



Deliverable 2b:

Sustainable Public Procurement Implementation Plan 2030

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|--|-----------|
| Opening Remarks | 3 |
| 1. Introduction | 4 |
| The Sustainability Imperative under the NGPA | 4 |
| Expected Benefits & Outcomes | 5 |
| Bakit SPP Ngayon? Understanding the Shift | 6 |
| 2. Strategic Framework for SPP in the Philippines | 8 |
| Vision | 8 |
| Objectives | 8 |
| Principles | 8 |
| Challenges | 9 |
| 3. Institutional Framework | 10 |
| Key Institutions and Roles | 10 |
| Benefits for Participating PEs | 12 |
| 4. Five Action Pillars | 13 |
| Action Pillar 1: Establish a procurement framework where sustainability is seamlessly integrated | 14 |
| Action Pillar 2: Foster a whole-of-government institutional approach to driving the SPP Agenda | 15 |
| Action Pillar 3: Build a competent and confident public procurement workforce skilled at SPP | 16 |
| Action Pillar 4: Create a dynamic supply market with cost-effective sustainable solutions | 18 |
| Action Pillar 5: A data-driven SPP program that shows the benefits of procuring sustainably | 19 |
| 5. Detailed Action Plans | 20 |
| 5. Targets | 25 |
| 6. Resources | 27 |

Opening Remarks

Foreword by the Chairperson, Government Procurement Policy Board (GPPB)

The enactment of the New Government Procurement Act (RA 12009) marks a pivotal moment for public procurement in the Philippines. We embrace its mandate to embed sustainability, efficiency, and inclusivity into our practices. This Sustainable Public Procurement Program 2025-2030 outlines our strategic path forward, defining how we will leverage procurement as a powerful tool to foster a low-carbon and equitable economy and build the competitiveness of Philippine green industry.

We are committed to working collaboratively across government and with the private sector to make this vision a reality, driving towards a truly PRAISE-worthy procurement system.

Foreword by the Executive Director, GPPB - Technical Support Office (TSO)

Building on over a decade of Green Public Procurement initiatives and guided by the transformative potential of the NGPA, the GPPB-TSO is proud to present this SPP Program 2025-2030. It reflects extensive review, stakeholder engagement, and international best practice.

Our focus is on systematic implementation – providing clear guidance, robust tools, capacity building, and effective monitoring. We aim to empower PEs, engage the market proactively, and demonstrate the tangible benefits of SPP for the environment, society, and the economy. This program is our roadmap to institutionalizing sustainability to become the norm in Philippine public procurement.

1. Introduction

The Sustainability Imperative under the NGPA

The enactment of the **New Government Procurement Act (Republic Act No. 12009)** in 2024 represents a fundamental shift in the landscape of public procurement in the Philippines. It elevates Sustainable Public Procurement (SPP) from a commendable, often voluntary initiative pursued through resolutions and roadmaps (Deliverable 1, p. 11), into a **core legal imperative**.

The NGPA is a game-changer, providing **unambiguous legal certainty** for SPP implementation. Key transformative elements include:

- **Sustainability as a Governing Principle:** Section 3 explicitly lists "Sustainability" as one of the eight governing principles, mandating its consideration in all procurement activities. This definition encompasses the whole lifecycle, value for money, societal and economic benefits, and minimal environmental impact (NGPA Sec. 3g).
- **Mandatory SPP Programs:** Section 72 requires *all* Procuring Entities (PE) to establish sustainable public procurement programs, moving beyond the selective adoption seen previously.
- **Dedicated SPP Provisions:** Article XII provides specific sections on Green Public Procurement (GPP) (Sec. 73) and Inclusive Procurement (Sec. 75-76), requiring the integration of environmental criteria and encouraging participation from marginalized sectors.
- **Lifecycle Thinking:** The Act mandates consideration of the whole lifecycle, including disposal (Sec. 7) and the application of Lifecycle Assessment (LCA) and Lifecycle Cost Analysis (LCCA) (Sec. 13).
- **Value Beyond Lowest Price:** The Act allows awarding contracts based on the Most Economically Advantageous Responsive Bid (MEARB), explicitly permitting the inclusion of qualitative, environmental, and social criteria alongside price (Sec. 49, 61).

