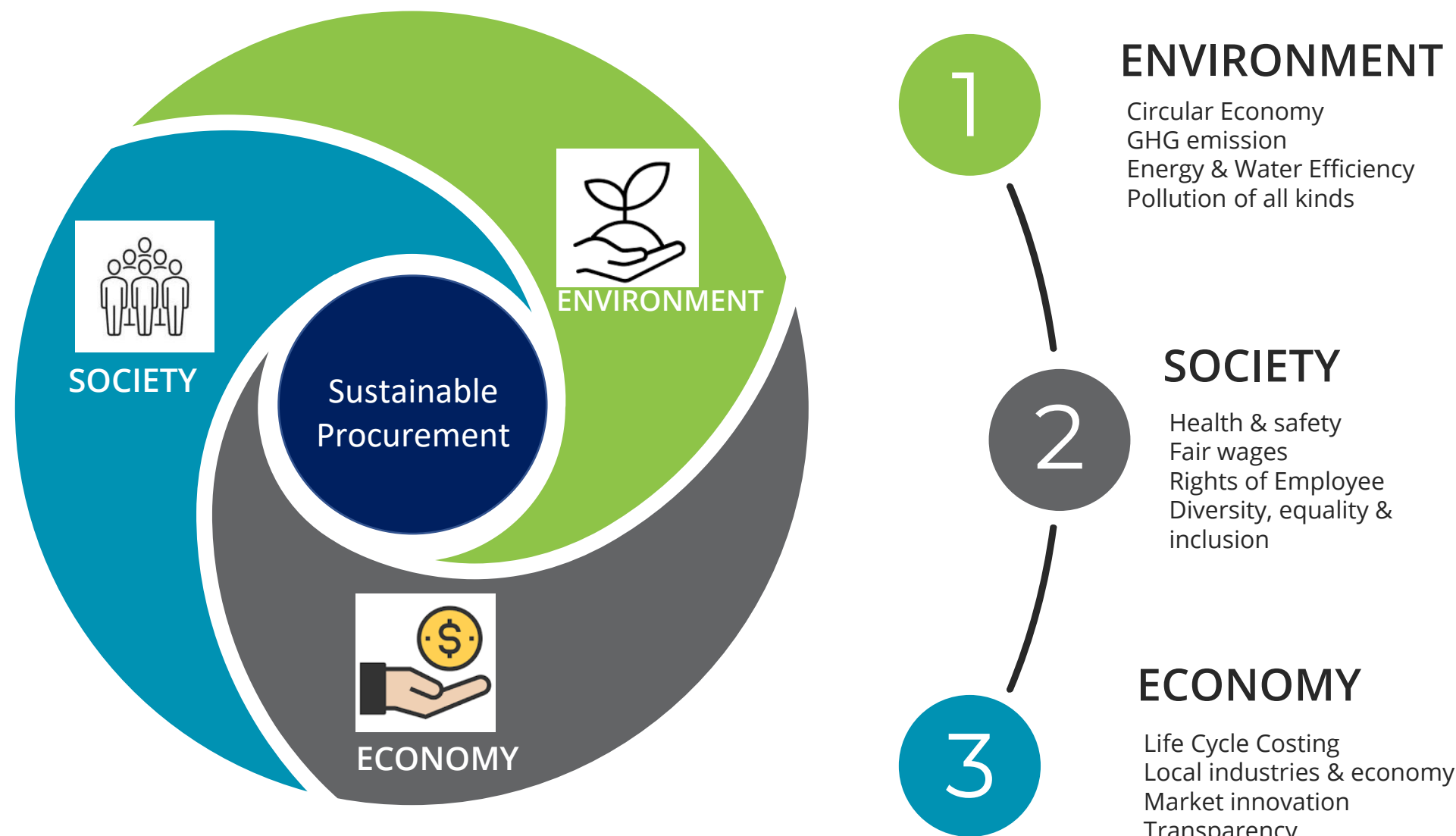


Sustainable Public Procurement and Trade Agreements: Evidence from the Global South

