

# **Procurement Policy Office**

## **National Action Plan on Sustainable Public Procurement (SPP) for Mauritius (2011-2015)**

### **Final Report**

**July 2011**

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## Abbreviations

<b>AFD</b>	Agence Française de Développement
<b>CPB</b>	Central Procurement Board
<b>CP</b>	Cleaner Production
<b>CO<sub>2</sub></b>	Carbon Dioxide
<b>EPA</b>	Environment Protection Act
<b>CSO</b>	Central Statistics Office
<b>CSR</b>	Corporate Social Responsibility
<b>FSC</b>	Forest Stewardship Council
<b>GAP</b>	Good Agricultural Practice
<b>GDP</b>	Gross Domestic Product
<b>GPP</b>	Green Public Procurement
<b>HDI</b>	Human Development Index
<b>ICT</b>	Information and Communication Technology
<b>LCC</b>	Life Cycle Costing
<b>LCA</b>	Life Cycle Assessment
<b>MSB</b>	Mauritius Standards Bureau
<b>MoE</b>	Ministry of Environment
<b>MoI</b>	Ministry of Industry
<b>MREPU</b>	Ministry of Renewable Energy and Public Utilities
<b>MID</b>	Maurice Ile Durable
<b>MSI</b>	Mauritius Strategy
<b>MTF</b>	Marrakech Task Force
<b>NAP</b>	National Action Plan
<b>NEAP</b>	National Environment Action Plan
<b>NEP</b>	National Environment Policy
<b>NGO</b>	Non Governmental Organisation
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>OHSA</b>	Occupational Health and Safety Act
<b>PPO</b>	Procurement Policy Office
<b>PBB</b>	Programme Based Budgeting
<b>PPA</b>	Public Procurement Act
<b>RECP</b>	Resource Efficiency and Cleaner Production
<b>SP</b>	Sustainable Production
<b>SCP</b>	Sustainable Consumption and Production

<b>SD</b>	Sustainable Development
<b>SIDS</b>	Small Islands Development States
<b>SPP</b>	Sustainable Public Procurement
<b>SME</b>	Small and Medium Industries
<b>UNEP</b>	United Nation Energy Programme
<b>UNDP</b>	United Nation Development Programme
<b>WGs</b>	Working Groups
<b>WSSD</b>	World Summit on Sustainable development

## Summary

Sustainable public procurement (SPP) is a tool which allows governments to leverage public spending in order to promote the country's social, environmental and economic policies. Public procurement expenditure in Mauritius amounts to as much as 20 % of the GDP –however the present public procurement policy in Mauritius does not formally take into account sustainability aspects. The Government of Mauritius recognizes that procurement decisions by public bodies have inherent social, public health, environmental and economic impacts both locally and globally, both at present and in the future. Since 2009, the United Nations Environment Programme (UNEP) has been running a project aimed at supporting the development of SPP policies and the implementation of SPP in pilot countries including Mauritius. The Government of the Republic of Mauritius agreed to be one of the pilot countries for the SPP capacity-building project administered by UNEP on behalf of the Marrakech Task Force on SPP, led by Switzerland. The Procurement Policy Office (PPO), which falls under the Ministry of Finance and Economic Development, has been identified as the enabler for implementation of the SPP project.

After reviewing the potential contribution of SPP to the achievement of Sustainable Development objectives and a market readiness analysis study, the report discusses the potential barriers to SPP implementation and the role of SPP in the present procurement policy framework. The National Action Plan (NAP) is then drawn up in order to promote and achieve SPP in Mauritius in accordance with a Government Policy Statement. In light of Mauritius's aspirations to put development on a sustainable path through the "Maurice Ile Durable" (MID) vision, this document sets out the aims, objectives as well as a number of actions to be adopted and implemented in Mauritius over the period 2011-2015. **Actions are identified under the following five themes: People; Policy, Strategy and Communication; Procurement Process Supplier Engagement and Monitoring and Reporting.** Seven products/services that the action plan will focus on in the next five years were selected on the basis of a number of criteria derived from the market readiness analysis study as well as consultation exercises with suppliers. These criteria are: (i) the potential of generating substantial sustainability impacts over the life cycle(ii) the opportunity to set a good example to suppliers and the general public (iii) for which sustainable criteria and alternatives are available and a robust evidence base is available(iv) the availability of higher standard products at little or no additional cost over the life time of products(v) the degree of Influence of public procurement(vi) the willingness /ability of suppliers to supply more sustainable products/services (vii)where there is a possibility to harness win-win solutions with limited administrative obstacles and (viii)alignment with delivery of MID objectives. **The products/services selected on the basis of these criteria are: 1)Paper and Printing; 2)IT Devices; 3)Cleaning Products and Services; 4)Office and Classroom Furniture; 5) Vehicles; 6) Food and Catering Services and 7) Construction work.** The construction

category will be sub-divided into construction projects and construction products. This range of products can be expanded in the next action plan.

The Action Plan is a five year rolling plan. It lays out the first steps that need to be taken in Mauritius to ensure SPP becomes a reality. This Action Plan shall be reviewed regularly (it is recommended to review it after the elaboration of the MID Strategy and Action Plan by next year) and a new set of actions will be identified upon the end of its life time by December 2015. This Action Plan will be submitted for approval by Cabinet. Implementing the Action Plan will be more challenging than developing it. It relies on leadership in organizations and effective partnerships between all stakeholders. The monitoring and evaluation is a critical step as it demonstrates accountability of stakeholders concerned and demonstrates achievements and worthiness of the action plan itself. It is recommended to adopt a system of internal and external reviews as well as budgetary reviews through the Programme Based Budgeting and Performance Monitoring Processes, as well as indicator-based quantitative monitoring where appropriate.

Besides its direct contribution towards promoting resource-efficiency at all levels of production and consumption, the development and implementation of an SPP Programme will be instrumental in supporting key sustainable development strategic priorities. This is one important aspect of SPP-it should be viewed as an instrument for establishing and developing linkages between diverse policies and programs on Sustainable Development. SPP can be linked with many other development priorities, such as economic growth and competitiveness, democratization of the economy and job creation, environmental protection, water and energy security; poverty alleviation; health and education and an effective civil service.

Government commits to integrating sustainable criteria in the procurement process, to ensure all goods, works and services purchased deliver value for money, minimize environmental damage and maximize social benefits. This Action Plan will help in achieving the “Maurice Ile Durable” vision of the Prime Minister of the Republic of Mauritius.

## **Sustainable Public Procurement Policy Statement**

The Government of Mauritius, through the Maurice Ile Durable vision, is committed to the development of the country that meets the needs of the present, without compromising the quality of life of future generations. In this context, the Government of Mauritius aims to be a leader in Sustainable Public Procurement among the Small Island Developing States and in the Region.

Public procurement spends in Mauritius amounts to as much as 20 % of the GDP. Government recognizes that procurement decisions by public bodies have inherent social, public health, environmental and economic impacts both locally and globally, both at present and in the future.

Government commits to integrating sustainable criteria in the procurement process, to ensure all goods, works and services purchased deliver value for money, minimize environmental damage and maximize social benefits.

In this way, Mauritius will benefit from improved environmental performance, including reduced CO<sub>2</sub> emissions; cost savings including recognition of non-tangible benefits and costs; good governance; job creation; empowerment of vulnerable people; promotion of health and safety; poverty reduction; wealth creation and transfer of skills/technology.

We will also use SPP to stimulate appropriate competition; create markets for appropriate technology (i.e. not necessarily high-tech solutions); drive markets for innovative and sustainable solutions; encourage early engagement and dialogue with the market (within the boundaries of procurement rules) and enhance dialogue with civil society.

### **Implementation**

We shall deliver on this commitment by:

- ensuring that all Public Bodies incorporate the principles of sustainability in their procurement activities
- ensuring that sustainable procurement delivers value for money through the consideration of social, environmental and economic dimensions
- ensuring that life cycle thinking is embedded in the procurement process



- ensuring that Small and Medium Enterprises and Non-Governmental Organisations are encouraged to participate in government contracting
- encouraging early engagement with suppliers in developing solutions that deliver value for money, minimize negative environmental impacts and maximize social benefits.

## **Responsibility and Accountability**

All public bodies falling under the Public Procurement Act of 2006 are covered by this policy. Chief Executive Officers (and equivalents) of public bodies will be responsible for delivering SPP through their own procurement activities.

The Procurement Policy Office (PPO) will provide supporting guidelines and resources to allow effective implementation of the policy, including training and awareness raising tools.

PPO will oversee implementation of sustainable procurement by public bodies and report the results to the Minister of Finance.

PPO and public bodies will liaise with internal stakeholders, suppliers and contractors to facilitate effective communication of the requirements and opportunities offered by sustainable public procurement.

## **Review**

We will update and review this policy in light of new knowledge and the results of benchmarking with others

# Chapter 1: Introduction

## 1.1 Background and Purpose

Public procurement was identified at the World Summit on Sustainable development (WSSD) of 2002 in Johannesburg, South Africa, as one important instrument for stimulating more environmentally sound goods and services. Sustainable public procurement (SPP) is a tool which allows governments to leverage public spending in order to promote the country's social, environmental and economic policies. The Marrakech Task Force on Sustainable Public Procurement (<http://esa.un.org/marrakechprocess/>) defines SPP as:

***“Sustainable Procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.”***

*Definition from "Procuring the Future", report of the UK Sustainable Procurement Task Force, June 2006, adopted by the MTF on SPP*

Sustainable Procurement seeks to achieve the appropriate balance between the three pillars of sustainable development i.e. economic, social and environmental.

- Economic factors include the costs of products and services over their entire life cycle, such as: acquisition, maintenance, operations and end-of-life management costs (including waste disposal) in line with good financial management;
- Social factors include social justice and equity; safety and security; human rights and employment conditions;
- Environmental factors include emissions to air, land and water, climate change, biodiversity, natural resource use and water scarcity over the whole product life cycle.

### **Box 1: Distinction between Green Public Procurement (GPP) and Sustainable Public Procurement (SPP)**

There is a clear distinction between SPP and GPP.

GPP is the selection of products and services that minimize environmental impacts. It requires the organization to carry out an assessment of the environmental impacts of a product at all the stages of its life cycle. This means considering the environmental costs of securing raw materials, and manufacturing, transporting, storing, handling, using and disposing of the product. GPP is often the first step in the implementation of SPP.

SPP , in addition to environmental concerns, also incorporates social considerations.

Environmental considerations might include: the reduction of greenhouse gas emissions and air pollutants; improved energy and water efficiency; reduced waste and support for reuse and recycling; use of renewable resources; reduced hazardous waste; and reduced toxic and hazardous substances.

Social considerations might include: gender equity; poverty eradication; and respect for core labour standards.

Consumption expenditure is made up of final consumption expenditure of households and of government. The main National Accounts Aggregates for the period 2006-2009 regarding final consumption expenditures in Mauritius is given in Table 1.1. Figures in brackets represent percentages of the GDP.

**Table 1.1: Main National Accounts Aggregates (2006-2009) (Rs Million) (Source: CSO, 2010)**

	2006	2007	2008	2009
GDP at basic prices	182, 009	206,971	233,688	244,080
GDP at market prices	206,328	235,520	264,889	274,819
Final Consumption Expenditure	174,846 (84.7%)	196,533 (83.5%)	231,849 (87.5%)	244,915 (89.1%)
Households	145,491 (70.5%)	165,790 (70.4%)	196,929 (74.4%)	204,783 (74.5%)
General Government	29,355 (14.2%)	30,743 (13.1%)	34,920 (13.2%)	40,132 (14.6%)

The end consumption of households is thus about 74 % of GDP and the state's consumption is about 14% of GDP, which means that the volume of "governmental" consumption has a high incentive potential to influence companies' production. In certain categories, the impact can be very significant, as public purchasers influence a large share of the market-for example with respect to computers, papers, buildings, furniture and transportation.

The present public procurement policy in Mauritius does not formally take into account sustainability aspects. This National Action Plan (NAP) has been drawn up in order to promote and achieve SPP in Mauritius in accordance with the Policy Statement of the Government. In light of Mauritius's aspirations to put development on a sustainable path through the "Maurice Ile Durable" (MID) vision, this document sets out the aims, objectives as well as a number of actions to be adopted and implemented in Mauritius over the period 2011-2015. This document is a four year rolling plan. It lays out the first steps that need to be taken in Mauritius to ensure SPP becomes a reality. This Action Plan shall be reviewed regularly and a new set of actions will be identified at the end of its life time by December 2015.

Since the WSSD in 2002, a number of international initiatives have flourished. Various international and regional organization and networks have been active in promoting SPP through awareness-raising, tool-kit development and capacity-building activities. Those include among others: the OECD and the European Commission; the Japan based organisation IGPN (International Green Purchasing Network), launched in 2005; ICLEI (Local Governments for Sustainability), an international association of local governments and national/regional local government organizations; the International Labour Organisation's International Training Centre (ILO/ITC) and the Marrakech Task Force on SPP, an international team created in the context of the Marrakech Process. The Marrakech process is a global effort to promote progress on the implementation of Sustainable Consumption and Production (SCP). The Swiss-led Marrakech Task Force on Sustainable Public Procurement (MTF on SPP) is an international initiative that stems from the Marrakech Process. This Task Force has developed an approach for implementing SPP in both developed and developing countries, known as the MTF Approach to SPP. In 2008, the Swiss government and the United Nations Environment Programme (UNEP) designed a project to roll out this Approach in up to 14 countries worldwide. This project, entitled *Capacity Building for Sustainable Public Procurement in Developing Countries*, is supported by the European Commission, Switzerland and the Organization of Francophone countries. Since 2009, UNEP has been running a project aimed at supporting the development and the implementation of SPP policies in 7 pilot countries including Mauritius. The Government of the Republic of Mauritius has agreed to be one of the pilot countries for the SPP led by UNEP and its partners. Under the Public Procurement Act 2006, the Procurement Policy Office (PPO), which falls under the Ministry of Finance and Economic Development, is vested with the responsibility for the formulation of strategies and policies with regards to public procurement. In this respect the PPO has been identified as the enabler for implementation of the SPP project. The PPO has set up a Steering Committee comprising representatives of relevant public bodies, private sector and NGOs, who has the responsibility of driving the Project. A Task Force, comprising a larger number of stakeholders, has been constituted to oversee the development of a country based SPP Policy & Action Plan. Once the

SPP Policy & Action Plan has been approved by UNEP and the Cabinet, the PPO will launch the policy plan and start implementation.

## 1.2 Why Engage in SPP?

SPP is a powerful way for the government to stimulate more SCP patterns for society at large and contribute to SD goals. The reasons to engage in SPP for Mauritius can be summarized as follows:

- (i) **Cost-effectiveness:** In many cases, public administrations can save money compared to a business as usual scenario. Some “greener” products and services are less costly in terms of their use, maintenance and disposal despite higher upfront costs. SPP is a way to use tax payers’ money in a responsible way.
- (ii) **Environmental Improvement:** Due to its importance as a customer, government can make a difference in environmental outcomes by choosing environmentally friendly options as opposed to classical options. For example, through energy efficient products and renewable energy sources, significant greenhouse gas emissions can be avoided. It can also benefit the environment by improving water and energy efficiency, reducing ozone-depleting substances, reducing waste and supporting reuse and recycling, reducing hazardous waste generation and reducing the use of toxic and hazardous substances in products. It will also support a healthier working and living environment for employees and for citizens
- (iii) **Influence Producers:** Government can use its market power to influence producers to shift more rapidly to cleaner technologies and products. It will stimulate the local market to innovate and look for or produce more sustainable products. By lowering the costs of clean technologies due to economies of scale of, this can also help private consumers shift to sustainable products. Sustainable Public Procurement expands or creates broader markets for goods and services that support sustainable development. Applying SPP in public sector procurement can help achieve economies of scale in the acquisition of sustainable/environmentally preferable goods and services. This reduces the cost for government and strengthens green markets and industries.
- (iv) **Lead by example:** Government will lead by example by putting public procurement practices in line with their publicly-advertised sustainable development goals and especially for the Maurice Ile Durable vision. Government will demonstrate leadership to support sustainability, not only through setting policies, but also by ensuring that public institutions embrace and pursue sustainable consumption patterns through managing their own impacts generated in the course of conducting government business. It is also politically attractive as it responds to public demand for the government to be environmentally and socially responsible in its own

operations. SPP allows governments to implement their commitment to SD in their own domain, ideally leveraging considerable effects on overall production and consumption patterns.

- (v) Raising awareness: SPP can also have desirable indirect effects such as raising consumer awareness about the environmental and social implications associated with different types of purchases. It will serve as a model for other consumers, and it will offer standards and information for use by other consumers.
- (vi) SPP can result in more environmentally and socially responsible planning, acquisition, use and disposal practices in governmental and other public institutions.
- (vii) Make Mauritius a leader in SPP among Small Islands Developing States (SIDS) and in the region.

### **1.3 Aim and Objectives**

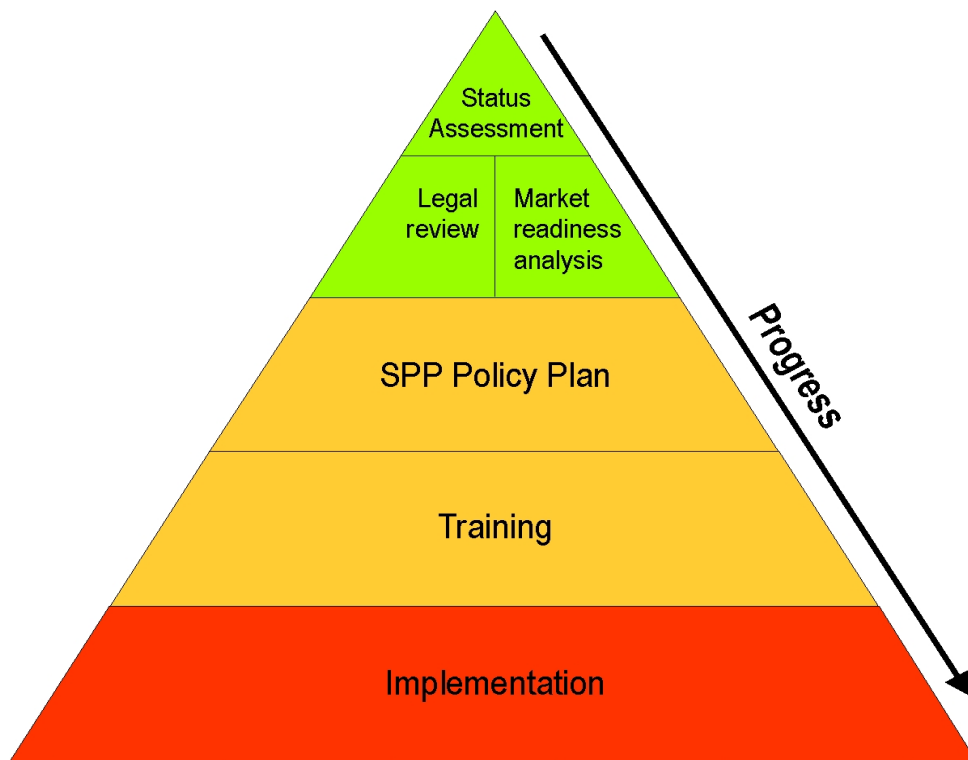
The aim of this National Action Plan (NAP) is to implement the Government's Policy Statement on SPP. It will assist the public sector to build sustainable procurement into their corporate culture, take proper account of sustainability in procurement activity and to be able to demonstrate how this is being achieved. This Action Plan calls on all public bodies to produce their own Delivery Plans to set out how SPP will be carried out and make it publicly available. The objectives of this NAP are the following:

- (i) Show the potential role of SPP in achieving Sustainable Development objectives.
- (ii) Review the policy framework on public procurement, identify the challenges for SPP and recommend the way forward.
- (iii) Present an Action Plan (with short/medium/long term actions) for SPP, setting concrete targets for some flagship products and services.
- (iv) Recommend appropriate monitoring and reporting mechanisms for the successful implementation of the SPP Action Plan.

## Chapter 2: Methodology

### 2.1 The MTF Approach to SPP

The MTF Approach to SPP was followed during the development of the policy and action plan. The MTF Approach to SPP (see Figure 2.1) works in the following way: first, pilot countries assess their procurement status through an online questionnaire (Status Assessment). Second, a review is undertaken to identify the legislative framework for procurement in the country and to analyze the possibilities for integrating social and environmental criteria into procurement activities. Third, a country-based Market Readiness Analysis is carried out in order to define the existing productive capacities for sustainable products and services and the potential responsiveness of the market to SPP tenders. After successful completion of these three actions, pilot countries develop a country-based SPP policy and implement a capacity building programme for procurement officers. Experts from UNEP as well as the Marrakech Task Force assist each pilot country in implementing the Approach and follow the implementation of its SPP policy during one year. The lessons learned from the project will serve to improve the methodology and will help to embed sustainable public procurement in other countries.



**Figure 2.1: MTF Approach to SPP**

## 2.2 Tasks and Methodology

The Plan is based on an understanding of the current situation in Mauritius and an analysis of best practice examples from the Action Plans of other countries. It is also based on consultation with key stakeholders. This Plan was prepared jointly by Professor Toolseeram Ramjeawon from the University of Mauritius (the National Consultant ) and Mrs Barbara Morton (the International SPP expert attached to the project). Close liaison with the PPO was maintained, in particular with Mr S Tahalooa, throughout the preparation of the Plan. Based on the objectives, the following tasks were carried out with the methodology/strategies to be adopted.

- **Identify opportunities for the contribution of public procurement to the achievement of national sustainable development targets.** This was done through reference to major SD reports, to the MID vision, to various sectoral policies and to the opportunities identified during the SPP Policy workshop (23-24 November 2010). It kept in focus the current institutional setting and arrangements for Public Procurement and to the following on-going key processes and initiatives in the country: Maurice Ile Durable project, National Programme on Sustainable Consumption and Production, Energy Efficiency , Corporate Social Responsibility (CSR) policies, Democratization of the Economy, Promotion of SMEs, etc
- **Identify and analyse potential barriers for SPP implementation and recommend measures to overcome these barriers.** This involved consultation with key stakeholders including representatives of Ministries and key supply chain partners. A survey of the procurement and supply officers of public bodies was carried out to identify barriers to SPP in Mauritius and discuss the way forward. Meetings with suppliers of products/services also informed this action plan.

