and employer, and others.

In addition, social norms, in particular concerning the availability of products or services to people with reduced mobility, are set in the normative and technical documentation (national standards (DSTU) and state building codes (DBN)).

Normative and legal acts that are relevant to the SPP priority product categories:

Technical Regulations of detergent, approved by the Cabinet of Ministers of Ukraine of August 20, 2008 № 717 sets requirements to detergents and surfactants within their structure. One of the main requirements of the detergent, the use of which could harm the environment and the health of the consumer, is the ability of the primary and total biodegradability of surfactants included in its composition. Requirement to limit the content of phosphates and other phosphorus compounds (from 12.25.2014 to detergents total phosphorus content must not be greater than 0.5 g, or in the recommended quantities and / or dosage of detergent to be used in the main loop of the washing process in hard water for a standard washing machine load, for detergents for household dishwashers with 01/01/2017 - no more than 0.3 g per unit dose detergent for use in the main wash cycle of the dishwasher to load a table set for 12 people) are applied for some detergents.

In accordance with the Agreement on Association Ukraine should ensure implementation:

- Directive 2004/42 / EC on the limitation of emissions of volatile organic compounds due to the use of organic solvents in certain paints and varnishes and products for vehicles and making changes and additions;
- Directive 1999/13 / EC, which limits the total content of volatile organic compounds (VOCs) in paints and varnishes in order to prevent or reduce air pollution and the formation of tropospheric ozone.

2.2. Changes in the legal and regulatory framework required for the implementation of the SPP in Ukraine

In order to implement SPP in Ukraine in the legal and regulatory framework it is necessary:

- consolidation of the basic principles of state policy on SPP by amending the State Environmental Policy Strategy until 2020 and the Strategy of development of the system of public finance management;
- approval of the Action Plan for the implementation of SPP in Ukraine by the inclusion of measures in the draft National Action Plan on Environmental

- Protection to 2016 – 2020, project of roadmap to implement the provisions of the EU Directives on public procurement (developed in the framework of the Action Plan for the implementation of the Agreement on Association of Ukraine - EU);
- appropriate modifications to the Law of Ukraine "On public procurement" and in-laws to ensure compliance with the law;
 - development of guidelines on the application of sustainability criteria in public procurement, which should include instructions for customers on the organization and conduct of SPP; features the integration of sustainability in all phases of the procurement cycle: planning (identifying needs and demand management), determining the qualification of suppliers, the development of specifications, reviewing proposals, contract award and contract management; audit of procurement;
 - development of methods of analysis (evaluation) costs over the life cycle for the priority categories of goods and services.

Changes in the regulatory framework should ensure that:

- definition and consolidation of SPP policy, its principles and an action plan for its implementation;
- empowerment SPP approach application, compared with the current situation;
- ability of the institutional application of the SPP approach;
- adequate education and support high competence of those responsible for the organization and conduct of public procurement;
- monitor the application of SPP approach.

ACTION PLAN - PART 2

LEGAL AND LEGISLATIVE FRAMEWORK

Existing policy / laws	Planned changes in legislation	Expected results	The agency responsible for amendment	Data	Budget thousand UAH
Strategy of State Environmental Policy, approved by the Law of Ukraine of 21.12.2010 № 2818-VI ⁶⁹	Proposals for changes to the Strategy of state environmental policy are given in Annex 3 ⁷⁰ :	Approval of national policy frameworks on SPP	Ministry of Ecology and Natural Resources	2015	75
Strategy of development public financial management and the Action Plan to implement the Strategy of public financial management ⁷¹	Proposals for changes in the strategy of public financial management and the Action Plan are provided in Annex 3.1.	Approval of national policy frameworks and key action for the implementation of SPP	Ministry of Finance, Ministry of Economic Development and Trade	2015	
National Action Plan on Environmental Protection to the 2016 - 2020 years ⁷²	Proposals to draft of NAPs for the protection of the environment in the 2016 - 2020 years are given in Annex 3.2.	Adoption of the main activities for the implementation of SPP	Ministry of Ecology and Natural Resources	2015	
Roadmap for the implementation of the provisions of EU Directives ⁷³	Proposals to the draft roadmap for the implementation of the provisions of the EU Directive are given in Annex 3.3.	Approval of main measures for the implementation of SPP (related to the implementation of	Ministry of Economic Development and Trade	2015	

⁶⁹ <http://zakon4.rada.gov.ua/laws/show/2818-17>

⁷⁰ At this time, discussions are under way on the revision of environmental policy strategies, so the proposed changes are not indicated in what specific areas are those changes. Accordingly, in the preparation of the final document on changes to the strategy may be some changes in the proposed changes regarding the SPP.

⁷¹ <http://zakon4.rada.gov.ua/laws/show/774-2013-%D1%80>

⁷² Is in the works

⁷³ In development

		the EU Directives on public procurement)			
Law of Ukraine "On public procurement"	Amendments to Article 1. "Life cycle is all consecutive and / or interlinked stages, including the necessary research and development, production, trade, and its terms, transport, use and maintenance during the period of the product, works or services, starting from raw material acquisition or generation of resources and ending with the liquidation, sale and termination of services or disposal "	The introduction of the basic concepts that are not in the current version. Compliance with Art. 2 Directive 2014/24 / EC, Art. 2 Directive 2014/25 / EC	Ministry of Economic Development and Trade	2016	
	Part 1 of Article 3 add the following paragraph: "Compliance with the requirements of legislation in the field of environmental protection, social and labor legislation"	Ensuring compliance with the principle of sustainability in public procurement. Conformity Art. 18 Directive 2014/24 / EC, Art. 36 Directive 2014/25 / EC			
	In paragraph 3 of Part 2 of Article 22: 1) In the first sentence, the words "quality and quantity" with "qualitative, quantitative and environmental"; 2) The third sentence should be added by the words "means of verification of compliance with environmental, social, labor, or other requirements, certificates of quality systems and environmental management systems"; 3) point should be supplemented with following paragraph:	Empowering customers with respect to the technical specifications included in the environmental and social performance. Conformity Art. 42, 43, p. 1-2 tbsp. 62 Directive			

	<p>"Specification may contain characteristics of the process or method of production, works and services, the specific process of any stage of the life cycle of a product / service, provided that these characteristics are related to the subject matter of the contract and meet its goals.</p> <p>If the subject of procurement is intended for use by individuals, a technical specification must contain features that ensure accessibility / adaptations for persons with disabilities, except for duly justified cases "</p>	<p>2014/24 / EC, Art. 60, 61, p. 1-2 tbsp. 81 Directive 2014/25 / EC</p>			
	<p>Paragraph 3 of Article 28, paragraph 5, should be supplemented by the following words: "Or expense using the approach of economic efficiency, in particular, such as cost accounting for the life cycle"</p>	<p>Enabling taken into account in bid evaluation costs over the life cycle of the subject procurement. Conformity Art. 67 Directive 2014/24 / EC, Art. 82 Directive 2014/25 / EC</p>			
Statute of the Ministry of Ecology and Natural Resources of Ukraine, approved by the Cabinet of Ministers of Ukraine of 21.01.2015 №32 ⁷⁴	To add paragraph 72-1 the following content: "Participates in the limits of their powers, in the development, harmonization of environmental criteria for products, goods, services, providing clarification as to their application and implementation"	The institutional capacity of implementation and application of SPP	Ministry of Ecology and Natural Resources	2015 (2016)	
Statute of the Ministry of Social Policy of Ukraine approved by the Decree of	To add paragraph 4 sub-paragraph 85 which read: "takes part, within its powers, development, coordination, monitoring social criteria for products, goods, services, providing clarification as to their application and implementation"	The institutional capacity of implementation and application of SPP	Ministry of Social Policy	2015 (2016)	

⁷⁴ <http://zakon4.rada.gov.ua/laws/show/32-2015-%D0%BF>

the President of Ukraine of 06.04.2011 №389 / 2011 ⁷⁵					
The Order of Ministry of Economic Development on 15.09.2014 № 1106 "On approval of forms of documents in the field of public procurement"	Proposals to amend the forms of documents in the field of public procurement are given in Annex 3.4.	Ensuring display the application of environmental / social / labor criteria in the procurement	Ministry of Economic Development and Trade	2016	
Order of the State Statistics Committee of Ukraine on 26.11.2012 № 485 "On Approval of the state statistical observation number 1 bids (quarterly)" Report on the procurement of goods, works and services for public funds " ⁷⁶	Forms of state statistical observation No1 bids (quarterly) to add the following information: 1) after 101 rows to insert a row with the text "ads on the results of procurement procedures are conducted with the use of sustainable procurement approach"; 2) After 120 rows to insert a row with the text "of these participants who have applied to participate in procurement procedures which are carried out with the use of sustainable procurement approach"; 3) after a line 132 to insert a line with the text "entities - the winners of the sustainable procurement"; 4) after the line 160 to insert a line with the text "with business entities as a result of procurement procedures conducted with the use of sustainable procurement approach"; 5) after the line 170 insert a line with the text "of them signed as a result of the approach of sustainable procurement"; 6) after the line 171 insert a line with the text "of the treaty, including environmental, social, labor requirements / signed as a result of the approach of sustainable procurement";	Providing statistical information on the application of SPP	Ministry of Economic Development and Trade, State Statistics Service	2016	

⁷⁵ <http://zakon4.rada.gov.ua/laws/show/389/2011>

⁷⁶ http://ukrstat.org/uk/norm_doc/2012/485/485_2012.htm

	<p>7) after the 181 line insert a row with the text "of the treaty, including environmental, social, labor requirements";</p> <p>8) after the line insert a line 241a 241b with the text "* sustainable goods";</p> <p>9) after the line 242 insert a line 242a with the text "of which stable operation";</p> <p>10) after the line 243 insert a line 243a with the text "sustainable services."* Under sustainable goods, works and services in the form refers to goods, works and services purchased as a result of the approach of sustainable procurement.</p>				
The Order of Ministry of Economic Development and Trade of 19.10.2011 № 155 "On the implementation of the monitoring of public procurement" ⁷⁷	<p>In the Procedure of exercising of monitoring the public procurement:</p> <p>1) Paragraph 1.5 shall be completed with the following paragraph which read:</p> <p>"An analysis of the use of sustainable procurement approach";</p> <p>2) Paragraph 1.6 shall be supplemented with a new fourth paragraph which read:</p> <p>"Interact with central executive bodies on formation and realization of state policy in the areas of environmental protection, employment, labor relations, social security for the analysis of the use of sustainable procurement approach."</p>	Provide monitoring of the implementation approach SPP	Ministry of Economic Development and Trade	2016	
The Order of Ministry of Economic Development and Trade of Ukraine of 06.10.2014 №1190 «On approval of exemplary training programs for the organization and	<p>Supplement invariant part of the model program for the training of specialists in the organization and implementation of procurement:</p> <p>"Subject 19" sustainable public procurement ". Students are provided with information about the concept of "sustainable public procurement" criteria for SPP, SPP rules for the application of criteria in the bidding</p>	Providing training on SPP	Ministry of Economic Development and Trade	2016	

⁷⁷ <http://zakon4.rada.gov.ua/laws/show/z1377-11>



implementation of public procurement" ⁷⁸	<p>documents, the advantages of the use of SPP, the international practice of the SPP. "</p> <p>Supplement invariant portion of the exemplary a training program on the organization and procurement:</p> <p>"Theme 8" sustainable public procurement ".</p> <p>Students are provided with information about the concept of "sustainable public procurement" criteria for SPP, SPP rules for the application of criteria in the bidding documents, the advantages of the use of SPP, the international practice of the SPP. "</p>				
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⁷⁸ <http://www.me.gov.ua/LegislativeActs/List?lang=uk-UA&tag=Normativno-pravoviAkti3>

3. Institutional structure and definition of roles and responsibilities

In general, the institutional structure of the public procurement system in Ukraine includes:

- ***Customers and competitive bidding committees***

In Ukraine, there are about 15,000 customers in the national and local levels. According to the Law "On public procurement", customers are public authorities and local governments, as well as legal entities (companies, institutions, organizations) and their associations, which provide the requirements of the state or territorial communities, if such activities are not carried out on an industrial or commercial basis in case of one of the following:

- a legal entity is the recipient of budgetary funds and authorized by the manager of budgetary funds for the implementation of activities under the program budget, as part of such funding;
- state authorities or local governments, or other customers have the majority of votes in the supreme governing body of the legal entity;
- in the authorized capital of the entity state and municipal share of stock (shares) exceeds 50 percent.

In addition, the rules of public procurement apply to certain enterprises that have special and exclusive rights and providing services in the fields of energy, transport, water supply / wastewater disposal and postal services (so-called "public utilities and infrastructure services") that are defined by the Law of Ukraine "On peculiarities of procurement in certain spheres of economic activity".

To prepare for the procurement procedure and its implementation each customer is obliged to create a competitive bidding committee, which should include at least five employees of the customer. If the number of office holders (officials) in staff of the customer less than five people, all office holders (officials) of the customer must join the committee on competitive bidding. Competitive bidding committees are responsible for the planning, organizing of public procurement procedures, distribution of necessary information and the implementation of any other measures that are required throughout the entire procurement cycle. The members of the committee on competitive bidding are personally responsible for their decisions on behalf of the customer, who they represent.

- ***Ministry of Economic Development and Trade***⁹³ is a specially authorized body in the field of public procurement.

The Ministry of Economic Development and Trade, according to the Regulations on the Ministry⁹⁴ and the Law of Ukraine "On public procurement":

⁹³ <http://www.me.gov.ua>

⁹⁴ <http://zakon4.rada.gov.ua/laws/show/459-2014-%D0%BF>

- ensures the formation and implementation of state policy in the sphere of public procurement;

- provides regulatory and legal support state regulation and supervision in the sphere of public procurement;
- monitors public procurement;
- provides explanations on the application of the legislation on public procurement;
- develops exemplary educational programs for the organization and implementation of public procurement;
- ensures the functioning of a free web portal of the authorized body on public procurement;
- provides free methodological assistance to customers and provides advisory nature answers on public purchases on demands of stakeholders;
- develops and approves:
 - the standard bidding documents and forms;
 - standard regulation on committee for competitive bidding;
 - procedure for determining the subject of procurement;
 - procedure for monitoring of procurement;
 - procedure for publication of information;
- summarizes procurement practices, including international ones;
- studies, generalizes and distributes worldwide experience in procurement;
- informs the public about the policies and rules of public procurement, interacts with the public and holds public hearings on improving the public procurement system, and others.