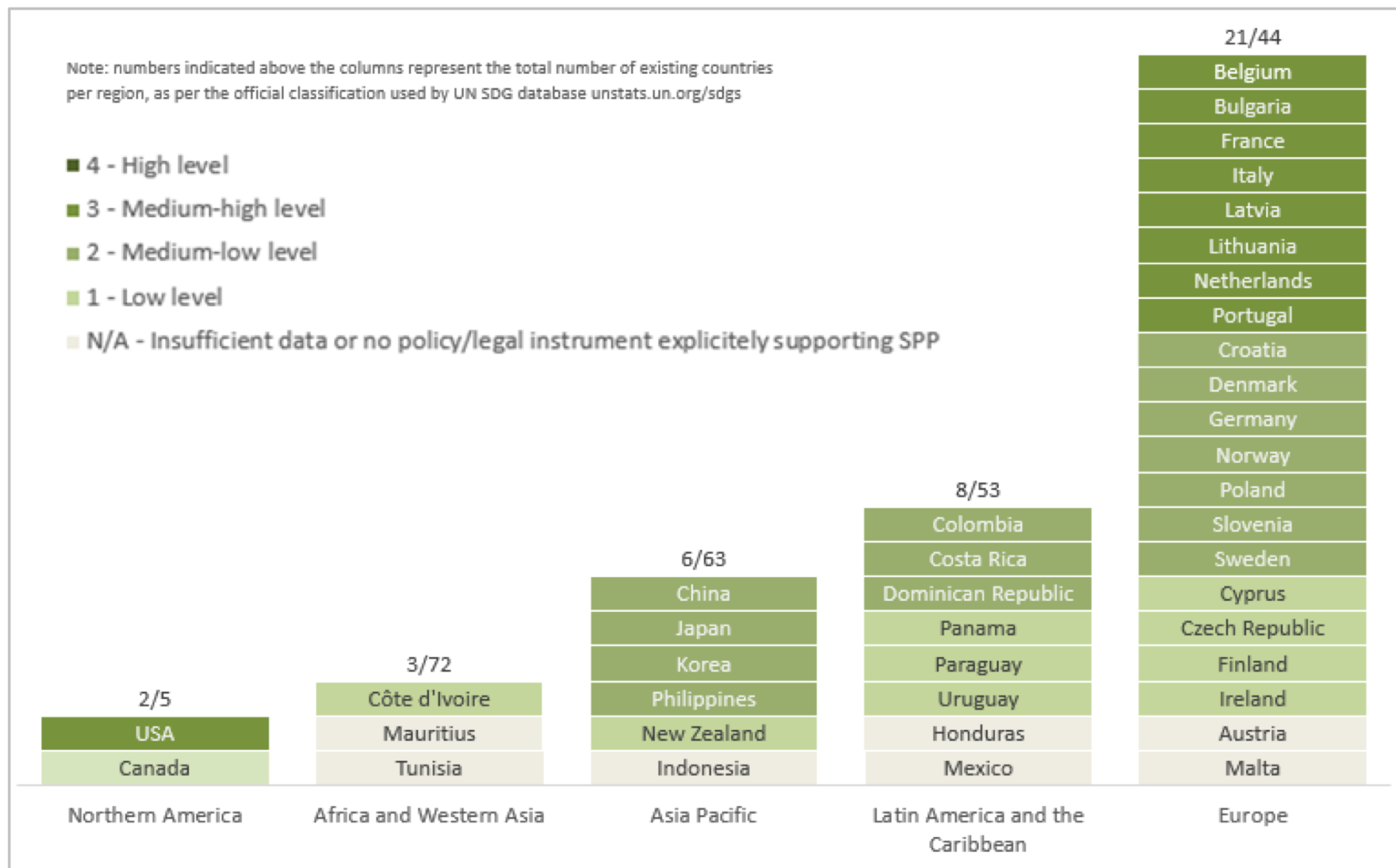
Sanjay Kumar

Government Procurement and Market for Green Goods and Services
20-22 March, Trade Forum 2024
ADB Headquarters, Manila, Philippines

Sustainable Procurement: Waking the Trillion Dollar Giant



Progress of Sustainable Procurement in the Global South



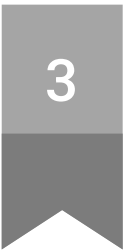
Cascading Impacts of Trade Agreement on S/GPP



It can shape market demand towards more sustainable products and services among Parties to the Trade Agreements



Influence global supply chains in member countries and beyond



Contribute to the achievement of broader national environmental and social objectives such as SDGs, Climate Change Agreement, Inclusions, etc.