**Draft a National Policy and Action Plan to achieve the targets and ensure that public procurement fully contributes to SD in Mauritius in line with the MID vision. Make appropriate recommendations and define the actions which must be taken with milestones for getting started and clear target dates for the future.** The National Action Plan is a four-year rolling plan (2011-2015). It lays out the first steps that need to be taken to implement SPP and ensure that SPP becomes a reality. The Plan shall be reviewed regularly and start to be updated no later than 2014 in order to have a new set of actions upon the end of its lifetime by December 2015. The National Strategy and Action Plan focus on certain key product/service groups and set targets for these products / services. These standards could be raised through the



years. The products/services selected are those that could generate substantial impact on the environment and generate socio-economic benefits, where a positive demonstration effect can be achieved, for which green/sustainable criteria and alternatives are available and where there is a possibility to harness win-win solutions with limited administrative obstacles.

To discuss the way forward the report considers priority areas for programmes/activities on SPP in the country under the following four clusters listed below:

- a. Institutional and Policy Mechanisms (Institutional set-up, Legal framework, Budgetary process, etc)
- b. Supporting Tools and Instruments (Product guidelines, Life Cycle Assessments, Life Cycle Costing, Eco-labeling, etc)
- c. Means of Implementation (Finance, Partnership and Collaboration, Information Outreach, Research, etc)
- d. Awareness Raising and Capacity Building for SPP (awareness of decision makers, SPP skills development, etc).

- **Make recommendations on appropriate monitoring and reporting mechanisms for SPP.**

Methodology: For each key action/sub-actions identified, monitoring indicators, implementation time frame and responsibilities will be identified.

## **Chapter 3: Potential Contribution of SPP to achievement of Sustainable Development Objectives**

### **3.1 National Strategies and Policies for Sustainable Development**

#### **3.1.1 International Commitments on Sustainable Development**

As a Small Island Developing State (SIDS), Mauritius has to face a number of inherent constraints and challenges. It is ecologically fragile and particularly vulnerable to natural disasters and to impacts of climate change. Given the importance of the environment for its economy, the Government of the Republic of Mauritius has shown commitment to implement international recommendations on sustainable development (SD) such as : the 1992 Agenda 21, the 1994 Barbados Programme of Action for SIDS , the 2002 Johannesburg Plan of Implementation (JPOI) and the 2005 Mauritius Strategy (MSI) for SIDS. All of these international recommendations address green purchasing which is included in the principles for sustainable consumption and production. Theme 15 of the MSI for example addresses specifically the issue of SCP.

There is currently no National Sustainable Development Strategy. However, National and Sectoral policies, Strategies and Action Plans for Environmental protection, Economic and Social Development and Poverty Reduction in Mauritius have adopted sustainable development principles. At the national level sustainable development is now increasingly recognised as a national development paradigm. However, it should be stressed that the implementation of the international recommendations is constrained by limited financial resources, commercial viability, inappropriate capacity and infrastructure and the inherent vulnerabilities associated with a small island.

#### **3.1.2 The Country's Development and Economic Reform Strategy**

Since independence in 1968, Mauritius has achieved remarkable economic and social success, based on good governance, exceptional use of preferential trade agreements for its sugar and textile exports, and the development of strong tourism and financial services industries. At independence, the country was poor, with a per capita income of about US\$260. Today, per capita income is US\$5,250, the second highest in sub-Saharan Africa, with good social indicators. (ADB, 2010)

However, Mauritius faces significant economic and social challenges as it transitions from dependence on trade preferences to open competition in the global economy. The country's challenge is to boost economic growth through higher productivity; develop human capital through education reform to

raise skill levels; and promote new emerging sectors and move Mauritius to a more knowledge-based economy while preserving its longstanding commitment to social welfare. To address these challenges, the government of Mauritius has laid out a plan to return Mauritius to a high growth path and to protect Mauritians who are negatively affected by the transition. The government's reform program has four pillars (MOE, 2010):

- (i) Fiscal consolidation and improved public sector efficiency;
- (ii) Improving trade competitiveness;
- (iii) Improving the investment climate to rank Mauritius among the most investment and business friendly locations in the world; and
- (iv) Democratizing the economy through participation, social inclusion and sustainability.

As regards the macro-economic framework, the government's programme includes measures to enhance efficiency in administration and collection as well as to eliminate wastage and inefficiencies, especially in procurement and delivery procedures. To boost private sector competitiveness, Government is implementing a tariff liberalisation programme aimed at achieving a low and uniform level of protection for the manufacturing sector while preparing Mauritius to become a duty free island. The reform also provides for an extensive economic restructuring programme mainly aimed at modernising and diversifying the sugar and textile/clothing sectors, consolidating the tourism and financial sectors while promoting emerging ones such as ICT, Knowledge and seafood industry. The investment climate has been made more attractive and business friendly by significantly reducing the cost of doing business, simplifying business registration and unifying all existing incentive schemes into a transparent one. Finally, to counterbalance the effect of liberalisation and reduce inequalities, the reform includes several measures to empower the disadvantaged and improve their access to social services. The fiscal consolidation drive will also generate more fiscal space for important social sectors such as health, education and training and low income housing.

The economic agenda is thus structured around strategic themes crucial to the sustainable development of the island, namely building an attractive, modern, inclusive, green and open economy.

### **3.1.3 Strategies and Policies for Environmental Management**

National Environmental Strategies and National Environmental Policies documents have been prepared since 1992 to guide environmental protection and sustainable development in the country. The National Environment Action Plan 1 (NEAP1) was formulated in 1988 focussing largely on developing a policy, legislation and institutional framework for environmental management in Mauritius and implemented with the Environment Investment Programme 1 (EIP1). EIP 1, which

covered the period 1988 – 1998, established a policy, legislative and institutional framework for environmental management. Although the MOE did not have a specific sustainable development mandate, they have as far as possible tried to integrate the underlying principles of SD in policies, strategies and programmes. Milestone development plans such as the National Sewerage Master Plan and the National Solid Waste Management Programme were prepared successfully under the first National Environmental Action Plan (NEAP1). With the implementation of the second ten year National Environmental Strategy and National Environmental Action Plan for the period 2000-2010(NEAP2), environmental concerns were integrated into main environment related sectors of national planning and development through a set of policies, strategies and EIPs (National Development Strategy 2003 for land use planning; National Forest Policy; Tourist Master Plan; National Biodiversity Strategic Action Plan; etc).

The 1990 National Environment Policy (NEP) has been the starting block of environmental management in Mauritius. Upon its revision in 2007, the Ministry of Environment has redefined its vision and mission to pave the way towards achieving SD goals. Section 7.8 of NEP (2007) deals specifically with the issue of SCP (See Box 2). It will be seen that one of the national targets is the development of a green procurement policy for government.

## **Box 2: National Environment Policy Section 7.8: Strategic Objective on Sustainable Production and Consumption**

### **Objective**

Achieve sustainable consumption and production patterns

### **National Targets**

- (i) Set up and operationalise the National Cleaner Production Centre in the short term.
- (ii) Reduce significantly material and energy consumption within manufacturing organisations through eco-efficiency tools.
- (iii) Develop and implement market-based instruments to foster energy efficiency and increase the generation of renewable energy.
- (iv) Promote an Environment Industry contributing to the GDP in the short to medium term.
- (v) Ensure that the business sector has regular Environmental Reporting.
- (vi) Introduce a Government Green Procurement Policy.
- (vii) Promote green consumerism.
- (viii) Promote sustainable farming and develop a food security plan.
- (ix) Promote clean and affordable technology

### **Strategies and Policy Instruments**

#### **Government will**

- Develop a 10-year framework of programmes in support of national initiatives to accelerate the shift towards sustainable consumption and production.
- Encourage industry to adopt cleaner production through applying regulations, using economic instruments; providing support measures and obtaining external assistance; encourage financial institutions to incorporate sustainable development considerations in their decision-making processes.
- Consider making Cleaner Production Opportunity Assessments mandatory through regulations.
- Provide consumers as well as producers with incentives to move towards more sustainable consumption patterns and lifestyle choices:
  - Lead by example through green procurement policies that promote the diffusion of environmentally sound goods and services;
  - Provide a consistent policy framework through awareness raising schemes;
  - Encourage community-based debates that question and challenge the sustainability of current production and consumption patterns.
- Strengthen the Enforcement Capacity for industrial pollution control.
- Design information and training programmes to assist SMEs to achieve sustainable production.
- Encourage industries to adopt voluntary policy instruments such as environmental management systems, Codes of Conduct, Certification and public environmental reporting, taking into account such initiatives such as the ISO Standards and the Global Reporting Initiative Guidelines on Sustainability reporting. Introduce an Environmental Reporting Award to give recognition to such companies.
- Develop an aggressive awareness raising campaign on the importance of sustainable production and consumption patterns, targeting among others our youth, through inter alia, education, public and consumer information, advertising and other media.
- Consider the use of Life Cycle Assessments and Product Service Systems tools in policy-making
- Consider the introduction of Eco-labelling schemes and Environmental Product Declarations as consumer information tools.

### **3.1.4 Sustainable Consumption and Production (SCP) in Mauritius**

UNEP started a collaboration with the Ministry of Environment in Mauritius on mainstreaming SCP in 2007, when Mauritius was chosen as a pilot country for the “Planning for Change 10-step” methodology to develop a national SCP programme. The National Programme on Sustainable Consumption and Production “Achieving more with less” was approved by the Cabinet in August 2008. The SCP Programme focuses on 5 priority areas:

- Resource use efficiency
- Education and communication for sustainable lifestyles
- Integrated waste management and recycling
- Sustainable public service practices
- Improvement in market supply of sustainable products and services

This programme encompasses 44 projects in these priority areas and is being implemented within a period of 5 years (2008-2013). The overall objectives are to: (i) decouple economic growth from use of natural resource e.g by increasing resource efficiency, changing consumption pattern and dematerialization (ii) change consumption patterns through technological shifts and behavioral change (iii) increase demand and supply of sustainable products and services in the market and (iv) promote/adopt more sustainable lifestyles, consumption choices. The SPP project in Mauritius is in line with “Achieving more with less” and is part of the implementation of the National SCP programme.

### **3.1.5 Democratization of the Economy**

Government’s commitment to promote equity and fairness in society is demonstrated through its “Democratization of the Economy” initiative whereby every citizen is given the opportunity to participate in the development process. The intention is to bring in a new economic model and increase the number of players. A special Commission has been created and the main areas of intervention of the Commission identified for the democratization process have been:

- development of aquaculture and its replication by small operators
- non-sugar, export-oriented and value-added agro-industry based on the production and export of decorative plants, processed medicinal/herbal plants and organic agriculture;
- outsourcing and deep structural reforms in the tourism sector;
- institutional reforms requirements review of the business regulatory framework; and
- land reform and social housing.

### **3.1.6 Social Integration**

Mauritius has shown constant progress in its Human Development Index(HDI) from 0.655 in 1980 to 0.721 in 1990 and 0.791 in 2007(HDI ranking 65)(UNDP, 2007). The incidence of absolute poverty is relatively low, although pockets still prevail in some suburban and coastal regions in Mauritius and on the island of Rodrigues. About 12% of the population is estimated to be poor, based on a poverty benchmark calculated at 50% of the median monthly household expenditure. The incidence of poverty is relatively higher among female-headed households (33.8% than among male-headed households (8%). The incidence of poverty in rural areas is more than three times than that of urban areas.(EU, 2007).

To deal with poverty alleviation in a substantive manner, the Empowerment Programme has been created that provides comprehensive measures for poverty alleviation, capacity building of the vulnerable segments of the population as well as incentives for employability, entrepreneurship and establishment of SMEs. A special Empowerment fund has been created. A special committee for the eradication of absolute poverty has been set up, which comprises all stakeholders to look into the specific needs of the poor, provide urgent assistance and lend support to the children and the unemployed in these pockets of poverty. The overall objective is to eradicate all cases of absolute poverty in the country within a span of seven to ten years.

A number of laws have been passed to enhance gender equality and promote child's rights. To this end institutions have been created to better focus on the needs of these groups such as the National Women Council and the National Children's Council. The Training and Employment of Disabled Persons Board has been set up under the Training and Employment of Disabled Persons Act, 1996. Its main objective is to promote training and employment opportunities for persons with disabilities in accordance with the provisions of the Training and Employment of Disabled Persons Act, which, inter alia, stipulates that the labour force of all employers having 35 employees or more should include 3% of disabled persons.

### **3.1.7 Industrial Development**

As per MOI (2010), in 2008 manufacturing accounted for 19% of GDP, 23% of total employment and 85% of total domestic exports. At the end of September 2009, the manufacturing sector comprised 810 medium and large establishments (employing more than 10 persons each) and around 13,000 small establishments (employing less than 10 persons each). The sub-sector of enterprises oriented towards export was composed of 414 companies (both large and small) at the end of the third quarter of 2009.

It produces a relatively narrow range of products, with textile and clothing accounting for about 65 % of the total exports, followed by fish and fish preparations at 20% and jewellery and processed diamonds at 6%. The domestic manufacturing sub-sector (catering for the local and regional markets) comprises 502 large establishments and produces a more diversified range of products within 11 main product groups. It accounts for 9.7% of the GDP and employs 27,313 persons.(CSO, 2008)

Data about pollution and resource use in industrial companies, as well as industry sector specific data sets are not systematically collected and published in Mauritius. This absence of reliable data obstructs the development of realistic, targeted and effective policies on environmental management in industry and hinders measuring progress towards more sustainable industrial production. However, a few waste audits carried out in industry, especially in SMEs; show that industrial progress has been slow in improving eco-efficiency. Sustainable production activities are mainly focused on the implementation of environment management systems (ISO 14000) in large companies or Green Globe certification in major hotels. Only 10 enterprises in Mauritius are certified ISO 14001. However, action plans and policies remain to be established targeting all key sectors of the Mauritian Economy. More advanced sustainable production concepts such as Life Cycle Assessments and Eco-design are not applied. The state of Sustainable Production (SP) may thus be described as being slowly in progress but yet having a long way to go before being widely adopted and fully integrated as an everyday practice in all businesses, including SMEs.

The level of innovations in the Mauritian economy, mainly industry, should be considered unsatisfactory. A reflection of this fact is the expenditure on Research & Development as a share of GDP is only 0.3%, a tenth of that in high performing developed and developing economies and that purchase and use of foreign technologies is limited. Royalty and license payments were just US\$ 1.7 per capita compared to US\$ 2000 in Ireland.

The Government of Mauritius has recognized that improvement of the environmental performance of its industries is essential for achieving its mid-term development goals. The EU-Mauritius Country Strategy paper 2008-2013 also refers to the need to reduce environmental impacts of industry and development of adequate environmental industrial management including the setting up of an institution for promoting resource efficient and cleaner production. Within this context, the Government of Mauritius requested the assistance of UNIDO and UNEP to develop a **Resource efficient and cleaner production (RECP) programme in Mauritius**. The RECP Programme aims at contributing to sustainable industrial development and sustainable consumption and production in Mauritius, through the widespread uptake of RECP concepts, methods, practices and policies. This will contribute to reducing pollution and waste intensity of businesses and other organizations and



promote the productive use of natural resources (including energy, water and materials). This will in turn contribute to slowing down environmental degradation, improving productivity and competitiveness, which are increasingly important factors for enabling access to international markets. The support is planned for a period of 36 months. During this period, the RECP Programme in Mauritius will focus on RECP capacity building for national experts and the implementation of Cleaner Production (CP) assessments in demonstration companies in three priority industry sectors, namely: food processing; textile and tourism/hotels. In parallel, opportunities for mainstreaming RECP in government policy will be identified and implemented, and awareness about RECP will be bolstered through a national awareness and dissemination campaign.

### **3.1.8 Promotion of SMEs**

Promotion of SMEs through a business facilitation programme has been given priority by the government through the Business Facilitation (miscellaneous provisions) Act 2006 and a significant number of SMEs have been established over the last four years. The SME sector comprises about 92,000 establishments, employs some 209,000 workers and accounts for approximately 20.8% of GDP. The SME sector has generated 24,000 new jobs in the past four years, accounting for 60% of the total 40,000 jobs created.

The main objective of the Republic of Mauritius Industrial and SME Strategic Plan 2010 – 2013 (MOI, 2010) is the promotion of the development of a globally competitive innovative and technologically strong SME base. It also aims to strengthen the existing ongoing entrepreneurship and support measures to stimulate growth of new enterprises and equip existing SMEs with technical and innovative capabilities to raise productivity, efficiency and profitability. Emphasis is also placed on innovation, green production, value addition and sustainable development.

### **3.1.9 Corporate Social Responsibility (CSR)**

Corporate Social Responsibility (CSR) is the concept whereby companies act to balance their own economic growth with the sustainable social and environmental development of their areas of operation. A company performing highly in CSR is one that goes beyond compliance with the legal framework to actively pursue positive impacts on local communities and its environmental footprint. Public Private Partnerships on Sustainable Development are promoted through Corporate Social Responsibility, a government policy in Mauritius mandating registered companies making profit to contribute 2% of their book profit after income tax, in compliance with prevailing legislation, to set up a CSR Fund to finance CSR activities. Specific objectives of this fund are to:

- Encourage companies to manage their own programmes, impacting the intersection of economic with social and environmental development
- Facilitate the contribution of companies to support existing Approved National Programmes implemented by Companies, national agencies or NGOs
- Promote a functional community on NGOs with complementary workplans that are relevant to the national development programme

Any profitable company may use its CSR Fund to finance programmes under any of the following options:

- Approved Corporate Programme
- Approved NGOs
- Approved National Programme

CSR activities must focus on the following Areas of Intervention:

- Socio Economic Development (including gender and human rights)
- Health
- Education & Training
- Leisure and Sports
- Environment
- Catastrophic Interventions & support
- 

### **3.1.10 Energy Efficiency and Renewable Energy**

With its high dependency on imported energy carriers (about 80% of the energy requirement is imported), Mauritius is very vulnerable to energy crises and reliable and affordable energy has never been as important as it is today. The total primary energy requirement was 1379 ktoe in 2007. The largest consumers of energy were the transport and manufacturing sectors which accounted for 47.9% and 30.6% of the total energy consumption respectively. Household consumption accounted for about 12% of the total energy consumption. The share of fossil fuels in the total energy requirement increased from 62% in 1992 to 82.2% in 2007. Programmes for increasing efficiency and expanding renewable energy are thus not keeping pace with increasing demand and economic growth.

Energy Efficiency and the expansion in the share of renewable energy are high on the Government's agenda given the high importation costs of fossil fuels. A Long-Term Energy Strategy 2009-2025 report has been prepared which sets a road map for future energy and environmental policy. Targets

have been set in the Long Term Energy Strategy Report and it is expected that by 2025, 35% of the electricity generation would be met from renewable energy sources (MREPU, 2009).

The Energy Efficiency Bill (No XVI of 2010) provides for the setting up of the Energy Efficiency Management Office which shall make provisions for the efficient use of energy in Mauritius. The functions of the office will include the establishment of energy consumption standards, devise in collaboration with other relevant authorities Minimum Energy Performance Standards (MEPS) regarding any equipment, machine or appliance which is imported, manufactured or sold in Mauritius, devise labeling requirements and specifications regarding any equipment, machine or appliance which is imported, manufactured or sold in Mauritius. Energy standards and Energy efficiency labeling are currently being developed by the MSB for electrical appliances such as air-conditioners, refrigerators and washing machines.

The 2011 budget announced a change in the taxation system of motor vehicles to be based on a CO<sub>2</sub> emission standard, following a study to be made by the IMF and the AFD. The Ministry of Public Infrastructure is presently conducting a feasibility study financed by AFD on the use of Gasohol (a mix of ethanol and gasoline) and the introduction of electric cars.

It should be noted that several Ministries have already initiated some green procurement initiatives through the installation of CFL lamps in government buildings and in street lighting, the replacement of traffic lights by LED and the provision of solar water heater systems for some hospitals.

### **3.1.11 Sustainable Buildings and Infrastructure**

Residential, public and commercial buildings account for a large part of material and energy use of the economy. An increasing population coupled with multiple economic activities, including tourism has given rise to a net increase of 28.4% in the number of buildings from 200, 626 in 1990 to 257,521 in 2000. A number of projects are on-going or planned to promote sustainable buildings.

The UNDP is presently funding an important project entitled “Removal of Barriers to Energy Efficiency and Energy Conservation in Buildings” and in parallel the Ministry of Public Infrastructure is presently reviewing the Building Act to incorporate the concept of Energy Efficiency and green the building codes. The EU on its part is also financing the development of a policy, guidelines and rating system on sustainable buildings and construction to be implemented during this year. It is part of the National Programme on Sustainable Consumption and Production.

The Green Building Council of Mauritius (GBCM), founded in 2009, is a not-for-profit organisation committed to educate practitioners about green buildings. GBCM is a member of the World Green Building Council (WGBC). GBCM is making the accredited professional program Green Star South Africa program available to Mauritius.

One of the most decisive factors for future growth in Mauritius will be infrastructure development. Government has an ambitious infrastructure plan. About Rs 250 billion(USD 8000 million) is planned for infrastructure development for the next ten years, with the expectation that most of it will be frontloaded and that a substantial amount of that investment will be through public-private partnerships. Major projects planned in the short to medium term include mega projects in a road decongestion programme, a state of the art rapid transit system, a modern airport and port, the infrastructure for the land based oceanic industry, the trading hub of Jin Fei, university parks to accommodate more tertiary institutions, and more hospitals to modernize health care.

### **3.1.12 Agriculture and Food Security**

Mauritius depends a lot on imported food and is thus vulnerable to external shocks such as volatility in food prices. To address food security, a special security fund has been created to help promote local production. A draft report on Strategic Options for crop diversification and livestock sector for the period 2007-2015 has been prepared by the Ministry of Agro-industry and Fisheries. Sustainable Agriculture policies including Organic agriculture and Good Agricultural Practices (GAP) have been formulated in the report.