Department of public procurement regulation provides performance of these functions of the Ministry.

The supervisory functions of the implementation of public procurement are carried out by the Antimonopoly Committee of Ukraine, the State Treasury Service of Ukraine, the State Financial Inspection of Ukraine, the Accounting Chamber of Ukraine, as well as, within its authority, the law enforcement agencies responsible for enquiry of administrative and criminal violation of law.

Antimonopoly Committee of Ukraine⁹⁵ is an independent body to deal with complaints (appeals body), as well as the body supervising compliance with laws in the sphere of competition among the participants of the purchase procedure and customers.

Antimonopoly Committee of Ukraine is a public authority with a special status, controlled by the President of Ukraine and accountable to the Supreme Council of Ukraine. Antimonopoly Committee of Ukraine operates in accordance with the Law of Ukraine "On Antimonopoly Committee of Ukraine".

⁹⁵ <http://www.amc.gov.ua>

Examination of appeals in the area of public procurement in the Antimonopoly Committee of Ukraine is provided by permanent Board for examination of appeals about violation of legislation in the field of public procurement. The Board was established for the purpose of an impartial and effective protection of the rights and

legitimate interests of individuals associated with participation in public procurement procedures.

The existence of such key institutions of the authorized body and body of the appeal and also meets the requirements of Association Agreement EU - Ukraine. Therefore, in the future these authorities preserve their functions in the field of public procurement. It is planned only to strengthen institutional capacity of the authorized body and improve the functioning of the body of appeal examination as an independent and impartial body (improving the mechanism for dealing with complaints considering best international practices) (has been already envisaged in the Plan of Action to implement the Strategy of development of Public Finance Management System).

- ***State Treasury Service of Ukraine***⁹⁶ is the central executive body for the implementation of the state policy in the field of treasury services of budget funds, monitors the payments for government contracts in the context of public procurement procedures. In particular, the institution monitors compliance terms of contracts with the published bidding documents, decisions of the Committee on competitive bidding, as well as the actual availability of budgetary funds and necessary approvals.

- ***State Financial Inspection of Ukraine***⁹⁷ is the central body of executive power, which provides implementation of state policy in the sphere of state financial control is carried out both planned and ongoing verification of the legality of budget spending by customers and their compliance with the rules for use of the assets that are in state and communal property.

- ***Accounting Chamber of Ukraine***⁹⁸ is the body which, on behalf of Parliament supervises the execution of the state budget, the implementation of budget programs efficiency of public institutions and efficiency of public procurement as a component of Public Finance Management System.

- ***Judicial authorities*** may carry out a revision of decisions on the appeal made by the Antimonopoly Committee of Ukraine, and are prime authorities concern to challenge in cases where the procurement procedure is completed and the corresponding agreement is concluded.

- ***Non-government associations.*** The role of non-government associations specializing in the monitoring of public procurement and anti-corruption activities in the institutional development of the Ukrainian system of public procurement and the development of appropriate legislation has been increasing.

Law of Ukraine "On public procurement" provides media representatives and authorized representatives of non-government associations the right to be present during the procedures of disclosure of competitive bidding proposals. Customers are obliged to provide unimpeded access for the media and public associations upon their request to the procedure of opening of competitive bidding proposals and the right to.

⁹⁶ <http://www.treasury.gov.ua>

⁹⁷ <http://www.dkrs.gov.ua>

⁹⁸ <http://www.ac-rada.gov.ua>

commit technical resources

Successful SPP implementation requires stable cooperation between ministries, in particular ministries responsible for the development and implementation of state

policy in the sphere of public procurement in the field of environmental protection, social policy and the producers / suppliers.

Therefore, in addition to the existing institutions in the field of public procurement, the key institutions in the implementation of SPP should also be:

- ***Ministry of Ecology and Natural Resources of Ukraine***⁹⁹ is the main body in the system of central executive bodies in the formation and maintenance implementation of the state policy in the sphere of environmental protection. The Ministry also provides implementation mechanisms for sustainable development in the relevant field;

- ***Ministry of Social Policy of Ukraine***¹⁰⁰ is the main body in the system of central executive bodies on formation and realization of state policy in the areas of employment, labor relations and social protection. The Ministry is also a specially authorized central executive authority on issues of equal rights and opportunities for women and men. Its powers also include the protection of children's rights.

To ensure the sustainable co-operation of all stakeholders, as well as the coordination and monitoring of SPP implementation in Ukraine, including the implementation of national policies and the NPA a **Coordination Centre on the Implementation of SPP in Ukraine** will be established.

Coordination Centre on the Implementation of SPP in Ukraine can be considered as a permanent consultative body (the variant of creation of this center on the basis of the Committee on the implementation of the strategy for reforming the public procurement system, and in case of creation the last (at the time of writing this report) the option of creating such Committee to coordinate and monitor the implementation of a comprehensive strategy for reforming the public procurement system is considered¹⁰¹).

It is expected that the structure of the Coordination Centre on the Implementation of SPP in Ukraine should include representatives of:

- The Ministry of Economic Development and Trade;
- The Ministry of Ecology and Natural Resources;
- The Ministry of Social Policy;
- National managing authority (State Ecological Academy of Postgraduate Education and Management);
- Ministry of Finance;
- State Financial Inspection (by consent);

⁹⁹ <http://www.menr.gov.ua>

¹⁰⁰ <http://www.mlsp.gov.ua>

¹⁰¹ Analytical Report № 22. Proposals for reform strategies of public procurement to include "road map", developed on the implementation of the Association Agreement between Ukraine and the EU. Dr. Eugene Stuart, Valentine Derevyankin, Steen Bruun-Nielsen, Shatkovsky Alexander Graham Faivish Anastasia Kalina, 13 March 2015

- Accounts Chamber (by consent);

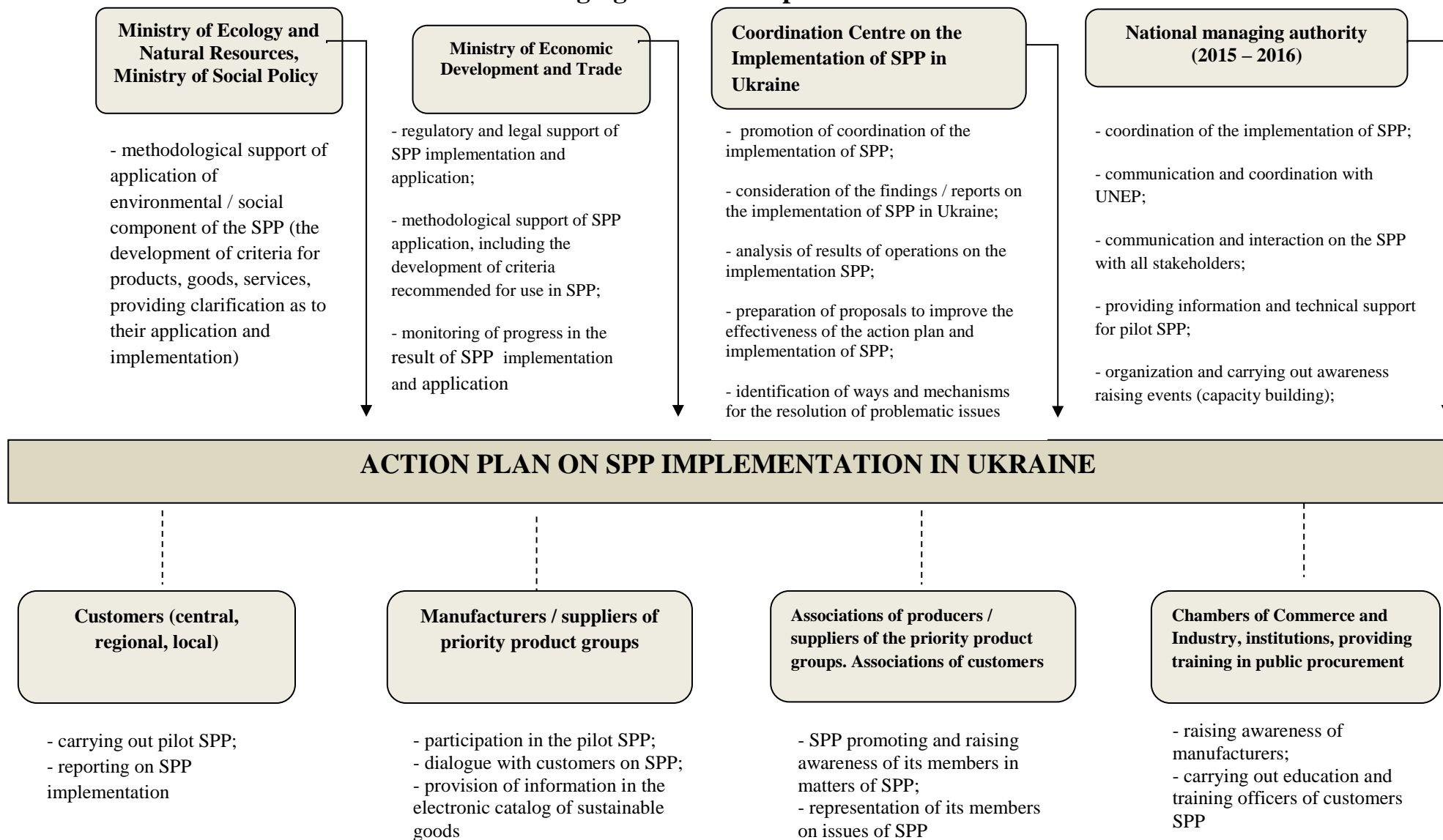
- Antimonopoly Committee (by consent);
- State Statistics Service (by consent);
 - Subcommittee on government economic policy, regulation, public procurement, state policy in the field of waste and scrap metal of the Committee on Economic Policy of Verkhovna Rada of Ukraine;
 - customers of central, regional and local levels¹⁰²;
 - associations of customers;
 - associations of producers (suppliers) of the priority categories of products / producers (suppliers) of the priority categories of products;
 - chambers of commerce and industry;
 - non-governmental organizations (carrying out public control in the sphere of public procurement).

Schemes 1 and 2 show the leading roles, the organizational structure, responsibilities of stakeholders and its distribution.

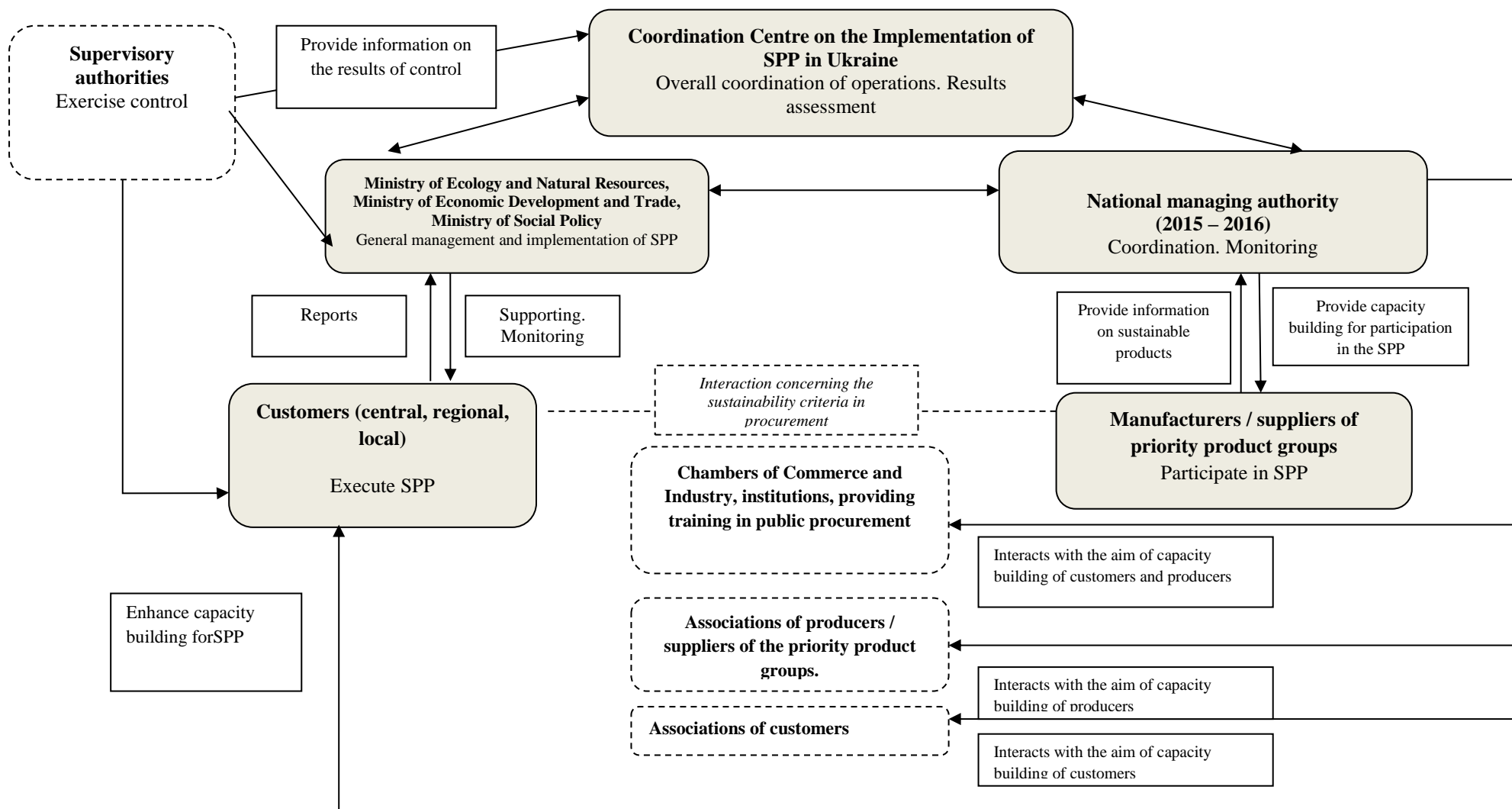
¹⁰² To ensure maximum representation of customers rotation should be carried out every two years.



