

# Paving the way for Sustainable Public Procurement in Lebanon

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## Policy guidance note

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## List of Acronyms

AFD	Agence Française de Développement
BRS	ARZ Building Rating System
CRP	Carbon Reduction Plan
CP	Circular Procurement
EU	European Union
GHG	Global Greenhouse Gas
GPP	Green Public Procurement
GRPP	Gender Responsive Public Procurement
ICLEI	Local Governments for Sustainability
IOF	Institut des Finances Basil Fuleihan
IT	Information Technology
LCC	Life-Cycle Costing
LED	Light-Emitting Diode
LEED	Leadership in Energy and Environmental Design
MDGs	Millennium Development Goals
MTF	Marrakech Task Force
N-ZP	Net-Zero Procurement
OECD	Organization for Economic Co-operation and Development
PP	Public Procurement
PPA	Public Procurement Authority
PPI	Public Procurement of Innovation
RAP	Reclaimed Asphalt Pavement
SAQ	Status Assessment Questionnaire
SCP	Sustainable Consumption and Production
SDGs	Sustainable Development Goals
SMEs	Small and medium-sized enterprises
SPP	Sustainable Public Procurement
UN	United Nations
UNCITRAL	United Nations Commission on International Trade Law
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
USGBC	U.S. Green Building Council
VNR	Voluntary National Review
WB	World Bank

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# 1. What is Sustainable Public Procurement and why is it important for Lebanon?

## 1.1. Sustainable Public Procurement: at the heart of Agenda 2030

Governments around the world are the largest buyers; Public Procurement (PP) represents globally on average 20% to 30% of Gross Domestic Product (GDP) each year<sup>1</sup>, and global expenditure in procurement is estimated at nearly 9.5 trillion US dollars<sup>2</sup>. As such, the tremendous buying power of governments is capable of shifting demand towards new products and services with a lighter footprint and can be part of the solution in addressing what the United Nations Environment Programme (UNEP) has called the “triple planetary crisis” of climate instability, nature loss and rising pollution.<sup>3</sup>

Public procurement can also be an opportunity for addressing critical socio-economic issues, such as human and labour rights, gender inequality, and local economic development, delivering relatively quick and cost-effective wins. Governments have not only great incentive to maximize every penny of their budgets, but also to gear their purchasing power towards achieving secondary policy objectives such as the promotion of green growth, environmental protection, development of small and medium-sized enterprises (SMEs), promotion of minority- and women-owned/women-led businesses, innovation, responsible business conduct and broader industrial policy objectives. Sustainable Public Procurement (SPP) has thus emerged as a holistic concept that considers more than the green dimension by seeking to achieve the best value from spending public money while ensuring that suppliers, contractors and goods and services purchased by public entities attain wider economic, social as well as environmental benefits.

**Figure 1: Sustainability pillars**

Economic	Environmental	Social
<ul style="list-style-type: none"> <li>• Economic regeneration</li> <li>• Sustainable economic development</li> <li>• Emerging markets</li> <li>• Development of SMEs</li> <li>• Total cost of ownership and life cycle costing</li> <li>• Value for money</li> <li>• Poverty reduction</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental resource management</li> <li>• Urban planning</li> <li>• CO2 reduction</li> <li>• Alternative energies: e.g.: solar, wind</li> <li>• Water management</li> <li>• Sustainable agriculture</li> <li>• Marine resources management</li> <li>• Protection of ecosystems</li> <li>• Pollution and waste management</li> </ul>	<ul style="list-style-type: none"> <li>• Human rights</li> <li>• Clean drinking water</li> <li>• Food security</li> <li>• Fair pay and labor law protections</li> <li>• Anti-child labor and forced labor laws</li> <li>• Fair trade</li> <li>• Health and safety</li> <li>• Gender equality education</li> <li>• Child mortality and maternal health</li> <li>• Healthy lives and well-being for all</li> </ul>

<sup>1</sup> United Nations Environment Programme (2022). 2022 Sustainable Public Procurement Global Review. Paris. [https://www.oneplanetnetwork.org/sites/default/files/2023-01/377\\_I\\_UNEP\\_Global\\_Report\\_2022\\_EN.pdf](https://www.oneplanetnetwork.org/sites/default/files/2023-01/377_I_UNEP_Global_Report_2022_EN.pdf)

<sup>2</sup> The World Bank, Global Public Procurement Database: Share, Compare, Improve! March 2020, <https://www.worldbank.org/en/news/feature/2020/03/23/global-public-procurement-database-share-compare-improve#:~:text=Overall%2C%20public%20procurement%20represents%20on,be%20lost%20due%20to%20corruption>