The Fair Trade label is a scheme proposed by the FLO, an international NGO based in Bonn, Germany, so as to enable small producers to benefit from fairer and more equitable prices for their products. Compliance with Fair Trade principles also ensures that planters adopt the best agricultural practices and as such promote sustainable development. In line with the Economic Restructuring and Competitiveness Package, the Mauritius Sugar Authority is assisting the Cooperative Credit Societies and other small planter entities engaged in sugar cane cultivation to acquire Fairtrade accreditation. Government has set up a scheme to assist sugar cooperatives to obtain the Fair Trade accreditation. Funds in terms of soft loans for 75 percent of the cost of consultancy and application fee of Rs 150 000 would be made available. To date, there are five Cooperative Credit Societies which have already obtained the Fairtrade accreditation.

### **3.1.13 Solid Waste Management Strategy**

The total amount of solid waste disposed at the Mare Chicose landfill went up from 180,788 tonnes in 1999 to 394,118 tonnes per year in 2007. Waste generation forecast made in 2004, projected a growth of 1% annually to reach about 398,000 tonnes in 2009 and about 510,000 tonnes in year 2034. Recycling rates are still very low, which is not slowing the rate of growth of waste for final disposal. Only about 9 % of paper, 3% of plastics and 31% of textiles are recycled.

The present strategy of disposing wastes at the landfill and/or dumping sites will in the long-run be no longer sustainable or appropriate with the rapid increase in waste generation, scarcity of appropriate landfill sites and the density of human settlement. A new strategy has been developed by the Ministry of Local Government (see <http://www.gov.mu/local> government) based on three broad principles:

- Minimisation of waste production : Prevention or avoidance of waste generation in terms of quantities and hazardousness when products and goods are being manufactured, transformed, transported and consumed
- Maximisation of value derived from waste Recovery of materials and resources from waste, by means of active recycling activities and composting, which would result in the reduction of the amount to be disposed of at the landfill.
- Environmental waste treatment and disposal Sound practices for best possible waste disposal method for a particular type(s) of waste having the minimum impact on the environment would be opted for.

One of the main target as mentioned in the National Environment Policy (MOE,2007) is to raise the overall recycling rate of Municipal Solid Wastes to 25%.

### **3.1.14 Water Conservation Policy**

Despite high annual rainfall, Mauritius is classified as a water-stressed country. The severe droughts of 1999 and 2010 have shown that water availability can be a constraint to development if effective water resources management is not pursued. The National Environment Policy of 2007 has an objective of achieving significant water conservation in industry, domestic and agriculture sectors. Government is merging the present institutions dealing with water resources into one single water authority and devising a National Water Policy which will have water conservation as one of its main strategy. It can be expected that industries in the near future will have to carry out water audits regularly to show commitments to water conservation.

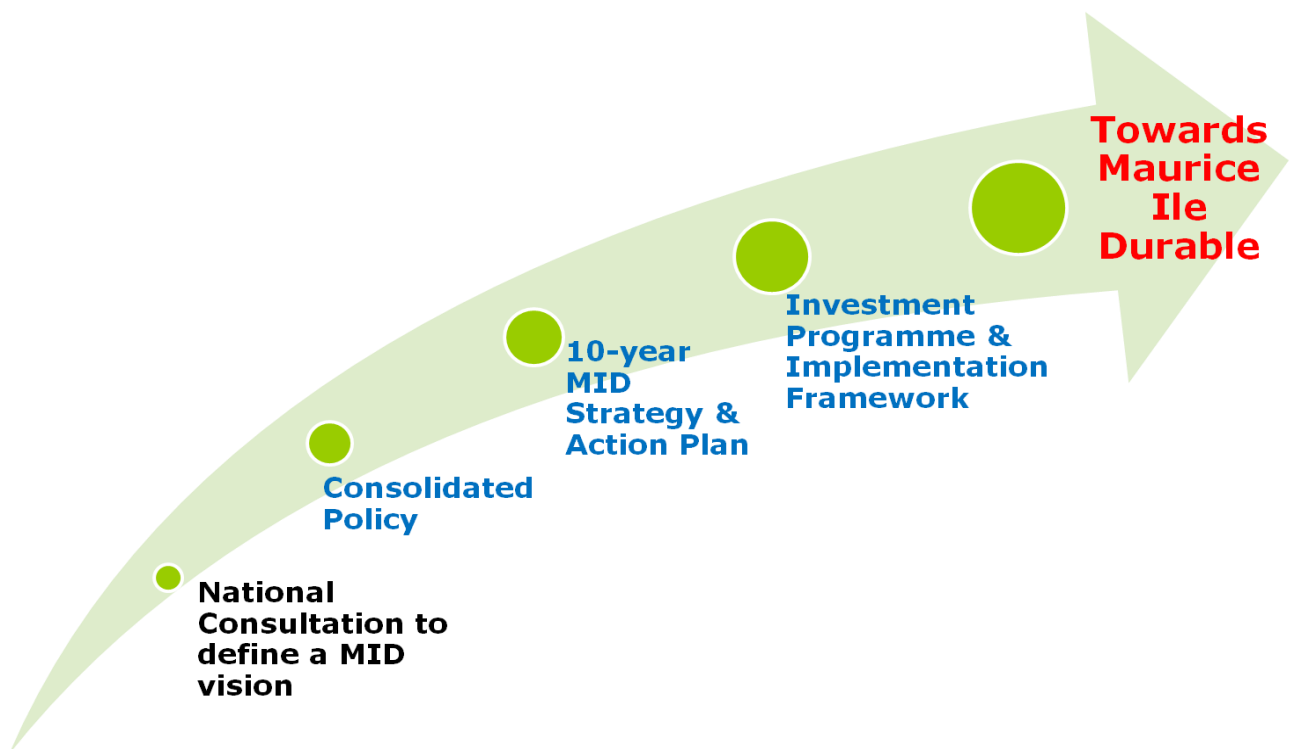
### 3.1.15 The Maurice Ile Durable(MID) Project

At the national level, there is currently a strong political commitment to advance sustainable development, namely with the adoption of the new long term vision of “Maurice Ile Durable”(MID). Since 2008, the Prime Minister, Dr. the Honourable Navinchandra Ramgoolam ,has announced his vision of making Mauritius a Sustainable Island – “Maurice Ile Durable (MID)”. The main objective of the MID project is to make Mauritius a model of sustainable development, particularly in the context of Small Island Development States. While the initial thrust was to minimize our dependency on fossil fuels through increased utilization of renewable energy and a more efficient use of energy in general, the concept soon widened to include all aspects of the economic model, society and the environment that are considered to be pivotal in the attainment of a sustainable Mauritius. In this context, a wide National Consultation Process (NCP) was launched in February 2010 with the aim to come up with a Green Paper, which embodies the needs and aspirations of Mauritians. The Green Paper, as submitted, includes a synthesis of the views and recommendations made by Ministries and the public at large.

Since May 2010 a new SD portfolio has been assigned to the Ministry of Environment and it is responsible for the MID project in collaboration with the MID Steering Committee at the level of the Prime Minister’s Office. A new MID process is currently on-going with a view of having a consolidated Policy, a 10-year Strategy and a 3-year Action Plan, taking into consideration the Green Paper and National Vision. The MID strategy can thus be viewed as a National Sustainable Development Strategy. The main thrust of this new process lies in the organization of 5 thematic Working Groups from mid May to mid July 2011, covering the 5Es of MID, namely:

1. **Energy** :Energy Conservation and Climate Change (Energy, Buildings, Transport, Housing and Land)
2. **Environment**: *Preservation of Biodiversity and Natural Resources (Marine and Terrestrial Biodiversity, Forest, Agriculture, Fisheries and Water) and Pollution, Wastes and Environment (Air quality, Noise, Wastewater, Solid Wastes, Recycling, Environmental health, Embellishment of the environment)*
3. **Employment**: Promotion of a Green Economy (Tourism, Industry, Information, Communication and Technology, Green jobs, Sustainable Consumption and Production)
4. **Education**: Informed, trained and responsible citizens (Empowerment of citizens, Environmental Education and Education for Sustainable Development, Public Health Education)
5. **Equity** : Enhancement of a social and ecological democracy (Governance, Poverty alleviation, Gender equality).

The 5 working groups will develop concrete proposals to facilitate the elaboration of a consolidated MID Policy, 10-year Strategy and 3-year Action Plan. Further to this phase, and taking into consideration the Working group conclusions and analytical work on 5E, the expertise of a team of consultants will be required to prepare, and finalise the MID Policy, Strategy and Action Plan. It is expected that the MID Policy and Strategy will be ready by the end of the year , after making a critical analysis of the present policies and strategies in key sectors, statistical data and the recommendations of the 5 working groups. Based on the consolidated Policy, 10-year Strategy, a 3-year Action Plan will then be formulated with realistic and costed short, medium and long term activities and projects. The Action Plan will also include recommendations for an appropriate institutional and legislative framework for sustainable development to ensure smooth implementation of the priority actions identified. With the effective collaboration of relevant Ministries, this Action Plan is expected to be ready by February 2012 and by the end of March 2012, each Ministry will have its own MID priority projects.



**Figure 3.1: Steps towards the MID Strategy and Action Plan**

## **3.2 Institutional & Legal Framework for Environmental Management and Sustainable Development**

### **3.2.1 Institutional Framework**

To effectively manage and implement sustainable development, there is a need to have well designed institutions. So far Mauritius has set up key organizations to support the development process and to encourage sound investment. The Ministry of Environment is the key organization for environmental protection and management. Since May 2010, an additional mandate, namely Sustainable Development, has been appended to that of the MOE which includes the management and operation of the MID Fund. A new Ministry for Social Integration and Economic Empowerment has also been created. Other organisations have been set up recently to promote and facilitate business development, ICT, Research and Science, and SMEs development.

One of the major barriers to implementation is the inadequate coordination between ministries. Institutional support for sustainable development works horizontally across different domains, agencies, ministries, functional groups, and countries, while the traditional organization of the authority and action is vertical, precisely along the lines of the same agencies and ministries. So the challenge is to identify institutional elements that can facilitate integration on a continued basis, across existing lines of authority and programme structures, without undermining or displacing them. The process of developing an integrated strategy is now taking place in the form of the MID strategy.

In order to give greater impetus to the MID quest, a Steering Committee comprising representatives of various Ministries and Departments, the Academia and Donor Agencies has been set up within the Prime Minister's Office in 2009 to coordinate projects funded by donor agencies under the MID programme so as to harmonize efforts, to ensure timely implementation of relevant projects and to look into all aspects of sustainability. The Steering Committee is also aimed to support cross-sectoral activities that require complex coordination among stakeholders and to monitor and ensure consistency of numerous activities and help prioritize such activities, measure their impacts and ensure cross-experience exchanges.

### **3.2.2 The Environmental Protection Act(EPA) 2002**

The primary environmental legislation encompassing all sectors is the Environment Protection Act 2002, whereby the Department of Environment has been vested with responsibilities for general



environmental protection. This act has been amended several times to take on board new and emerging challenges with regard to environmental protection strategies and tools for effective environmental protection and sustainable development. Thus, Environmental Impact Assessments and Environmental Monitoring as tools for incorporating environmental concerns with economic development have been given greater importance. Environmental management is not centralized and enforcement in environment concerns is handled by many agencies. Industrial waste audit regulations have been introduced to encourage industries to self-regulate and adopt cleaner technologies, as a precursor to the eventual adoption of ISO 14-000. The Environment Protection Act 2002 as amended in 2008 makes provision to empower the Minister of Environment to make regulations in relation to SCP for:

- the introduction of eco-labeling schemes for products
- carrying out cleaner production opportunity assessments in industry
- the introduction of producer and importer responsibility

### **3.2.3 The Budgetary Framework**

For the past three years the National Budget has put much emphasis on the greening of the economy and has made substantial provision for sustainable development projects including energy efficiency, renewable energy, poverty alleviation and other social development projects. For example, to operationalise the MID vision, the 2008-2009 budget makes provision for a Maurice Ile Durable (MID) Fund which support efforts to protect the environment through recycling, encourage more efficient use of energy and increase the reliance on renewable energy. The Fund mobilize resources through taxes, government subsidies, development partners, carbon credits and the private sector, including airlines offsetting their carbon credits. Government is replenishing the fund annually. The 2010 National Budget outlines measures and policies to shape the recovery, consolidate social progress and sustain Green Mauritius. Initiatives to sustain Green Mauritius are around the themes of energy efficiency, green buildings, solar energy, green procurement, enhancing the environment and improvement to water supply. They also included abolishing of customs duty on fluorescent kit and LED fixtures and active promotion of the concepts of green buildings and procurement.

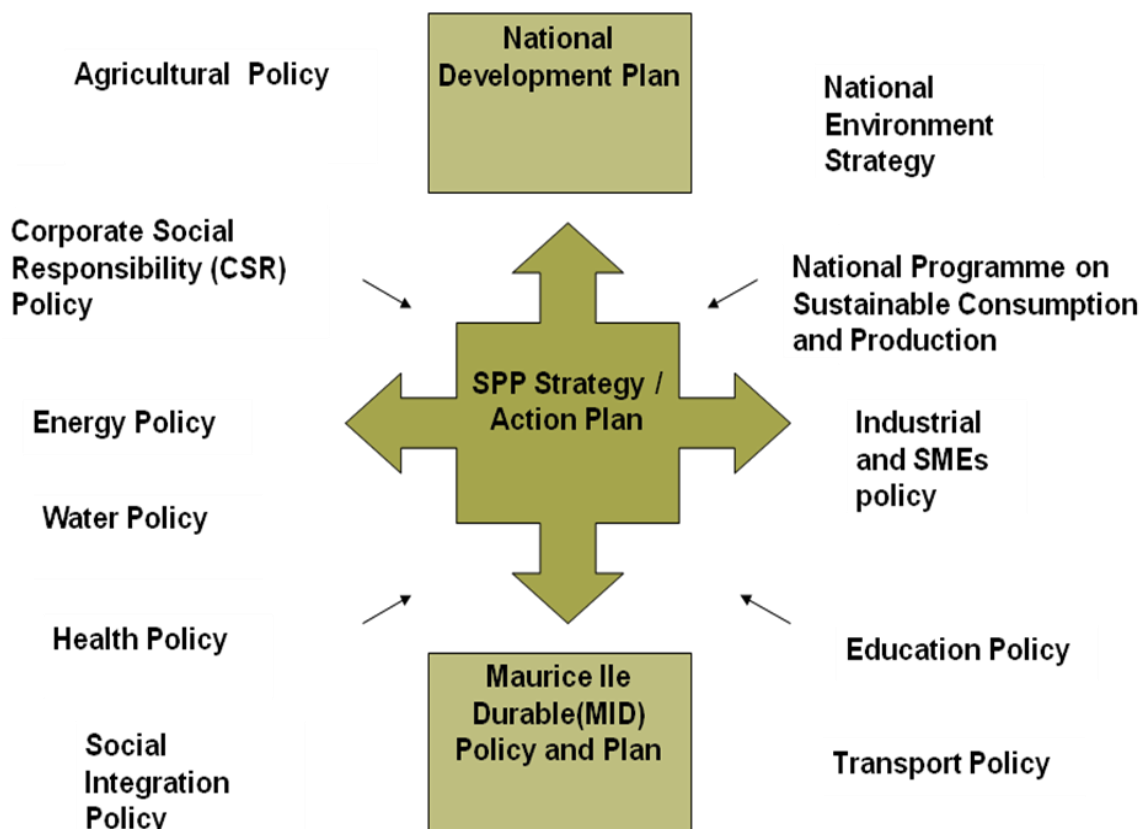
### **3.2.4 Public Management Reforms**

Rational and effective use of scarce financial resources is critical for the survival and prosperity of a small island like Mauritius. Also, to facilitate decision-making as well as enhance transparency and accountability, Government launched an economic reform programme in 2006/2007, whereby the Medium Term Expenditure Framework (MTEF) and the Programme Based Budget (PBB) approaches have sought to improve expenditure efficiency and effectiveness in the public sector by systematically

linking funding to results. Measurable and verifiable indicators are identified for each activity to measure the performance of programmes and further release budgets. The introduction of the Performance Monitoring System to assess the productivity of public officers is a complementary means of ensuring that the civil service is effective.

### 3.3 Potential Contribution of SPP to Sustainable Development Objectives

Besides its direct contribution towards promoting resource-efficiency at all levels of production and consumption, the development and implementation of an SPP Programme will be instrumental in supporting key sustainable development strategic priorities identified above. This is one important aspect of SPP-it should be viewed as an instrument for establishing and developing linkages between diverse policies and programs on SD (see Figure 3.2 ). SPP can be linked with many other development priorities, such as economic growth and competitiveness, democratization of the economy and job creation, environmental protection, water and energy security; poverty alleviation; health and education and an effective civil service.



**Figure 3.2 : Linkages between SPP and other Policies/Strategies**

It is important to integrate within the public procurement process where appropriate these key sustainable development strategic priorities. The following priority areas can be identified as those where SPP could make a significant contribution to sustainable development in Mauritius:

## **Resources Efficiency (Energy, Water, Materials)**

SPP can be used strategically to further the objectives of attaining a high level of energy efficiency within government infrastructure and support the development of renewable alternatives (such as solar water heaters or solar PV systems). Energy Efficiency criteria can be applied in the purchase of IT equipment, lighting systems, air conditioning units and other electrical appliances. In parallel, SPP would support standards currently being developed by the MSB (for example, the promotion, selection and use of eco-labelled electrical products). It also has application in green building schemes; use of water efficient devices and in the procurement of low carbon emission vehicles in government transport fleets. It can play an important role in achieving the national objective of raising the overall recycling rate of Municipal Solid Wastes to 25% through the promotion of recycled products (such as recycled paper, outdoor furniture made with recycled plastics, use of compost in farming systems, etc).

It is understood that, besides the eco-labelling work currently being carried out by the MSB on lamps and electrical appliances, MSB is also working in collaboration with the Ministry of Environment to develop a Mauritian Eco-label, named "Environment Friendly Label". The aim of the label is to provide the general public with information on the environmental impact of consumer goods and services. Such tools will be important for the application of SPP in the future.

A harmonisation of the three projects, namely the Building Control Bill, the Energy Audit Management Scheme (EAMS) and the Standard Designs for Buildings is currently on-going which fall under the umbrella project 'Removal of Barriers to Energy Efficiency and Energy Conservation in Buildings'. The project 'Removal of Barriers to Energy Efficiency and Energy Conservation in Buildings' is being funded by the UNDP and the Global Environment Facility with the aim of overcoming barriers to energy efficiency in residential, non-residential, existing and future buildings. The project includes the drafting of legislation, the establishment of an EAMS, the development of standards and labelling scheme for appliances and the establishment of a database on energy efficiency and consumption. Launched in July 2008, the project will be completed in April 2012.

The Energy Efficiency Bill which aims at reducing energy demand and improving the country's energy security, was voted in Parliament in April 2011 and energy efficiency is high on the agenda of the Government. The Energy Efficiency Bill, which provides for the setting up of the Energy Efficiency Management Office for optimum use of energy in Mauritius, was voted on at the National Assembly. The bill forms part of the National Energy Strategy which targets the reduction of energy consumption by 10 per cent by 2015.

With a view to implement energy efficient programmes, an Energy Efficiency Management Office will be set up. It will be responsible for the formulation and implementation of strategies of innovative

financing schemes in applying for carbon credits, education and awareness building, regional and international cooperation and regulation of imports of equipment on the basis of their efficiency level. Standards targeting appliances such as freezers, air conditioners, electric and microwave ovens, dryers, dish washers and electric water heaters will be developed by the office.

The Building Control Bill is being reviewed to incorporate energy efficient features in the construction of houses. Guidelines are being worked out for energy efficient houses for low and middle income groups. The United Nations Development Programme and the Global Environment Facility are funding the project 'Removal of Barriers to Energy Efficiency' with the aim of overcoming barriers to energy efficiency in residential / non-residential, existing and future buildings.

### **Environmental Protection and Environmental Enhancement**

SPP can contribute directly to environmental and health protection through , for examples: the banning of products containing specified toxic compounds, purchase of FSC-certified wood for wood products and flooring, environmentally friendly cleaning products, air conditioning units using ozone friendly refrigerants, paints with low volatile-organic-carbon fractions, paper sourced from FSC certified companies or containing recycled fractions, sea-food products which are MSC certified, products from industries compliant with environmental legislation, etc.

Sustainably built and managed properties and roads throughout the public sector will help in natural resources protection and environmental enhancement. SPP can facilitate the introduction of a Sustainable Drainage system for new infrastructure development and minimize the risk of flooding; maintain public historic buildings to secure protection and sustainable reuse; ensure protection and conservation of at risk historic buildings and monuments and contribute to sustainable social housing schemes.

### **Sustainable Industrial Development**

SPP can support other policies in the country aimed at reaching an efficient and environmentally sound industrial growth. It will assist the country to create markets for resource efficient and low polluting products and services and help to develop an environment industry in the long term. It can encourage the adoption of Environmental Management Systems in industry and ensure compliance with environmental standards such as the waste audit regulations. SPP can promote re-manufacturing by industry and stimulate closed loop business models. There are also opportunities to promote socially (as well as environmentally) responsible practices by cascading SPP requirements through supply chains. The potential of supply chain drivers can be also used as an incentive to promote a CSR agenda to SMEs.

## **Sustainable Agriculture**

Government/local governments can support organic farming systems or sustainable farming systems such as those based on the FAO model of Good Agricultural Practices (GAP) in procuring food products for hospitals, police force, prisons, etc. This shift in public sector catering will lead towards healthier diets and maximizing seasonal fruits and vegetables. A number of NGOs have recently obtained their certification for organic vegetables from Ecocert. If the fair trade specification scheme gathers momentum in Mauritius, it could also be used in the future for SPP.

## **Encourage SMEs to pursue public sector business**

The PPO is already trying to facilitate SME participation in public procurement through establishment of guidelines such as greater transparency around opportunities; pre-tender engagement with the market; sub-dividing of contracts into lots etc. It will be important that the action plan on SPP does not act as a barrier to market access by SMEs and in that context it will be important to support SMEs in meeting the requirements of SPP.