Scheme 1 - Leading roles and responsibilities of stakeholders



Scheme 2 - Organizational structure and distribution of responsibilities



4. Implementation of SPP

4.1. The priority product categories for the implementation of SPP

Following the results of research on "Identification and prioritization" and "Analysis of readiness of the market" for the implementation of SPP in Ukraine have been identified such priority sectors of the economy as "Energy, fuel and chemicals" and "Construction, building materials and special equipment." As a result of estimating the importance of capacity building of improving the environmental performance of products in these sectors and the construction of the rating of the most promising product groups identified priority product groups for the implementation of the SPP. It is paintwork materials detergents and heat-insulating materials.

Rating the most promising product groups in terms of the potential of improving their environmental performance

Industry	Energy, fuels and chemistry				Construction, building materials and special machinery			
The importance of enhancing the potential of improving environmental performance, %	Paintwork materials	Detergents	Briquettes	Wood	Heat insulation materials	Ceramic products	Concrete products	Parts of machinery and equipment
	76	56	49	25	71	45	43	21

Justification of the choice of priority product groups:

Group 1 "Paintwork materials"

Despite the positive trends in the production of paintwork materials and varnishes (hereinafter - PWM) in Ukraine, the domestic market is mainly formed by a general-purpose PWM based on organic solvents. Dynamic market products with improved environmental characteristics, for the moment, has the potential to meet the needs of the customer in the PV with different functional characteristics.

PWM have a significant impact on the environment, which, depending on the stage of the life cycle is expressed in the consumption of raw materials and energy, emissions of greenhouse gases and toxic substances in the amount of waste generated.

From an economic point of view and PV have a positive impact, as extend the life of different materials, thereby contributing to significant savings in resources.

Assessing the cost-effectiveness and potential environmental impact PWM, it is necessary to consider the amount of the finished product, applied on an area of 1 m² in 2 layers - basic functional unit. If we talk about the colors, depending on the thickness of a single layer, this figure varies between 150 - 180 g / m².

On the example of paints can be traced to the entire life cycle of paints.

The first stage goes extraction of raw materials and transportation. On average, for the manufacture of paint used for painting 1m² surface is needed from 40 to 80 g of material resources (the main ingredient).

On one functional unit of paint consumed energy to 100 g, whereby the energy utilization is as follows: from 0.17 to 0.22 MJ (renewable energy) and 0.001 g of uranium.

Water is used as a component of the finished product, and at certain stages of the production cycle, such as washing equipment. Therefore, its consumption indicators cover several stages of the life cycle, and up to 35 liters.

The processes of raw material extraction, its transportation, processing and manufacturing, as well as the subsequent use of the finished product are contributing to global warming. Production and use about 160 grams paint due to the emissions of 0.27 - 0.33 kg of CO₂-eq.

According to studies conducted in the United Kingdom can be concluded that the last stage of the life cycle of up to 70% of paints is in landfills (together with the products for which they have been applied); about 20% does not give the necessary refining and continues generating emissions; 10% to be incinerated. At the same time some better things with packaging production: up to 60% of metal and 10% recycled plastic containers, 25% of containers consisting of metal sent to landfill and 15% - is burned. Plastic is mainly combusted (60%).²

The modernization of technology and equipment will allow for reducing the cost of production, including through increased energy efficiency and to ensure a stable energy supply.

It should also be noted that in the framework of the implementation of the EU Directive 2004/42 / EC of the European Parliament and Council of 21 April 2004 on the limitation of emissions of volatile organic compounds by the use of organic solvents in certain paints, varnishes and products polishing of vehicles and making changes and amendments to the Directive 1999/13 / EC on the implementation of obligations under the Agreement Ukraine - EU, until the end of 2015, it should be developed and approved by the Technical Regulations on the limitation of emissions of volatile organic compounds by the use of organic solvents in certain paintwork materials and vehicle polishing products.⁷⁹

Group 2 "Detergents"

The Ukrainian market of household chemicals shows the positive dynamics of growth of products with improved environmental characteristics. Revision of Technical Regulations for detergents, adapted to EU law, will provide an exception manufacture of detergents containing phosphates, and others substances on the basis of phosphorus not more than 0.05% already in 2017.

The consumption of detergents in Ukraine is growing from year to year. And despite a certain downturn in the whole chemical industry, production and import of detergents show a positive trend.

⁷⁹ Plan for implementation of the EU Directive 2004/42 / EC of the European Parliament and Council of 21 April 2004 on the limitation of emissions of volatile organic compounds by the use of organic solvents in certain paints, varnishes and vehicle polishing products and amendments and additions to the Directive 1999/13 / EC approved Resolution of the Cabinet of Ministers of Ukraine on March 4, 2015 № 164 "On approval developed by the Ministry of Economic Development and Trade of the implementation plans of some legislative acts of the EU"

Detergents and cleaners - are complex chemicals, which are often a part of more than a dozen products and ingredients. From an economic point of view, the importance associated with possible fluctuations in the price of ingredients and products needed for the production of detergents.

The most important aspects related to the production and consumption of detergents are environmental pollution, especially wastewater; greenhouse gas emissions; exposure to certain chemicals in products to human health. The greatest harm detergents cause pollution through waste water, destroying the ecosystem water objects.

Biogenic elements (P, N), contained in detergents and cleaners, getting into sewage, leading to eutrophication water objects. Therefore, they must be extracted, is not exceeded permissible values.

Today the main task of manufacturers of detergents becomes increasing the capacity of the cleaning unit of of the preparation, making it possible to significantly reduce energy and resource consumption, greenhouse gas emissions, the volume of wastewater. For example, thanks to detergents with updated formula lifecycle within a single wash, it is possible to reduce greenhouse gas emissions from 90 g to 35 g! For liquid preparations reduction can be up to 16 g³.

A secondary, but no less important aspect is the packaging of detergents and cleaning agents used to optimize the amount of packaging material, making it possible to significantly reduce the amount of solid waste formation.

Group 3 "Heat insulation materials"

In Ukraine, the rapidly developing legal framework, this is aimed at improving the energy efficiency of buildings and structures that, in its turn leads to the need for the production of thermal insulation materials. Purchasing activity in the market is high, despite the rapid rise in prices. Thermal insulation materials market in Ukraine is represented mainly in the production of an organic or mineral base with the appropriate Physicotechnical parameters that can be considered as improved environmental performance.

In connection with rising energy use thermal insulation materials is becoming increasingly popular in both the private and public construction, reconstruction and repair.

Today the Ukrainian market provides a variety of types of thermal insulation materials, the composition of which largely determines its cost and impact on the environment throughout their life cycle.

During the production of of raw material, transportation and processing the major negative factors are the air and water pollution, destruction of the landscape, the consumption of energy. It should be borne in mind that the composition of the final product can be used 5 - 75% recycled materials or supplies. At the stage of working with the raw material to generate 62% of the total value of the acidification of soil / water and eutrophication water objects, calculated for the entire life cycle of thermal insulation materials.

Expenses of fresh water to make up to 0,2m³ on 1m³ of finished products.

In the process of production of the main environmental aspects become energy use and greenhouse gas emissions. Up to 70% of the index of global warming for the entire life cycle (1,3kg CO₂-eq) occurs at this stage. For the production of 1m³ thermal insulation materials must be 270 - 986 kW / m³.

Production of ingredients for the production of thermal insulation materials, such as aluminum hydroxide, due to the depletion of the ozone layer of the atmosphere (72% of the total indicator of ozone depletion for this product).

In the operation of thermal insulation materials is practically not harm the environment, will significantly reduce energy consumption for heating or cooling the indoor air.

The final stage of the life cycle of thermal insulation materials fall to landfills or shipped for processing to return to the production process as a secondary raw material. The composition of the product determines its suitability for a particular operation associated with disposal.

The estimation results of socio-economic and environmental characteristics of the priority product groups

Subject of procurement	Socio-economic impact				Environmental Impact								Overall result of the impacts
	Economic impact	Health	Employment of young people and women	Total	Energy	Emissions and climate change	Emissions (water)	Waste	Natural Resources	Water resources	Toxicity	Total	
Group 1 "Paintwork Materials" (PWM)													
PWM based on polycondensation and polymer resins	Yes	Yes	No	2	Yes	Yes	No	Yes	Yes	No	Yes	5	7
PWM on the basis of natural resins	Yes	Yes	No	2	No	Yes	No	Yes	Yes	No	Yes	4	6
PWM cellulose ether	Yes	Yes	No	2	Yes	Yes	No	Yes	Yes	No	Yes	5	7
Water-dispersion paints	Yes	Yes	No	2	No	No	No	Yes	Yes	No	No	2	4
Group 2 "Detergents"(D)													
Synthetic D	Yes	Yes	No	2	No	Yes	Yes	Yes	Yes	No	Yes	5	7
D oleo chemical (natural) basis	Yes	Yes	No	2	No	Yes	Yes	Yes	Yes	No	Yes	5	7
Group 3 "Heat insulation materials"(HIM)													
Organic HIM	Yes	Yes	No	2	No	Yes	No	Yes	Yes	No	No	2	5
Mineral HIM	Yes	Yes	No	2	Yes	Yes	Yes	Yes	Yes	No	No	3	7





DEFINITION OF SUSTAINABLE PRODUCTS

Industry	Categories of goods and services	Subcategory sustainable goods	Key environmental / social benefits
Energy, oil and chemicals	1. Paintwork materials (PWM)	1. PWM based on polycondensation and polymer resins	Good protection *, ** chemical and physico-chemical properties of the coating ***; limited by the concentration of toxic substances (risk factors)
		2. PWM based on natural resins	Reducing emissions associated with the production of basic ingredients for organic solvents; ** Good chemical and physico-chemical properties of the coating ***
		3. PWM based on cellulose ethers	Using cellulose instead of organic solvents, which reduces the content and VOC emissions; renewable raw materials for the production of cellulose and / or at least 50% recycled material content repeatedly for the production of cellulose; -free highly toxic substances
		4. Water-dispersion paints	Without VOC and highly toxic substances; the use of water instead of organic solvents provides a maximum reduction of emissions
	1. Detergents (D)	1. Synthetic D	Using as a basis at least 40% of the substances oleo chemical (natural) origin; without anionic SAS that provides the ability to primary biodegradability of surfactants
		2. D oleo chemical (natural) basis	Using as a basis at least 80% of the substances oleo chemical (natural) origin; limiting VOC (boiling point below 150 °C), zeolites up to 15% o 15%
Construction, building materials and construction machinery	2. Heat insulation materials (HIM)	1. HIM organic	Using as a basis for the production of at least 50% of waste recycling timber or agricultural residues (such as reeds, peat); no toxic substances; relatively good heat capacity and biological properties; fire safety
		2. HIM Mineral	Improved safety performance relative to radioactivity and heavy metal content; without the contents of highly toxic substances; high heat capacity

* The protective properties of PWM: resistance to various atmospheric conditions, heat resistance, light resistance, cold resistance.

** Chemical properties of PWM: stability when exposed to the atmosphere, corrosive gases, alkalis, acids and various chemical solutions, water, oils, oil, gasoline, emulsions, soap solution.

*** Physicochemical Properties of PWM: wear resistance, strength, hardness, elasticity, flexural strength, adhesion.

4.2. Defining goals and a list of organizations to conduct pilot SPP

Given the existence of some restrictions in the law on the application of sustainability criteria in tender procedures for the pilot SPP can be applied procurement without competitive procedures - procurement, in which the value of the subject procurement will be less than the thresholds established by the Law of Ukraine "On public procurement", up to 100 thousand UAH. (for example, the implementation of pilot procurement can be selected customers who are planning to purchase it at the amount up to 100 thousand UAH.). In addition, given the fact that much of the prevailing number of purchases without using competitive procedures, testing SPP is for this type of procurement will facilitate wide dissemination of lessons learned.

ACTION PLAN - PART 3A				
PRIORITY GOALS FOR PROCUREMENT OF SUSTAINABLE GOODS: The pilot (test) stage (1 st year: 2015)				
Organizations which are executing pilot tenders	Definite categories of goods and services	Planned quantitative goals pilot tenders 2015	Baseline: the total value of public spending on priority categories of goods (by conventional and green products), thous. UAH.	Budget thous. UAH.
Department of Culture, Tourism and Cultural Heritage Protection of Goloseevsky borough state administration in Kyiv	Detergents	100%	317,9	30,0
State Administration of Podilskyi borough in Kyiv	Detergents	100%	290,0	30,0
State enterprise "The administration of the seaports of Ukraine"	Paintwork materials	100%	10 568,0	30,0
	Detergents	100%	20 841,5	
	Heat insulation materials	100%	16 793,1	
State Administration of Railway Transport of Ukraine	Paintwork materials	100%	7 200,0	30,0
	Detergents	100%	19 700,0	
	Heat insulation materials	100%	1 400,0	
State Ecological Academy of Postgraduate Education and Management	Detergents	100%	2,0	2,0

ACTION PLAN - PART 3B**PRIORITY GOALS FOR PROCUREMENT OF SUSTAINABLE GOODS:****(Following years: 2016 - 2020) ***

	Organizations which are executing pilot tenders	Definite categories of goods and services	Planned purpose of the pilot tenders	Baseline of budget, thous. UAH.
2016	Department of Culture, Tourism and Cultural Heritage Protection of Goloseevsky borough state administration in Kyiv	Detergents	100%	333,8
2017	Department of Culture, Tourism and Cultural Heritage Protection Goloseevsky district in Kyiv, State administration	Detergents	100%	350,4
2018	Department of Culture, Tourism and Cultural Heritage Protection Goloseevsky district in Kyiv, State administration	Detergents	100%	367,9

2019	Department of Culture, Tourism and Cultural Heritage Protection Goloseevsky district in Kyiv, State administration	Detergents	100%	386,3
2020	Department of Culture, Tourism and Cultural Heritage Protection Goloseevsky district in Kyiv, State administration	Detergents	100%	405,6

* As customers form procurement plans for the year according to the budget allocation for the majority of customers is not possible to form their procurement plans for the coming years. Therefore, the formation of a list of organizations conducting pilot tenders in 2016 - 2020 years., will be added each year.