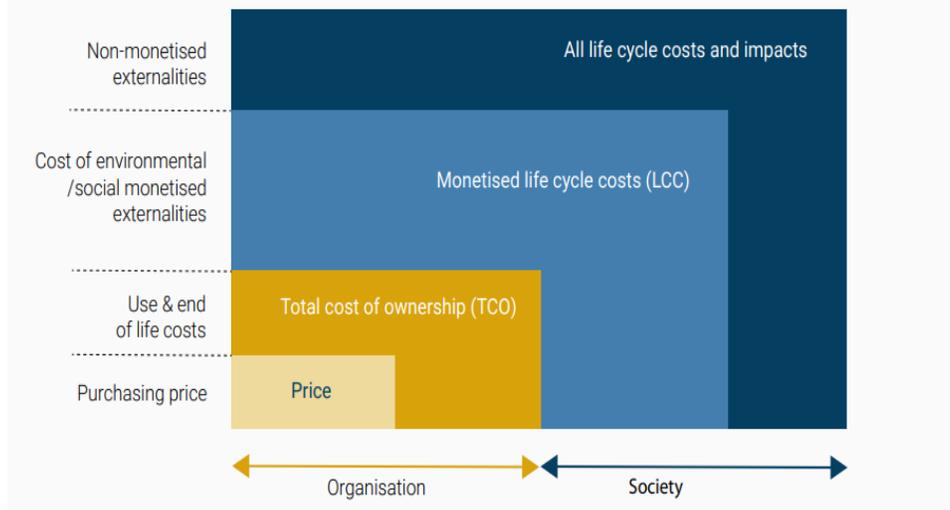
<sup>3</sup> United Nations Environment Programme (2022). 2022 Sustainable Public Procurement Global Review. Paris. [https://www.oneplanetnetwork.org/sites/default/files/2023-01/377\\_I\\_UNEP\\_Global\\_Report\\_2022\\_EN.pdf](https://www.oneplanetnetwork.org/sites/default/files/2023-01/377_I_UNEP_Global_Report_2022_EN.pdf)

While traditional procurement is a one-dimensional, cost focused approach, SPP considers a three-dimensional (economic, environmental, and social) life cycle approach. Three-dimensional thinking does not mean it takes three times longer, nor is the outcome necessarily more expensive.

In public procurement, the lowest price can be an effective decision-guiding tool if sustainability requirements are included in the product specifications, such as certified ecological production for public school meals or for cleaning products.

Life-cycle costing is a bridge between cost-based decision-making and sustainability considerations in public procurement, particularly if production externalities are increasingly internalized in production and distribution costs; for example, durable products lower maintenance costs and reduce the public consumption of finite resources. Consequently, the best value for money would be “the optimum combination of whole life cost and quality to meet the user’s requirements”.

**Figure 2: Life-Cycle Costing**



Life-Cycle Costing (LCC) considers the costs of resource use, maintenance and disposal which are not reflected in the purchase price. LCC accounts for direct costs including:

- Acquisition or purchasing costs and all associated costs such as delivery, installation, commissioning, and insurance.
- Use or operating costs, including energy and water use and maintenance costs.
- End-of-life costs such as elimination, recycling, or disposal.

It also includes indirect costs such as environmental externalities linked to the products, services or works during their life cycle, provided their monetary value is quantified.

Often, this will lead to ‘win-win’ situations whereby a greener product, work or service is also cheaper overall. The main potential for savings over the life cycle of a good, work or service are savings on the use of energy, water and fuel, savings on maintenance and replacement, and savings on disposal costs.

Source: UN Environment, ISO20400, <https://slideplayer.com/slide/11823308>

Since 2002, PP has been considered as an instrument for “greening” value chains. The World Summit on Sustainable Development (2002) initiated the [Marrakech Process](#), which aimed to make production and consumption patterns less harmful to the environment. In the same year, the OECD Council adopted its [Recommendation on Improving the Environmental Performance of Public Procurement](#), which called on member countries to, for example, provide the appropriate policy framework to incorporate environmental criteria into public procurement (OECD, 2002).

In recent years, international standards and guidelines were issued in favor of encouraging national policies on sustainable public procurement. The [2015 OECD recommendation on public procurement](#) states that “any use of the public procurement system to pursue secondary policy objectives should be balanced against the primary procurement objective”. Buying sustainable and innovative products, works and services is considered to play a key role in improving the efficiency and quality of public services while addressing major societal challenges. The [2014 European Union Directive](#) explicitly promotes the integration of environmental and social criteria into public procurement at the European level (parag. 2, 47, 91, 95, 96 and 123).

Since 2015, there has been an increase in the development of policies and legal instruments supporting SPP worldwide. The interest in demand-side policies has grown and several approaches have emerged, such as Green Public Procurement (GPP), Gender Responsive Public Procurement (GRPP), Public Procurement of Innovation (PPI) and, more recently, Circular Procurement (CP), representing global and national strategic goals to be achieved through public procurement.

The procurement activities of national, state and local governments are directly or indirectly responsible for 15% of global greenhouse gas (GHG) emissions. The vast majority of these emissions – up to 70% of the total – stem from the activities of six industries: defense and security, transport, waste management services, construction, industrial products and utilities.<sup>4</sup> Regulations around Net-Zero Greenhouse Gas (GHG) are growing quickly in areas like claims, transition plans, procurement, product standards and disclosure. They establish clear, enforceable standards and criteria that apply to all products and services procured. The [report of the High-level Working Group on Zero Greenhouse Gas \(GHG\)](#), released at the occasion of the COP27 held in Egypt in November 2022, stated clearly that “cities have regulatory and procurement powers themselves (e.g. building codes, land use and land-use planning) and should incorporate new regulations that reduce emissions into climate action plans”. The report also recommended to support SMEs and micro enterprises in decarbonizing and greening their businesses given that these businesses are at the heart of the economic fabric and are especially present in industries vital to the ecological transition.

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<sup>4</sup> World Economic Forum (2022). *Green Public Procurement: Catalysing the Net-Zero Economy*, January 2022. [https://www3.weforum.org/docs/WEF\\_Green\\_Public\\_Procurement\\_2022.pdf](https://www3.weforum.org/docs/WEF_Green_Public_Procurement_2022.pdf)

### Box 1: What is Net-Zero Procurement?

Net-Zero Procurement (N-ZP) is an untapped super-market force that could save the day for humankind, or at least fix climate change. N-ZP is defined as obtaining the best value for money when purchasing the most climate-friendly goods and services from suppliers who are the most committed to science-based net-zero greenhouse gas (GHG) targets, in support of the buyer's / customer's stated organizational purpose and strategic net-zero goals.