Section 28(2) of the Public Procurement Act (2006) stipulates that in appropriate cases and subject to regulation to that effect, a bidding document may provide an advantage or preference to a bidder. In that respect, margin of preferences will be granted in the following circumstances:

### **A) National Bidding**

- Goods: 10% margin of preference will be given for goods manufactured by small and medium enterprises where the value of the local inputs in respect of labour and /or materials account for at least 30%
- Works: 7.5% margin of preference will be bestowed on domestic contractors, subject to performance by the foreign subcontractors or, in case of joint venture, performance by the foreign partner not exceeding 50% of the works.

### **B) International Bidding**

- Goods: 15% will be given for goods manufactured by domestic enterprises where the value of the local inputs in respect of labour and/or materials account for at least 30% ; and
- Works: 10% to domestic contractors, subject to performance by the foreign subcontractors or. In case of joint venture, performance by the foreign partner not exceeding 50% of the works.

SMEs are defined as bidders (individuals or firms) having an annual turnover not exceeding Rs 50 million.

Following the implementation of the **Additional Stimulus Package (Miscellaneous provisions) Act 2009**, the Public Procurement Act has been amended with a view to enable the application of a margin of preference to and foreign contractors as an incentive to employ local labour in the execution of projects in the public sector. The margin of preference is in addition to the present domestic preference stated above. Details of this measure are given below:

- (a) for international bidding – a margin of preference of 5 % to domestic contractors employing at least 85 % local labour and to foreign contractors employing 15 % or more of local labour on a projects ; and
- (b) For national bidding – a margin of preference of 10 % to contractors (irrespective whether domestic or foreign) employing 85 % or more of local labour on a project.

### **Social Goals and Poverty Reduction**

SPP can be used to pursue social goals to reduce unemployment, raise labour standards, provide employment opportunities for disabled persons, and promote gender equality. It could be envisaged for example that governments require contractors to recruit the long term unemployed or buy fair-trade certified goods in the future. Furthermore SPP by definition includes processes that protect governments from purchasing from companies that flaunt their responsibility to uphold the universal human rights both towards their employees and the communities in which they operate.

### **Sustainable Consumption and Awareness raising**

SPP practice does not only affect management and operational aspects, but also promotes and demonstrates to staff sustainable behaviours and consumption practices. The SPP policy can be used to communicate to the general public the meaning and importance of SCP.

In conclusion, the implementation of the MID strategy which will include an SCP component will provide a good basis for the legitimacy to the incorporation of SPP requirements in public tenders. In turn SPP policies help deliver Sustainable development objectives.

## Chapter 4: Market Readiness Analysis Study

As part of the implementation plan, pilot countries have to carry out a study on the market readiness. This study was assigned to a local consultant. The aim was to assess the existing productive capacities for sustainable products and services in Mauritius, and the potential responsiveness of the market and national business sector to potential Sustainable Public Procurement (SPP) tenders. The study adopted a prioritisation process based on the methodology of the Marrakech Task Force on SPP (MTF of SPP), itself based on the methodology developed by UK's Sustainable Procurement Task Force (SPTF) to help public sector bodies "identify the largest, quickest and easiest sustainable procurement opportunities available to them". The approach includes the following dimensions:

- The environmental and socio economic risks ("the inherent environmental and social consequences associated with goods and services")
- The scope to do more ("Opportunity for the contracting organization to change its requirements, including its specification for goods and services")
- The ability to influence the market (market share being one enabling factor)

A scoring exercise is then concluded to combine these dimensions.

In the context of Mauritius, the main limitation of this methodology was the lack of data appropriate for such a study. This is a fairly common problem encountered in most countries where SPP has been rolled out, given that most published data are aggregated. This data is for approved projects by the Central Procurement Board (CPB), not the actual expenditures. There is some discrepancy between approved and expenditure amounts, but such discrepancy is not large enough to affect the results. Furthermore, not all expenditures are captured given the fact the CPB's approval is required for only certain spend categories and for certain amounts. However, it is the view of the PPO that the amount reflected for 2008 is approximately two-thirds of total public expenditures. In the context of the prioritisation study, it was felt that the CPB data was the single best available source, as stipulated in the SPTF methodology, and sufficiently detailed to enable identification of a large number of spend areas. Table 4.1 gives a list of the spend areas identified.

**Table 4.1: Spend areas based on CPB returns**

	<b>SPEND AREAS</b>	<b>APPROVED AMOUNT IN MUR</b>	<b>% SHARE</b>
1	WASTEWATER MANAGEMENT	3,880,247,37	22.11%
2	BUILDINGS: CONSTRUCTION	2,255,901,94	12.85 %
3	ENERGY: FUEL PURCHASE	1,944,568,91	11.08%
4	FOOD AND CATERING	1,681,878,72	9.58%
5	IT: COMPUTERISATION & SYSTEMS	1,011,071,52	5.76%
6	WASTE COLLECTION & DISPOSAL	955,271,74	5.44%
7	SEAPORT FACILITIES: CONSTRUCTION	947,497,15	5.40%
8	CONSULTANCY SERVICES	614,474,87	3.50%
9	HEALTH: CONSUMABLES	539,831,12	3.08%
10	BUILDINGS: MAINTENANCE & OPERATION	535,124,02	3.05%
11	WATER SUPPLY: WORKS & MAINTENANCE	534,212,55	3.04%
12	ROADS: CONSTRUCTION	494,140,78	2.82%
13	ROADS: MAINTENANCE	391,097,23	2.23%
14	ENERGY: PLANTS & EQUIPMENT	334,451,55	1.91%
15	INLAND SECURITY	275,010,27	1.57%
16	ROADS: DRAINS & MINOR WORKS	244,521,99	1.39%
17	BUILDINGS: RENTALS	172,237,22	0.98%
18	HEALTH: EQUIPMENT	153,931,95	0.88%
19	TRANSPORT: MOTOR VEHICLES	146,067,57	0.83%
20	HEALTH: PHARMACEUTICALS	130,428,32	0.74%
21	IT SYSTEMS: COMPUTERS & OFFICE	110,167,29	0.63%
22	AGRO-INDUSTRY SUPPLIES	97,617,275	0.56%
23	SERVICES: SECURITY, GROUND	63,543,490	0.36%
24	FURNITURE	26,852,546	0.15%
25	LABORATORY EQUIPMENT: INSTALLATION &	9,141,523	0.05%
26	PAPER & PRINTING	163,300,00	0.001%
	<b>TOT</b>	<b>17,549,452,314.23</b>	<b>100.00%</b>

A preliminary prioritisation thus gave a list of 26 spend areas that command more than 0.5 % of the market share. A second prioritisation was made to assess the degree of risk, the scope and influence associated with the procurement of goods, works, and services and the process narrowed the list to 21 relevant spend areas . Taking into account planned public sector investments and preferred management approaches together with the numerous initiatives under way, both public and private, and the ability of the market to respond, the study recommended that sustainable procurement be rolled out in phases. In the initial phase, it is proposed that the following 10 spend areas are given priority:

1. BUILDINGS: CONSTRUCTION;
2. WASTE COLLECTION & DISPOSAL;
3. ROADS: CONSTRUCTION;
4. WASTEWATER MANAGEMENT;



5. FOOD AND CATERING
6. WATER SUPPLY: WORKS & MAINTENANCE;
7. ENERGY: PLANTS & EQUIPMENT;
8. IT SYSTEMS: COMPUTERS & OFFICE MACHINERY;
9. IT: COMPUTERISATION & SYSTEMS MAINTENANCE; and
10. PAPER and PRINTING

**The “Quick Wins”:** the “quick wins” are those categories of spend that are easily implemented, have sustainable alternatives, are covered by labels, demonstrate whole life cost advantage and are easily supplied. In this category, we can include IT SYSTEMS: COMPUTERS & OFFICE MACHINERY; IT: COMPUTERISATION & SYSTEMS MAINTENANCE; FOOD AND CATERING; and PAPER and PRINTING. This last item did not appear in the list of priority spend areas because of its low market share but has been added on to the list because of its potential to achieve quick results and the ease with which sustainable criteria can be applied. Furthermore, sustainably produced paper is now easily available.

**The “Pioneering” Category:** CONSTRUCTION OF BUILDINGS falls in this category, given its potential to maximise sustainability opportunities. Large construction projects have been planned, and the shift to sustainable buildings does not seem to imply high premiums. Construction professionals and the building industry appear to be convinced that the efficiency achieved in energy and water usage will offset initial higher investments, which according to specialists will be around 5 to 10%. A number of architects and engineers are already implementing pioneering projects, thus building experience. The range of products in this category is expanding as leading manufacturers spend more money on research and development of sustainable building technologies.

**The “Challenge” Categories:** The remaining five categories (WASTE COLLECTION AND DISPOSAL, ROADS: CONSTRUCTION, WASTEWATER MANAGEMENT, WATER SUPPLY: WORKS AND MAINTENANCE, and ENERGY: PLANTS AND MACHINERY) are more challenging to implement. The organization should challenge itself and in particular its internal customers over what is being purchased-especially the specifications. There are also a few constraints that need to be addressed: in some cases the policy frameworks are not yet in place (energy sector); in others, sustainable alternatives may be problematic (roads construction). Nevertheless, there are numerous opportunities that this category presents and companies need to be encouraged to embrace them. A road construction company may, for example, be required to put in place an

environmental management system.

The report also identified a range of sustainable goods and services and product labels on the market; a few companies, which in order to meet stringent environmental standards, have ventured into the importation, production and sale of sustainable products; other companies are complaining about the additional cost involved rendering them less competitive, or are unwilling to invest simply because of the lack of demand for such products; and the availability of tools, instruments and conformity assessment infrastructure such as MSB to certify and verify sustainability of products.

The study identified the commitment of the government to promote sustainable production and consumption by referring to government national programmes, policies and instruments such as "Maurice lie Durable" and the promotion of Small Independent Power Producers. The study found that implementation of SPP project is possible in view of the positive responsiveness of the market and of the commitment of the government in making the island a sustainable one.

# Chapter 5: Barriers to SPP Implementation and the Way Forward

## 5.1 Results of Questionnaire survey

The information presented in this section is based on a questionnaire survey carried out in April 2011. A questionnaire designed to identify current practices and identify barriers and challenges was distributed to the procurement and supply officers of 60 public bodies to which 23 responded (i.e. a response rate of about 38%). Out of the 23 who responded, 15 were from high spending bodies (bodies spending more than Rs 50 million per year) and 16 were from bodies employing more than 100 people. Below is a summary of responses from the survey's respondents.

### **Application of SPP criteria in procurement**

One of the principal aims of the survey was to assess the picture of the level of SPP amongst public authorities in Mauritius.

- When asked about categories of goods and services that are purchased, most of them (90 to 100%) ticked the following:
  - Office machinery, such as computers, printers, copiers etc. and supplies (toner cartridges etc)
  - Paper, printed matter, printing, publishing and related services
  - (Electrical) machinery, equipment, appliances, apparatus and associated products
  - Motor vehicles and vehicle parts
  - Fuel or petroleum products
  - Furniture
  - Cleaning services
  - Radio, television, communication, telecommunication, related equipment/apparatus or postal service

The following categories of goods and services were also mentioned, depending on the nature of the activity of the organization:

- Construction work and building materials
- Textiles, clothing and footwear
- Medical and laboratory devices and consumables
- Gardening, horticultural services
- Security services
- Consultancy services

- About 50% of the respondents indicated that no sustainability criteria are applied when buying products/services while the other 50% indicated that sustainability criteria are applied to some products/services purchased such as paper, light bulbs, IT equipment and vehicles. In terms of environmental criteria that may have been used in the past into the calls for tender for specific product groups, the following were indicated:

**Copying Paper:** Contains recycled fibers; bleached-chlorine free

**Personal Computers:** Require that PC turns in stand-by mode; require that monitors be energy-efficient flat screen monitors; require that PC components can be upgraded

**Vehicles:** Require that vehicles be fuel-efficient; require that vehicles meet Euro IV or V emission standard

**Cleaning services:** Require that cleaning be done according to the demand; require that toxic substances be excluded from use.

**Buildings:** Require that the contractor has an environmental management system; require that buildings be designed to maximize use of solar energy or similar energy improvements

**Horticultural services:** Require that park maintenance is carried out without pesticides.

**Timber products:** Require that timber products come from certified sustainable forestry

**Office Furniture:** Require that the product is durable; require that the product is repairable.

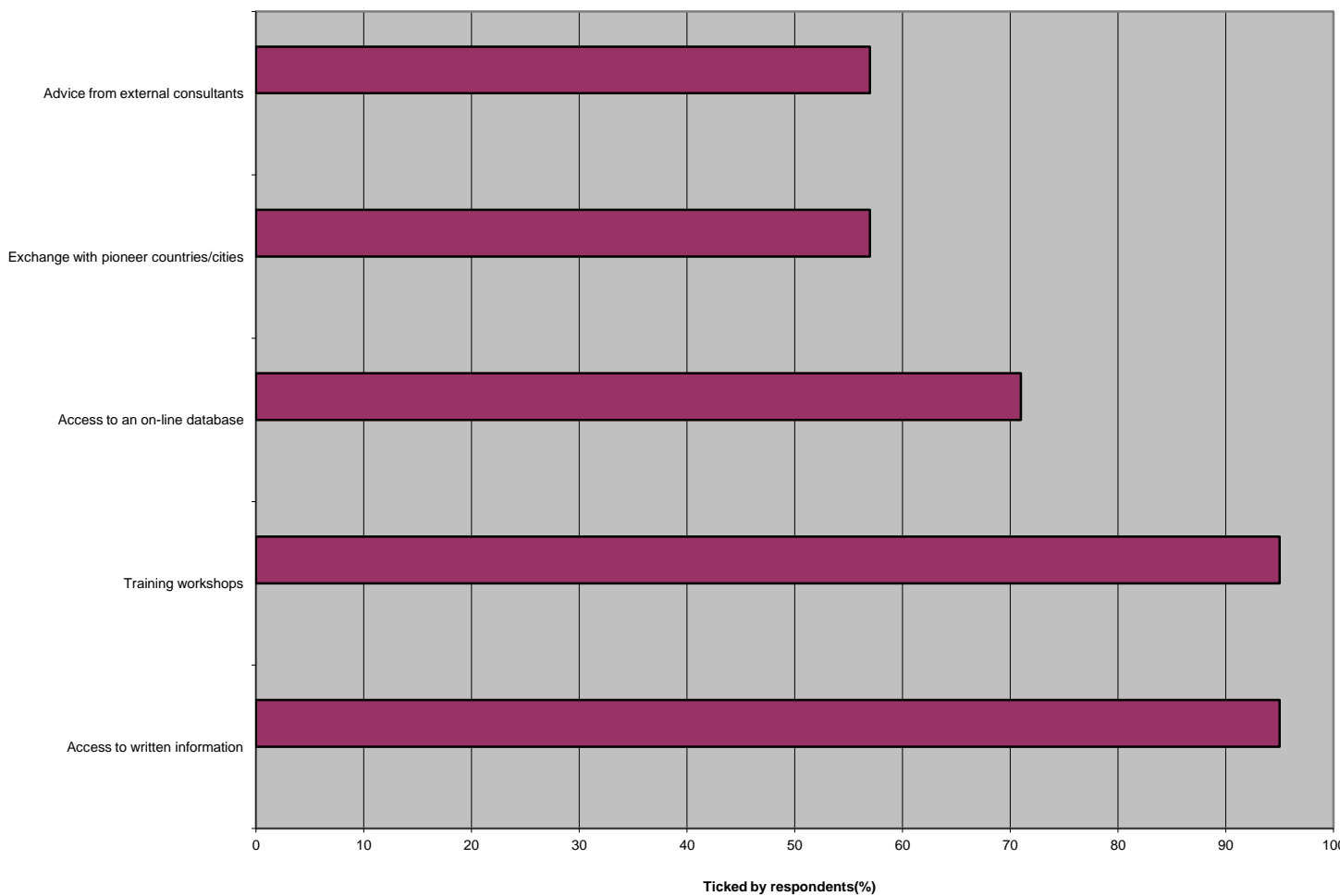
- About 75% of the respondents indicated that LCC is not used in the procurement of goods, works or services while about 25% indicated that LCC has been used for certain equipment/goods.
- About 80% of the respondents indicated that their organizations have not identified the products/services that have the highest economic, environmental and social impacts while a few respondents said that the impacts of some products/services are known and that the organization has set targets to reduce them.
- 75% of the respondents indicated that the approach to procurement does not support small businesses while 25% indicated that contract opportunities are advertised to small businesses and/or adhoc personal support are given to encourage bids from small suppliers.
- About 50% of the respondents indicated that their organization audit supplier's compliance with working conditions.

## **Barriers and support needed**

In order to support future policy making decisions, it is important to know what barriers are perceived to hinder SPP and how support could be organized to mitigate this.

- Respondents ranked the following five key challenges to SPP in Mauritius below by order of importance.
  1. Lack of awareness and knowledge both at decision-makers and the general public level.
  2. Absence of an appropriate policy and legislative framework for SPP. Concern about legality of SPP.
  3. Lack of high level political commitment.
  4. Weak technical capacity and lack of technical support. Lack of environmental knowledge & how to develop environmental criteria.
  5. Absence of alternative products and services that are more sustainable
  
- Respondents ranked in order of importance the following key success factors to overcome the barriers to SPP
  1. Devising the right Policy and Regulatory framework
  2. Capacity Building and commitment to learning among those who are responsible for SPP
  3. High level political commitment
  4. Involving stakeholders(e.g. suppliers) in the development of the SPP Initiative
  5. Providing Information on SPP instruments (guidelines, training, websites)

The following graph (Figure 5.1) presents the options of interest which may overcome the barriers. Access to written material and an on-line database were both rated as significantly important for respondents. Another option perceived as important for developing SPP is to organize training workshops.



**Figure 5.1: Options that may assist in developing sustainable public procurement**

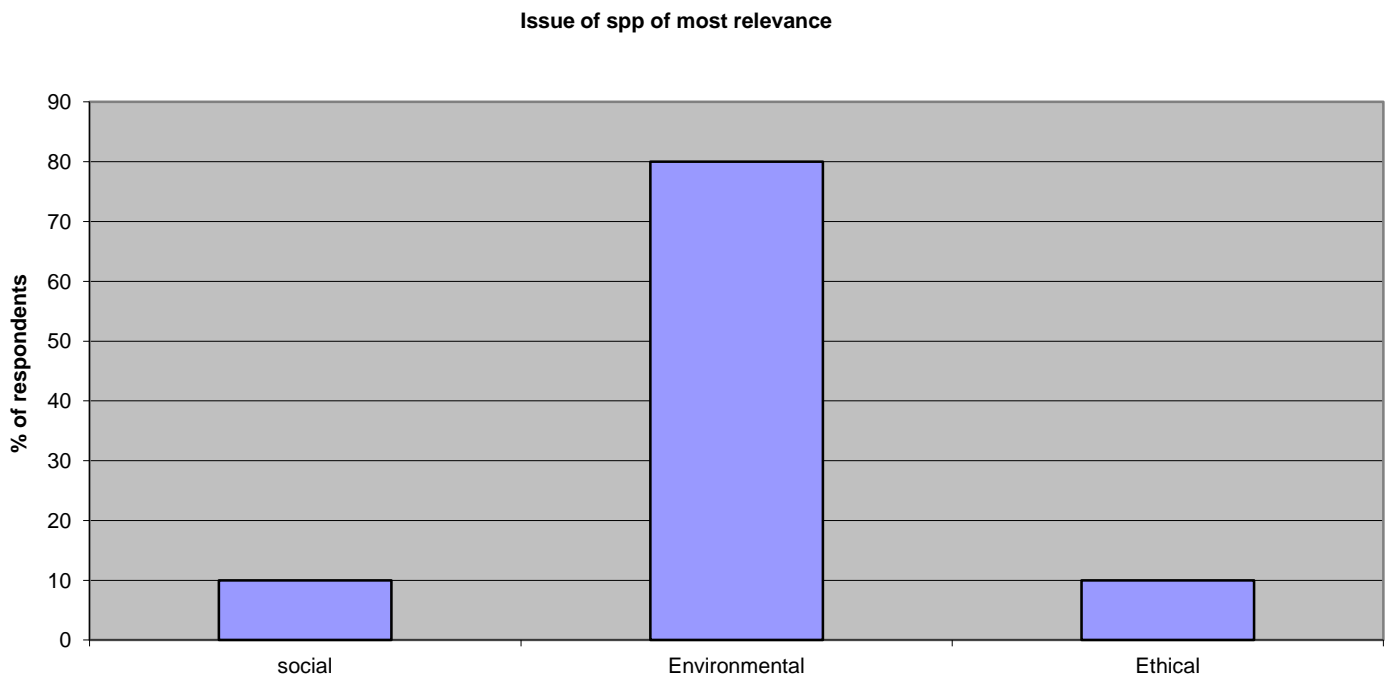
The main benefits of an SPP programme for Mauritius that should be used to gather more support from policy makers was ranked by respondents as follows by order of importance.

1. Contribution to major environmental challenges and to MID vision
2. Raising awareness about sustainable consumption patterns in society
3. Cost Effectiveness
4. Creating new market opportunities and new sources of employment
5. Leading by example

### **Determinants of SPP**

It was interesting to know what views are held among the procurement officers with respect to the factors that are considered important drivers for SPP.

- About 80% of the respondents were of the opinion that the environmental component of SPP was of most relevance(See Figure 3.2 )



**Figure 5.2: Issue of SPP considered of most relevance by respondents**

- In an attempt to assess the relative importance of a core set of determinants, respondents were asked to rank a number of determinants that are shown in Tables 5.1 and 5.2 . The numbers in the table show the number of respondents that placed the given determinant in each particular ranking category.