4.3. Market Involvement

In order to interact with the market, informing the manufacturers and suppliers of their role expected of them in the implementation of the SPP will be held information seminars.

In the first year (2015) will involve representatives of the market of paints, detergents and heat-insulating materials.

In subsequent years, with the introduction of new priority product categories will involve representatives of the relevant markets (suppliers, manufacturers, associations, suppliers and manufacturers).

ACTION PLAN - PART 3B Information seminars 2015				
Target audience	Data	Quantitative goal	Performs department	Budget thous. UAH.
Suppliers, manufacturers, associations, suppliers and manufacturers of paints	third quarter 2015	Expected participation - 80 people.	National managing authority	15,0
Suppliers, manufacturers, associations, suppliers and manufacturers of detergents	third quarter 2015	Expected participation - 150 people.	National managing authority	15,0
Suppliers, manufacturers, associations, suppliers and manufacturers of thermal insulation materials	third quarter 2015	Expected participation - 80 people.	National managing authority	15,0

Chamber of Commerce of Ukraine, regional chambers of commerce	third - fourth quarter 2015	Expected participation - 50 people.	National managing authority	15,0
Trading network of priority product groups	fourth quarter 2015	Expected participation - 30 people.	National managing authority	15,0
2016				
Suppliers, Manufacturers, Suppliers and Producers Association of priority product groups	2016	Expected participation - 200 people.	National managing authority	15,0
Chamber of Commerce of Ukraine, regional chambers of commerce	2016	Expected participation - 50 people.	National managing authority	15,0
Trading network of priority product groups	2016	Expected participation - 30 people.	National managing authority	15,0
2017				
Suppliers, Manufacturers, Suppliers and Producers Association of priority product groups	2017	Expected participation - 250 people.	Ministry of Ecology and Natural Resources	18,0
Chamber of Commerce of Ukraine, regional chambers of commerce	2017	Expected participation - 50 people.	Ministry of Ecology and Natural Resources	18,0
2018				
Suppliers, Manufacturers, Suppliers and Producers Association of priority product groups	2018	Expected participation - 300 people.	Ministry of Ecology and Natural Resources	18,0
Chamber of Commerce of Ukraine, regional chambers of commerce	2018	Expected participation - 50 people.	Ministry of Ecology and Natural Resources	18,0
2019				
Suppliers, Manufacturers, Suppliers and Producers Association of priority product groups	2019	Expected participation - 350 people.	Ministry of Ecology and Natural Resources	18,0
Chamber of Commerce of Ukraine, regional chambers of commerce	2019	Expected participation - 50 people.	Ministry of Ecology and Natural Resources	18,0
2020				
Suppliers, Manufacturers, Suppliers and Producers Association of priority product groups	2020	Expected participation - 400 people.	Ministry of Ecology and Natural Resources	20,0

Chamber of Commerce of Ukraine, regional chambers of commerce	2020	Expected participation - 50 people.	Ministry of Ecology and Natural Resources	20,0
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4.4 Tools for implementation SPP

ACTION PLAN - PART 3 D				
Development and update of the tools used in the process of public procurement				
Tools for SPP implementation	Control person or agency	Date of completion	Target Audience	Budget, thous. UAH.
Guidelines / Rules for the application of sustainability criteria in public procurement *	National managing authority	2015	Budget sector	200,0
Tender documents for priority products / services (paints, detergents, insulation materials)	National managing authority	2015	Budget sector	130,0
Criteria for priority groups of goods (paints, detergents, insulation materials)	National managing authority	2015	Budget sector	160,0
Procurement Manual priority groups of goods (paints, detergents, insulation materials)	National managing authority	2015	Budget sector, Private sector (producers, distributors)	190,0
Project road maps for each pilot tender on priority sustainable products	National managing authority	2015	Budget sector	63,0
Procurement Manual other priority product groups	Ministry of Ecology and Natural Resources Ministry of Economic Development and Trade Ministry of Social Policy	2016 – 2020	Budget sector, Private sector (producers, distributors)	440,0
Method of calculation (assessment) costs over the life cycle for priority groups of goods, services, works	National managing authority	2015	Budget sector	20,0
	Ministry of Ecology and Natural Resources Ministry of Economic Development and Trade	2016 – 2020		250,0

	Ministry of Social Policy			
Environmental and social criteria for priority groups of goods	Ministry of Ecology and Natural Resources	2016 – 2020	Budget sector	150,0
Social criteria for priority groups of goods	Ministry of Social Policy	2016 – 2020	Budget sector	150,0
Electronic database SPP criteria (creation and continuous updating) **	Ministry of Economic Development and Trade	2016 – 2020	Budget sector	800,0
Electronic database of sustainable goods, works and services *** (creation and continuous updating)	Ministry of Ecology and Natural Resources	2016 – 2020	Private sector (producers, distributors) Budget sector	800,0

* Guidelines / Rules will provide general instructions for customers on the organization and conduct of SPP; features the integration of sustainability in all phases of the procurement cycle: planning (identifying needs and demand management), determining the qualification of suppliers, the development of specifications, reviewing proposals, contract award and contract management; audit of procurement.

** The approximate structure of the electronic database will consist of the following main sections:

- Category of products, goods and services;
- Subcategory of products, goods and services;
- Brief description of sub-category;
- Formulation of the subject of procurement;
- Additional information or requirements for the customer (if any), institution-developers.;
 - Groups and subgroups of products (where possible and appropriate allocation);
 - Benchmarks and the stage of the procurement process, which can be applied the criteria for SPP;
 - Criteria (indicating the way to confirmation).

SPP criteria will be established for each sub-category (group or subgroup) of the selected priority areas for SPP product categories separately.

To provide comfort and facilitate the task of the customers in the preparation of bidding documents, as well as providing assistance in the correct formation of the criteria will form an electronic database of criteria, which will be constantly updated, depending on the capacity building of producers and suppliers, as well as the expansion of categories / subcategories.

Development of criteria for the SPP should take into account the interests of all stakeholders of public and private sectors (including the Working Group on the development, discussion, approval, etc.). For example, the working groups on the development of criteria can be formed comprising representatives of Ministry of Economic Development, Ministry of Environment, Ministry of Social Policy, other authorities, policy makers in the field to which a certain category of products, specialists and experts in a given subcategory, manufacturers / distributors of a product .

The procedure for the development of criteria, and communication functions, responsible for implementation will be identified in the instructions for the development of criteria SPP.

Electronic database SPP criteria will be posted on the web portal for public procurement access stakeholders (customers, members, vendors / suppliers) free of charge.

Base allows you to become familiar with the criteria on-line and download them in a documentary form.

The presence of a single set of criteria for each specific type of product or service will significantly reduce the administrative burden on companies involved in the bidding and public bodies engaged in sustainable public procurement.

The presence of such a tool, as shown by practice and experience have a positive impact on the application of the criteria SPP as authorities and public institutions do not require the additional cost of developing their own criteria and support for high competence and knowledge of the staff in matters of environmental protection, sustainable production etc..⁸⁰

⁸⁰ <http://www.oecd.org/gov/ethics/gpp-procurement-Sweden.pdf>

*** By "sustainable goods, works and services" in this report refers to goods, works and services produced / performed taking into account the environmental and / or social factors (for example, products with improved environmental performance, which has a corresponding acknowledgment (labeling, certification)).

5. Capacity-building (training and awareness raising)

At this time, the need for training and capacity building in the field of SPP is significant, because even on the general provisions of the public procurement notes inadequate level of training of those responsible for organizing and conducting public procurement. Low level of professional procurement facilitate various reasons - lack of funding, lack of interest of officials themselves (bidding committees are appointed by the order, and not voluntarily), the absence of any remuneration for the performance of functions of the committees, etc.

Since April 2014, with the entry into effect of the current edition of the Law of Ukraine "On public procurement", the passage of training on the organization and conduct of procurement procedures was a right, not an obligation (before it was mandatory for the chairman and secretary of the committee bidding). And, as a rule, the majority of customers do not provide such training. In addition, there is a lack of a unified approach to organizing and conducting education and training of specialists on public procurement. Training is conducted in order to prevent irregularities in the procurement. Issues that are covered during training, the organization and procurement in accordance with the law. Education is focused on members of the Committees bidding established customers all administrative levels. Order of the Ministry of Economic Development of 06.10.2014 № 1190 approved the Indicative program of training of experts on the organization and implementation of procurement and training in the organization and implementation of procurement. Topics of training courses and training basically correspond to the structure of the Law of Ukraine "On ensuring public procurement."

Regarding the sustainability criteria, the insufficient level of knowledge of those responsible for the development of tender documentation of persons, for example, may indicate a fairly common situation, when customers in the bidding documents do not indicate any claims for the need for measures to protect the environment, as provided by applicable law. Although apart from the purely formal requirements which should apply to any purchase, there are objects of procurement with the acquisition of which is necessary to establish environmental criteria. First of all, it concerns the construction, the design and the implementation of which is necessary to provide for the necessary measures to minimize the negative impact on the environment, the prevention of air and water pollution, soil erosion, destruction of vegetation and wildlife.

On the need for training on SPP also show the results of the step of the project "Assessment of the current state of the" survey organizations - customers in the public procurement system. The main factor that impede or slow down the adoption of the practice of SPP in Ukraine, respondents had to identify the factors of lack of information and knowledge about the SPP (Fig. 1).

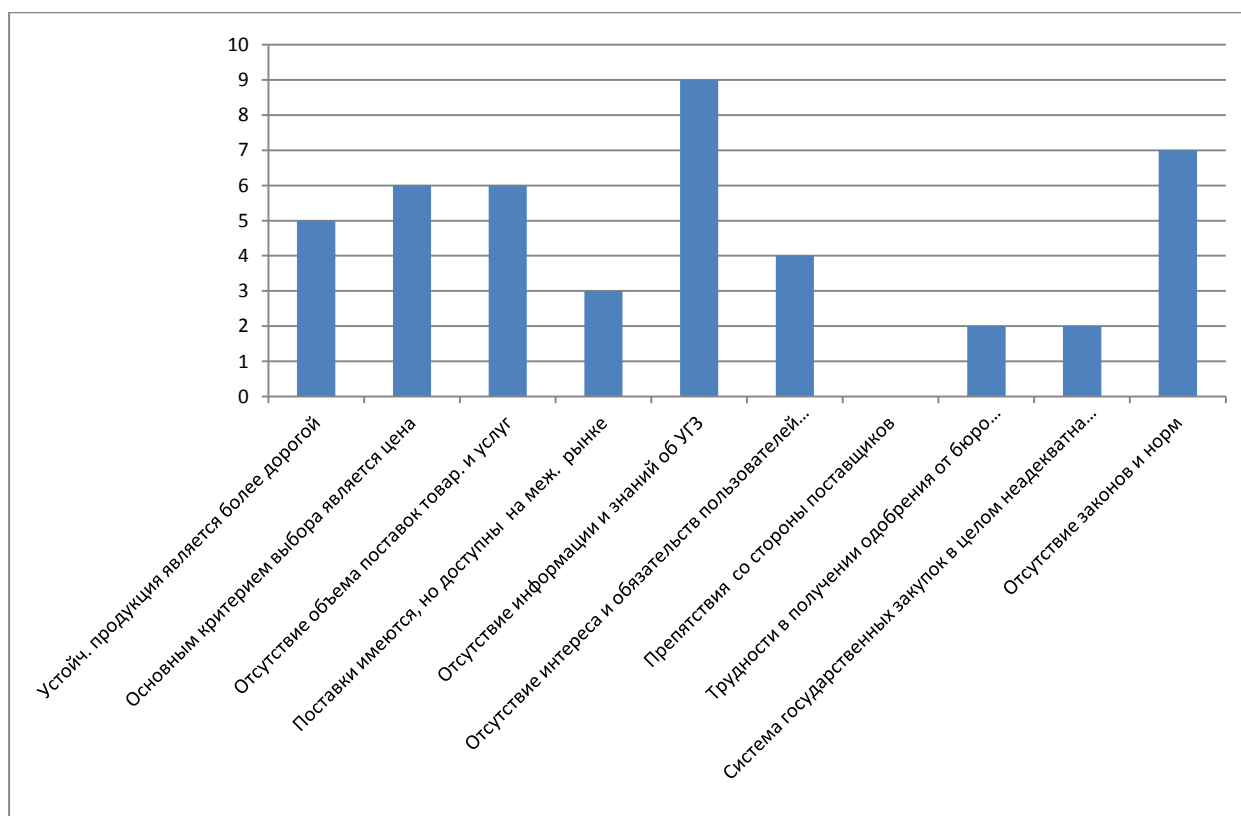


Fig. 1 - Factors that impede or slow down the adoption of the practice of SPP

This problem is also reflected in the Development Strategy of public finance management system, the solution of which one of the tasks identified the need to improve the level of training on public procurement. Accordingly, the Action Plan for the implementation of the Strategy (Chapter 6) to perform medium-term objectives identified a number of measures aimed at capacity building to improve the system of education.

International experts who conducted the study of public procurement in Ukraine in the last 10 years (World Bank, USAID), one of the shortcomings of the Ukrainian system of procurement referred to the lack of experienced professionals, which would have the necessary knowledge and might ensure appropriate planning, organization and execution of procurement procedures⁸¹.

Accounting Chamber of Ukraine in its report on the results of the analysis of the public procurement in Ukraine in 2014 and calls one of the non-settlement of the problems the Law of Ukraine "On public procurement" in the 2014 edition of the mandatory training and retraining of specialists in the field of public procurement⁸².