Since governments can't stabilize the climate by themselves, engaging companies in their efforts to decarbonize their economies is becoming a fact. Governments can use N-ZP as the most effective way to mobilize businesses in the race to net-zero GHG, voluntarily. Through their procurement processes, governments can have a significant positive impact on the climate friendliness of the goods and services they buy. **In Canada**, the federal government's buying power is US\$22 billion a year. An incentive for suppliers to disclose their net-zero scores is that they would qualify to be a government supplier and could tap into that revenue stream. Another incentive is that their scores are weighted heavily enough to matter (e.g., 10-30%) in the bid appraisal process, giving them preferential treatment if their scores are better than their competitors'. **In the United Kingdom**, [Procurement Policy Note 06/21](#) calls to taking account of Carbon Reduction Plans (CRP) in the procurement of major government contracts over £5 million, asking that suppliers confirm their commitment to achieving net-zero by 2050 by producing a CRP which is fundamental to achieving net-zero emissions.

## 1.2. A global momentum for Sustainable Public Procurement

### The 10 Year Framework of Programs on Sustainable Consumption and Production (10YFP)

The 10-Year Framework Program on Sustainable Public Procurement (10YFP SPP) is an initiative of the United Nations Environment Program (UNEP) that comes within the 10YFP on SCP. It aims at promoting and supporting the implementation of SPP practices worldwide towards the achievement of the Sustainable Development Goals. The program, launched in 2013, is part of the broader Sustainable Consumption and Production (SCP) program of UNEP. As a global platform, it brings together governments, intergovernmental organizations, non-governmental organizations, academia, and other stakeholders to share best practices, tools, and experiences on sustainable public procurement.

The 10YFP SPP program has several objectives including:

- Increasing the awareness and understanding of the benefits of SPP practices among public procurement stakeholders.
- Building the capacity of public procurement officials and professionals to implement SPP practices<sup>5</sup>.
- Developing and promoting SPP tools, [guidelines](#) and [methodologies](#).
- Encouraging the development of sustainable supply chains and markets.
- Promoting international cooperation and knowledge sharing on SPP.

### The European Union's Commitment to Sustainable Public Procurement

The European Union (EU) has been promoting SPP for many years as part of its broader efforts to promote sustainable development. SPP is the process by which public authorities seek to procure goods, services, and

<sup>5</sup> A collection of actions is compiled by UNEP, providing good practices capacity-building and policy-making support tools for SPP at national, sub-national and global levels

works with a reduced environmental and social impact throughout their lifecycle. The EU is promoting SPP through:

1. Legal Framework: The EU legal framework requires member states to include environmental and social considerations in public procurement processes through the [EU's public procurement directives 2004/18/EC](#) which set out the rules for how public authorities must conduct their procurement activities;
2. Guidance and Support: The EU provides [guidance](#) and support to public authorities to help them implement sustainable procurement practices, including guidance on the use of environmental and social considerations and the evaluation of suppliers' sustainability credentials;
3. Green Public Procurement (GPP) Criteria: The EU has developed a [set of green public procurement \(GPP\) criteria](#) that help public authorities identifying environmentally sustainable products and services. These criteria cover a range of product and service categories, from building materials to cleaning products;
4. A [GPP Helpdesk](#) to respond directly to stakeholders' enquiries;
5. Funding: The EU provides funding to support SPP initiatives, such as the [LIFE programs](#), which provides funding for environmental projects, including those related to SPP;
6. Network and exchange: The [Procura+ European Sustainable Procurement Network](#) was initiated and coordinated by [ICLEI](#)<sup>6</sup>; it is composed of public authorities and regions that connect, exchange and act on sustainable and innovation procurement. The Network provides advice, support and publicity to any public authority that wants to implement sustainable and innovation procurement.

Furthermore, a number of resources were developed by the European Commission to assist public authorities in the implementation of GPP:

1. A [News-Alert](#) featuring the most recent news and events on GPP;
2. A list of responses to [Frequently Asked Questions \(FAQs\)](#);
3. The [GPP website](#) with links to these resources plus studies, projects, videos, networks, national links, GPP examples, court cases and legal and policy background, training materials and documents for new criteria development.
4. A [glossary](#) of key terms and concepts related to GPP.

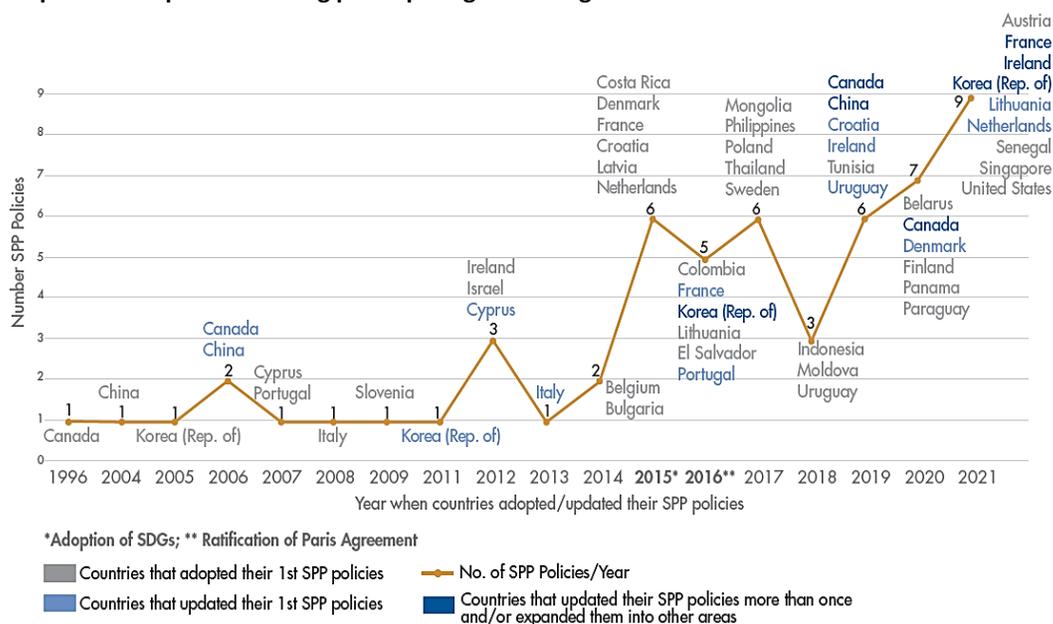
### How SPP makes a difference in government spending and market development?