Key Features of Trade Agreement Influencing S/GPP

Harmonisation & Mutual
Recognition of Standards

Labour & Social Criteria

Environmental Goods &
Services Agreements

Public Procurement Policy
& Regulatory Cooperation



Capacity Building and
Technical Assistance

Promotion of Sustainable
Value Chains

Inclusion of Sustainability
Chapters

Asia-Pacific Trade Agreement (APTA)

- One of the oldest Trade Agreement: Concluded in 1975
- Economic development through tariff concessions among developing country members (Bangladesh, China, India, Lao PDR, Republic of Korea and Sri Lanka);
- No chapter on sustainable development



EU-Vietnam Free Trade Agreement (EVFTA)

Chapter 13 – Trade & Sustainable Development

- Commitment to pursue sustainable development and Multilateral Environmental Agreements;
- Commitment to Multilateral Labour Standards and Agreements (ILO Declaration on Fundamental Principles and Rights at Work);
- Commitment to reaching objectives of Paris Agreement and cooperation on enhancing capacity for transition to low GHG regime;
- Sharing best practices on designing, implementing and operating mechanism for carbon pricing;
- Promotion of energy efficiency, low-emission technology and renewable energy;
- Trade in products that contributes to sustainable forest management, development of sustainable aquaculture and conservation of biodiversity;
- Development of voluntary sustainable assurance schemes such as fair and ethical trade schemes and eco-label.



Trade and Economic Partnership Agreement between the EFTA states & India

- To promote international trade for sustainable and inclusive growth;
- Incorporate gender perspective in the promotion of inclusive economic development;
- Reaffirm adherence to principles of Multilateral Environmental Agreements;
- Commitment to reaching objectives of Paris Agreement and cooperation on enhancing capacity for transition to low GHG regime;
- Commitment to sustainable management of natural resources and ecosystems, including conservation and sustainable use of biodiversity;
- Commitment to fundamental principles of ILO conventions;
- Commitment to cooperation, information exchange and experiences, including promoting sustainable consumption and production patterns;
- Cooperation between enterprises in relation to goods and services and technologies that promote sustainable development;
- Regulatory framework to promote energy and resource efficient products and services and renewable energy;
- **Not to harmonise the labour or environmental standards of the Parties;**



India-Brazil-South Africa (IBSA) Dialogue Forum

- Trade +
- Commitment to SDGs;
- Commitment to environmental conservation and climate change mitigation;
- Encourage SMEs to adopt sustainable production practices;
- Raising labour standards and promoting social equity;
- Knowledge exchange of best practices;
- Women's development and gender equality programme;
- Trade facilitation for Standards, Technical Regulations and conformity Assessment;
- **Identify possibility of harmonising standards to facilitate trade;**