According to the results of the International Conference "Ways of development of the public procurement system in Ukraine. Consideration of the issue in the context of EU integration and the key issues of reforming the public procurement system" (11.25.2014 g) to short-term and medium-term priorities referred questions concerning the promotion of training initiatives in the field of public procurement, the

⁸¹ Policy Brief № 22. Proposals for reform strategies of public procurement to include "road map", developed pursuant to the Association Agreement between Ukraine and the EU. Dr. Eugene Stuart, Valentine Derevyankin, Steen Bruun-Nielsen, Shatkovsky Alexander Graham Faivish Anastasia Kalina. March 13, 2015

⁸² Accounting Chamber of Ukraine: "The report of the Accounting Chamber on the results of the analysis of the public procurement in Ukraine", approved by Resolution of the Accounting Chamber on December 2, 2014 № 24-5.

development of training opportunities in the public procurement system, professionalization of public procurement.

Capacity-building activities in the field of SPP will be used to:

- It increases awareness and understanding in the field of SPP, SPP benefits of the introduction of the approach;
- Raising the level of knowledge and skills on the use of the SPP approach;
- Raising awareness of the benefits of sustainable products, goods and services;
- Increased interest in sustainable products, goods, services, eco-labeling, innovation.

Capacity-building activities in the field of SPP are designed for public authorities, including on individual policy makers and decision makers; managers of public funds; Practitioners buyers; Organizations engaged in public procurement; organizations that provide training and professional development in public procurement; manufacturers / suppliers; other interested parties and public organizations to exercise public control in the sphere of public procurement; consumer associations, chambers of commerce, associations of buyers.

ACTION PLAN - PART 4A**MATERIAL FOR CAPACITY BUILDING**

Educational materials on SPP	Performs department	Data	Activity	Target Audience	Budget, thousand. UAH
Toolkit for training / educational programs and materials	National managing authority	2015	Upgrading UNEP training tools tailored to the needs of the country, including procurement guidelines (guidelines), the tender documents for goods and services, the priorities for the implementation of SPP	Procurement Specialist	100,0
Lectures, including e-learning	National managing authority	2015	Development of special lecture materials	Procurement Specialist	30,0
Information materials	National managing authority	2015	Preparation of information materials	Representatives of the Presidential Administration, the Cabinet of Ministers of Ukraine, ministries; deputies of Ukraine; Representatives of the State Financial Inspection, the State Treasury, Department / internal audit authorities who exercise control over the use of budgetary funds; Manufacturers, suppliers	60,0

ACTION PLAN - PART 4B**Training activities of stakeholders**

Activity	Target Audience	Purpose of education (what skills will be acquired)	Data	Agency (provides training)	Budget thousand UAH
Lectures (including training programs for the education and training on the organization and procurement)	Procurement specialists, including Member competitive bidding committee	Raising awareness about the SPP, the concept of "sustainable public procurement" criteria for SPP, SPP rules of application of the criteria in the bidding documents, the advantages of the use of SPP, the international practice of the SPP. Ensure adequate training of staff responsible for the organization and conduct of public procurement	The first lecture: the fourth quarter of 2015	National managing authority	100,0
			2016 – 2020	Ministry of Economic Development and Trade	400,0
Seminars and trainings, including regional	Procurement specialists, including Member competitive bidding committee	Raising awareness about the SPP, the concept of "sustainable public procurement" criteria for SPP, SPP rules of application of the criteria in the bidding documents, the advantages of the use of SPP, the international practice of SPP	The first seminar: the third quarter of 2015	National managing authority	100,0
			2016 – 2020	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources Ministry of Social Policy	400,0
Seminars and trainings, including regional	Representatives of the State Financial Inspection, the State Treasury, Department / internal audit authorities who exercise	Raising awareness about the SPP	The first workshop: the fourth quarter of 2015	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources	100,0

	control over the use of budgetary funds			National managing authority	
			2016 – 2020	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources Ministry of Social Policy	400,0
Seminars and trainings	Manufacturers, suppliers	Raising awareness about the SPP, an explanation of the role, importance and capabilities of suppliers and manufacturers in the process of implementation of the SPP	The first seminar: the third quarter of 2015	National managing authority	100,0
			2016 – 2020	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources Ministry of Social Policy	400,0
Seminars and trainings	Organizations that provide training and professional development in the field of public procurement	Raising awareness about the SPP, receiving the appropriate level of knowledge and understanding for the further training of procurement specialists	Third – the fourth quarter of 2015	National managing authority	30,0
Round table	Representatives of the Presidential Administration, the Cabinet of Ministers of Ukraine, ministries; Ukrainian deputies	Getting political support and confirmation of the willingness to perform SPP at all levels of government	The third quarter of 2015	National managing authority	10,0

6. Communications strategy and awareness raising

The main actors involved in the process of implementation and development of SPP system the Ukraine are:

- public authorities responsible for the implementation of SPP policies - Ministry of Economic Development and Trade of Ukraine, Ministry of Ecology and Natural Resources of Ukraine, Ministry of Social Policy of Ukraine;
- public authorities responsible for the development and implementation of state policy in the areas, which include selected for SPP priority product groups, local authorities, regulatory authorities;
- customers in the public procurement system;
- manufacturers and suppliers.

In the process of SPP implementation and promotion such participants will participate as:

- People's Deputies of Ukraine as a subject of legislative initiative;
- organizations and persons engaged in the training and retraining of specialists for arrangement and implementation of public procurement;
- chambers of commerce and industry;
- non-governmental organizations and associations engaged in public control in the field of public procurement, environmental protection, protection of social and labor rights.

Additionally communication with the mass media is provided.

ACTION PLAN - PART 5 COMMUNICATION STRATEGY

Target group	Activity / Material	Date of completion	Implementing agency	Central objective	Quantitative goal (certain amount of reached audience)	Tool to assess the communication campaign (report, electronic instrument, etc.)	Budget thous. UAH
a. Target group: government agencies							
Authorities responsible for the formation and implementation of state policy, including in areas which are selected for the SPP priority categories	Round tables (workshops)	2015	National managing authority	To increase common understanding of SPP. Clarification of the obligations and consequences	Total number of participants is 300	Reports on the round tables (workshops)	50,0
		2016	Ministry of Ecology and Natural Resources	(expected results), the benefits of implementation of SPP in public procurement	Total number of participants is 300	Reports on the round tables (workshops)	100,0
Департаменты/Отделы/Службы по закупкам; Комитеты по конкурсным торгам	Website	2015	National managing authority	Raising awareness and common understanding of the SPP	Number of website visitors is 500 monthly	Data on the website visits	50,0
		2016 – 2020	Ministry of Ecology and Natural Resources				250,0
	Training workshops, lectures	2015	National managing authority	Training of professionals	Number of participants is at least 150 annually	Questionnaires of participants. Reports on training workshops, lectures	30,0
		2016 – 2020	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources Ministry of Social Policy				300,0

	Guidelines for priority product groups procurement	2015	National managing authority	Awareness raising: SPP concept, principles, criteria, benefits, councils to implementation / application of guidelines for priority product categories, the best foreign practices, list of manufacturers of eco- / sustainable products, goods, services	Number of users is at least 30	Electronic tool	150,0
		2016 – 2020	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources Ministry of Social Policy				250,0
	Methods of calculation (assessment) of costs over the life cycle for the priority categories of goods, works and services	2018 – 2019	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources Ministry of Social Policy	Support of calculation (assessment) of costs over the life cycle for the priority categories of goods, works and services	Number of users is at least 30	Electronic tool	300,0
	Electronic database of SPP criteria	2016 – 2020	Ministry of Economic Development and Trade	Providing assistance in SPP criteria forming	Number of users is at least 30 monthly	Electronic tool	800,0
	Electronic database of sustainable products, works and services	2016 – 2020	Ministry of Ecology and Natural Resources	Providing assistance to get information about the availability of sustainable products, works and services	Number of users is at least 50 monthly	Electronic tool	800,0

	Annual Conference "Sustainable public procurement: stimulating of innovation and more sustainable products and services"	2016	National managing authority	Awareness raising: Foreign and national experiences on the implementation of SPP-approach: on the development of environmental innovations, the application of eco-labelling	Number of participants is at least 100 annually	Questionnaires / registration of participants Report on the conference	100,0
		2017 – 2020	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources Ministry of Social Policy				1000,0
b. Target group: private sector							
Manufacturers, suppliers	Website	2015	National managing authority	Raising of awareness and common understanding of the SPP. Increasing interest of manufacturers and suppliers (especially small and medium businesses) to the production of sustainable goods and services, environmental innovations, eco-labelling, environmental management systems	Number of website visitors is 500 monthly	Data on the website visits	50,0
		2016 – 2020	Ministry of Ecology and Natural Resources				250,0
	Electronic database of SPP criteria	2016 – 2020	Ministry of Economic Development and Trade		Number of users is at least 30 monthly	Electronic tool	800,0
	Electronic database of sustainable products, works and services	2016 – 2020	Ministry of Ecology and Natural Resources		Number of users is at least 50 monthly	Electronic tool	800,0
	Training workshops	2015	National managing authority		Number of participants is at least 150 annually	Questionnaires participants. Reports on training workshops	30,0
		2016 – 2020	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources Ministry of Social Policy				300,0

	Annual Conference "Sustainable public procurement: stimulating of innovation and more sustainable products and services"	2016	National managing authority		Number of participants is at least 80 annually	Questionnaires / registration of participants Report on the conference	100,0
		2017 – 2020	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources Ministry of Social Policy				1000,0
	Articles in specialized editions	2015	National managing authority		The total circulation of publications is a minimum of 5,000 copies.	Published articles	2,0
		2016 – 2020					50,0
Non government associations (carrying out public control in the field of public procurement, environmental protection, protection of social and labor rights)	Website	2015	National managing authority	Raising of awareness and common understanding of the SPP.	Number of website visitors is 500 monthly	Data on the website visits	50,0
		2016 – 2020	Ministry of Ecology and Natural Resources				250,0
	Annual Conference "Sustainable public procurement: stimulating of innovation and more sustainable products and services"	2016	National managing authority	Awareness raising: Foreign and national experiences on the implementation of SPP-approach: on the development of environmental innovations, the use of eco-labelling	Number of participants is at least 50 annually	Questionnaires of participants Report on the conference	100,0
		2017 – 2020	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources Ministry of Social Policy				1000,0
Mass media	Press Releases	2015	National managing authority	Raising of common understanding on SPP and benefits of their	Number of media, published	Releases	5,00



		2016 – 2020	Ministry of Economic Development and Trade Ministry of Ecology and Natural Resources Ministry of Social Policy	implementation, as well as the benefits of sustainable products, goods, services	materials is at least 50 annually		50,0
	Articles in specialized editions	2015	National managing authority		Total circulation of publications is at least 5,000 copies.	Published articles	2,00
		2016 – 2020					50,0

7. Monitoring and management

In Ukraine, monitoring procedure of public procurement provided according to the Law of Ukraine "On public procurement" is implemented by the Ministry of Economic Development and Trade as an authorized body in the field of public procurement.

Monitoring of the implementation of public procurement is carried out in accordance with Procedure approved by the order of the Ministry of Economic Development and Trade from 19.10.2011 № 155, to monitor the carrying out the procurement procedures by customers to analyze their effectiveness and proper compliance and to prevent violations of the law on public procurement.

Monitoring can be carried out on the reasoned request of the customer or on its own initiative of the Ministry of Economic Development and Trade.

Monitoring of procurement can be carried out at any time regardless of the timing of the procurement procedures, execution and performance of the agreement providing for the acquisition of goods, works and services from public funds and in respect of any period, starting from planning to implementation of the obligations under the agreement executed on the results of the corresponding procurement procedure.

Depending on the type and period in which procurement is monitoring, the Ministry of Economic Development and Trade can be verified:

- the grounds for the application of specified by customer procurement procedures;
- compliance of documents of the customer with requirements of the legislation in the sphere of public procurement;
- compliance of arrangements for procurement procedures with legal requirements in the sphere of public procurement;
- compliance with the law on public procurement other decisions, actions (inaction) of the customer connected with the implementation of appropriate procurement and implementation of procurement arrangement;
- and also the effectiveness of procurement can be analyzed.

The result of the monitoring is the preparation of conclusion on compliance with the carried out procurement procedure with legal requirements in the sphere of procurement.

Furthermore, the state statistical observation according to form №1-bids (quarterly) "Report on the procurement of goods, works and services for public funds", approved by order of the State Statistics Committee of Ukraine from 26.11.2012 №485 is carried out. This report form is supplied to the statistics departments by the contracting authority, managers of budgetary funds on a quarterly basis until the 16th day after the reporting period. The form includes data both on procurement procedures and the procurement carried out without procedures application.

Also, customers publish on the website of public procurement reports on the results of the procurement procedures and the performance of arrangements in accordance with the Law of Ukraine "On public procurement".

Taking into account the existence of procedures for monitoring and reporting on public procurement, it is suggested:

1) to adapt the existing tools to be able to monitor the SPP. To this end, it is necessary to make amendments to:

- procedure for public procurement monitoring, approved by order of the Ministry of Economic Development and Trade from 19.10.2011 № 155 "On the implementation of the monitoring of public procurement";
- forms of documents in the field of public procurement, approved by order of the Ministry of Economic Development and Trade from 15.09.2014 № 1106;
- form of state statistical observation № 1-bids (quarterly) "Report on conducting procurement of goods, works and services from public funds", approved by order of the State Statistics Committee from 26.11.2012 № 485.

The amendments will provide an opportunity to monitor the implementation of SPP approach and will monitor statistics on the number of:

- procurement procedures carried out with SPP approach;
- participants who have applied to participate in procurement procedures carried out using SPP approach;
- economic entities - the winners of the procurement procedures carried out using an SPP approach;
- contracts with economic entities, signed as a result of procurement procedures carried out with SPP approach;
- framework agreements signed as a result of SPP approach;
- contracts under framework agreements, including environmental, social, labor requirements, signed as a result of SPP approach;
- total amount (thous. UAH.) under contracts for procurement of sustainable goods, works and services (goods, works and services purchased as a result of the approach SPP).