**Table 5.1: Respondent ranking of factors that the SPP action plan should avoid**

	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
The development of unnecessary and burdensome legislation	9	10	1	2	1
Unfair competition due to excessively restrictive provisions	5	15	2		1
Too ambitious SPP criteria, which are not in touch with market realities	8	10	4	1	
Lack of consolidation of demand amongst public authorities	4	10	8	1	
Apply SPP criteria for products for which public authorities represent a small market place	2	6	9	6	

**Table 5.2: Respondent ranking of factors that influence the development of SPP**

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neither Agree or Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>
1. Joint Procurement (i.e. combining the procurement actions of two or more contracting authorities) can increase bargaining power and help reduce prices associated with green products/technologies.	1	2	7	8	5
2. Green criteria should be used only when it is value for money and cost-effective to do so.	4	9	2	7	1
3. Criteria should not be nearly prescriptive. It should not increase burden on suppliers.	2	3	3	13	2
4. Value for money should be assessed over the whole lifetime of a product.			2	12	9
5. SPP should take into account access of SMEs to public procurement contracts.	1	1	2	16	3
6. The present budgetary framework and financial mechanism is biased against SPP.		3	11	7	2
7. Sustainable alternatives are generally more expensive.		3	5	12	3
8. Involvement of the international development cooperation community is important to promote SPP in Mauritius given that they fund public projects.		1	7	12	3
9. There must be a defined mechanism or structure that serves to organize cooperation between purchasers and environmental experts			2	16	5



10. The Government needs to provide a set of tools covering the key stages of procurement (e.g. standard specifications, risk assessment templates, product/services fact sheets, bid evaluation criteria).			2	14	7
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Most of the respondents (80 to 90%) agreed or strongly agreed that:

- Value for money should be assessed over the whole lifetime of a product.
- The Government needs to provide a set of tools covering the key stages of procurement (e.g. standard specifications, risk assessment templates, product/services fact sheets, bid evaluation criteria).
- There must be a defined mechanism or structure that serves to organize cooperation between purchasers and environmental experts
- SPP should take into account access of SMEs to public procurement contracts.

A significant number of respondents (60 to 70%) agreed or strongly agreed that:

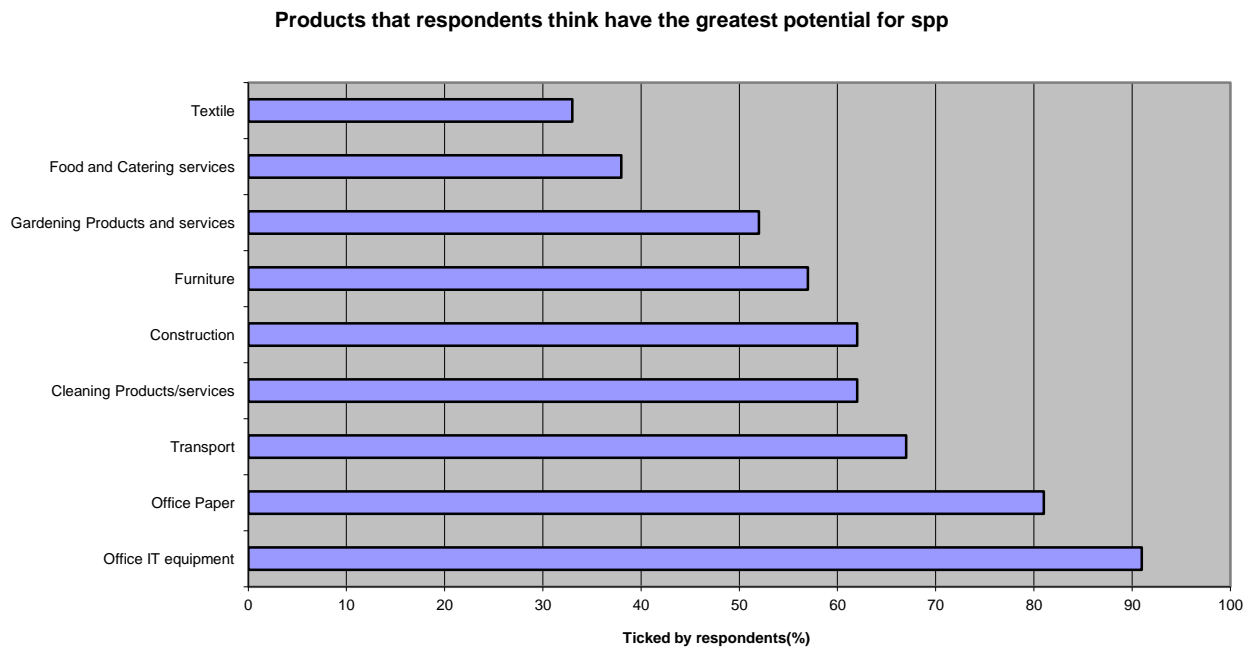
- Sustainable alternatives are generally more expensive
- Involvement of the international development cooperation community is important to promote SPP in Mauritius given that they fund public projects.
- Criteria should not be nearly prescriptive. It should not increase burden on suppliers
- Joint Procurement (i.e. combining the procurement actions of two or more contracting authorities) can increase bargaining power and help reduce prices associated with green products/technologies.

However, there were fewer consensuses on the following two statements:

- Green criteria should be used only when it is value for money and cost-effective to do so.
- The present budgetary framework and financial mechanism is biased against SPP.

### **Operational Context of SPP**

Figure 5.3 gives an overview of the product groups that have the greatest potential for SPP in the short to medium term according to the respondents.



**Figure 5.5: Products/services that respondents think have the greatest potential for development in the short to medium term**

Most of the respondents ticked office materials such as paper and IT equipment. Products/services which were also highly rated were Transport, Cleaning Product and Services, Construction and Furniture. Other products that were additionally identified by the respondents as being of interest include Gardening products and services, Food and Catering Services and Textile.

Respondents ranked in importance the following mechanisms to organize cooperation between purchasers and environmental experts

1. Existence of a work plan whereby call for tenders are worked on both by environmental experts and purchasing departments.
2. Preparation of standard bidding documents with SPP criteria for commonly procured items
3. Advice from environmental unit /Ministry or external environmental consultants is sought on a regular basis by procurement unit.
4. Regular working group meetings between purchasers and environmental experts

**Conclusions of the Survey**

From the results of the questionnaire survey, a number of conclusions can be drawn:

1. There are some examples where occasionally certain environmental criteria have been used in tender documentation. Such criteria were primarily used in cases where obvious and quick economic gains could be had (e.g. recycled paper, energy saving equipment, fuel efficient

cars.). Experiences seem limited with more complex environmental criteria and with the purchase of environmentally social products and services.

2. Most organizations have not identified the products/services that have the highest economic, environmental and social impacts. Such identification is usually very complex and could perhaps be handled by the PPO in the future.
3. Lack of awareness and knowledge both at decision-makers and the general public level was seen as a strong barrier. The perceived absence of an appropriate policy and legislative framework /a concern about the legality of SPP and the lack of high level political commitment were also rated high. The importance of awareness about environmental issues among the public, in public organisations and among politicians was also highlighted by many respondents in their general comments. Political commitment is considered important. SPP is not yet standard practice and so political decisions to practice SPP-either political pressure or initiatives from within the administration-will be needed.
4. Not surprisingly devising the right policy and regulatory framework was seen as the most important success factor to address the concern about the legality of SPP. Capacity Building and High level Political commitment were also rated high. Respondents emphasized that action plans can only deliver if there is the right policy and regulatory framework and they are backed by high-level political commitment, and they succeed in building capacities for SPP among procurers.
5. The main benefits of an SPP programme for Mauritius that should be used to gather more support from policy makers were its contribution to major environmental challenges and to the MID vision and raising awareness about sustainable consumption patterns in society as well as cost-effectiveness
6. In regard to support for overcoming obstacles to SPP access to information (both written and on-line) and training was the categories selected by most of the respondents. Procurers will need easy access to relevant information on green alternatives. Current ICT technology may facilitate making available the required environmental information at relatively low cost.
7. Most of the respondents agreed or strongly agreed that the SPP action plan should avoid the development of unnecessary and burdensome legislation, avoid unfair competition due to excessively restrictive provisions and developing too ambitious SPP criteria which are not in touch with market realities. There were fewer consensuses on the issue of consolidation of demand amongst public authorities and not applying SPP criteria for products which public authorities represent a small market place.
8. There are some misconceptions regarding SPP among procurers. There is an assumption that SPP will be more expensive than traditional procurement. SPP does not need cost more, particularly when life cycle costs are calculated. Another perception is that sPP is mostly

concerned with the environment whereas socio-economic objectives such as promotion of smes are relevant to SPP.

9. The products mentioned by respondents which have potential for SPP were office materials such as Paper and IT equipment, Transport, Cleaning Products and Services, Construction and Furniture. These can be viewed, except for construction, as mostly small sized commodities rather than large products or infrastructure. It concerns mostly the purchase of consumables (off-the-shelf products) in contrast with purchases that will be booked as investments (buildings, infrastructure). We should therefore be cautious with these findings and take into account also the market readiness analysis study.

## 5.2 Barriers to SPP Implementation

The barriers to SPP Implementation can be summarized as follows:

1. **Policy and Legal framework** – Although the national law may not prohibit the consideration of sustainability criteria in public purchases, it is still deemed desirable to amend the law to state explicitly that public purchases should take those criteria into consideration whenever possible. Adoption of SPP practices is facilitated when national public procurement legislation contains appropriate provisions.
2. **Budget Systems and accounting practices-** Single year budgeting and limited ability to carry over funds from one financial year to the next one to retain efficiency savings can be an obstacle to SPP. The former focuses on short-term outcomes and leads to discrimination against products with lower life cycle costs but higher upfront costs; the latter limits the incentives to investigate trade-offs among resource inputs and make investment decision accordingly. Budget restrictions may be a barrier for introducing sustainable/innovative solutions but which may cost more upfront.
3. **Political Commitment-**High level political commitment is key to SPP implementation. It is fundamental that from the very beginning, those responsible for procurement feel that there is a strong sustainability mandate.
4. **Technical Capacity** – Lack of training is an important barrier to the implementation of SPP. Guidelines and training on how to incorporate clear sustainability criteria throughout the procurement process, from bidding documents to monitoring and evaluation must be provided to procurement officials.

5. **Supply Constraints** – Some industries will need to undergo significant upgrading to supply more sustainable products/services.
6. **Lack of ecolabels and forms of certification**: the lack or weakness of environmental or social certification hampers the implementation of SPP.
7. **Reluctance to change**- a ‘business-as usual’ mentality , where procurers perceive SPP to be too demanding or they do not have the time or inclination to inform themselves about sustainable criteria, and a lack of incentives for procurers.

### 5.3 The Way Forward

The above considerations have been borne in mind in drawing this Action Plan for Mauritius. The Action Plan should be concerned not only with launch of individual instruments, but also with preparing the ground for their success, for example, by addressing the following issues: Leadership and commitment from senior managers and policy makers is essential. Officials need to be identified within government who will be held accountable for implementation of SPP.

- (i) Setting and agreeing on sustainability priorities (e.g. energy and water efficiency, promotion SMEs) and priority expenditure sectors for action are important.
- (ii) Mandatory SPP requirements must make it clear that this is a priority for the government and provide clear directives and expectations to politicians and procurement officials.
- (iii) Measurable targets, indicators and public reporting make public institutions accountable and enable benchmarking.
- (iv) SPP initiatives should pro-actively use the value for money argument for their own purposes. The procurement mindset need to change from the best value for money to the best value across the project/product life cycle
- (v) Public expenditure management frameworks may need to be adapted to be more supportive of SPP (e.g. budget reforms that allow for longer planning horizons)
- (vi) Joint procurement can increase bargaining power and help reduce prices associated with relatively more expensive green technologies and products, as well as, administrative costs per contract.
- (vii) SPP tools are needed to provide guidance to decision-making. These might include clear guidelines and procedures, life cycle assessments and evaluation of impacts,

examples of procurement bidding documents that include sustainability provisions. Practical tools for procurement officers such as defining the subject matter of contract, specifications for green products, electronic product data bases and e-catalogues are key elements for developing sustainable procurement. Guidelines are an important tool to build awareness and capacities for SPP, but that the key challenge is to make them as simple and practical as possible by including different stakeholders, including procurers themselves, so that they really use them.

- (viii) Pilot Projects are important to demonstrate benefits, stimulate creativity and test implementation on a small scale and hence with limited risk-taking.
- (ix) It is strongly recommended that the NAP focus on certain product groups and set targets for these products. These are products which are able to positively impact the environment, which do have sustainable substitutes on the market, and have been proven to be successful in other countries. These targets could be raised through the years.
- (x) Purchasers should be stimulated to use criteria set by eco-labels. Benchmarking is recommended as it constitutes a strong tool to measure and help steer action plans. Analysing tender documents can be an efficient and effective benchmarking tool.
- (xi) Early engagement with the private sector and other stakeholders will help to identify the scope for innovation and determine the extent to which local supplies can respond to stricter standards.

Several factors can facilitate the progress of SPP in Mauritius

- A growing amount of literature is already available on the internet, and could be used to advance SPP. However, most of this information was elaborated in OECD countries and would probably need to be adapted to the Mauritian context.
- Closer collaboration with countries with experience and know-how of SPP could be beneficial. A powerful signal could be given if SPP were applied to procurement projects carried out under multilateral and bilateral assistance programmes.
- For a procurer it is important to have readily available appropriate information about sustainable products/services and their availability in the market. Therefore, availability of information is a factor that influences the rate of introduction of green products. The coordination of demand with supply of sustainable products/services involves transaction costs. It is likely that through developments in the application of ICT it will be easier for procurement officers to identify green alternatives. But there

must be some institution that collects and processes information into appropriate forms. The transaction, per unit purchase, of identifying sustainable products should be lower in centralised systems. The PPO makes the implementation of (top-down) political decisions to foster sustainable procurement easier.

- There should be a coordination of procurement with R&D activities/innovation policies.

## Chapter 6: Public Procurement Policy and SPP

### 6.1 The Institutional and Legal Framework for Public Procurement

In January 2008, the Public Procurement Act, adopted by the national assembly in 2006, became operational along with the Public Procurement Regulations and Public Procurement (Suspension and Debarment) Regulations. Recently, another set of regulations known as the Public Procurement (Disqualification) Regulations were introduced. All these have significantly transformed the public procurement system in Mauritius. The PPA is based on the UNCITRAL Model Law on Public Procurement and complies with international best practices and shares the common objectives of public procurement systems which are:

- Maximise economy and efficiency in public procurement, and obtain best value for public expenditures
- Promote economic development of the Republic of Mauritius, including capacity building in the field of public procurement
- Promote competition and foster participation in public procurement proceedings of qualified suppliers, contractors and consultants
- Provide equal access without discrimination to all eligible and qualified providers of goods, works and services and fair and equitable treatment of all bidders
- Promote integrity, fairness, accountability and public confidence in, the public procurement process; and
- Achieve transparency in the procedures, process and decisions relating to public procurement.

The PPA contains nine parts.

- As from **the first part**, which deals with definitions and scope of application, one can understand that the PPA applies to any procurement undertaken by public bodies which appear in the schedule to the Act as well as those which meet the definition of public body. As a result, defence and national security procurements are excluded as well as projects financed by funding agencies, where their procurement rules prevail. Moreover, it is provided that other organisations may be exempted by regulations, such as those state organisations which perform commercial operations and have to compete in the market.



- **Parts II and III** of the Act defines the institutional framework. Thus, it establishes the Procurement Policy Office (PPO) as the independent procurement policy making and monitoring body and is the oversight and regulatory body for public procurement; the Central Procurement Board (CPB) as a body corporate responsible for the vetting of bidding documents and conduct of the bidding process of all contracts exceeding the amount prescribed in the schedule. The CPB is a replicate of the ex-Central Tender Board which was established in the previous Central Tender Board Act; and the Independent Review Panel (IRP) as another independent institution, to entertain complaints and review applications from unsatisfied bidders who have to, in the first place, address their challenge to the public body concerned.
- **Part IV** of the PPA sets out the procurement methods to be applied depending on the relevant circumstances. They are listed in order of hierarchy and open advertised bidding is the default procurement method. It also provides for the conditions for use of procurement methods other than open advertised bidding and the obligation to record the reasons for doing so in the procurement file. The relevant regulations supplement these provisions by prescribing the thresholds for the use of restricted bidding, request for sealed quotations and direct procurement methods. The conditions for use of emergency procurement and request for proposals are also clearly stipulated both in the Act and regulations.
- **Part V** is essentially on the conduct of the bidding process and thus it seeks to safeguard the integrity of the procurement process. It set out the procedures and conditions for a prequalification exercise applicable to large and complex works and complex equipment, exceeding the prescribed threshold. The other essential features in this part are about the use of a two stage bidding process, an advantage of preference as prescribed in the regulations, the requirements of bid security, the procedures related to receipt and custody of bids, the minimum time for deadline for submission of bids, withdrawal and modification of bids, bid validity period, opening procedures, examination and evaluation of bids, post qualification, cancellation of bidding process, award of contract procedures and debriefing. These procedures are further elaborated in the regulations.
- **Part VI** provides for the right of bidders who claim to have suffered, or to be likely to suffer, loss or injury due to a breach of duty imposed on a public body or the Central Procurement Board, to challenge the procurement proceedings. The regulations provide for the format of the challenge and application, the deadlines for submission of application as well as those for responding to the applicants.

- **Part VII** deals with; the mandatory requirements of a procurement contract, procedures and conditions for amendments including the limit in value that such amendments may cause, requirements for payments and payment of interest, and conditions for termination of contract, including termination by convenience, where the contractor may be refunded expenses incurred but not loss of profits. These provisions are reflected in more details in the standard bidding documents issued by the PPO for mandatory use.
- **Part VIII** provides for duties and responsibilities of public bodies, conduct of public officials, bidders and suppliers so as to ensure integrity in public procurement. Thus, public bodies are not allowed to artificially divide the modalities of procurement in such a way to avoid necessary formal tendering , public officials shall not commit any corrupt or fraudulent practice, bidders having a close relative or someone with substantial interest working in a public body are not eligible to bid or to be awarded a procurement contract. It also prohibits the award of contract on ground of conflict of interest. The procedures for the suspension and debarment of bidders and suppliers involved in fraud, misconduct, collusion or coercive practices are also found in this section and are supplemented by the Public Procurement (Suspension and Debarment) Regulations.
- **Part IX**, the last part, contains miscellaneous provisions, such as oath of office and declaration of assets by members and officials of the three institutions established under the PPA, offences, safeguards against undue influence, immunities for the institutions and consequential amendments. It also contains provisions for the issue of regulations.

The lists of Organisations covered by the Act include:

- Government Ministries and Departments
- Municipal Councils
- District Councils
- Rodrigues Regional Assembly
- Parastatal Bodies
- Any other body set up by an enactment whether body corporate or not and which depends wholly or partly on government funding

Three independent bodies have thus been established under the above-mentioned act; (1) the Public Procurement Office which is the engine for effective procurement reform in Mauritius (2) the Central Procurement Board (replacing the Central Tender Board) which is now responsible for approving and awarding major contracts entered into by public bodies and (3)

the Independent Review Panel whose purpose is to consider applications for review from unsatisfied bidders or potential bidders.

It would be observed that all the different parts of the PPA seek to achieve the objectives of a sound procurement system and creates obligation for public bodies. Such obligations are related to compliance to the Act and regulations at every stage of the procurement cycle in terms of choice of procurement methods, advertising rules, and maintenance of records, challenge and appeal procedures, response times, payment procedures and so forth. The provisions also safeguard government obligations in international and regional trade through the opening of the market to all potential bidders, non-discrimination, dissemination of information and allowing sufficient time for bidding.

Mauritius can thus boast itself of rapid progress in implementing public procurement reforms. After only three years the system has been transformed and now largely meets OECD norms. Further reforms are in the pipeline to further modernise the system and make it fully compliant with international norms and standards. A committee has been recently set up by the PPO to look into changes that need to be brought to further improve the procurement system in line with international norms

## 6.2 Procurement Methods

Part IV of the Act sets out the rules and procedures for selecting the appropriate procurement of **goods, other services and works**, the available methods are:

1. Open Advertised Bidding
2. Restricted Bidding
3. Request for Sealed Quotations
4. Emergency procurement
5. Direct procurement
6. Community or End –user Participation
7. Departmental Execution

For **Consultancy Services**, the following methods are to be used:

- (i) Request for proposals (with a number of variations)
- (ii) Direct Procurement

The choice of the procurement method will depend among other factors on the estimated value of the procurement in relation to the prescribed amount or the prescribed threshold as indicated in the

Schedule of the Act or Regulations. Table 6.1 gives the areas where the different procurement methods are usually used.