From 2015 onwards, there has been a significant rise in setting policies and legal documents aimed at supporting SPP worldwide. According to UNEP's [SPP Global Review 2022](#), 45 national governments reported having SPP provisions in their overall or specific policies and strategies, with the majority of them also including SPP in their procurement regulations (82%) or having policies solely focused on promoting SPP (76%). 31 national governments out of 45 stated that they have a legal framework that covers all three types of policies and instruments that support SPP<sup>7</sup>.

<sup>6</sup> ICLEI Local Governments for Sustainability

<sup>7</sup> United Nations Environment Programme (2022). *2022 Sustainable Public Procurement Global Review*. Paris. <https://www.oneplanetnetwork.org/sites/default/files/2023-01/377 | UNEP Global Report 2022 EN.pdf>

**Figure 3: Adoption of SP policies among participating national governments<sup>8</sup>**



Source: UNEP (2022). 2022 Sustainable Public Procurement Global Review. Paris.

**Box 2: Recycled asphalt for Hamburg's roads in Germany**

The City of Hamburg saved 30% on costs in a road resurfacing contract – while also significantly reducing environmental impacts. The city specified the use of an innovative process to use 100% reclaimed asphalt pavement (RAP) for road surfaces. The technique was fully tested prior to tendering for quality and durability, and the five companies submitted bids. The positive results achieved by Hamburg have led other German cities to take an interest in the use of 100% RAP<sup>9</sup>.

**Box 3: The conversion of governmental vehicles and taxis to natural gas in Egypt**

The conversion of governmental vehicles and taxis to natural gas: The conversion of the governmental vehicles to the natural gas was progressive. It was first introduced in 2008 into a limited number of vehicles that were consuming very high quantities of gasoline. Subsequently, a decision was taken by the Prime Minister to shift all the governmental vehicles to natural gas in an attempt to reduce expenditures and to switch to sustainable public procurement. Accordingly, the conditions and specifications for the procurement of all national vehicles stipulate clearly that they should consume natural gas. Such practice paved the way for sustainable public procurement in Egypt that respects both the environment and the economic status of the country. Based on the success of this project, the Ministry of Finance adopted another initiative which is about renovating old taxis and shifting them to natural gas as well<sup>10</sup>.

8 2021 SPP Global Review and 2017 SPP Global Review - National Government Questionnaire.

9 The Procura+ Manual, A Guide to Implementing Sustainable Procurement, 3rd Edition

10 <https://switchmed.eu/wp-content/uploads/2020/11/Factsheet-SwitchMed-demo-Egypt-SPP-07.04.2020.pdf>

#### Box 4: Introducing of LED lamps in Egypt

In an attempt to reduce the huge investment costs for implementing electricity generators and to minimize the consumption of fuel, the Ministry of Electricity introduced new programs to encourage the transition of the Egyptian market towards LED lamps. Under the strategy of the Ministry of Electricity to enhance the quality of energy and to minimize its consumption, the electricity sector has adopted many initiatives, such as:

- Distributing 9.5 million LED lamps for households' lighting.
- Implementing rules for minimizing energy consumption in 28,230 governmental buildings.
- Launching a media campaign to raise awareness of energy efficiency.

Since 2012, the Ministry of Electricity has implemented 22 pilot projects to enhance the lighting systems in different buildings in an attempt to test technical and economic feasibility. Accordingly, 8,000 traditional lamps were replaced by LED lamps. This resulted into **saving 12 million-kilowatt hours a year**. In addition, the pilot projects **saved 2793 tons of fuel** and **reduced the emissions** of CO2 with 6938 million tons.

Source: <https://switchmed.eu/wp-content/uploads/2020/11/Factsheet-SwitchMed-demo-Egypt-SPP-07.04.2020.pdf>

#### Box 5: Chile leading by example for gender-responsive public procurement

Gender-inclusive or gender-responsive public procurement (GRPP) is about harnessing the purchasing power of the State as a strategic policy instrument to advance gender equality (SDG 5). It involves the introduction of gender requirements and considerations into public procurement policies and practices. In 2014, the **Government of Chile** pioneered a new public policy to increase the participation of women-owned and women-led businesses in public procurement. In a country where only 36% businesses participating in the public market are women-owned, ChileCompra (the procurement agency working under the Ministry of Finance) included gender-responsive policies in their public procurement system, through:

- a. sensitization and capacity-building among public procurement officers
- b. consolidation of the Sello Empresa Mujer (Women's Supplier Certification) to identify women-owned and women-led businesses
- c. actions to increase the capacity of suppliers to engage in public procurement processes
- d. the creation of business networks

The above actions were complemented by a baseline analysis of the market to identify the share of women and size of their companies and in which industries they were active, and the establishment of an E-marketplace where 90% of the companies that sell their products and services are micro or small enterprises. Chile Compra also facilitated access to public markets through user-friendly platforms and guiding potential suppliers.