2) in addition to existing tools for SPP monitoring to apply new ones: a questionnaire to assess the current status of the use of sustainable public procurement (in the form provided by UNEP). With this questionnaire biennial (every 2 years) evaluation of the application of SPP approach will be carried out.

Monitoring results will be shown in the annual report on implementation of SPP in Ukraine, which will also include the results of the NAP activities.

Stages, frequency and allocation of responsibilities in SPP monitoring are illustrated in Figure 3.

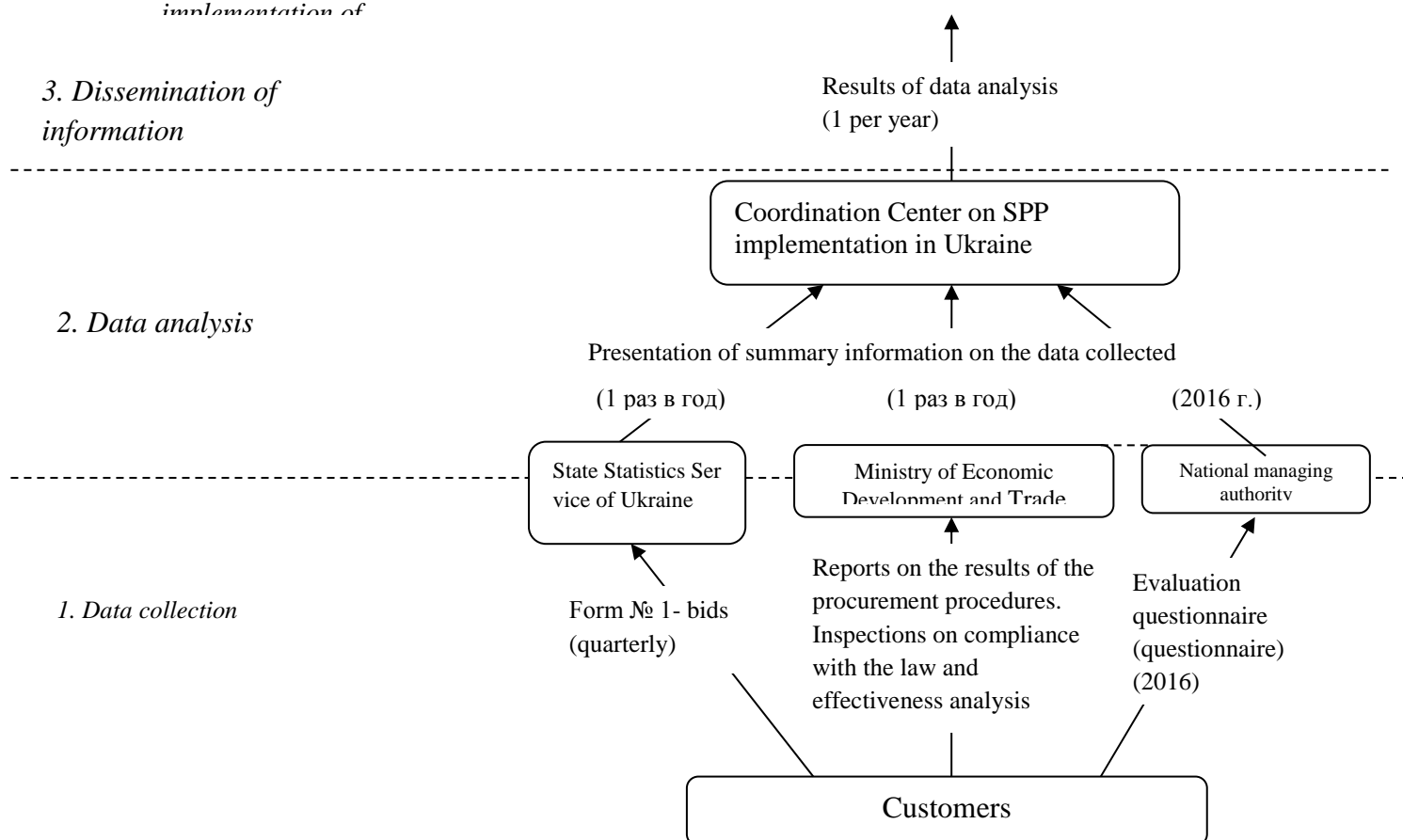
Scheme 3 - Monitoring and reporting on SPP

3.1. Annual report on the implementation of

3. Dissemination of information

2. Data analysis

1. Data collection



Monitoring of SPP should contribute to assess the impact activities on the implementation and application of SPP on the situation in each institution applying SPP, and the state as a whole, as well as the extent of application of sustainability criteria in procurement.

To assess the effect of SPP basic and additional indicators are applied.

Basic indicators:

- a share (% , thous. UAH) of procurement contracts for signature of which environmental criteria were taken into account;
- a share (% , thous. UAH) of procurement contracts for signature of which social criteria were taken into account.

Additional indicators allow estimating the impact of application of SPP approach to the implementation of environmental policy, social policy, the policy of energy saving, etc. considering categories of products. For example:

- reduction of greenhouse gas emissions (%);
- reduction of emissions and discharges (%);
- development of eco-labelling of products and food system (the market share of products conforming to the established environmental criteria and eco-labeled (%);



- development of environmental management systems (the share of enterprises and economic entities implementing environmental management systems (ISO 14001) (%);
- a share of enterprises and economic entities, introducing cleaner production technologies (%);
- a share of enterprises and economic entities that have modernized their production (%);
- an increase in the use of renewable and alternative energy sources (%) and alternative fuels (%);
- an increase in stocking, recycling and use of waste as secondary raw material (%);
- increase the level of employment (%);
- ensuring realization of rights and meeting the needs of persons with disabilities (%).

TABLE OF THE ACTION PLAN

PART 1	The main advantages of SPP due to national priorities for sustainable development	<p>Reduction of greenhouse gas emissions</p> <p>Reduction of emissions and discharges</p> <p>Development of energy and ecological market</p> <p>Development of a system of eco-labelling of products and food; ensuring the achievement of quality and ecological properties of goods</p> <p>Development of organic production / labelling of organic products</p> <p>Development of cleaner production</p> <p>Production modernization</p> <p>Increase in use of renewable and alternative energy sources and alternative fuels</p> <p>Increase in energy efficiency and preservation</p> <p>Increase in stocking, recycling and use of waste as secondary raw materials</p> <p>Minimization of harmful effects of transport on the environment; increase in environmental friendliness and energy efficiency of vehicles; encouraging consumption of alternative types of liquid and gas motor fuel</p> <p>Development of environmental management systems</p> <p>Development of innovations</p> <p>Preservation of natural areas and biodiversity</p> <p>Prevention of violations of the legislation on the use of child labor</p> <p>Increase in employment</p> <p>Prevention of discrimination</p> <p>Ensuring the rights and needs of persons with disabilities</p>
PART 2	Regulatory and legislative framework	<p>Amendments to the Strategy of State Environmental Policy approved by the Law of Ukraine of 21.12.2010 № 2818-VI</p> <p>Amendments to the Capacity Development Strategy for Public Finance Management and the Action Plan to implement the Capacity Development Strategy for Public Finance Management</p> <p>Submission of proposals in the draft of National Action Plan on Environmental Protection for 2016 - 2020</p>

		Amendments to the Law of Ukraine "On Public Procurement"
		Amendments to the Regulations of the Ministry of Ecology and Natural Resources of Ukraine, approved by the Cabinet of Ministers of Ukraine of 21.01.2015 №32
		Amendments to the Regulations of the Ministry of Social Policy of Ukraine, approved by the Decree of the President of Ukraine of 06.04.2011 №389 / 2011
		Amendments to certain forms of documents in the field of public procurement, approved by order of the Ministry of Economic Development and Trade of 15.09.2014 №1106
		Amendments to form of state statistical observation number 1- bids (quarterly) "Report on the procurement of goods, works and services from public funds", approved by order of the State Statistics Committee of Ukraine of 26.11.2012 № 485
		Amendments to Procedure for monitoring of public procurement, approved by Order of the Ministry of Economic Development and Trade of 19.10.2011 № 155 "On Implementation of Monitoring of Public Procurement"
		Amendments to Exemplary program for training of specialists in the organization and implementation of procurement and Exemplary curriculum of training in the organization and procurement, approved by Order of the Ministry of Economic Development and Trade of Ukraine of 06.10.2014 №1190 «On approval of exemplary training programs for the organization and implementation of public procurement"
PART 3	Stages of SPP implementation	Implementation of pilot SPP
		Implementation of information seminars for suppliers, manufacturers, associations of suppliers and manufacturers of priority product groups, representatives of Chambers of Commerce and Industry
		Development and updating of the tools used in the process of public procurement:
		a) Methodic recommendations on the application of sustainability criteria in public procurement
		b) Guidelines for Procurement of priority product groups: paintwork materials, detergents, heat insulating materials
		c) Guidelines for Procurement of other priority product groups
		d) Method of costs calculation (assessment) over the life cycle of goods, services, works
		e) Environmental criteria for priority groups of goods
		f) Social criteria for priority groups of goods
PART 4	Capacity building	g) Electronic database of SPP criteria (creation and constant renewal)
		h) Electronic database of sustainable goods, works, services (creation and constant renewal)
		Materials for capacity building:



		a) A set of tools for training / educational programs and materials
		b) Lectures, including e-learning
		c) Information materials
		Training activities of stakeholders:
		a) Lectures (including training programs for training and professional development on the organization and procurement functions)
		b) Training workshops, including regional (for procurement professionals, including members of the Committees for competitive bidding)
		c) Training workshops, including regional (for representatives of the State Financial Inspection, the State Treasury, Departments / internal audit units of the authorities who exercise control over the use of budgetary funds)
		d) Training workshops, including regional (for manufacturers and suppliers)
		e) Training workshops (for representatives of organizations that provide training and professional development in public procurement)
		f) Round table (with representatives Presidential Administration of Ukraine, the Cabinet of Ministers of Ukraine, ministries, people's deputies of Ukraine - the central bodies of legislative and executive power)
PART 5	Communication strategy	<i>a. Target audience: government agencies</i>
		Roundtables (workshops)
		Website
		Training seminars, lectures
		Guidelines on procurement of other priority product groups
		Articles in specialized publications
		Electronic database of SPP criteria
		Electronic database of sustainable products, works, services
		Annual Conference "Sustainable public procurement: stimulating of innovations and more sustainable products and services"
		<i>b. Target audience: Private Sector:</i>
		<i>b.1 manufacturers, suppliers</i>
		Website
		Electronic database of SPP criteria
		Electronic database of sustainable products, works, services



		Training seminars
		Articles in specialized publications
		Annual Conference "Sustainable public procurement: stimulating of innovations and more sustainable products and services"
		<i>b.2 Non-government organizations</i> (carrying out social control in the field of public procurement, environmental protection, protection of social and labor rights)
		Articles in specialized publications
		Annual Conference "Sustainable public procurement: stimulating of innovations and more sustainable products and services"
		Website
		<i>b.3 Mass media</i>
		Press Releases
		Articles in specialized publications
PART 6	Monitoring and assessment	Development of monitoring and reporting system
		Assessment of the current state of sustainable public procurement use
		Preparation and publication of an annual report on the implementation of sustainable public procurement in Ukraine

BUDGET TABLE				
	Scheduled activities	Impleme ntation date	Budget, thousand UAH.	Source of budget
PART 2	Amendments to Strategy of State Environmental Policy, approved by the Law of Ukraine of 21.12.2010 № 2818-VI	2015	75,0	State budget, GEF SHPF, means of international technical support, including sectoral technical assistance of EU
	Amendments to the Capacity Development Strategy for Public Finance Management and the Action Plan to implement the Capacity Development Strategy for Public Finance Management, approved by the Cabinet of Ministers of Ukraine of 01.08.2013 № 774-p	2015		
	Submission of proposals in the draft of National Action Plan on Environmental Protection on 2016 - 2020	2015		
	Amendments to Law of Ukraine "On Public Procurement"	2016		
	Amendments to the Regulations of the Ministry of Ecology and Natural Resources of Ukraine, approved by the Cabinet of Ministers of Ukraine of 21.01.2015 №32	(2015 2016)		
	Amendments to the Regulations of the Ministry of Social Policy of Ukraine, approved by the Decree of the President of Ukraine of 06.04.2011 №389 / 2011	(2015 2016)		
	Amendments to certain forms of documents in the field public procurement, approved by Order of the Ministry of Economic Development and Trade of Ukraine of 15.09.2014 №1106	2016		
	Amendments to the standard bidding documents, approved by Order of the Ministry of Economic Development and Trade of Ukraine of 26.07.2010 №919	2016		
	Amendments to form of state statistical observation number 1- bids (quarterly) "Report on the procurement of goods, works and services from public funds", approved by Order of the State Statistics Committee of Ukraine of 26.11.2012 № 485	2016		
	Amendments to Procedure of public procurement monitoring, approved by Order of Ministry of Economic Development and Trade of Ukraine of 19.10.2011 № 155 "On the implementation of the public procurement monitoring"	2016		
	Amendments to Exemplary program for training of specialists in the organization and implementation of procurement and Exemplary curriculum of training in the organization and procurement, approved by Order of the Ministry of Economic Development and Trade of	2016		