**Table 6.1 Procurement Methods and Areas of application**

1	<i>Open Advertised Bidding</i>	This method is ideal to obtain value for money through increased competition and should be used for high value procurements where there is a large number of suppliers. It may also be used in situations where there is a limited number of unknown suppliers
2	<i>Restricted Bidding</i>	<p>This procurement method is used where:</p> <ul style="list-style-type: none"> <li>(a) The goods, work or services are available only from a limited number of suppliers and all of them are unknown;</li> <li>(b) Suppliers of specialised goods and services have been pre-approved by the public body, and are part of a supplier eligibility list (section 19 of the Act)</li> <li>(c) The time and cost of considering a large number of bids is disproportionate to the value of the procurement, provided the estimated value of the contract does not exceed five million rupees, and at least 5 bidders are directly solicited; or</li> <li>(d) The evaluation of the financial proposal cannot be based solely on the quoted price per item for small value procurement as other factors such as operational costs, performance, reliability etc.. have to be included to determine the evaluated cost.</li> </ul>
3	<i>Two stage Bidding</i> (section 29 of the Act)	In the case of large or complex contracts for goods or works, for which open or restricted bidding is not suitable because of the difficulty in defining precisely the goods or works.
4	<i>Request for the Sealed Quotations</i> (section 20 of the Act)	For the purchase of readily available goods or procurement of small works or small other services for which there is an established market, so long as the estimated value of the contract does not exceed five million rupees, and where price is the only determining factor.
5	<i>Direct procurement</i> (section 25 of the Act)	<ul style="list-style-type: none"> <li>(1) For procurements not exceeding the following prescribed thresholds (Regulation 44 as amended) <ul style="list-style-type: none"> <li>(a) in case of procurement of goods, where the value does not exceed 500,000 rupees provided the total cost per single item does not exceed 100,000 rupees; and</li> <li>(b) in the case of procurement of works, consultancy services or other services, where the value does not exceed 500,000 rupees.</li> </ul> </li> <li>(2) Where one supplier has the exclusive right to manufacture the goods, carry out the works, or perform the services to be procured, and no suitable alternative is available;</li> <li>(3) For additional deliveries by the original supplier which are intended either as replacement parts for existing supplies, services, or installations, or as the extension of existing supplies, services or</li> </ul>

		<p>installations where a change of supplier would compel the public body to procure equipment or services not meeting requirements of interchangeability with already existing equipment or services, provided that the value does not exceed 50% of the initial contract value;</p> <p>(4) Where additional works, which were not included in the initial contract have, through unforeseeable circumstances, become necessary and the separation of the additional works from the initial contract would be difficult for technical or economic reasons, provided that the value does not exceed 30% of the initial contract value</p> <p>(5) Where the nature of the consultancy services requires that a particular consultant be selected due to unique qualifications.</p>
6	<i>Emergency Procurement</i> (section 21 of the Act)	<p>1) A public body may procure goods, works or other services from a single supplier without competition, in case of emergency or extreme urgency. The scope of the emergency procurement shall, as far as possible, be limited to the period of the emergency, so that appropriate competitive procurement methods may be utilised at the conclusion of the emergency period. "Extreme urgency" includes a situation wherein:</p> <p>(a) The country is either seriously threatened by or actually confronted with a disaster, catastrophe, war or Act of God;</p> <p>(b) Life or quality of life or environment may be seriously compromised.</p> <p>2) Where the condition or quality of goods, equipment, building or publicly owned capital goods may seriously deteriorate unless action is urgently and necessarily taken to maintain them in their actual value or usefulness; and</p> <p>3) Where investment project may be seriously delayed for want of an item of a minor value</p>
7	<i>Community or end-user participation</i> (section 22 of the Act)	<p>Where:</p> <p>(1) Community or end-user participation may result in enhancing the economy, quality or sustainability of the service to be procured ; and</p> <p>(2) The objective of a project is to create employment and community involvement.</p>
8	<i>Departmental Execution</i> (section 23 of the Act)	<p>Where:</p> <p>(1) An activity is not likely to attract bidders or may impose unacceptable risks on the contractor as the cost cannot be pre-determined; or</p> <p>(2) The risk of unavoidable interruptions can be better borne by the public body; or</p> <p>(3) An activity requires practical method for the construction, maintenance and conservation under special conditions; or</p> <p>(4) In the case of a pilot project for the development of a technology where work cannot be carried out by a contractor; or</p> <p>(5) Works have to be carried out without disrupting existing operations; or</p> <p>(6) There is an emergency such as a national disaster which calls for</p>

		immediate action
9	<i>Request for Proposals</i> (section 24 of the Act)	When the public body seeks to obtain consulting services or other services for which Open Advertised Bidding is not suitable because of the difficulty in defining precisely the services

### 6.3 Relationship between SPP and existing policies on public procurement

(i) **Possibilities of implementing SPP under current legislation**: The possibility of implementing SPP under the current procurement legislations needs reference to the relevant sections of the Public Procurement Act and to contract clauses in Standard Bidding Documents. Figure 6.1 below outlines the procurement process as set out by the MTF on SPP. The diagram highlights the stages at which environmental and social procurement interventions should be integrated.

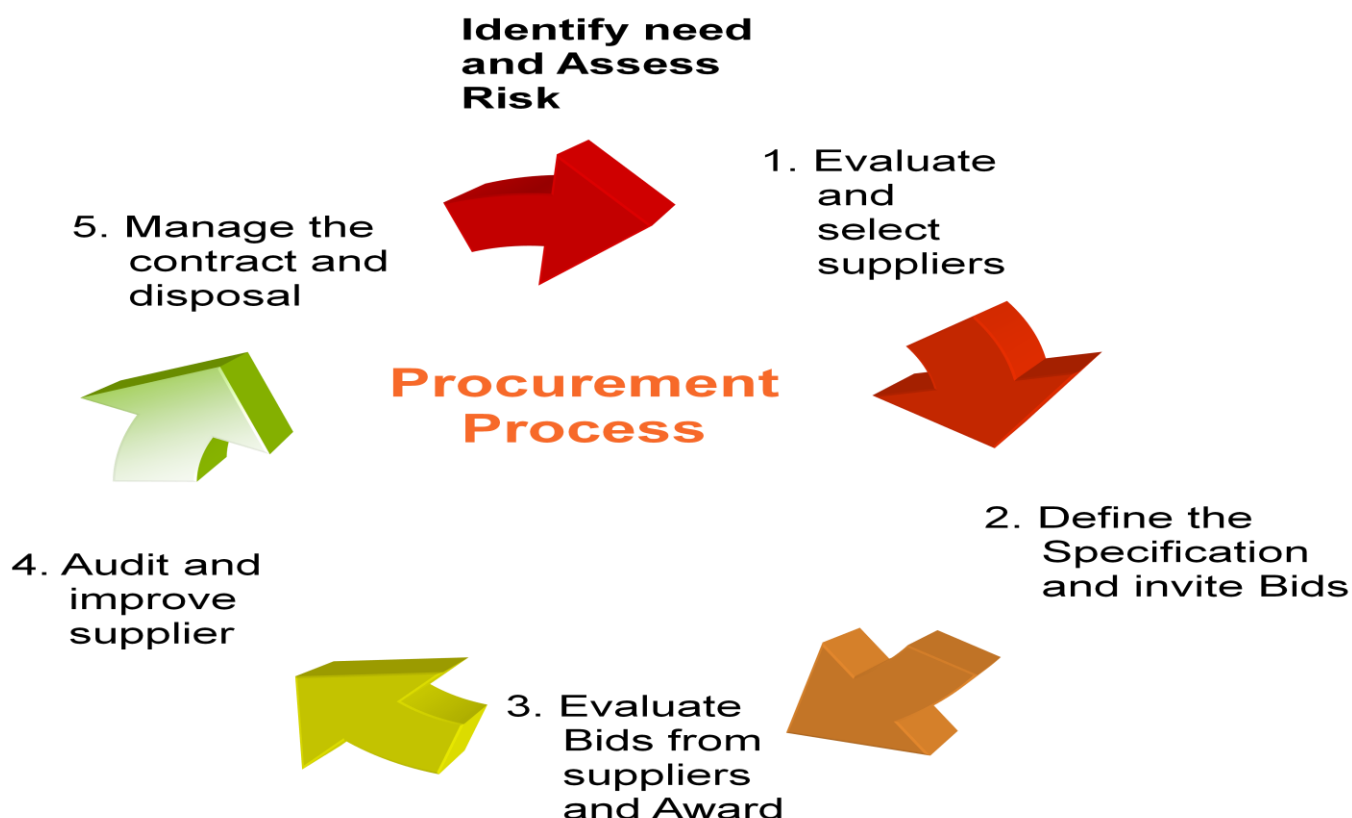


Figure 6.1: Procurement Cycle (Source: MTF on SPP)

Depending on the value of the contract and the procurement procedure used, a number of specific steps will be followed where sustainability considerations can be included. These are described below:

**Procurement Planning-subject matter:**The subject matter of the contract defines and, more importantly, communicates what the purchasing authority intends to purchase. Explicitly phrasing the subject matter of the contract in such a way so that it integrates the sustainability goal that is to be achieved by the contract is an important first step to take in the tendering process. It can integrate sustainability objectives if there is a clear link and relevance to the purchase in question. As all conditions stipulated in the other steps of the tendering process need to maintain a clear link to the subject matter of the contract, *clear and explicit wording of the subject matter is an effective way to ensure a sustainable purchase*. Section 46 of the PPA prescribes for description of goods, works and services. Stating Sustainability criteria in the subject matter of the contract helps to inform potential bidders at the outset (ex: a contract could be titled “Contract for the supply of recycled paper for writing, printing and copying purposes”)

**Requirement definition -specifications about the functionality, quality and specific characteristics of the product or service:**The tender specifications provide detailed information on the functionality, quality and other characteristics(e.g packaging, disposal, etc) of the product to be purchased. They provide the

*Opportunity to set minimum environmental and/or social requirements* which all bidders must meet.

**Sourcing (orPreselecting) Suppliers:**Criteria for sourcing(or preselecting) suppliers assess the technical and professional qualifications of suppliers to produce and/or supply the requested products. If sustainability criteria are part of the subject matter and/or the technical specifications, *sourcing criteria can be included that assess the sustainability performance of bidders to ensure* that only bids from “eligible” companies are considered in the evaluation stage. They can assess the bidding company’s operations (and the companies it subcontracts or uses) as a whole, rather than only the end products purchased. The criteria included in this stage can address issues such as the availability of information on products, (sustainability) experience of the bidder and security of supply. This can be a useful approach to improve the general environmental management and corporate social responsibility of companies contracted by the government. Section 19 of the PPA provides the grounds for using restricted bidding. It only requires to solicit bids from a minimum of 5 bidders. Bidders may be shortlisted based on sustainable criteria. For example, for low value purchases, bids may be solicited from local SMEs.

**Evaluation-using life-cycle costing and bonus point system:** Evaluation criteria are used to evaluate and compare the bids received which meet the minimum specifications (i.e. compliant bids). In

sustainable procurement, it is essential to indicate that the contract will be awarded to the offer that provides “best value for money”-the term used if criteria other than just the price will be assessed when comparing bids. Evaluation criteria evaluate the performance of a bid both in terms of price and other criteria, such as environmental performance. As with all phases of the tendering process, the tender documents published by the purchasing authority must clearly set out the various evaluation criteria that will be used to evaluate bids (such as price, technical quality, environmental quality, social performance, etc.) as well as the weight in percentage terms allocated to each aspect. ***In sustainable procurement, evaluation criteria can be used to encourage higher levels of sustainability performance than those demanded in the specifications***, without risking significant increases in cost. Sustainability evaluation criteria should, altogether, account for at least 10 % of the total points available.

**Contract review and award-contract performance clauses:** Contract clauses are binding on any company winning the bid, and should therefore be possible for any company to comply with. ***It makes sense to include sustainability criteria in the contract clauses only if they are not included in other sections of the tender.*** Contract clauses also include reference to penalties for non-compliance with the specifications or for cases where a supplier has provided a false written guarantee. The contract may specify rules for the execution of the contract (e.g. recuperation of packaging materials).

Other sections of the PPA Act of interest include

- Section 22 prescribes the use of Community and end-user participation procurement method. It states that “where the participation of end-user or beneficiary community may result in enhancing the economy, quality or sustainability of the service to be procured, or the very objective of the project is to create employment and the involvement of the beneficiary community, such end-user or community may participate in the delivery of services...”. In these types of projects, mostly NGOs and other small agencies are involved.
- Section 35 stipulates disqualification of suppliers on the ground of misconduct. For instance, in some procurement suppliers may be disqualified if the conduct, for instance, is related to exploitation of employees.
- Section 37 concerns the examination and evaluation of bids and Section 37(9A) provides a margin of preference for domestic suppliers and domestic SMEs.
- Mauritius has ratified the Labour Clauses (Public Contracts) Convention of 1949 (Convention 94). The aim of Labour Clause are:
  - Employees performing works under public contracts do not enjoy conditions of labour less favourable than those enjoyed by other workers in the same trade or industry



- To remove labour costs being used as an element of completion among bidders for public contracts
- Eliminate the negative effects of tendering on the workers' labour conditions
- To ensure that public contracts do not exert a downward pressure on wages and working conditions

The Standard bidding documents includes the Labour Clause as per ILO convention in the General Conditions of Contract. Monitoring of compliance with labour laws is done by public bodies during the execution of contracts.

- (ii) **Procurement Policy Office**: One of the main and innovative features of the procurement reform process in Mauritius is the establishment of the Procurement Policy Office. The main purpose of establishing the Policy Office is to provide a mechanism for conducting oversight and monitoring of the performance and progress of the procurement system in Mauritius, and to guide and promote its continuing development and improvement. The PPO is playing an active role in facilitating the enforcement of the legislation through compliance monitoring, policy formulation, provision of support and guidance, and capacity building and training. The vision of the PPO to make the procurement system a reference in the region by making use of international best procurement and innovative practices like e-Procurement, e-Reverse Auction and Framework Agreement. PPO is an appropriate lead organization for the implementation of SPP.
- (iii) The PPA provides the general legal provisions for public procurement in Mauritius. The second important instrument of the legal framework is circulars. They are used to specify the general provisions laid out in the legal texts and usually include practical advice and recommendations for the public sector on how to implement them. As per the PPA Act of 2006 the PPO shall inform public bodies and end-users of the types of statistical and reporting information that are required to be furnished, and the periodicity of the submission.
- (iv) Training of procurement officials and suppliers is one of the main functions of the PPO, as stipulated in the Public Procurement Act. The objective of attributing the above function to one specific organization has been to ensure that all those involved in procurement activities, - public officials as well as suppliers - have the same understanding of the provisions of the Act, the regulations and the procedures. Any training in public procurement related field is to organized by or be held in collaboration with the PPO. The PPO has organized training as follows for public officials and suppliers:

- training at the request of public bodies to meet their specific needs;
- adhoc training in specific fields to attend to weaknesses identified during compliance monitoring;
- a Certification Programme in Public Procurement, a part time training programme of 3 months duration for officials directly involved in procurement activities aimed at enhancing their knowledge and skills. Last year, with the collaboration of the University of Technology, Mauritius, the PPO started running the Certification Programme in Public Procurement through an e-Learning platform in parallel with the ongoing classroom programme;
- a 16-hr training specially designed for officers at management level involved in procurement; and
- Sensitization of suppliers regarding the provisions of the Act and the regulations, and training in the use of SBDs.

A thorough training for procurers on sPP should be integrated into the existing programs and modules and supported by on-line education inclusive of local case studies.

- (v) Implementation of e-procurement system: In April 2010, a change has brought in the procurement system by the PPO. A dedicated website for public procurement is operational, which is major step towards the implementation of e-Procurement. Public bodies would now have to upload on the procurement portal their permanent notices. For all procurement to be undertaken through open advertised bidding on the website, public bodies should also upload the annual procurement plan, a summary of bid evaluation report and notice of procurement award. The website will also serve as a one-stop shop for suppliers. The e-procurement project is being implemented in phases and it is hoped that following its successful implementation in pilot Ministries, the system would be rolled out to all public bodies.
- (vi) Framework Agreements: A framework agreement is an “umbrella agreement” that sets out the terms(particularly relating to price, quality and quantity) under which individual contracts can be made throughout the period of the agreement(normally a maximum of 4 years). Framework agreements are typically used where the authority knows they are likely to have a need for a particular product or services, but are unsure of the extent or schedule. So framework agreements are commonly used to cover things like office supplies, IT equipment, consultancy services, repair and maintenance services, etc. The PPO is presently working on the feasibility of introducing framework agreements for certain products/services.

- (vii) Given the limited resources available to government, ensuring value for money (VFM) in procurement is key to ensuring the optimum utilisation of scarce budgetary resources. VFM is the primary driver for procurement. It usually means buying the product or service with the lowest whole-life costs that is 'fit for purpose' and meets specifications. Where an item is chosen that does not have the lowest whole-life cycle costs, then the additional 'value added' benefit must be clear and justifiable. Assessment of supplier bids should be conducted only in relation to a published set of evaluation criteria, which must be relevant to the subject of the contract, and any 'added value' that justifies a higher price must flow from these defined criteria. VFM also incorporates affordability; clearly, goods or services that are unaffordable cannot be bought. This should be addressed as soon as possible within the process, ideally at the business case stage before procurement commences. In order to address this issue, a change in procurement method is needed. The use of life cycle costing should be promoted in parallel with the reform of the budgetary mechanisms.
- (viii) In planning procurement for a major contract, a public body shall take into account possible slicing of the procurement into lots. Such slicing is indicated by factors such as measures to promote participation by small enterprises. In the interest of providing employment to local communities, a public body may decide to execute small construction works, including maintenance and repair, through local user committees.
- (ix) Supporting instruments for SPP implementation include product guidance based on the principles of life cycle thinking as well as eco-labelling, eco-design. Implementation of SPP needs to take into account quality management systems, health and safety systems as well as environmental management systems.
- (x) Institutionalize forms of dialogue with the suppliers. The establishment of an institutionalized and participatory dialogue process with the suppliers is important

In conclusion, Mauritius is currently going through a process of reform and modernization of their procurement process, which grants the opportunity for SPP to be embedded in such reforms. In today's reality, procurement systems can legitimately and objectively recognize social and environmental considerations alongside those of transparency, non-discrimination and fair competition. Modernized public procurement including the use of e-procurement, framework agreements and centrally coordinated procurement tends to make sustainable procurement easier to implement.

## **6.4 Proposals for new provisions in PPA 2006 to fully implement SPP**

### **(a) Objective of the Procurement System**

To add among the objectives of the procurement system:

“Contribution to the implementation of economic, social and environmental policy objectives through procurement”.

The inclusion of this objective gives legal certainty for the application of SPP. It legitimates the application of measures directed at the protection of environment and social issues.

### **(b) Compliance with relevant laws**

The Act should make provision for the government to promote procurement from suppliers that are compliant with Mauritian laws and policies on environment, labour and human rights. For instance, under the Occupational Safety and Health Act 2005, every employer shall ensure the safety, health and welfare at work of all his employees. Contractors should ensure that the workers are working in a safe environment. Furthermore, The Employment Rights Act 2008 (as reflected in PPA 2006) stipulates all government contracts should a clause ensuring a reasonable remuneration and appropriate working conditions for workers engaged in the execution of the contract.

### **© Qualifications of Bidders**

In certain procurements, Suppliers and Contractors should have capability in environmental aspects. Together with financial and other capabilities, suppliers will be qualified if they also have environmental qualifications.

The following provisions to be added:

- (1) Ascertainment by the procuring entity of the Qualifications of suppliers or contractors at any stage of the procurement proceedings.
- (2) Suppliers or contractors shall meet such of the following criteria as the procuring entity considers appropriate and relevant in the circumstances of the particular procurement:
  - (a) that they have the necessary professional, technical and environmental qualifications, financial resources, equipment and other physical facilities, managerial capability, reliability, experience and the personnel to perform the procurement contract;
  - (b) that they meet ethical and other standards applicable in Mauritius
- (3) Where appropriate, bidders may be asked to submit evidence of their environmental and social policies (credentials).

(4) To include a clause allowing public bodies to select consultants, where appropriate, who have a track record on corporate environmental and social performance: firms that have an environmental and social responsibility policy, management plan and report publicly on related performance. Further to select a consultant with proven environmental and social sustainability track record linked to the subject matter.

**(d) Description of Goods, Works, Consultancy Services and Other Services**

Eco-label is currently not mentioned in the current procurement legislation. It is proposed to include in the legislation under Section Description of Goods, Works and Services, provision for the use of eco-label.

The description of the subject matter of the procurement may include specifications, plans, drawings, designs, requirements, including concerning testing and test methods, packaging, marking or labeling or conformity certification, and symbols and terminology. In case of eco-labels or where national/international standards are used, each reference shall be accompanied by the words ‘or equivalent’.

Without prejudice to mandatory national technical rules, the technical specifications shall be formulated either in terms of technical specifications or performance or functional requirements.

However, in the case of performance or functional requirements, the parameters must be sufficiently precise to allow bidders to determine the subject-matter of the contract and to allow public bodies to award the contract.

**(e) Examination and evaluation of bids**

Life cycle costing which is at the heart of Sustainable Procurement is not explicitly mentioned in the legislation. It is a fact that the Standard Bidding Document for Goods allow for the application of this concept. In view of its importance not only for SPP but also for good procurement practices, the LCC should be explicitly incorporated in the procurement legislation as follows:

(1) the evaluation criteria shall relate to the subject matter of the procurement;

(2) the evaluation criteria may include:

(a) the price;

(b) the cost of operating, maintaining and repairing goods or construction, the time for delivery of goods, completion of construction or provision of services, the characteristics of the subject matter of the procurement, such as the functional characteristics of goods or construction and the environmental characteristics of the subject matter, the terms of payment and of guarantees in respect of the subject matter of the procurement

3. Environmental Impact Assessment (EIA) could be a requirement for certain projects, thus broadening the scope of the current EIA provisions.

## **(f) Conditions for performance of contracts**

Public Bodies may lay down special conditions relating to the performance of a contract, provided that these are indicated in the contract notice or in the specifications. The conditions governing the performance of a contract may, in particular, concern social and environmental considerations. However contracting authorities cannot use conditions which go beyond the performance of the specific contract.

For works and services contracts, and only in appropriate cases, an indication of the environmental management measures that the contractor and service provider will be able to apply when performing the contract.

## **(g) Rejection of abnormally low submissions**

Currently, there is no provision to deal with abnormally low bids. It is proposed to incorporate a section on abnormally low submissions. This is relevant to sustainable procurement in situation where bidders submit low bids due to the fact that they are paying extremely low wages to their workers who will be involved in the performance of the contract. Under such circumstances the bid may be rejected as government cannot encourage suppliers and contractors to exploit workers.

A clause dealing with abnormally low bids shall be included in line with Article 19 of UNCITRAL revised text:

*(1) The procuring entity may reject a submission if the procuring entity has determined that the price in combination with other constituent elements of the submission is abnormally low in relation to the subject matter of the procurement and raises concerns with the procuring entity as to the ability of the supplier or contractor that presented that submission to perform the procurement contract, provided that the procuring entity has taken the following actions:*

*(i) The procuring entity has requested in writing from the supplier or contractor details of the submission that gives rise to concerns as to the ability of the supplier or contractor to perform the procurement contract;*

*(ii) The procuring entity has taken account of any information provided by the supplier or contractor following this request, and the information included in the submission, but continues, on the basis of all such information, to hold concerns; and*

*(iii) The procuring entity has recorded the concerns and its reasons for holding them, and all communications with the supplier or contractor under this article, in the record of the procurement proceedings.*

*(2) The decision of the procuring entity to reject a submission in accordance with this article and reasons for the decision shall be included in the record of the procurement proceedings and promptly communicated to the supplier or contractor concerned.*

Public bodies may reject abnormally low bids where this is due, for example, to non-compliance with employment or labour law rules.