This clear legal mandate transforms SPP from an ad-hoc practice into a **systematic requirement**. It provides the GPPB, GPPB-TSO, and all PEs with the authority and impetus to integrate sustainability deeply into procurement planning, design, evaluation, and contract management.

This Sustainable Public Procurement Program 2025-2027 is designed to guide this transition, ensuring that SPP becomes the norm, fulfilling the NGPA's vision for a

modern, efficient, and sustainable public procurement system.

Expected Benefits & Outcomes

Beyond the legal mandate of the NGPA, strategic reasons drive the adoption of SPP in the Philippines. Integrating sustainability into public spending is critical for:

- **Climate Resilience and Adaptation:** We are an archipelagic nation highly vulnerable to climate change impacts (typhoons, sea-level rise, etc.). Prioritizing resilience is of critical importance. SPP can contribute by favouring climate-adapted infrastructure, promoting renewable energy and energy efficiency to reduce GHG emissions (aligning with NDC commitments), supporting sustainable resource management (water, agriculture), and choosing solutions that minimize environmental disruption.
- **Economic Stability and Risk Reduction:** SPP can enhance economic resilience by reducing dependence on volatile global fossil fuel markets through investments in energy efficiency and local renewable energy sources. It can also strengthen supply chain resilience by promoting local sourcing (NGPA Sec. 79), supporting domestic industries, and favouring durable, resource-efficient goods and services that minimize long-term operational costs and risks.
- **Boosting Local Green Industries:** SPP acts as a powerful market signal, creating demand for sustainable goods, services, and technologies. This stimulates innovation and investment in green sectors within the Philippines that can enhance the competitiveness of local industries (especially SMEs and startups [NGPA Sec. 75-76]) in a rapidly growing global green market. It aligns with the "Tatak Pinoy (Proudly Filipino) Act" (RA 11981) by fostering demand for sustainable domestic products (NGPA Sec. 79).

SPP is not an add-on but is intrinsically linked to existing national development priorities. It serves as a key implementation mechanism for overarching strategies like the **Philippine Development Plan (PDP) 2023-2028**, supporting goals related to climate action, livable communities, food security, industry revitalization, agricultural modernization, and promoting trade/investment.

SPP also operationalizes objectives within crucial sectoral legislation. This includes the **Energy Efficiency & Conservation Act (RA 11285)** and its **Minimum Energy Performance Standards (MEPS)**; environmental laws such as the **Ecological Solid Waste Management Act (RA 9003)**, the **Clean Air Act (RA 8749)**, the **Clean Water Act (RA 9275)**, and the **Toxic Substances & Hazardous Waste Act (RA 6969)**; standards like the

Philippine Green Building Code; economic policies like the **Tatak Pinoy Act (RA 11981)**; and social inclusion laws like the **Magna Carta for Disabled Persons (RA 7277)** and the **Cooperative Code (RA 6938)**.

Bakit SPP Ngayon? Understanding the Shift

The journey towards comprehensive Sustainable Public Procurement (SPP) in the Philippines has been evolutionary, building momentum over two decades.

Early Foundations (2004-2016): The Green Focus: The initial impetus came with **Executive Order No. 301 (2004)**, mandating a "Green Procurement Program" focused primarily on environmental considerations – encouraging environmentally informed decisions, including environmental criteria in tenders, establishing specifications, and incentivizing green suppliers. A 2008 amendment to the "Magna Carta for MSMEs" required the Government to source at least 10% of its procurement spend from eligible MSMEs. In 2013, the GPPB reinforced its commitment to the GPP Program, inter-agency GPP steering committees created and pilot procurements conducted by the Department of Trade and Industry (DTI). Sub-national initiatives, like Quezon City's engagement in global SPP networks, also emerged. The emphasis during this period was largely on the "green" aspects – resource efficiency, pollution prevention, and eco-friendly materials.

Consolidation and Systematization (2017-2023): The GPP Roadmap Era: The **Philippine GPP Roadmap 2017-2022** marked a significant step towards a more systematic approach starting with 20 priority product groups with plans to expand with time. Institutional mechanisms were strengthened with the creation of Steering and Technical Committees (IATWG) in 2020 and the requirement on PEs to designate GPP Focal Points in 2022. Monitoring via the APCPI system began showing gradual uptake of GPP during this period. Pilot projects for non-CSE items were launched in 2023 to inform the update of technical specifications and create practical case studies to inform and inspire practices across Government.

