Environment and Health: How to Leverage Public Sector Procurement for Environmental Agenda

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**UNDP Environmental Procurement Guide**

**Key environmental challenges**

- emission of greenhouse gases
- emission of hazardous chemicals and radiation
- overconsumption and waste
- depletion of ozone layer
- reduction of biodiversity

**Management tasks for procurement**

- consumption of raw materials and energy
- chemicals and radiation in products
- polluting emissions
- waste

*Over the WHOLE LIFE CYCLE of the product / service*

Dr. Christoph Hamelmann, RR and CD Meeting: GF Partnership/ Dubai 2012
What does it have to do with us? (1)

Example: Health sector ECIS region

- accounts for 7.5 % of GDP
- technology intensive with significant consumption of resources, associated with environmental pollution and degradation
- accounts for an estimated 4.2 % of greenhouse gases (GHG) in the ECIS region
- up to 25 % of these GHG can be reduced within short-term, more through long-term measures
- reductions have also direct positive impact on life-years saved
What does it have to do with us? (2)

<table>
<thead>
<tr>
<th>Description</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmaceuticals</td>
<td>36,131,584</td>
<td>40,730,863</td>
<td>50,343,211</td>
<td>64,318,230</td>
</tr>
<tr>
<td>Health products (non-pharmaceuticals)</td>
<td>22,664,462</td>
<td>36,319,625</td>
<td>69,921,736</td>
<td>72,303,829</td>
</tr>
<tr>
<td>Civil works</td>
<td>NA</td>
<td>6,490,317</td>
<td>218,144</td>
<td>7,095,562</td>
</tr>
<tr>
<td>Other services</td>
<td>NA</td>
<td>4,573,245</td>
<td>2,431,624</td>
<td>2,601,420</td>
</tr>
<tr>
<td>Total:</td>
<td>58,796,046</td>
<td>88,114,050</td>
<td>122,914,715</td>
<td>146,319,041</td>
</tr>
</tbody>
</table>

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## Procurement Categories Overview

<table>
<thead>
<tr>
<th>Pharmaceuticals</th>
<th>Other health products</th>
<th>Civil works</th>
<th>Other services</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIV medicines</td>
<td>diagnostic reagents &amp; supplies</td>
<td>facility renovations</td>
<td>transport/distribution</td>
</tr>
<tr>
<td>malaria medicines</td>
<td>clinical supplies</td>
<td>other renovations</td>
<td>warehousing</td>
</tr>
<tr>
<td>TB medicines</td>
<td>equipment</td>
<td>hospital construction</td>
<td>cleaning</td>
</tr>
<tr>
<td>OI medicines</td>
<td>bed nets</td>
<td>laboratory construction</td>
<td>QC testing</td>
</tr>
<tr>
<td>others</td>
<td>insecticides</td>
<td>warehouse construction</td>
<td>rentals</td>
</tr>
</tbody>
</table>

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Start-up Team

- Volker Welter, Senior Advisor, PSO/POM
- Christoph Hamelmann, Practice Leader HHD/BRC
- Elaine Blair, Chief, Regional Advisory Committee on Procurement, BRC
- Tom Twinning-Ward, Practice Leader (a.i.) Global Environmental Facility, BRC
Sustainable public procurement was supported as a first critical step to further the green economy at the national as well as the sub-national level. Concrete progress was proposed in the form of sustainable public procurement targets that could be met by an increasing number of countries over the years.
Further Developments

- UK National Health Service (NHS) - advanced in methodologies of assessment of carbon emissions in health sector
- NHS initiative:
  - Development of Sector Guidance and Product Rules for Footprinting Pharmaceutical and Medical Device Products (by October 2012)
  - External Stakeholder Group: UNDP (member), UNICEF, UNFPA, UNOPS – invited to join
  - In perspective - to establish UN Environmental & Health Task Force in Copenhagen
UNDP’s renewed emphasis on green procurement – Why?

• NHS’s analysis of carbon footprint, 2010:

UNDP’s renewed emphasis on green procurement – Why?

• Impact of pharmaceuticals on the environment through ecocycle:
  - Food, water
  - Trace quantities on our development, ability to resist disease and our wellness

• Pharmaceuticals – assessed with respect to environmental risk and environmental hazard
UNDP’s renewed emphasis on green procurement – Why?

- Environmentally classified pharmaceuticals, 2012
- **Risk** – toxic risk to aquatic environment
- **Env. hazard (PBT)** – ✓ Persistence ✓ Bioaccumulation ✓ Toxicity
  9 – the highest, 0 – the lowest

Stockholm County Council Environmental Programme, 2012
UNDP’s renewed emphasis on green procurement – Why?

- Environmentally classified pharmaceuticals, 2012 – picture for GF programmes:
  - ARVs  
  - Anti-TB drugs  
  - Anti-malarial drugs

How will we address it?
UNDP’s renewed emphasis on green procurement

- 3 levels – introduction of environmental aspects into health procurement

**INTERAGENCY APPROACH**

1. Impact on International Standards
   - WHO and UNFPA pre-qualification programmes (drugs, condoms), WHOPES (pesticides) - products and manufacturing sites

2. Procurement Procedures
   - Mandatory environmental weighting in evaluations

3. Product Specifications
   - Including environmental standards and characteristics
UNDP’s renewed emphasis on green procurement

- UNDP – to advocate with UN agencies to include environmental aspects into policies, assessments, product specifications
- Application of NHS tools & methodologies for assessment of carbon footprint of specific UNDP projects – new business line for UNDP to assist governments in strategies to reduce greenhouse gas emissions in health sector
- Promote and implement health sector/category-specific rules and/or guidance
- Cross-cutting & money saving
Thank you

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