#### **(h) Documentary record of procurement proceedings**

If any socio-economic and environmental policies were considered in the procurement proceedings, details of such policies and the manner in which they were applied should be properly recorded.

### **6.5 National Policy Statement on SPP**

Whilst it is possible to achieve good SPP results without a policy, clear and consistent policies that explain objectives help procurers make good procurement decisions. A national policy statement should be developed and adopted that will lend legitimacy to sustainable public procurement. Such a policy statement will acknowledge Government's leadership in sustainable development efforts and fully endorse the Maurice Ile Durable Vision. It is recommended that public bodies adopt this policy statement, which would be signed off at the highest level (the Prime Minister). Following an SPP policy and action plan workshop on November 23-24 2010, and after consultation with the steering committee, a SPP policy statement has been developed and is given at the beginning of this report. This policy statement is based on the following key MTF Sustainable Procurement Principles:

**1. Good procurement is sustainable procurement:** It includes the three pillars of sustainable development: social, environmental and economic. In SPP, as in good procurement, transparency, fairness, non-discrimination, competition, accountability and verifiability are all essential elements.

**2. Leadership:** Senior level, influential champions help to promote and embed SPP and ensure that resources are provided for delivery. In addition, organisations that excel in sustainable procurement can demonstrate leadership by sharing best practice and encouraging others.

**3. Policy through procurement:** SPP can contribute to, or be the main means of delivery of a wide range of organisational objectives. Organisational strategies and objectives may include efficiency, business strategy, sustainable development and sustainable consumption and production. While it is possible to achieve good SPP results without a policy, clear and consistent policies that explain organisational objectives help procurers make good procurement decisions.

**4. Enabling delivery:** Policy-makers, politicians, internal customers, suppliers, contractors as well as procurers all have a role in enabling delivery. The skills needed for SPP are similar to those usually identified with commercial procurement - influencing, negotiating, communication and analysis. Procurers may need to inform and develop their suppliers and contractors, and engage the market early in the process to maximise the opportunities for more sustainable and innovative solutions. They also need access to information that helps them make the optimal decision, including good baseline procurement data. SPP requires the communication of a consistent message designed for the needs of various external and internal audiences. It is when someone is accountable and where there are incentives and penalties associated with delivery that SPP can be achieved.

**5. Implementation:** SPP must be based on the principle of continuous improvement and on a life cycle approach. It should be supported by the principles of the procurement hierarchy and recognise the benefits, wherever they occur. SPP should use a risk-based approach targeting the areas of highest impact or priority, whilst also demonstrating immediate success through a 'quick wins' approach. Integrating SPP into organisational management processes, including environmental management systems, helps in making it part of routine procurement practice.



## Chapter 7: SPP Action Plan

This Action Plan calls on all public bodies to produce their own Delivery Plans to set out how and by when SPP will be made and make it publicly available. Organisation-specific Delivery Plans should set out a time table for delivering improvements. The dates against the specific actions are indicative but together they set out a reasonable method and time table to which organizations should at least aspire.

### 7.1 Key Areas and objectives for the Action Plan

**Table 7.1: Key Themes and Objectives for the SPP Action Plan**

Theme	Objectives
1. People	<p>1a. Leadership and accountability is embedded throughout all levels of the organization.</p> <p>1b. Build capacity to provide professional training and development that helps to embed sustainable procurement principles within the Public Sector procurement process.</p>
2. Policy and Strategy and Communication	<p>2a. To have a policy on SPP that reflects sustainable development strategic priorities and disseminated to key stakeholders.</p> <p>2b. Develop a communications Strategy for SPP.</p>
3. Procurement Process	<p>3a. To integrate sustainable development strategic priorities within the public procurement process for key products/services.</p> <p>3b. Prioritize frequent and significant areas of spending and identify environmentally and socially preferable alternatives.</p> <p>3c. Embed Life Cycle Thinking in the procurement process</p> <p>3d. Organize “buyers-sellers” meetings to disseminate innovative products/services to procurement staff</p>
4. Supplier Engagement	<p>4a. To engage with key markets to secure capacity within the market place to deliver sustainable development priorities.</p> <p>4b. To increase access to public sector procurement opportunities for SMEs through the public tender process or participation in supply chains.</p>
5. Monitoring and Reporting	<p>5a. Monitor the implementation of this Action Plan at national and organisational level.</p> <p>5b. To set clear and measurable targets on sustainable procurement.</p>

## 7.2 Priority Products/Services Groups

In order to examine the positive and negative environmental impacts of public procurement, it is necessary to look both at the magnitude of the expenditures as well as the nature of the product/service/works procured and its potential to impact the environment. Certain types of procurement are capable of generating larger environmental impacts-both positive and negative-than others for every rupee spent. The strongest impact expenditures are those related to works and certain supply contracts. Environmental impacts of works contracts may include impacts, for example, arising from dust generation, noise, waste generation and loss of biodiversity. Environmental impacts of supply contracts (e.g. transport, paper, ICT equipment, cleaning products) include impacts arising from transport of products as well as packaging as well as impacts arising from throughout the life cycle of the product from resource use, through manufacture, transportation, consumption and end of life.

Products/services that the action plan will focus on in the next five years were selected on the basis of the following eight criteria derived from the market readiness analysis study and the survey results:

- potential of generating substantial sustainability impacts over the life cycle
- where a positive demonstration effect can be achieved- and there is opportunity to set a good example to suppliers and the general public
- for which sustainable criteria and alternatives are available and a robust evidence base is available
- availability of higher standard products at little or no additional cost over the life time of products(based on a consultation exercise with suppliers)
- degree of influence of public procurement
- willingness /ability of suppliers to supply more sustainable products/services (based on consultation exercise with suppliers)
- Where there is a possibility to harness win-win solutions with limited administrative obstacles.
- alignment with delivery of MID objectives

Table 7.2 summarizes the seven products and services have been short-listed in this first NAP, based on the above criteria. This range of products can be expanded in the second NAP.

**Table 7.2 Rationale for Choice of Product Groups**

<b>Product Group</b>	<b>Sustainability Impacts(on a global and local level) and Scope for improvement</b>	<b>Positive Demonstration- Opportunity to set a good example to suppliers and the general public</b>	<b>Administrative ease</b>	<b>Availability of sustainable criteria and alternatives- Robust evidence base available</b>	<b>Availability of higher standard products at little or no additional cost over the life time of products</b>	<b>Degree of Influence of public procurement</b>	<b>Willingness /Ability of Suppliers to supply more sustainable products/ser vices</b>	<b>Alignment with delivery of MID objectives</b>
Paper and Printing	Air emissions of sulphur and greenhouse gases; Emissions to water of chlorine compounds and organic waste; Energy consumption; Use of fibres from primary forests; Use of metal complex dye stuffs or pigments.	Avoidance of deforestation and loss of biodiversity is a concept that can be visualized by most users. In addition, the procurement of sustainable alternatives will target a large number of users including all employees of the public sector as well as clients that receive correspondence from the public sector	Can be administered through a Framework Agreement	several ecolabels, guidelines, toolkits available	Already available and at little or no additional cost	Significant	Yes	Waste reduction; Protection of Biodiversity; Pollution reduction

<b>Product Group</b>	<b>Sustainability Impacts(on a global and local level) and Scope for improvement</b>	<b>Positive Demonstration- Opportunity to set a good example to suppliers and the general public</b>	<b>Administrative ease</b>	<b>Availability of sustainable criteria and alternatives- Robust evidence base available</b>	<b>Availability of higher standard products at little or no additional cost over the life time of products</b>	<b>Degree of Influence of public procurement</b>	<b>Willingness /Ability of Suppliers to supply more sustainable products/services</b>	<b>Alignment with delivery of MID objectives</b>
IT devices: computers, monitors; printers and copiers	Energy use during use phase; Use of non-renewable natural resources; Use of harmful chemicals; Disposal of hazardous materials; Use of resources for packaging; and waste from packaging.	IT devices are easily identified with energy consumption	Enabling a department or institution to reduce energy consumption of these devices will be supported not only in terms of reduced emissions but also because of the reductions in cost that will be generated. Can be purchased through a Framework Agreement.	Several websites Several ecolabels	Already available and at little or no additional costs	Significant	Yes	Energy Efficiency; Pollution Prevention

<b>Product Group</b>	<b>Sustainability Impacts(on a global and local level) and Scope for improvement</b>	<b>Positive Demonstration- Opportunity to set a good example to suppliers and the general public</b>	<b>Administrative ease</b>	<b>Availability of sustainable criteria and alternatives- Robust evidence base available</b>	<b>Availability of higher standard products at little or no additional cost over the life time of products</b>	<b>Degree of Influence of public procurement</b>	<b>Willingness /Ability of Suppliers to supply more sustainable products/services</b>	<b>Alignment with delivery of MID objectives</b>
Transport: Passenger Cars	Emission of greenhouse gases; Emission of air pollutants; Extraction of raw materials from renewable and non-renewable resources; Use of fossil fuels from limited sources; Noise emissions; and Disposal of materials at end of life.	Traffic impacts are prominent in Mauritius and proposals to reduce energy consumption and air pollution would likely to be easily supported.	The presence of standards in this area will facilitate greening procurement of passenger vehicles	Several websites EU emission standards	Already available but at a higher upfront cost but not necessarily on the life time of the product.	Significant	Yes	Energy Efficiency; use of renewable energy

<b>Product Group</b>	<b>Sustainability Impacts(on a global and local level) and Scope for improvement</b>	<b>Positive Demonstration- Opportunity to set a good example to suppliers and the general public</b>	<b>Administrative ease</b>	<b>Availability of sustainable criteria and alternatives- Robust evidence base available</b>	<b>Availability of higher standard products at little or no additional cost over the life time of products</b>	<b>Degree of Influence of public procurement</b>	<b>Willingness /Ability of Suppliers to supply more sustainable products/services</b>	<b>Alignment with delivery of MID objectives</b>
Cleaning Products/Services	Use of substances hazardous to the environment and human health; Air pollution through the use of volatile organic compounds; Use of resources for packaging and Waste from packaging; labour issues and social impacts; Impacts are mainly at the local level	Toxicity of cleaning products are well-known and indicated on the product containers. Products are used regularly	Procurement of cleaning products/services is one of the most procured items. Procurement of environment friendly and healthier friendly cleaning products can easily be pursued particularly if carried out through a framework agreement	Several websites Several ecolabels	Available but probably at a higher cost.	Significant	Yes-however SMEs will probably have to be trained and given proper guidance	Pollution Reduction; Health Impacts; Job creation; Equity

<b>Product Group</b>	<b>Sustainability Impacts(on a global and local level) and Scope for improvement</b>	<b>Positive Demonstration- Opportunity to set a good example to suppliers and the general public</b>	<b>Administrative ease</b>	<b>Availability of sustainable criteria and alternatives- Robust evidence base available</b>	<b>Availability of higher standard products at little or no additional cost over the life time of products</b>	<b>Degree of Influence of public procurement</b>	<b>Willingness /Ability of Suppliers to supply more sustainable products/services</b>	<b>Alignment with delivery of MID objectives</b>
Office/ Classroom furniture	Air emissions of pollutants and greenhouse gases; Emissions to water; Energy consumption; Use of wood from primary forests; Use of hazardous chemicals; waste from discarded items/packaging	Avoidance of deforestation and loss of biodiversity and use of renewable materials is a concept that can be visualized by most users. In addition, the procurement of green/healthier alternatives will target a large number of users	Procurement of Office/Classroom furniture is one of the most procured items. Procurement of environment friendly, more durable and healthier friendly office/classrooms furniture can easily be pursued particularly through a Framework Agreement.	Several websites Several ecolabels	Available and at little or no additional cost	Significant	Yes	Protection of Biodiversity; Use of renewable resources; Pollution Prevention; Health Protection

<b>Product Group</b>	<b>Sustainability Impacts(on a global and local level) and Scope for improvement</b>	<b>Positive Demonstration- Opportunity to set a good example to suppliers and the general public</b>	<b>Administrative ease</b>	<b>Availability of sustainable criteria and alternatives- Robust evidence base available</b>	<b>Availability of higher standard products at little or no additional cost over the life time of products</b>	<b>Degree of Influence of public procurement</b>	<b>Willingness /Ability of Suppliers to supply more sustainable products/services</b>	<b>Alignment with delivery of MID objectives</b>
Construction work	Construction works generate a number of impacts including impacts arising from dust generation, waste generation, potential contamination of surface and groundwater and noise. Life cycle impacts can also be identified and include extraction	Given the small size of the island, the public experience impacts arising from construction works. This is the source of numerous complaints. A construction site is generally conspicuous, making this service an ideal target for sustainable contracting.	Administration of SPP for this service will likely to be difficult. Specific training for specialized procurement officers will be required to draft criteria in tender specifications, but training would also be required for local contractors adverse to additional	Several sources(websites, studies, etc), including Building Design Guides, OHSAs, etc	Preliminary research and more consultation with suppliers needed to identify the sustainable alternatives	Significant	Yes-but SMEs will need training and guidance	Energy and Resources Efficiency; Pollution Prevention



	<p>of raw materials, processing of materials using energy and chemicals, transportation, impacts during use including energy use, disposal of construction and demolition wastes.</p>		<p>regulations and adverse to the introduction of measures that may be considered to hamper participation in tendering. Monitoring contract clauses and performance in particular will also be challenging</p>					
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<b>Product Group</b>	<b>Sustainability Impacts(on a global and local level) and Scope for improvement</b>	<b>Positive Demonstration- Opportunity to set a good example to suppliers and the general public</b>	<b>Administrative ease</b>	<b>Availability of sustainable criteria and alternatives- Robust evidence base available</b>	<b>Availability of higher standard products at little or no additional cost over the life time of products</b>	<b>Degree of Influence of public procurement</b>	<b>Willingness /Ability of Suppliers to supply more sustainable products/services</b>	<b>Alignment with delivery of MID objectives</b>
Food and Catering services	Eutrophication, soil erosion, energy and water consumption, toxic impacts on human health and the environment, transport impact packaging waste, occupational health impact of farmers and personnel in processing plants, labour issues, job creation	Health and Safety issues associated with food is a concept that can be visualized by most users and is nowadays high on the agenda. In addition, the procurement of sustainable catering services will target a large number of users including all employees of the public sector as well as invitees of functions organized by the public sector.	Administration for this product/service will likely to be difficult. Specific training for specialized procurement officers will be required to draft criteria in tender specifications, but training would also be required for local contractors .	Robust evidence base is available from international literature- however there are few labels available for locally produced food.	Preliminary research and more consultation with suppliers needed to identify the sustainable alternatives Market survey to be conducted	Significant	To be determined through market surveys and consultation exercises	Protection of biodiversity, energy and resources efficiency, pollution reduction, health and safety

**7.3 Measures, Targets, Actions and Lead Responsibility in Key Areas**

Table 7.3 summarizes for each theme the objectives, measures and actions as well as the lead responsibility agencies

**Table 7.3-Theme 1: People**

Objectives	Measures	Target	Actions	Lead Responsibility
1a. Embed leadership and accountability throughout all levels of the organisation	Sustainable Procurement Leaders and Focal Points in all Public Bodies	By end of 2011, Sustainable Procurement Leaders and Focal Points to be identified and established in all Public Bodies.	Chief Executives to be leaders of SPP in their organizations and accountable for progress. Conduct an awareness-raising workshop on the SPP action Plan with them. Focal Points to be identified by the leaders.	PPO to oversee delivery of the plan and report to Minister of Finance. Head of Civil Service to issue circular to Chief Executives once the Policy and Action Plan is approved by Cabinet. PPO to conduct awareness-raising workshop for Chief Executives.
			Devise performance objectives/ incentives/Award system for procurement officers introducing SPP criteria in tenders	Chief Executives and PPO

			All Departments to define sustainable procurement targets every fiscal year and make the results of sustainable procurement efforts publicly available.	Sustainable Procurement Leaders in respective departments
			Issue a Circular/Directive on the need for reporting on SPP	PPO
1b. Build Capacity – Provide professional training and development that helps to embed sustainable procurement principles within the public sector procurement process	Procurement practitioners, engineers/officers linked to procurement trained in sustainable procurement	By end of 2011, all procurement staff to have received basic training in sustainable procurement  By end of 2012, Procurement officers to have received in depth training in sustainable procurement	One person dedicated to SPP within PPO, acting as a ‘help desk’ for SPP. No of officers to be trained in each Department identified	PPO
			Identify sustainable training providers and look for funding sources(MID fund, development partners,etc)	PPO
			Conduct a Train-the-Trainers workshop on SPP.	PPO

			Develop and provide basic training to all procurement staff	PPO / Departments
			Include sustainable procurement as part of the induction programme for new staff to procurement organizations. By mid 2012, introduce a professional competence to recognize SPP in the Career Path Framework	PPO / Departments
			Develop and provide in depth training to sustainable Procurement Officers	PPO / Departments
			Networking with other countries to facilitate exchange of information	

**Table 7.3 -Theme 2: Policy and Strategy and Communications**

Objectives	Measures	Target	Actions	Lead Responsibility
<p>2a. To have a Policy on SPP that reflects sustainable development strategic priorities and disseminated to key stakeholders</p>	<p>An up-to-date Policy</p>	<p>To maintain a Policy that enables the delivery of strategic sustainable development priorities over the period of the plan</p>	<p>Make the necessary legal amendments so that SPP is mentioned explicitly in the PPA</p>	<p>PPO</p>
			<p>Departments to produce individual Action Plans in line with the general policy and this Action Plan.</p>	<p>Chief Executives of Departments</p>

			Policy/Action Plan be updated as necessary to reflect agreed priorities for the period up to 2015. Policy/ to be updated after the MID strategy and action plan is finalized	PPO
			Liaise with government bodies such as Ministry of Energy, Ministry of Public Infrastructure, Ministry of Business, Enterprise Mauritius , Ministry of Environment etc to encourage them to promote provision of greener/more sustainable supplies and to explore synergies between this plan and other initiatives	PPO through Steering Committee
		SPP Policy and Action Plan to be part of National MID Policy and Action Plan	Steering Committee of MID and Ministry of Environment and Sustainable Development to be informed of the Action Plan which should be integrated and in line with the MID action plan.	PPO
2b. Develop Communications Strategy	Visibility is important to rally support.	Appoint a Communications specialist by end of 2011.	Develop a Communication Strategy	PPO



for SPP	Communication to target the right stakeholder and in the right order		Conduct a media campaign targeting the general public explaining SPP	PPO
			Achievements are publicized through websites, newsletters, press articles, etc	PPO and Departments
			Conduct an information campaign targeted towards politicians	PPO
			Explore synergies with e-procurement	

**Table 7.3-Theme 3: Procurement Process**

Objectives	Measures	Target	Actions	Lead Responsibility
<p>3a. To integrate sustainable development strategic priorities within the public procurement process for targeted/identified products/services groups</p>	<p>Focus on 8 targeted/identified Product/Services groups</p>	<p>By mid 2012 sustainability criteria have been devised for at least one of these product/services groups and by end of 2013 for all of them.</p> <p>By 2015 sustainability criteria for these targeted/identified product/services groups are included in all contracts.</p> <p>Framework contracts exist</p>	<p>Set up Working Groups who will set sustainable criteria for the 6 targeted products / services. The working groups will carry out fact-finding exercises, identify outcomes, survey existing criteria and engage internal and external stakeholders. Minimum requirements (technical specifications) need to be drawn for each of the key products/services and existing Standard bidding documents to be modified accordingly.</p>	<p>PPO</p>

		for some products/services	<p>Specific contract performance clauses shall also be drafted that will be applied for the products/services.</p> <p>Encourage SPP through Framework Agreements for Key Products / Services such as Paper and Cleaning Products/Services.</p>	
	Provision of advice and guidance to public procurement officers on the targeted/identified products/services groups	Guidance and information to help develop sustainable procurement practices on these products/services groups to be easily accessible to procurement staff	Sustainable procurement guidelines, a help-desk at PPO, and website to be available to procurement staff. Best practices and case studies amongst public sector procurement community to be shared. Procurement Manual to guide users on the use of variants and how to evaluate innovative and sustainable solutions.	PPO/Departments

			Departments to raise their case with PPO or Audit's office when a real affordability constraint appears to prevent them from choosing a sustainable solution Audit Officers to be sensitized on SPP and LCC.	
3b. Prioritize frequent and significant areas of spending and identify environmentally and socially preferable alternatives.			Analyse annual procurement spend data and identify key areas for delivering positive sustainability impacts using international standards, eco-labels and life cycle assessments.	PPO
3c. Embed Life Cycle Costing in the procurement process	Procurers/Financial planners/Accountants trained in Life Cycle Costing	All Departments have in-house expertise to consider whole life cycle costing, where appropriate, by 2015	Develop a short course on Life Cycle Costing in collaboration with a training institution and train relevant staff in all departments	PPO/Departments(specially Finance Departments)

			Build a database on life cycle assessments/costing of various products/services based on literature reviews/research work.	
3d. Market Intelligence Gathering through “buyers-sellers” workshops to disseminate innovative products/services to procurement staff	Organize “buyers-sellers” workshops on targeted/identified products/services groups.		workshops on the products/services groups to be organized by end of 2011/mid 2012.	PPO

**Table 7.3-Theme 4: Supplier Engagement**

Objectives	Measures	Target	Actions	Lead Responsibility
<p>4a. To engage with key markets to secure capacity within the market place to deliver sustainable development priorities</p>	<p>Inform and educate the supply side of the market</p>	<p>To develop awareness and start implementation of a supplier development programme by August 2011 Sufficient capacity within the market place to deliver the Policy.</p>	<p>Undertake key contractor spend analysis and identify high sustainability impact contractors and spend with SMEs and NGOs.</p>	<p>Departments with help from PPO in the short term</p>
			<p>Development supplier awareness on sustainability issues through a programme of early and continuous engagement on procurements and through sharing of best practices</p>	<p>Departments and PPO</p>
			<p>Target suppliers through a dedicated website. The website shall provide links to other information centers.</p>	<p>PPO</p>

			Undertake initiatives with representatives of suppliers (chambers of commerce and industry, JEC, AMM, etc) to advise them about SPP in general and the contents of the Action Plan	PPO
			Suppliers asked to provide information on sustainable solutions at an early stage of the procurement process through RFIs or two-stage bidding .	Departments
4b. To increase access to public sector procurement opportunities for SMEs and NGOs through the public tender process and participation in supply chains	Public Procurement opportunities freely available to SMEs	To have appropriate systems in place by end of 2011 to allow access by SMEs to opportunities for doing business with public sector organisations	Develop and operate effective systems to provide accessible procurement opportunities for all potential suppliers.	PPO / Departments
			Contracts to require main contractors to publish opportunities for sub contracting to SMEs and develop award criteria incentives	PPO / Departments

			Develop methods/margins of preferences for procurements of goods supplied from selected NGOs(targeting disabled persons, prisoners, etc)	PPO
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**Table 7.3- Theme 5: Monitoring and Reporting**

Objectives	Measures	Target	Actions	Lead Responsibility
5a. Monitor the implementation of the Action Plan at national and organizational level	Auditing and reporting to ensure effective delivery of SPP.		Internal audit process to take into account SPP outcomes.	Departments
			Report progress against the Action Plan twice yearly to PPO. PPO to do a Status Assessments yearly.	Departments/PPO
			Benchmark SPP practice with other countries	PPO
			Review and Update Action Plan periodically. Second Action Plan(2015-2020) to be ready by end of 2015.	PPO



5b. To set clear and reasonable targets on Sustainable Procurement	Sustainable development priorities integrated within public procurement processes	Targets to be in line with of MID strategy and action plan	PPO to be involved in the development of the MID strategy and Action Plan	PPO and Ministry of Environment and Sustainable Development
5c. Conduct study on the impacts of SPP	Study to outline the sustainable development and market transformation impacts of SPP through case studies.	Study to be conducted near the end of life of this action plan i.e in 2015.	Look for financial support for a research study on impacts of SPP. The study will analyse the choices made during the procurement cycle and the impacts those choices have on sustainable development	PPO

This action plan will aim to achieve the following targets by 2015 for the seven flagship products/services selected.