Source: Open Contracting Partnership, 2021

## 2. Lebanon embraces Sustainable Public Procurement: A national commitment and an accelerated path through procurement reform

### 2.1 Lebanon's challenges and barriers to SPP implementation

Throughout the years, ministerial declarations and inter-ministerial initiatives were only general frameworks to show alignment with the Millennium Development Goals (MDGs) set in 2000 and subsequently to the Sustainable Development Goals (SDGs) agreed upon in 2015.

The legal and policy frameworks applicable to public procurement in Lebanon before the issuance of the PP Law no.244/2021 did not include or reflect sustainable development policies and did not support their application. The implementation of SPP has thus been limited to individual initiatives by contracting authorities mainly related to the level of awareness on SPP and organization choices to act environmentally friendly. At the country level, there were no horizontal policy objectives or provisions reflected in public procurement legislation or practices. Regulations and guidance materials contained limited provisions for incorporating social or environmental aspects in requirements, specifications as well as selection and award criteria. At the same time, this reflects a general lack of awareness or knowledge of the issues being faced as well as a pressure to address other political, social and economic problems that may have appeared as more urgent, but not necessarily more important.<sup>11</sup>

#### Box 6: Major barriers to SPP implementation in Lebanon

- The lack of mandatory sustainable procurement rules/legislation.
- The lack of enforced and implemented policy commitments/action plans, although an SPP action plan was approved by the Government in 2016.
- The lack of explicit procurement planning and guidelines that help public authorities stay up-to-date with latest technology and services developments.
- The absence of a specialized procurement function within government agencies, the capacity gap associated to it, and the lack of training.
- Lack of sustainable products and/or services in the market, in addition to absence of ecolabels.
- Perception that sustainable products and/or services are more expensive; the higher cost of green and sustainable products on the short term usually discourages public entities from engaging in SPP and LCC.
- Corruption in public procurement processes and the lack of trust in the system.
- Weak monitoring and evaluation techniques at public authorities to verify the adequate implementation of SPP processes.

<sup>11</sup> Methodology for Assessing Procurement Systems (MAPS), Lebanon: Assessment of the Public Procurement System, January 2021, <https://www.mapsinitiative.org/assessments/MAPS-Lebanon-final-report.pdf>

## 2.2 Lebanon's commitment to Agenda 2030 and the fight against Climate Change

In September 2015, Lebanon endorsed the 2030 Agenda for Sustainable Development and Sustainable Development Goals (SDGs). In April 2016, Lebanon signed the Paris Agreement on Climate Change. In March 2019, it ratified the Paris Agreement (via Law 115/2019) and deposited its instrument of ratification in February 2020 at the United Nations. In 2017, the Council of Ministers established a National Committee on the SDGs to coordinate national efforts on the SDGs, raise awareness, integrate the SDGs into national programmes and plans, and contribute to the preparation of a Voluntary National Review (VNR). The VNR, submitted to the United Nations in 2018, outlined the country's progress in achieving the SDGs.

Lebanon has early committed to the global agenda on sustainability. In 2009, it was identified as a pilot country for the implementation of SPP through the Approach developed by the Marrakech Task Force (MTF)<sup>12</sup>, in collaboration with the United Nations Environment Program (UNEP) and the United Nations Development Program (UNDP). In 2010, the Lebanese Ministry of Finance, represented by the Institut des Finances Basil Fuleihan (IOF), joined the MTF on SPP to assess the current status and to propose future actions on SPP. From 2010 to 2012, this initiative coordinated by the IOF led to 1) a [legal review on sustainable public procurement](#) based on the old procurement legal framework, 2) a [market readiness analysis](#) that resulted in analyzing the supply market for the identified priority products and services to consider for SPP, and 3) the drafting of an [action plan for SPP](#). In 2015, the action plan for SPP was integrated into the [National Action Plan for Sustainable Consumption and Production in the Industrial Sector in Lebanon](#) which was endorsed by the Lebanese Government.

## 2.3 Law 244/2021 is a window of opportunities for SPP in Lebanon

The new Public Procurement Law 244/2021 is an open window for SPP in Lebanon. It provides a modern and unified legal framework for public procurement that is founded on the UNCITRAL Model law (2011), the OECD Recommendation of the Council on Public Procurement (2015) and the findings and recommendations of the [MAPS Assessment Report for Lebanon](#) (2021). The Law is based on 8 guiding principles in line with international standards in public procurement; sustainability is one of these principles. The law lays the grounds for SPP as it includes provisions that support the principles of sustainability and environmental protection, particularly:

**Article 1:** defines the principles based on which Law 244 is founded. It stipulates one of the principles “*promoting the local economy development, national employment and production, based on the best value for expenditure of public funds, while maintaining maximum efficiency.*”

**Article 14:** encourages division into lots of the procurement in view of implementing government development policies such as encouraging the participation of SMEs in public procurement.

**Article 15:** treats sustainability and development policies in public procurement. It stipulates clearly that “where possible, procuring entities shall adopt sustainable public procurement to direct the procurement power of the State towards sustainable goods and services with a view to minimize the environmental impact and achieve the

<sup>12</sup> The MTF approach was jointly led worldwide by UNEP and the Swiss Government

economic and social objectives set forth in international agreements and in accordance with national priorities, while ensuring a balance between the potential benefits and achieving the best value of spending public funds in such a way as to provide incentives to SMEs, local production and national expertise.” The article also mentions that “sustainable public procurement rules and policies shall be set by decrees issued by the Council of Ministers, based on the proposal of the minister(s) concerned”.