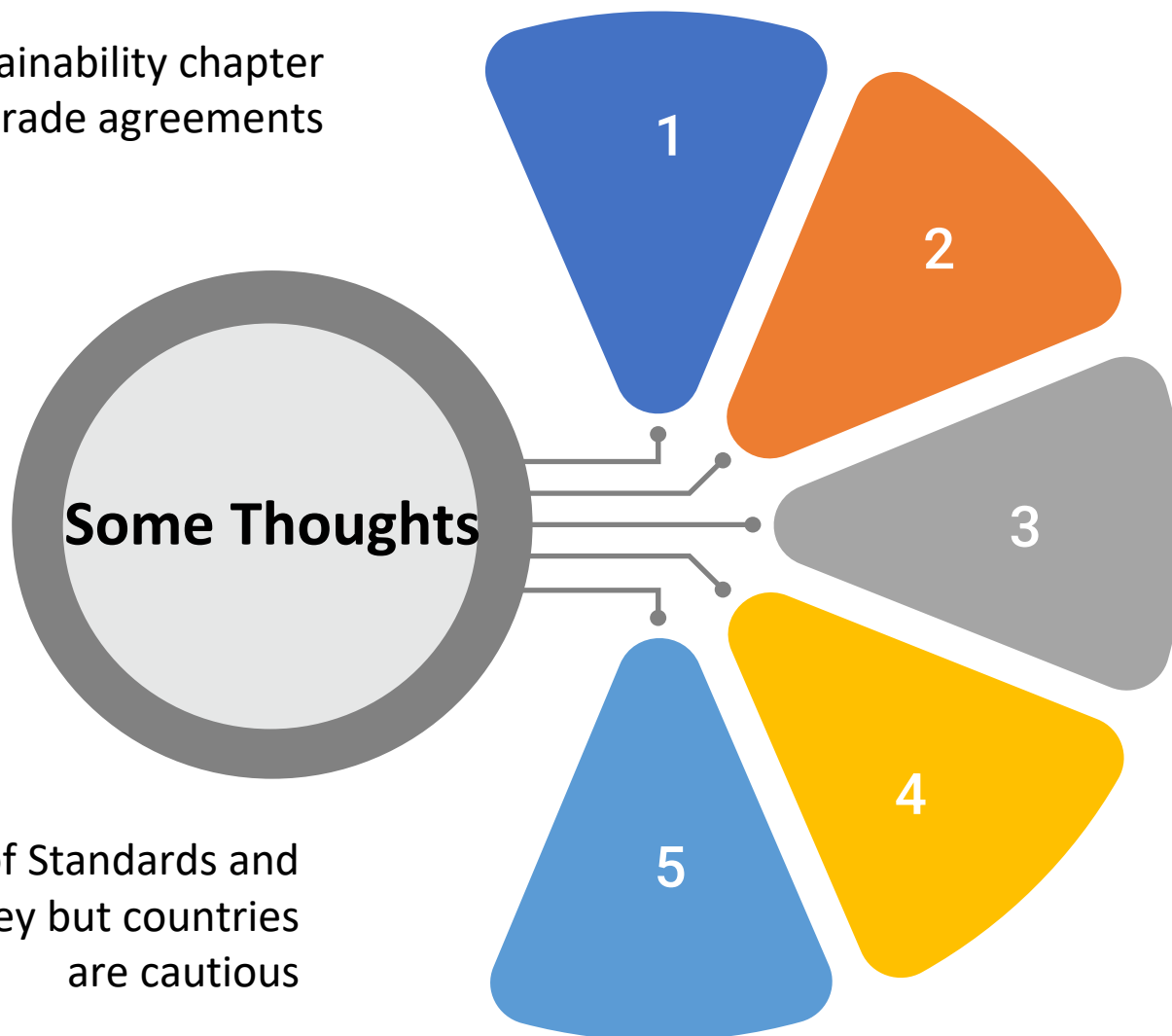
Trade Agreements in Asia Pacific: Some Trends

- Asia Pacific accounts for more than 50% of Trade Agreements signed globally;
- More than 333 Preferential Trade Agreements: 202 are in force, 21 signed but waiting ratification and 96 under negotiation;
- Trade among PTA countries accounts for more than 50% of total trade in Asia Pacific;
- 53 % of in-force PTAs now go beyond liberalisation of trade in goods, including addressing issues related to sustainable development;
- 127 of 223 signed and enforced PTAs had sustainable development-related provisions, including provisions related to labour protection, human rights, gender, health, environment and SMEs.



Some Thoughts from Trade Agreements in the Global South

Inclusion of sustainability chapter is on rise in trade agreements



Coherence between commitments on sustainability aspects and sustainable procurement principles

Still early days for sustainable procurement to harness full potential of trade agreements

Harmonisation of Standards and Regulations is key but countries are cautious

Existence of Capacity Building and Technical Assistance clause: Yet to trickle down in areas of sustainable procurement

Thank you for Listening!