<b>Product/Services</b>	<b>Target</b>
Paper and Printing	Framework contract incorporating sustainability criteria at specification stage. Targets for increased recycled content (or other appropriate sustainability criteria) to be included as part of framework. Bid evaluation criteria to reflect preference for higher sustainability performance of products (and suppliers as appropriate.) Health, safety and environmental considerations to be included in printing framework, including at specification and supplier selection stage.
IT devices: computers and monitors, printers and copiers	Framework contract incorporating sustainability in specification (energy efficiency, waste management etc).
Transport: passenger cars and buses	100% of contracts to include sustainability clauses
Cleaning Products/Services	Framework contract to incorporate socio-economic as well as environmental aspects (rates of pay, working conditions, training and skills, etc)
Office/Classroom Furniture	100% of contracts to include sustainability clauses criteria in specifications, supplier selection, contract management stages.
Food and Catering Services	100% of contracts to include sustainability criteria in specification, supplier selection, bid evaluation and contract management stages. Focus on definition of requirement, specification, waste management clauses, to minimize risk and maximize environmental, health and social benefit.
Construction Work	100% of contracts to include sustainability criteria – including socio-economic as well as environmental criteria for projects in particular. Focus on contract management stage for projects; specification for construction materials / products, for example.

Framework Agreements, besides their potential for reducing costs, also presents an opportunity to include sustainability criteria for most commonly procured items, such as paper, IT devices and Cleaning

Products/Services. This may take place through a number of ways, including through the use of sustainability criteria for suppliers and independent appraisal of tender submissions.

## **7.4 Getting Started and Time scales**

Multi-stakeholder working groups should be established for all product / service categories. These groups should be very active, meeting frequently to undertake a series of tasks that will feed into the delivery of specific procurement activities, for example. This section focuses on the paper and printing category as an example, but most actions apply to all working groups (WGs). Specific tasks and actions are highlighted for other categories, as appropriate.

- Convene a working group with representatives from relevant Ministries and public bodies, non-governmental organizations, academia, Chambers of Commerce, testing and certification bodies, etc. Representatives from supplier community can be co-opted at some stage during the working sessions and this should be linked to the communications strategy and supplier engagement programme.
- The WG will undertake fact-finding to establish good baselines on:
  - Volumes of paper / printing purchased
  - Current procurement arrangements – rate contracts, opportunity for framework agreements, etc
  - Current specification – percentage recycled content purchased, if applicable – by each Ministry / public body
  - Prices paid by each procuring organisation
  - Examine opportunities to reduce demand – investigate all possible options – in the case of paper this could include involving ICT specialists in determining where multi-functional devices could help reduce quantities of paper purchased; putting a ‘cap’ on volume of paper to be purchased – by each Ministry, department, etc; giving awards for greatest reduction in a month /year; stop buying paper for 3 months, etc.
  - Investigate opportunities for aggregation of demand.

- Examine contract schedules in order to decide on most appropriate time for targeted supplier engagement activity.
  - Analyse availability of higher environmental specification paper in the market place – is it all imported? What will be the consequences on imports of switching to various percentages of recycled content or FSC/ other labelled paper – 50%, 75%, 100%? Aim to plan phased introduction if necessary – in line with MID targets for example.
  - Show how reduction in demand can be used to offset any initial price increase – but negotiate hard to resist price increases using ‘government as an exemplar’ argument.
  - Investigate the opportunities for contract management to deliver sustainability benefits over the lifetime of the project, with appropriate key performance indicators, for example.
- The construction category could be sub-divided and should look at:
    - (i) Construction projects – the WG should liaise closely with MID and others to identify suitable potential pilot projects – such as housing developments. There are huge opportunities to integrate sustainability criteria at an early stage and this need to be done in collaboration with relevant Ministries, MID steering committee and the market place. Several housing projects have already been suggested and the Director of NHDC and Chairman of MID has proposed a potential project.
    - (ii) Construction products – the products WG should look at relevant standards and the need to amend, update, review standards. This should involve testing and certification bodies. Note the focus should be on finding an appropriate solution, particularly if it can be supplied by the local market, rather than necessarily an imported ‘high-tech’ solution.
  - Aim to set targets in line with delivery of MID objectives – energy efficiency, waste reduction, renewable energy, pollution reduction, etc.
  - Gather background information on specifications for paper and printing from sources such as EU GPP Toolkit, UNEP Product Guides etc. Examine work of other countries including UNEP pilot-countries such as Costa Rica.
  - Be up to date with the MID process so as to develop thinking on targets, outcomes etc.
  - Work on potential key performance indicators for these products and services.

- Build a resource base of product / service criteria, background reports, specifications, KPIs etc and make it available online.
- Contribute to the development (by PPO) of guidelines, toolkits and training materials aimed at assisting public bodies to procure more sustainable goods and services.
- Participate in the next round of Status Assessment – completing the online questionnaire again. Disseminating and discussing results with internal and external stakeholders.
- Participate in running the Prioritisation Methodology again / regularly – particularly to identify where actions taken by the WG have had an impact on ‘scope to do more’ scores. This will help embed learning about the risk- and opportunity-based prioritisation process as part of SPP.
- Help inform the ‘market influence’ scores in the prioritisation methodology – but analysing current and potential future influence on suppliers and contractors.
- Involve appropriate representatives on the WG for food and catering services. Focus on local supply wherever possible to highlight benefits to the Mauritius economy. In catering services, look at the opportunities to address socio-economic aspects – rates of pay, working conditions etc. Also training and skills development opportunities. Use of uniforms / protective clothing in catering and cleaning need to be looked into as there may be social and environmental opportunities.

**Under the 5 themes for the action plan, the following should be considered:**

1. People

There is a need to stress leadership and accountability at all levels of organisations. WGs should be responsible for clearly identifying who will be asked to report on progress and when.

There is a need for a Capacity-building – plan for generic training for all procurers and specifiers as well specific training in the selected pilot product / service categories. Future courses should be designed based on learning from the pilots. One example is in the construction field, where a wide audience will need to be involved – from designers and architects to engineers and builders. The early phases of construction are important for sustainability considerations and this WG should seek to work with these stakeholders as early in the design process as possible, in particular to demonstrate the potential benefits of sustainable design.

Capacity building should include training in contract management to deliver sustainability benefits. This will help to improve contract management practices overall, as well as delivering sustainability benefits. Appropriate KPIs are essential (see Measurement and Reporting).

PPO should lead on development of toolkits and guidelines in the pilot product / service areas and test these with target audiences. This can be based on experiences from other countries and tailored to needs of Mauritius.

PPO to devise a schedule of capacity building activities including training of trainers based on MTF on SPP model but tailored to Mauritius situation.

2. Policy strategy and communications: Focus on the development of a communications strategy, with input from specialists. This should be aligned with the MID communications strategy. Target specific parts of the audience with relevant messages – including internal customers. Highlight the benefits to policy makers across the whole spectrum of SD, not only environmental dimensions.

Design a communications programme for specific audiences – including technical specialists and general public. Consider appropriate media for communicating messages – Web, newsletters, TV, radio, newspapers, etc.

### 3. Procurement process

Pilot products and services should be used to create ‘exemplar’ bidding documents and evaluation models, including the application of life cycle thinking and life cycle costing methods. Consider awards / rewards for high achievement by procuring bodies or individuals to encourage improvement – link to measurement and reporting.

Build evidence on products and services into resource base for future SPP activity.

### 4. Engaging suppliers

Engage the market for pilot products and services early. Ensure that they are aware of what is being required of them and why. Highlight the benefits to their business – link to communications strategy. Consider and plan Meet the Buyer events to raise awareness. Showcase good practice through events, workshops, conferences etc.

Focus on MID 5 E’s and show links with SPP and their role in delivering these outcomes.

## 5. Monitoring and Reporting

Engage early with internal audit function to discuss how sustainability outcomes can be measured and monitored. Relate to baseline data and be prepared to make changes to data gathering methods as necessary.

Agree reporting schedule with Ministries and link reporting to MID 5Es – showing how SPP can contribute to delivery of sustainable outcomes.

Be prepared to learn from pilot products / services and amend reporting arrangements accordingly.

Include results of life cycle costing exercises in reports to internal and external audiences to demonstrate benefits.

Link to communications strategy for reporting to public, through media etc.

### **Timescales:**

- Working Groups for pilots should start developing product guidelines within 6 months.
- First resource base – with product criteria, guidelines, bidding documents etc should be in place within 12 months.
- Baselines need to be created within 6 months.
- All procurement and contract management targets need to be aligned with timescales of MID, so SPP action plan should be reviewed regularly to reflect results of survey, workshop outputs, defined outcomes on energy efficiency, waste, water, etc.
- Report results of WG activity at least quarterly.
- Annual report on benefits delivered.
- Action plan reviewed at mid-point 2013.

**Table 7.4: Summary of Activities**

<b>Aug -Dec 2011</b>	<b>Jan-Jun 2012</b>	<b>Jul- Dec 2012</b>	<b>Jan- Jun 2013</b>	<b>Jul-Dec 2013</b>	<b>Jan-Jun 2014</b>	<b>Jul-Dec 2014</b>	<b>Jan-Jun 2015</b>	<b>Jul-Dec 2015</b>
<ul style="list-style-type: none"> <li>• Head of Civil Service to issue circular to chief executives following Cabinet approval of the Policy Statement and Action Plan</li> <li>• SPP leaders and focal points identified and established in all Public Bodies, including PPO</li> <li>• Conduct Awareness-Raising workshop to Chief Executives on the SPP Action Plan</li> <li>• Issue a circular to all departments on the Action plan and on the need for reporting on SPP</li> <li>• Identify the number of officers to be trained in each department on SPP &amp; LCC and look for</li> </ul>	<ul style="list-style-type: none"> <li>• Update the Action Plan after the MID Action Plan is finalised</li> <li>• Provide basic training to all procurement officers</li> <li>• Develop margin of preference for procurement of goods from selected NGOs(disabled persons, prisons, etc)</li> <li>• Build a resource/evidence base on the 7 flagship products/services( awareness raising and training tools, softwares, databases, labels and standards, LCA and LCC).</li> <li>• Develop guidelines, toolkits &amp; training materials on the 7 flagship products/servicesfo</li> </ul>	<ul style="list-style-type: none"> <li>• Devise Award criteria for officers and for suppliers and launch and publicize award</li> <li>• Introduce professional competence to recognise SPP in the career path</li> <li>• Provide in depth training to targeted officers on the 7 flagship products/services</li> <li>• Departments to report Progress on Action Plan to PPO who then report to Cabinet</li> <li>• Departments to define SPP targets for the next fiscal year and report to PPO</li> <li>• Departments to undertake</li> </ul>	<ul style="list-style-type: none"> <li>• Analyse spend procurement data for last fiscal year and conduct the prioritisation methodology again</li> <li>• Encourage SPP through Framework Agreements</li> <li>• Look for financial resources for a research study on the impact of the SPP Action Plan</li> <li>• Update the action plan</li> <li>• Departments to report progress on Action Plan to PPO</li> <li>• Capacity Building Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Proclaim Awards for officers and suppliers and publicize them</li> <li>• Departments to report progress on Action Plan to PPO who then report to Cabinet</li> <li>• Department to define SPP targets for the next fiscal year and report to PPO</li> <li>• Monitor the progress of Action Plan against indicators</li> <li>• Capacity Building Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Analyse spend procurement data for last fiscal year and conduct the prioritisation methodology again</li> <li>• Start the process for the second Action Plan to ready at the end of 2015</li> <li>• Departments to report progress on Action Plan to PPO</li> <li>• Capacity Building Activities</li> <li>• Launch and publicize award</li> </ul>	<ul style="list-style-type: none"> <li>• Departments to report progress on Action Plan to PPO who then report to Cabinet</li> <li>• Departments to define SPP targets for the next fiscal year and report to PPO</li> <li>• Capacity Building Activities</li> <li>• Monitor the progress of Action Plan against indicators</li> <li>• Proclaim Awards for officers and suppliers and publicize them</li> </ul>	<ul style="list-style-type: none"> <li>• Analyse spend procurement data for last fiscal year and conduct the prioritisation methodology again</li> <li>• Report progress on Action Plan to PPO</li> <li>• Capacity Building Activities</li> <li>• Launch and publicize award</li> </ul>	<ul style="list-style-type: none"> <li>• Second Action Plan (2016-2020) is ready at the end of 2015</li> <li>• Departments to report progress on Action Plan to PPO who then reports to Cabinet</li> <li>• Departments to define SPP targets for the next fiscal year and report to PPO</li> <li>• Capacity Building Activities</li> <li>• Monitor the progress of Action Plan against indicators</li> <li>• Proclaim Awards for officers and suppliers and publicize them</li> </ul>



<p>funding sources and trainers for Capacity Building activities.</p> <ul style="list-style-type: none"> <li>• The MID steering committee and the Ministry of Environment to be informed on the Action Plan</li> <li>• Make the necessary legal amendments for SPP</li> <li>• Network with other pilot countries to learn about their progress</li> <li>• Conduct a Train the trainers workshop on SPP by the end of the year</li> <li>• Develop a communication strategy and a communication program</li> <li>• Set up the working groups on the 7 flagship Product/Services . Their recommendations are to be ready by early of 2012.</li> </ul>	<p>llowing the Working Groups recommendations</p> <ul style="list-style-type: none"> <li>• Standard bidding documents and specific contract clauses to be modified after the report of the working groups</li> <li>• Develop a short course on LCC and train the relevant Staff.</li> <li>• Sensitize Audit officers on SPP and LCC.</li> <li>• Develop a website on SPP, targeting suppliers &amp; publicizing achievements</li> <li>• Undertake awareness raising activities with suppliers and their representatives(JE C, Chambers of Commerce and Industry, etc)</li> </ul>	<p>contractor spend analysis and evaluate importance of SMEs</p> <ul style="list-style-type: none"> <li>• Capacity Building Activities</li> </ul>						
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## **Chapter 8: Monitoring, Reporting and Review**

### **8.1 Monitoring and Indicators**

The monitoring and evaluation of this action plan is a critical step. It demonstrates accountability of stakeholders concerned and demonstrates achievements and worthiness of the programme itself.

Continuous monitoring of changes in the procurement process needs to be differentiated from periodic evaluation of the action plan itself.

PPO will need to measure the function and impact of the SPP activities and the level of success in meeting the defined targets. Once implementation gets under way the outcomes and impacts of the projects must be monitored. Ways to monitor and evaluate the SPP Action Plan include:

- **Internal Reviews:** A review conducted by the implementing agencies can look at progress on the SPP commitments and target delivery and spur further action if targets are not being met. But it lacks the elements of independence.
- **External Auditing:** This will make public bodies accountable for the objectives and targets. This External Auditing can be done by PPO.
- **Budgetary reviews:** Public bodies could account for their work on SPP through the Ministry of Finance and the Performance Based Budgetary system.
- **Indicator-based quantitative monitoring:** This could be rigorous if indicators are linked to targets identified during the development of the action plan. It should include monitoring of contract performance using appropriate key performance indicators as part of good contract management practice.

A combination of the above named approaches would probably lead to the most desirable results. It is recommended to adopt a system of internal/external auditing and budgetary reviews through the Programme Based Budgeting and Performance Monitoring Processes as well as indicator-based quantitative monitoring where appropriate.

Indicators to monitor implementation of main actions are given below. PPO shall monitor implementation of the action plan against the indicators identified and report to the Steering Committee and the Minister of Finance and the PMO as required.

**Table 8.1: Checklist for action**

<b>Actions-what?</b>		<b>Monitoring targets how?</b>
<b>Key Action</b>	<b>Sub-actions</b>	<b>Monitoring indicators</b>
Build Capacity	Recruitment and training of personnel	Establishment and staffing of support function within PPO
	Funded project on capacity building	Approval of funded project
	Training seminars for procurement officers	Number of training hours provided per year on SPP
	Networking	
	Interdepartmental circulars	No of circulars issued on SPP
Inform the Market	Undertake initiatives with supplier representatives	Number of initiatives adopted
	Liaise with Government bodies involved	
	Target suppliers through SPP website	Information available on website
Rally Public and political support	Conduct a media campaign targeted towards general public	Number of communication initiatives adopted
	Conduct an information campaign targeted towards politicians	Information campaign for politicians conducted
Encourage SPP through Framework Agreements	Percentage of Framework Agreements adopted	Proportion of Framework Agreements incorporating sustainable criteria
Create Criteria for flagship products	Set up Working Groups(WGs) for the 7 products/services with clear TORs	WGs set up and functioning
	Develop minimum requirement criteria	Development of minimum requirement criteria for 7 products/services
	Develop selection criteria	Development of selection criteria for 7 products/services
	Upload criteria on SPP website	Criteria available on website.
Encourage SPP through contract performance clauses	Modify existing standard bidding documents to ensure SPP	Standard bidding documents reflecting SPP
Review and Prepare the Second SPP Action Plan	Develop general contract performance clauses and specific clauses for the 7 products/services	Percentage of contracts including green contract performance clauses
	Review the Action Plan in mid 2013 Start preparation of second action at the beginning of 2014	Action Plan reviewed in mid 2013 Second Action Plan ready by end of 2015

## **8.2 Role of Key Stakeholders and Devising Participatory Schemes**

Progress in introducing SPP is conditional on the cooperation of individual stakeholders. It is recommended that the consultation process that started during the development of this action plan be continued in the various working groups. It is recommended that the PPO incorporate a link on its website to include a database of on-going SPP activities and best practices. Examples of international best practices on SPP can also be disseminated on the website so as to stimulate debate and illustrate the SPP concept among stakeholders. PPO should, through its existing newsletter, make stakeholders aware of the action plan and progress and circulate it to all stakeholders, including the media. It is also recommended that PPO liaise regularly with the media so as to communicate the objectives, targets and achievements of the programme.

## **8.3 Management, Coordination and Funding of the Action Plan.**

For the effective management of the programme, it is essential to

- clearly assign responsibilities for individual actions
- Establish a dedicated team within PPO to ensure overall coordination and to provide assistance to implementing Ministries
- Ensure a sustained capacity building effort on SPP
- Monitor progress against indicators
- Provide financial support to the projects

The Steering Committee should coordinate the implementation of the projects.

## **8.4 Revising the Action Plan**

We live in a rapidly changing world and a rapidly developing country. Sustainability issues evolve over time and scientific and social understanding of issues improves. To devise an immutable SPP programme in this dynamic situation would be unwise. The SPP action plan would require updating every five years in light of new knowledge and developments. Also a periodic, high level review of implementation of the different elements of the SPP action Plan through the Steering committee is essential. This review can be submitted to Cabinet and this would enhance the accountability of the different public agencies responsible for implementation.

## Chapter 9: Conclusions

The MID strategy has Sustainable Consumption and Production(SCP) as one of its core components. Achieving SCP patterns in the MID strategy requires a life cycle perspective to increase the sustainable management of resources and achieve resources efficiency in all stages of the value-chain. SPP is one of the major policy instruments available for the government targeting the whole life cycle of a product, service or infrastructure. Over time, the procurement mindset should change from “the best value for money” to the best value across the project/product life cycle.

Following a policy statement on SPP, this National Action Plan(NAP ) gives government a clear direction on how to make real progress towards SPP . Critical processes for the success of this SPP Action Plan are:

- the political process and the need for strong political commitment from the top leadership as it helps with the integration process and the allocation of funds
- the capacity building process to help procurers make a difference on the ground.
- the participatory process and the need to develop mechanisms for participation such as working groups, workshops, etc
- the communications process to inform all stakeholders including the public about the achievements made in SPP . This can be made through conferences, seminars, webpage, newsletters, newspaper articles, etc.
- the resource mobilization process from both domestic and international sources to fund the implementation of this action plan, particularly capacity building activities.

For suppliers to government, this action plan means that all government departments will now be looking for solutions that best help them meet their sustainable operations and efficiency targets. Government departments will increasingly seek out innovative solutions and approaches to procurement, including through early engagement with the market place.

This SPP Action Plan will be submitted for approval to Cabinet. Its implementation will help in achieving the “Maurice Ile Durable” vision of the Prime Minister of the Republic of Mauritius.

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