**Article 16:** treats domestic preferences, where a 10% ratio preference may be given to proposals containing goods or services of national origin over proposals containing foreign goods or services. The article also forbids to include, in the bidding documents or pre-qualification documents, provisions that exclude goods manufactured in Lebanon or Lebanese consulting and intellectual services if such goods or services are available and the quality thereof meets the technical requirements. This means that public entities are encouraged to prioritize environmentally friendly and socially responsible suppliers, which can lead to increased demand for sustainable products and services.

**Article 72:** tackles professional training and stipulates that “training shall support the implementation of the Sustainable Development Goals”; training is directed to public procurement officers and other stakeholders in the system.

**Article 76:** details the duties of the Public Procurement Authority (PPA), the newly created regulatory authority by Law 244. One of its key duties is “the proposition of general public procurement policies to the Council of Ministers”.

To mainstream sustainability in the public procurement process in Lebanon based on the provisions of Law 244, national policies and action plans are needed. Lebanon’s approved national strategy for public procurement reform and its action plan (2022-2024)<sup>13</sup> clearly stipulates to “develop and implement a sustainable procurement policy that empowers the public procurement system to play its role in promoting the country’s development policies and objectives” as one of the main areas of intervention to bring the regulatory and policy framework in line with good international practices.

### 3. How to pave the way towards SPP Implementation in Lebanon?

The approved national strategy for public procurement reform and its action plan (2022-2024) stipulates “the development and issuance of principles and policies for sustainable procurement, and harmonization with broader, national policies for sustainable development”. To comply with international standards and guidelines on public procurement, Lebanon shall undertake a scientific approach that is internationally recognized and applied to advance SPP policy formulation and implementation. The use of a specific and adaptable approach, referred to as the ‘SPP Approach’ developed by the UNEP based on experiences and feedback received from

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<sup>13</sup> The Government of Lebanon approved the reform strategy by Decision no.66, dated May 20, 2022.  
<http://www.institutdesfinances.gov.lb/wp-content/uploads/2022/05/Lebanon-PPR-strategy-Final-April22-Approved-by-COM-Eng-1.pdf>

countries, is recommended. This methodology provides the country with a common vision, language and framework for SPP and guides stakeholders on how to effectively pave the way towards SPP.

### 3.1. Define a governance structure: A national task force on SPP

A clear governance structure is necessary to ensure the effective implementation of sustainable public procurement in Lebanon. This structure should clearly define the roles and responsibilities of all relevant stakeholders, such as government agencies, private sector entities, and civil society organizations. It should also establish mechanisms for coordination, monitoring, and evaluation of SPP activities. A national task force on SPP can be created to ensure coordination among relevant stakeholders, planning, and implementation of SPP activities in Lebanon. This task force should include representatives from relevant government agencies, the private sector, civil society organizations, and academia, with clearly defined roles and responsibilities.

### 3.2. Undertake a Status Assessment Questionnaire (SAQ) for Lebanon

An assessment of the current status of public procurement practices in Lebanon is considered essential to identify gaps and opportunities for improvement. This assessment should cover all stages of the procurement process, including planning, tendering, contracting, and implementation. The assessment should also consider the environmental, social, and economic impacts of current procurement practices. A Status Assessment Questionnaire can be developed to assess the current status of public procurement practices in Lebanon, including the level of awareness and implementation of sustainable procurement practices. This questionnaire can be circulated to relevant stakeholders, including government agencies, suppliers, and civil society organizations.

### 3.3. Legal Review for SPP

A legal review is necessary to identify and address any legal barriers to the implementation of SPP in Lebanon. This review should cover the new procurement law, regulations, and guidelines, as well as any international agreements or conventions that Lebanon has ratified.

A legal review was conducted in 2012 on the legal aspects of SPP and exhibits the receptivity of the Lebanese laws to the subject of sustainability. The main bulk of the report was concerned about the legal review of the country's procurement and sustainability laws that may offer a legal possibility for the adoption of SPP principles, in addition to the existing procurement practices and the legal adaptations given to them. It also recommends a legal path for Lebanon in its endeavor to arrive at its SPP objectives. Therefore, it is important to build on the legal review that was conducted in 2012 in order to identify and address any legal barriers to the implementation of SPP in Lebanon. This legal review can serve as a starting point for further analysis and can provide valuable insights into the legal aspects of SPP in Lebanon. By building on this previous work, it may be possible to expedite the process of identifying legal barriers and developing legal solutions, thereby helping to accelerate SPP implementation.

### 3.4. Stakeholder analysis

Stakeholder analysis is a critical step in any reform that seeks to bring change. The identification of the key stakeholders who may significantly impact or be impacted by the inclusion of sustainability considerations is key.

A Stakeholder analysis establishes a clear picture of the interests of the key stakeholders in relation to SPP and, at a later time, will serve as an important reference for identifying key actors.

In the case of SPP implementation in Lebanon, some of the key stakeholders might include:

1. Government agencies at the national, regional, and local levels that are responsible for procurement policies and procedures, procurement implementation, environmental protection and social affairs, as well as public agencies responsible for ecolabelling, standards, etc.
2. Private sector companies that supply goods and services to the government.
3. International organizations that have a mandate to support sustainable development in Lebanon, such as the United Nations Development Programme (UNDP), the World Bank, the Agence Française de Développement, among others.
4. Civil society organizations that are engaged in issues related to sustainable development, environmental protection, and social justice.
5. Academic and research institutions that can provide expertise on sustainable procurement and related fields.
6. The media, which can help to raise awareness on the importance of sustainable procurement and keep the public informed about progress and challenges.