	Ukraine of 06.10.2014 №1190 «On approval of exemplary training programs for the organization and implementation of public procurement"			
PART 3	Implementation of pilot SPP	2015	122,0	
		2016 – 2020		
	Implementation of information seminars for suppliers, manufacturers, associations of suppliers and manufacturers of priority product groups, representatives of chambers of commerce and industry, trade networks	2015	75,0	
		2016 – 2020	193,0	
	Development and updating of the tools used in the process of public procurement:			
	a) Methodic recommendations / Rules for the application of sustainability criteria in public procurement	2015	200,0	
	b) Bidding documents for priority products / services (paintwork materials, detergents, heat insulating materials)	2015	130,0	
	c) Criteria priority product groups (paintwork materials, detergents, heat insulating materials)	2015	160,0	
	d) Guidelines on the Procurement of priority product groups (paintwork materials, detergents, heat insulating materials)	2015	190,0	
	e) Project of road maps for each pilot tender on priority sustainable products	2015	63,0	
	f) Guidelines on procurement of other priority product groups	2016 – 2020	440,0	
	g) Method of costs calculation (assessment) over the life cycle for priority groups of goods, services, works	2015	20,0	
		2016 – 2020	250,0	
	h) Environmental criteria for priority groups of goods	2016 – 2020	150,0	
	i) Social criteria for priority groups of goods	2016 – 2020	150,0	
	j) The electronic database of SPP criteria (creation and constant renewal)	2016 – 2020	800,0	
	k) Electronic database of sustainable goods, works and services *** (creation and constant renewal)	2016 – 2020	800,0	
PART 4	Materials for capacity building:			
	a) A set of tools for training / educational programs and materials	2015	100,0	



	b) Lectures, including e-learning	2015	30,0	
	c) Information materials	2015	60,0	
	Training activities of stakeholders:			
	a) Lectures (including training programs for training and professional development on the organization and procurement functions)	Fourth quarter of 2015	100,0	
		2016 – 2020	400,0	
	b) Training workshops, including regional (for procurement professionals, including members of the Committees for competitive bidding)	Third quarter of 2015	100,0	
		2016 – 2020	400,0	
	c) Training workshops, including regional (for representatives of the State Financial Inspection, the State Treasury, Departments / internal audit units of the authorities who exercise control over the use of budgetary funds)	Fourth quarter of 2015	100,0	
		2016 – 2020	400,0	
	d) Training seminars (for the representatives of the organizations that provide training and professional development in public procurement)	Third quarter of 2015	30,0	
PART 5	f) Round table (with representatives Presidential Administration of Ukraine, the Cabinet of Ministers of Ukraine, ministries, people's deputies of Ukraine - the central bodies of legislative and executive power)	Third quarter of 2015	10,0	
	<i>a. Target audience: government agencies</i>			
	Roundtables (workshops)	2015	50,0	
		2016	100,0	
	Websites	2015	50,0	
		2016 – 2020	250,0	
	Training seminars, lectures	2015	30,0	



		2016 – 2020	300,0	
Guidelines on procurement of other priority product groups		2015	150,0	
		2016 – 2020	250,0	
Articles in specialized publications		2015	2,0	
		2016 – 2020	50,0	
Method of costs calculation (assessment) over the life cycle for the priority categories of goods, works and services		2018 – 2019	300,0	
Electronic database of SPP criteria		2016 – 2020	800,0	
Electronic database of sustainable products, works, services		2016 – 2020	800,0	
Annual Conference "Sustainable public procurement: stimulating of innovations and more sustainable products and services"		2016	100,0	
		2017 – 2020	1000,0	
<i>b. Target audience: Private sector:</i>				
<i>b.1 manufacturers, suppliers</i>				
Website		2015	50,0	
		2016 – 2020	250,0	
Electronic database of SPP criteria		2016 – 2020	800,0	
Electronic database of sustainable products, works, services		2016 – 2020	800,0	
Training seminars		2015	30,0	
		2016 – 2020	300,0	
Annual Conference "Sustainable public procurement: stimulating of innovations and more sustainable products and services"		2016	100,0	
		2017 – 2020	1000,0	



	Articles in specialized publications	2015	2,0	
		2016 – 2020	50,0	
	<i>b.2 Non-government organizations</i> (carrying out social control in the field of public procurement, environmental protection, protection of social and labor rights)			
	Website	2015	50,0	
		2016 – 2020	250,0	
	Annual Conference "Sustainable public procurement: stimulating of innovations and more sustainable products and services"	2016	100,0	
		2017 – 2020	1000,0	
	<i>b.3 Mass media</i>			
	Press Releases	2015	5,0	
		2016 – 2020	50,0	
PART 6	Articles in specialized publications	2015	2,0	
		2016 – 2020	50,0	
	Development of monitoring and reporting system	2015	95,0	
	Assessment of the current state of sustainable public procurement use	2016, 2018, 2020	150,0	
	Preparation and publication of annual report on the implementation of sustainable public procurement in Ukraine	2016 – 2020	250,0	

PROPOSALS

on amendments to the Strategy of State Environmental Policy, approved by the Law of Ukraine of 21.12.2010 № 2818-VI

1. General Provisions:

In Ukraine, one of the problems is the depletion of non-renewable resources due to irrational use. Ukraine occupies one of the first places in the world in terms of consumption of energy, water, minerals and other resources per unit of gross domestic product. In Ukraine, on production unit is used non-renewable natural resources in the 2 - 2.5 times more, and the energy in the 2.5 - 3 times more than in Germany, Britain, France, the United States. Each procurement as a stage in the life cycle of products, goods and services has an impact on the use of natural resources such as water, energy, fossil fuels and raw materials. Public procurement in Ukraine is about 18% of GDP, and the public sector can significantly influence formation of market demand.

Integration of environmental policy in the sphere of public procurement, changes in government consumption through implementation of sustainable public procurement is of great importance in the implementation of environmental policy and sustainable development of the country.

Sustainable public procurement is an important tool for sustainable development and economic incentives for domestic production development with the use of cleaner production, environmental management systems, environmental labelling, environmental declarations.

Sustainable public procurement is designed to promote the conservation and responsible management of natural resources, encourage the use of renewable natural resources or recycled materials where possible, and waste reduction.

Sustainable public procurement, based on an assessment of the cost of products or services based on their life cycle, provide for the inclusion of environmental and social criteria at various stages of procurement to achieve the highest standards in environmental and social standards.

The approach of sustainable public procurement contributes to the revaluation of the procurement so as to reduce overall costs. Life cycle assessment of procurement item allows estimating its real overall cost more realistically and avoiding unnecessary procurements and accordingly, wasting of resources.

2. Tasks:

2.1. to Objective 1. Increase in the level of public environmental awareness (in the current version of the law. In the new draft - to Objective 1. Formation in the society environmental values and principles of sustainable consumption and production):

- encourage changes in government consumption through implementation of sustainable public procurement; raising awareness, creating a system of training and professional development in "sustainable public procurement";

- the systematic informing about the status and importance of the implementation and use of sustainable public procurement, resource-efficient and cleaner production technologies, environmental management systems, eco-labelling, the Environmental Product Declaration (EPD), Environmental Management Systems (ISO 14001) through the web site, media and other available means of information;

2.2. to Objective 4. Integration of environmental policy and improving the system of integrated environmental management in the current version of the law. In the new draft – to Objective 3. Ensuring integration of environmental policy in the process of socio-economic development of Ukraine, in particular, through the introduction of resource-efficient, 'green' and low-carbon economy):

- provision of the implementation and application in public procurement system approach of sustainable public procurement;

- implementation of economic incentives to encourage the development of resource efficient and cleaner production, the use of environmental management systems, environmental labelling, the Environmental Product Declaration (EPD), environmental management systems and audit / environmental management systems (ISO 14001);

- to achieve up to 2020 the share of public procurement carried out on basis of the approach of permanent public procurement, to 15 percent.

1. Indicators of the Strategy implementation:

Objective, the scope of regulation	Unit
<i>Objective 1 Increase in the level of public environmental awareness (in the current version of the law). In the new draft - Objective 1. Formation in the society environmental values and principles of sustainable consumption and production</i>	
The number of officials of institutions, enterprises, public sector organizations, who have received training and professional development in "sustainable public procurement"	persons
Methodical support of implementation and use of sustainable public procurement	facts of relevant guidelines, recommendations, clarifications publications
Number of users of information platform for implementation and use of sustainable public procurement, resource-efficient and cleaner production technologies, environmental management systems, life cycle assessment, environmental labelling, Environmental Product Declarations (EPD), Environmental Management Systems (ISO 14001)	persons
Number of producers / suppliers of sustainable products, goods and services / products, goods and services with improved environmental characteristics included in the electronic catalog	economic entities

The annual report on the implementation of sustainable public procurement	fact of publication
<p><i>Objective 4. Integration of environmental policy and improving the system of integrated environmental management (in the current version of the law).</i></p> <p><i>In the new draft –</i></p> <p><i>Objective 3. Ensuring integration of environmental policy in the process of socio-economic development of Ukraine, in particular, through the introduction of resource-efficient, 'green' and low-carbon economy</i></p>	
The share of enterprises and economic entities that are implementing Environmental Management Systems (ISO 14001)	percentage
The share of enterprises and economic entities that are implementing the use of environmental declarations (EPD)	percentage
The share of enterprises and economic entities that are implementing cleaner production technologies	percentage
The market share of products in accordance with the established environmental criteria in respect of which obtained the right to use eco-labelling	percentage
Creation of legal and regulatory and institutional framework for the implementation of sustainable public procurement	facts of relevant acts approval
Creation of electronic database of criteria for the priority product groups for sustainable public procurement	fact of creation and functioning of the electronic database
The number of priority groups of goods and services	groups
The share of sustainable public procurement in the overall volume of public procurement	percentage

Annex 3.1

PROPOSALS

on amendments in the Development Strategy of Public Financial Management and the Action Plan to implement the Strategy of Public Finance Management, approved by the Cabinet of Ministers of Ukraine of 01.08.2013 № 774-p

I. In Section VII of the Strategy "Development of the public procurement system" the following additions will be made:

1. Subsection "Description of situation" after the first paragraph will be added with the new paragraph which read:

"Public procurement as one of the market-based instruments should be used to achieve rational, sustainable and inclusive growth in the context of the most efficient use of public funds. At the same time it is important to ensure integration into the procurement procedures of environmental, social, labor requirements and the introduction of the application as an additional justification for using public procurement in support of

sustainable growth, the costs evaluation approach over the life cycle, on the basis of which we can determine the most economically advantageous proposal of the lowest cost."

1. Subsection "Tasks and activities" after the paragraph "the introduction of e-procurement" will be added with the new paragraph which read:

"introduction of sustainable procurement approach";

"use of costs evaluation approach over the life cycle of product, service"

II. Section VI of the Action Plan for the Strategy of public financial management:

1. Subsection 3 "Ensuring sustainable functioning of the institutional system of public procurement" will be added with the following activities:

Name of action	Responsible for the implementation	Term of implementation	Sources of financing	Expected results	Indicators of assessment
Determination of the interaction order between the authorized body, the Ministry of Ecology and Natural Resources and the Ministry of Social Policy and other authorities for the implementation of SPP in the public procurement system	the Ministry of Economic Development and Trade the Ministry of Ecology and Natural Resources the Ministry of Social Policy other stakeholders of central executive authorities	(2015-2016)	the cost of maintaining of responsible for implementation are provided in the state budget	interaction of state bodies in the sphere of public procurement on the implementation of SPP, secure distribution of competence, improve the efficiency of work	the adoption of the relevant legal act and the conclusion of the relevant agreement (memorandum)
Enhancement of the institutional capacity of the bodies responsible for the development and implementation of state policy in the field of environmental protection, social and employment spheres	the Ministry of Ecology and Natural Resources the Ministry of Social Policy	(2015-2016)	the cost of maintaining of responsible for implementation are provided in the state budget	empowerment, ensuring the formation and implementation of state policy for SPP	extended powers, specified powers for SPP
Establishment of the Coordination Centre for the implementation of sustainable public procurement in Ukraine	the Ministry of Economic Development and Trade	(2015-2016)	the cost of maintaining of responsible for implementation are provided in the state budget	provision the coordinated activities of all stakeholders in the implementation of sustainable public procurement	the adoption of relevant normative legal act on the establishment of the Coordination Centre and approving its composition and provisions of it

1. Subsection 5 "Improvement of information technology and staffing for the public procurement system"

a) paragraph 13 shall read as follows:

Name of action	Responsible for the implementation	Term of implementation	Sources of financing	Expected results	Indicators of assessment
13. Promote the professionalization of procurement	the Ministry of Economic Development and Trade the Ministry of Ecology and Natural Resources	on-going	the cost of maintaining of responsible for implementation are provided in the state budget,	raising awareness of regulations of public procurement, including the use of sustainable procurement	provide clarification on the application of legislation in the field of public procurement and related workshops

	the Ministry of Social Policy the Ministry of Finance the Ministry of Justice the Ministry of Education and Science		international technical assistance	approach of members of tender committees of customers, as well as officials who make decisions on procurement, and officials involved in the formation of Procurement Plan	
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b) add the following activities:

Name of action	Responsible for the implementation	Term of implementation	Sources of financing	Expected results	Indicators of assessment
Development of educational programs and materials on SPP	the Ministry of Economic Development and Trade the Ministry of Ecology and Natural Resources the Ministry of Social Policy Antimonopoly Committee (acceptedly) the Ministry of Finance the Ministry of Justice the Ministry of Education and Science	2016	the cost of maintaining of responsible for implementation are provided in the state budget, international technical assistance	providing quality training on SPP members of tender committees of customers, as well as officials who make decisions on procurement, and officials involved in the formation of procurement plans	educational and informational materials on SPP for educational programs, including e-learning
Enhancement potential of agencies exercising control of public procurement	the Ministry of Finance	on-going	the cost of maintaining of responsible for implementation are provided in the state budget, international technical assistance	raising awareness on SPP of regulatory bodies representatives, making inspection in the field of public procurement; improving the performance of functions of controlling bodies; provision the principles of SPP during inspection activities	holding relevant seminars, workshops, meetings and other information events

PROPOSALS
to the draft National Action Plan for Environmental Protection
in the 2016 - 2020 years