NGPA Transformation (2024 onwards): Embracing Full Sustainability (Green & Inclusive): The New Government Procurement Act (RA 12009) fundamentally broadens the scope from GPP to **Sustainable Public Procurement (SPP)**. While retaining and strengthening the GPP mandate (Sec. 73), the NGPA explicitly introduces and mandates **Inclusive Procurement** (Sec. 75). This requires PEs to actively encourage participation from and give weight to vulnerable and marginalized sectors, microenterprises, social enterprises, startups, women-led enterprises, cooperatives, farmers, fisherfolk, PWDs, and others (Sec. 75-76). The Act mandates the GPPB to develop policies incorporating social considerations and gender parity (Sec. 75). Furthermore, the overarching definition of Sustainability (Sec. 3g) and the criteria allowed under MEARB (Sec. 61)

explicitly include social and economic dimensions alongside environmental ones.

The current SPP landscape in the Philippines, as defined by the NGPA and reflected in this Program, encompasses a holistic view of sustainability, integrating:

- **Environmental Sustainability** (Green): Resource efficiency, energy efficiency, renewable energy, pollution prevention, waste reduction, circularity, biodiversity protection, climate mitigation and adaptation.
- **Social Sustainability** (Inclusive): Promoting decent work, gender equality, participation of SMEs, social enterprises, cooperatives, marginalized groups (PWDs, indigenous peoples, solo parents, etc.), farmers, fisherfolk, and respecting labor standards.
- **Economic Sustainability**: Promoting value for money over the lifecycle, fostering local economic development, supporting innovation, enhancing market competitiveness, and ensuring supply chain resilience.

This Program aims to implement this comprehensive vision of SPP, ensuring that public procurement becomes a powerful driver for a truly sustainable, equitable, and resilient Philippines.

Future Direction (2025-2030): Building on this trajectory and addressing the challenges identified (see Section 4.3), this Program focuses on:

- **Policy Coherence:** Ensuring SPP is fully integrated as an operational tool within the NGPA framework and aligned with priority national policies (PDP, NDC, etc)
- **Systematic Implementation:** Moving beyond ad-hoc efforts to institutionalize SPP across all levels of government through clear guidance, robust tools (SPP Competency Center), enhanced capacity, and standardized procedures.
- **Market Mobilization:** Aligned the NGPA's requirement for mandatory market scoping, strengthening the dialogue and partnership with the private sector to develop the green market, support supplier readiness (especially SMEs), and foster innovation.
- **Enhanced Monitoring & Impact Assessment:** Improving data collection and analysis to track progress effectively, demonstrate benefits (environmental, social, economic), and inform continuous improvement.

This next stage aims for a qualitative leap, embedding SPP structurally within PEs and

leveraging it strategically for national sustainable development.

2. Strategic Framework for SPP in the Philippines

Vision

To ***make sustainable public procurement the norm in government purchasing***, adopted broadly by PEs to drive sustainable and inclusive economic development, prioritize environmental protection and climate resilience, enhance government efficiency, and improve the well-being of all Filipinos, in collaboration with the market.

Objectives

- Optimize cost, efficiency and resiliency of government procurement and achieve value for money on a whole-life basis;
- Harness procurement to advance the Philippine's climate goals, promote the circular economy, ensure a healthy environment, and preserve natural resources for the well-being and prosperity of future generations
- Stimulate the market for sustainable goods, services, and works, fostering eco-innovation, green investments, and business competitiveness.
- Utilize government spending as a catalyst for social progress and greater equity and opportunity across the nation.
- Build trust and buy-in by stakeholders across the Philippines by demonstrating the positive environmental, social and economic impacts achieved.
- Position the Philippines as a leader in SPP within the ASEAN region.

Principles

The implementation of the SPP Program during its initial phase (2025-2027) will be guided by the following principles, rooted in the NGPA and sectoral priorities:

1. **Whole-of-Life Thinking** by considering the impacts and costs over the *entire lifecycle* – including acquisition, operation, maintenance, and disposal.
2. **Phased Implementation by** progressively incrementally, focused on priority procurements and categories to start and expanding with time, considering evolving market readiness and allowing for learning and adaptation.