**Figure 4: SPP stakeholder mapping**



Source: UNEP 2021, Sustainable Public Procurement: How to Wake the Sleeping Giant! Introducing the United Nations Environment Programme's Approach.

Stakeholders who have high levels of influence and high levels of interest should be engaged closely and actively involved in SPP implementation. They may be part of the national task force on SPP, or they may be consulted regularly throughout the process.

Stakeholders who have high levels of interest, but low levels of influence may still be important to engage, as they can provide valuable insights and feedback. They may be part of a stakeholder consultation process, for example.

Stakeholders who have low levels of interest and low levels of influence may not need to be engaged directly, but they should still be kept informed about the progress of SPP implementation and its potential benefits.

### 3.5. Market analysis to confirm priority products and services with sustainability criteria

In April 2011, the Institut des Finances issued a report concerning the market readiness for sustainable public procurement in Lebanon, where the report has identified six priority products:

1. Paper
2. IT (Printers/Toners)
3. Detergents
4. Pesticides
5. Lighting
6. Water taps / Flushing systems

The study/report showed that there is a general interest among companies in shifting to or focusing more on sustainable products, provided the government encourages the development of a market in such products through its own procurement, which constitutes a large part of the market in some sectors, especially office paper and IT. In paper in particular, public entities can immediately change their buying and disposal habits, and have a strong impact on the rest of the market. Paper should therefore be at the very top of the list of priority products. In the longer term, the construction of new government buildings should be green, following local (ARZ)<sup>14</sup> or international (LEED)<sup>15</sup> indications. This would help set a trend in the wider construction sector.

It is therefore crucial to update the priority products identified in the report from 2011, as the market for sustainable products is constantly evolving, and new products and technologies are emerging. Additionally, government policies and regulations are changing (for instance, issuance of the PP law 244/2021), which may affect the market for sustainable products. An updated study can help identify new priority products that may have emerged in the past decade and assess the current market readiness for sustainable procurement in Lebanon. It can also provide updated information on the availability and affordability of sustainable products in the local market, which can help inform procurement decisions.

<sup>14</sup> ARZ Building Rating System (BRS) is an evidence-based approach to assessing how a green building is. The system includes a list of technologies, techniques, procedures and energy consumption levels that LGBC expects to see in green buildings.

<sup>15</sup> Leadership in Energy and Environmental Design (LEED) is a green building certification program used worldwide. Developed by the non-profit U.S. Green Building Council (USGBC), it includes a set of rating systems for the design, construction, operation, and maintenance of green buildings, homes, and neighborhoods, which aims to help building owners and operators be environmentally responsible and use resources efficiently.

### 3.6. SPP policy framework and action plan with monitoring system and tools

A clear policy and action plan for SPP in Lebanon should be established to guide the implementation of SPP activities. This policy should outline the objectives, targets, and timelines for SPP activities, as well as the roles and responsibilities of all relevant stakeholders. The steps needed to set and adapt SPP policy might entail:

1. **Policy Framework:** outlines the government's commitment to SPP, defines the objectives of the SPP policy, and sets out the principles and criteria that will guide the procurement process. This framework should identify the responsible entities for implementing the policy and specify the roles and responsibilities of each entity.
2. **Objectives:** should be clearly defined and aligned with the new PP Law 244/2021, overall national sustainable development goals, environmental protection, and social welfare objectives. The policy should also consider international best practices and standards in SPP.
3. **Action Plan:** should detail how the SPP policy objectives will be achieved. It should identify priority areas for SPP, define procurement categories that are most suitable for SPP, and set targets for SPP implementation. The action plan should also include a timeline for implementation and the necessary resources to achieve the objectives.
4. **Procurement Categories:** Procurement categories that are most suitable for SPP should be defined, and the criteria that will be used to select sustainable products and services should be established. The procurement categories should be aligned with the priority products and services identified in the earlier step. As previously mentioned, in April 2011, the Institut des Finances issued a report concerning the market readiness for sustainable public procurement in Lebanon, where the report has identified six priority products. It is therefore crucial to update the priority products identified in the report, as the market for sustainable products is constantly evolving, and new products and technologies are emerging.
5. **Monitoring and Reporting:** The SPP policy should establish a monitoring and reporting mechanism to evaluate the effectiveness of the policy and the progress towards achieving the SPP objectives. The monitoring and reporting mechanism should include periodic evaluations of SPP implementation, the use of performance indicators to measure progress, and regular reporting on the results. In this perspective, UN Environment and its partners have developed a [methodology](#) for the measurement of SDG Target Indicator 12.7.1. This methodology proposes an index measuring the level of implementation of SPP in a single country. It covers 8 sub-themes assessing (i) the existence of SPP policies and/or SPP legislation, (ii) the efforts and means dedicated by countries towards the implementation of SPP policies (process indicators), (iii) the outputs developed through these policies (outputs indicators) and (iv) the results achieved by these policies (outcome indicators). UNEP has also issued [guidelines](#) to provide decision makers in government, experts and consultants with a methodology and roadmap for successfully designing and implementing Sustainable Public Procurement (SPP) policies and action plans.