Name of event	Responsible performers	Period of execution	Sources of financing	Indicative funding, thous. UAH				
				2016	2017	2018	2019	2020
Purpose. Raising public awareness of environmental / ecological groups in society, values and principles of sustainable consumption and production								
Carrying out awareness-raising campaign aimed at the development of sustainable public procurement in Ukraine, in particular:	Ministry of Natural Resources	2016 – 2020	state budget, SEPF, international technical assistance, donors					
a) development and publication of manuals for the public and private sectors on the use of sustainable public procurement	Ministry of Natural Resources	2016		80,0	80,0	90,0	90,0	100,0
b) interregional training seminars for representatives of institutions, enterprises and public sector organizations	Ministry of Natural Resources	annually		150,0	150,0	200,0	200,0	200,0
c) interregional training seminars for representatives of manufacturers / suppliers of the priority groups of goods and services	Ministry of Natural Resources	annually		100,0	150,0	150,0	200,0	200,0
d) conducting yearly conference "Sustainable public procurement: stimulating innovation and more sustainable products and services"	Ministry of Natural Resources Ministry of Economic Development	annually		150,0	150,0	200,0	250,0	250,0
Creation and maintenance of an information platform for the implementation and use of sustainable	Ministry of Natural Resources	2016 – 2020		200,0	100,0	100,0	100,0	100,0

public procurement, resource-efficient technologies and cleaner production, environmental management systems, life cycle assessment, environmental labeling, environmental product declarations (EPD), Environmental Management Systems (ISO 14001)								
Development and manufacturing of social advertising (city-lights, videos, etc.) on the advantages of choosing sustainable products and services, methods of their definition, the introduction of resource-efficient and cleaner production, environmental innovation	Ministry of Natural Resources	2016 – 2020		100,0	100,0	100,0	100,0	100,0
Purpose. The integration of environmental policy and improving the system of integrated environmental management / Ensuring the integration of environmental policy in the process of socio-economic development of Ukraine, in particular, through the introduction of resource-efficient, 'green' and low-carbon economy								
Elaboration and updating of the criteria recommended for sustainable public procurement priority groups of goods and services	Ministry of Natural Resources Ministry of Social Policy Ministry of Economic Development	constantly		60,0	60,0	60,0	60,0	60,0
Creating and maintaining an electronic database criteria recommended for use in sustainable public procurement, for priority groups of goods and services	Ministry of Economic Development Ministry of Natural Resources Ministry of Social Policy	2016 – 2020		500,0	100,0	100,0	50,0	50,0
Creating and maintaining an electronic catalog of sustainable goods and services	Ministry of Natural Resources	2016 – 2020		500,0	100,0	100,0	100,0	100,0

Elaboration and adoption of methods of analysis (evaluation) costs over the life cycle for the priority categories of goods and services	Ministry of Economic Development Ministry of Natural Resources Ministry of Social Policy	2016 – 2020		50,0	50,0	50,0	50,0	50,0
Provision of information and methodological support to enterprises, institutions, public sector organizations regarding the application of sustainability criteria	Ministry of Natural Resources Ministry of Social Policy Ministry of Economic Development	2016 – 2020		75,0	75,0	95,0	95,0	100,0
Definition and justification of new groups of products and services a priority for sustainable public procurement	Ministry of Natural Resources Ministry of Economic Development	2016 – 2020		100,0	100,0	100,0	100,0	100,0
Updating the questionnaire to assess the current status of the use of sustainable public procurement	Ministry of Natural Resources Ministry of Economic Development	2017, 2019		-	15,0	-	15,0	
Assess the current status of the use of sustainable public procurement	Ministry of Natural Resources Ministry of Economic Development	2017, 2019		50,0	-	50,0	-	50,0
Preparation and publication of the annual report on the implementation of sustainable public procurement in Ukraine	Ministry of Economic Development Ministry of Natural Resources Ministry of Social Policy	annually		50,0	50,0	50,0	50,0	50,0

PROPOSALS

to the draft of the Road Map for the implementation of EU directives on public procurement

Name of event	Responsible performers	Deadline	Source of financing	Expected results	Indicators
1	2	3	4	5	6
Adaptation of the legislation with EU rules in accordance with Chapter 8 of the Association Agreement and its annex XXI-B to the Agreement					
Amendments to the Law of Ukraine "On public procurement" in order to implement the legislation of Ukraine the key concepts enshrined in the EU Directives 2014/24, 2014/25, in particular, the following rules: - Standards and requirements for the technical specifications and other documents relating to the procurement procedures (Article 42 of the EU Directive 2014/24); - Standards confirmation of qualifications of candidates and participants of procurement procedures, certification of goods and services, including Confirmation of improved environmental performance of products, services, affordability options proficiency testing participants, labeling standards for products, goods, services (Articles 43 - 44 of the EU Directive 2014/24); - Certification of quality standards of products, services, methods of economic management, environmental management systems (Articles 57 - 58, 60, 62 of the EU Directive 2014/24); - Conditions of integration of environmental and social standards and the requirements for implementing the contracts or purchased for	Ministry of Economic Development	December 2016	State budget, donor funds	strengthening basic elements of Directives 2014/24 / EC and 2014/25 / EC	Adding draft amendments to the Law on Public Procurement to the Supreme Council of Ukraine; development and adoption of amendments to the legislation

government needs goods, works and services as a qualifying characteristics and elements of the evaluation of proposals in procurement procedures; - Criteria for the evaluation of proposals, in particular, the criterion of the most economically advantageous proposal, including taking into account the costs over the life cycle, the requirements for the application of criteria for evaluating proposals (Articles 53 - 55 of the EU Directive 2014/24)					
Development of sustainable public procurement 1. 1. Adoption of the legal framework to ensure the integration of environmental and social standards and requirements in the public procurement system	Ministry of Economic Development Ministry of Natural Resources Ministry of Social Policy	2016 – 2020	State budget, donor funds	ensuring the integration of environmental and social standards and requirements in the public procurement system	development and adoption of laws and regulations
2. The organization and providing pilot sustainable public procurement:	Ministry of Economic Development	-"-	-"-		organized and conducted pilot sustainable public procurement
2.1. Determination of priority groups of products, works and services for the use of sustainable public procurement approach					identified priority groups of products, works and services for the use of sustainable public procurement approach
2.2. Identify organizations that will conduct the procurement priority groups of products, works and services with the approach of sustainable public procurement					identified organization that will conduct the procurement priority groups of products, works and services with the approach of sustainable public procurement

2.3. Development and updating of the criteria recommended for sustainable public procurement priority groups of goods and services					Criteria recommended for sustainable public procurement priority groups of goods and services
2.4. Creation and maintenance of an electronic database criteria recommended for use in sustainable public procurement, for priority groups of goods and services					electronic database criteria recommended for use in sustainable public procurement, for priority groups of goods and services
1.5. Documentation development for pilot sustainable public procurement					Documentation for pilot sustainable public procurement
1.6. Project development roadmaps for pilot procurement priority groups of products, works, services					roadmaps projects for pilot procurement priority groups of products, works, services
1.7. Conduct training of representatives of customers who conduct pilot sustainable public procurement					for representatives of customers who conduct pilot sustainable public procurement, conducted appropriate training
2.8. Assessing the current state of the use of sustainable public procurement					assessment of trends and the results of the use of sustainable public procurement
Adaptation of the provisions of the EU Directive 2014/24 in accordance with Annexes XXI-F, XXI-G, XXI-H Agreement					
Adaptation of the provisions of the EU Directive 2014/24 in accordance with Annexes XXI-F, XXI-G, XXI-H of the	Ministry of Economic Development	2017 (19)	State budget, donor funds	consolidation of basic elements of Directives 2014/24 / EC and 2014/25 / EC	development and adoption of amendments to the legislation



<p>Agreement, in particular, the following provisions:</p> <ul style="list-style-type: none"> - Requirements and methods of determining the cost of purchased goods, works and services in terms of their complete life cycle, and the additional costs of environmental, social and technological implications of the use of the product concerned (Article 68 of the EU Directive 2014/24) 					
Training and professionalisation of public procurement:					
Organization of base (on-line) training course for organizers (members of the committee tendering) public procurement	Ministry of Economic Development	2016 – 2017	State budget, donor funds	raising awareness of the subjects of the public procurement rules with respect to public procurement	related seminars, the creation of an online module
Development of the institutional structure:					
The introduction of comprehensive monitoring of the effectiveness of the system of public procurement, publication of annual reports on the functioning of the public procurement system, including sustainable public procurement system	Ministry of Economic Development	2017	State budget, donor funds	method of complex economic analysis of the effectiveness of the public procurement system; publication of results of the analysis of system efficiency	development and adoption of amendments to the legislation on public procurement and preparation of the relevant draft legal acts; an annual report on the effectiveness of the national public procurement system

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Partnership for Environment and Growth



Programme carried out with the financial assistance of the European Union



PROPOSALS
on amendments to the forms of documents in the field of public
procurement, approved by order of Ministry of Economic Development and
Trade
of 15.09.2014 № 1106

1. Form of Announcement of open bidding¹ is expanded with paragraphs 4.5 and 10 to read as follows:

«4.5. Compliance with environmental / social / labor criteria»

«10. Application of environmental / social / labor criteria».

In connection with this paragraph 10 is considered paragraph 11.

1.1. Instruction for completing Announcement form is supplemented with paragraph 10 to read as follows:

«10. According to paragraph 10 of the report.

Paragraph 10 is filled in the case of purchases during the procedure of environmental / social / labor criteria»

In connection with this paragraph 10 is considered paragraph 11.

2. The form of Announcement of carrying two-stage bidding procedure² is supplemented with paragraphs 4.5 and 10 to read as follows:

«4.5. Compliance with environmental / social / labor criteria»

«10. Application of environmental / social / labor criteria».

In connection with this paragraph 10 is considered paragraph 11.

2.1. Instruction for completing form of Announcement is expanded with paragraphs 10 of the following content:

«10. According to paragraph 10 of the report.

Paragraph 10 is filled in the case of application of environmental / social / labor criteria during a procurement procedure».

In connection with this paragraph 10 is considered paragraph 11.

3. The form of Announcement of the prequalification³ is expanded with paragraphs 4.5 and 9, to read as follows:

«4.5. Compliance with environmental / social / labor criteria»

«9. Application of environmental / social / labor criteria».

In connection with this paragraph 9 is considered paragraph 10.

3.1. Instruction for completing form of Announcement is expanded with paragraphs 9 of the following content:

«9. According to paragraph 9 of the report.

Paragraph 9 is filled in the case of application of environmental / social / labor criteria during a procurement procedure».

In connection with this paragraph 9 is considered paragraph 10.

4. Form of Information on the application of the negotiation procurement procedure⁴ is expanded with paragraphs 4.5 and 8 of the following content:

«4.5 Compliance with environmental / social / labor criteria»

«8. Application of environmental / social / labor criteria».

In connection with this paragraph 8 is considered paragraph 9.

4.1. Instruction for completing form of Announcement is expanded with paragraphs 8 of the following content:

«8. According to paragraph 8 of the report.

Paragraph 8 is filled in the case of application of environmental / social / labor criteria during a procurement procedure».

In connection with this paragraph 8 is considered paragraph 9.

5. Form of Announcement with information about the framework agreement⁵ is expanded with paragraphs 5.6 and 8 of the following content:

«5.5 Compliance with environmental / social / labor criteria»

«8. Application of environmental / social / labor criteria».

In connection with this paragraph 8 is considered paragraph 9.

5.1. Instruction for completing form of Announcement with information about the framework agreement is expanded with paragraphs 9 of the following content:

«9. According to paragraph 9 of the report.

Paragraph 9 is filled in the case of application of environmental / social / labor criteria during a procurement procedure»

In connection with this paragraph 9 is considered paragraph 10.

6. Form of Announcement of bidding results⁶ is expanded with paragraphs 4.5 and 11 of the following content:

«4.5 Compliance with environmental / social / labor criteria»

«11. Application of environmental / social / labor criteria».

6.1. Instruction for completing Announcement is expanded with paragraphs 11 of the following content:

«11. According to paragraph 11 of the report.

Paragraph 11 is filled in the case of application of environmental / social / labor criteria during a procurement procedure».

7. Form of Announcement of the results of the prequalification⁷ is expanded with paragraphs 4.5 and 8 of the following content:

«4.5. Compliance with environmental / social / labor criteria»

«8. Application of environmental / social / labor criteria».

7.1. Instruction for completing Announcement is expanded with paragraphs 11 of the following content:

«9. According to paragraph 8 of the report.

Paragraph 8 is filled in the case of application of environmental / social / labor criteria during a procurement procedure».

8. Form of Announcement of the results of the negotiation of the procurement procedure⁸ is expanded with paragraphs 3.5 and 9 of the following content:

«43.5. Compliance with environmental / social / labor criteria»

«9. Application of environmental / social / labor criteria».

8.1. Instruction for completing Announcement is expanded with paragraphs 9 of the following content:

«9. According to paragraph 9 of the report.

Paragraph 9 is filled in the case of application of environmental / social / labor criteria during a procurement procedure».

9. Form of Report on the results of an open and two-stage bidding and the prequalification procedure⁹ is expanded with paragraphs 3.5 and 15 of the following content:

«3.5 Compliance with environmental / social / labor criteria»

«15. Application of environmental / social / labor criteria».

In connection with this paragraphs 15, 16 are considered paragraphs 16, 17.

9.1. Instruction for completing Report is expanded with paragraphs 15 of the following content:

«15. According to paragraph 15 of the report.

Paragraph 15 is filled in the case of application of environmental / social / labor criteria during a procurement procedure».

In connection with this paragraphs 15, 16 are considered paragraphs 16, 17.

10. Form of Report on the results of the negotiation of the procurement procedure is expanded with paragraphs 2.5 and 11 of the following content:

«2.5 Compliance with environmental / social / labor criteria»

«11. Application of environmental / social / labor criteria».

In connection with this paragraphs 11, 12 are considered paragraphs 12, 13.

10.1. Instruction for completing Report is expanded with paragraphs 13 of the following content:

«13. According to paragraph 11 of the report.

Paragraph 11 is filled in the case of application of environmental / social / labor criteria during a procurement procedure».

In connection with this paragraphs 13, 14 are considered paragraphs 14, 15.

11. Table of Report form on the results of procurement without a procurement procedure for a quarter¹⁰ is expanded with a new column 3 of the following content:

«Compliance with environmental / social / labor criteria». In connection with this columns 3-6 are considered columns 4-7.

12. Report form on progress agreement¹¹ is expanded with paragraph 5.5. of the following content: «5.5. Compliance with environmental / social / labor criteria».

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и экономического роста



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