### 3.7. Development of SPP Guidelines

Guidelines are an essential tool for the successful implementation of sustainable public procurement. Guidelines provide practical guidance on how to implement SPP in a way that considers the social, economic, and environmental impacts of the products and services procured by the public sector. Lebanon's national reform strategy on public procurement mentioned 'the preparation and issuance of guidance and materials to help incorporate social and environmental aspects as well as sustainability criteria in requirements, specifications and selection and award criteria' as part of the upskilling of procurement professionals and practitioners. In this context, guidelines should:

- be developed to provide guidance on the implementation of SPP for the identified priority products and services;
- be developed with the input of all relevant stakeholders and should consider the specific context and challenges of the Lebanese public procurement system;
- include sustainability criteria that take into account the environmental, social, and economic impacts of the products and services;
- be developed with reference to international recognized standards;
- should be specific, measurable, and verifiable;
- provide procedures for monitoring and evaluation of SPP activities to ensure that they are achieving their intended outcomes;
- include guidelines on data collection and reporting, as well as guidelines on how to identify and address any challenges or barriers to successful implementation of SPP;

### 3.8. Communicating and advocating for SPP implementation

Communicating and advocating for SPP implementation is a highly needed step to ensure its success. The steps needed can entail the below:

1. **Develop a communication strategy:** The first step is to develop a communication strategy that outlines the key messages, target audiences, channels, and timelines for communication activities. The strategy should consider the stakeholders' analysis, as it will help identify the most effective ways to reach and engage with different groups.
2. **Raise awareness:** Communicating and advocating for SPP implementation is key to raise awareness of its importance and benefits. This can be achieved through various communication channels such as public awareness campaigns, workshops, training, seminars, publications, media and conferences. The communication efforts should aim to reach a broad range of stakeholders, including policymakers, procurement officers, suppliers, and the general public.
3. **Allocate resources:** Adequate resources are needed to support the implementation of SPP. The communication and advocacy efforts should highlight the importance of allocating sufficient resources to support the development and implementation of SPP. This may include, financial resources, staff, training, and technical assistance, in addition to:
  - **Budget Allocation:** Ensuring adequate budget for training, monitoring, and evaluation activities related to SPP.

- **Technical Assistance:** Seeking technical assistance from international organizations and experts to support policy and capacity building efforts related to SPP.
  - **Partnerships:** Building partnerships with civil society organizations, academic institutions, and the private sector can be an effective strategy to support SPP implementation.
4. **Engage Stakeholders:** Effective communication and advocacy efforts require the engagement of a wide range of stakeholders. This includes engaging with policymakers, procurement officers, suppliers, civil society organizations, academia, and the media. Each stakeholder group may require a tailored approach to effectively communicate the importance and benefits of SPP.
5. **Build Support:** through building alliances and partnerships with stakeholders who share a common interest in sustainable procurement. This may include advocacy groups, industry associations, academic institutions, and other civil society organizations.
6. **Showcase Success:** Demonstrating the success of SPP implementation is an effective way to build support and momentum for the initiative. This can be achieved by showcasing successful SPP initiatives, highlighting the benefits of SPP, and sharing best practices and lessons learned.

### 3.9. Develop a capacity building strategy and action plan

Developing a capacity building strategy and action plan on SPP is crucial to orient and structure understanding and awareness, develop skills and knowledge, foster collaboration, and increase accountability and transparency. Through capacity building, stakeholders can integrate sustainability considerations into procurement processes, make informed decisions, and implement sustainable procurement practices effectively. Collaboration and accountability can lead to coordinated efforts, identify areas for improvement, and ensure progress towards SPP. The below steps can be considered while developing a capacity building strategy and action plan for SPP:

1. **Assess the Current Capacity:** The first step is to assess the current capacity of procurement officials and staff, as well as the private sector in terms of knowledge and skills related to SPP. This assessment can be done through surveys, interviews, and focus group discussions.
2. **Identify Capacity Building Needs:** Based on the assessment results, the next step is to identify the capacity building needs of the procurement officials and staff, as well as the business community. The identified needs should be related to knowledge, skills, and attitudes required for effective SPP implementation.
3. **Develop a Training Program:** Once the capacity building needs are identified, the next step is to develop training programs to address those needs. The training programs should be comprehensive, practical, and tailored to the specific needs of the target audience.
4. **Build a Network of Trainers:** Building a network of trainers is essential to ensure the sustainability of the capacity building efforts. The network can include national and international experts and other stakeholders who can support the training process.
5. **Conduct Training:** The training should be conducted in a phased approach, starting with the basics of SPP and gradually moving towards more advanced topics and hands-on. The training needs to be interactive and practical, including case studies, exercises, and simulations.

6. **Monitor and evaluate training:** Training monitoring and evaluating is essential to assess its effectiveness and identify areas for improvement. The evaluation can be done through surveys, focus group discussions, and feedback from participants.
7. **Build partnerships:** Building partnerships with civil society organizations, academic institutions, the private sector, and international partners is essential to support capacity building efforts related to SPP. These partnerships can provide technical assistance, training, and other forms of support.

### 3.10. Proposed road map

Actions	Year 1	Year 2	Year 3	Year 4
1. Define <b>governance structure – set a national task force in charge of elaborating a dedicated policy for SPP and an SPP Action plan</b>				
2. Undertake <b>status assessment questionnaire</b> for Lebanon				
3. Conduct a <b>legal review</b> on SPP				
4. Conduct the <b>stakeholders’ analysis</b>				
5. Undertake the <b>market readiness analysis</b>				
6. Set and adopt <b>SPP policy framework and action Plan</b> with Monitoring System and Tools				
7. Draft the <b>Guidelines on SPP</b>				
8. Set up a <b>communication and advocacy strategy</b> for SPP implementation				
9. Develop and implement a <b>capacity building strategy and action plan</b>				
10. <b>Implementation of SPP, including the CB strategy and action plan</b>				