3. **Policy Alignment** by strategically aligning with and demonstrably contributing to achieving national development goals (PDP 2023-2028) and sectoral policies.
4. **Fit-for-Purpose** by applying SPP requirements that are reasonable and proportionate to the nature, scale, complexity and context of the procurement, including using flexible modalities (e.g., small-value, framework agreements, pooled procurements, competitive dialogue) where appropriate.
5. **Market Development** through proactive and constructive engagement with the private sector to communicate SPP requirements, understand market capabilities, foster innovation, and build supplier readiness.
6. **Professionalism** by investing in modern approaches to incrementally building the knowledge, skills, and ethical standards of procurement practitioners and relevant stakeholders across government.
7. **Evidence-Based Monitoring** by setting ambitious targets, gathering data and reporting results to demonstrate impact and inform a cycle of continuous improvement

These principles provide a framework for decision-making and action during the critical initial phase of the SPP Program, ensuring alignment while fostering a practical and effective transition towards sustainable public procurement in the Philippines.

Challenges

Implementing a widespread and impactful Sustainable Public Procurement (SPP) program in the Philippines presents a unique set of challenges for the GPPB-TSO. While the commitment to sustainability is growing, several factors are anticipated to influence the adoption and effectiveness of SPP practices across government agencies. Five key challenges have been identified and guide the design of the Action Plan.

- **Lack of SPP Knowledge and Capacity:** This is a foundational challenge. Many procurement practitioners and end-users lack awareness and understanding of SPP principles, how to develop sustainable criteria, apply lifecycle costing, navigate new procedures under the NGPA, and assess sustainable bids effectively. Opportunities to build knowledge must be engaging and allow procurement practitioners to access the knowledge they need, when they need it.
- **Perception of Higher Costs & Difficulty Applying LCC:** The persistent belief that sustainable options are always more expensive, coupled with the practical challenges of implementing Life cycle Assessments and Life cycle Costing (LCC)

within existing budget structures and evaluation processes, presents a major barrier to adoption. Guidance is needed to apply a proportionate approach to the application of these tools, ensuring greatest impact for effort.

- **Market Readiness and Supplier Engagement:** Concerns about the availability, quality, and competitiveness of sustainable goods and services, particularly outside major hubs or from SMEs and inclusive groups, can deter procurers. Opportunities are needed for procurement practitioners to effectively engage with and develop the supply market.
- **Resistance to Change and Risk Aversion:** Implementing SPP requires changes to established procurement routines (e.g., using MEARB, integrating new criteria). This often meets institutional inertia and resistance, compounded by a fear among PEs of making mistakes, facing bid failures, or encountering scrutiny from auditors unfamiliar with SPP. It will be important to recognize and overcome these fears at an early stage, to avoid stalled implementation.
- **Integrating the 'Inclusive' Dimension of SPP:** While GPP has some grounding, the NGPA's strong emphasis on *inclusive* procurement (engaging SMEs, social enterprises, marginalized groups, applying gender considerations) is relatively new territory. Developing appropriate criteria, outreach strategies, verification methods, and monitoring for these social aspects adds a significant layer of complexity and requires dedicated effort and new partnerships.

3. Institutional Framework

The successful implementation of the SPP Program relies on a coordinated effort across various government institutions, each playing a critical role. The NGPA establishes the foundation for this framework.

Key Institutions and Roles

Lead Agency and Steering Committee: The Government Procurement Policy Board (GPPB) acts as the central agency that sets the strategic direction, approves policies and guidelines, and oversees the Program's progress. The GPPB-TSO serves as the Technical Secretariat and SPP Steering Committee, responsible for day-to-day program management, guideline development, capacity building, technical support, stakeholder engagement and program monitoring to inform policy development by the GPPB.

Inter-Agency Steering Committee: The Inter-Agency Technical Working Group (IATWG) on SPP/GPP involves representatives from key ministries and pilot agencies across the

Philippines Government. This Committee will coordinate SPP deployment across agencies, set action plans for priority pilot procurements, develop technical specifications and case studies, share lessons learned and lead by example. Sectoral technical working groups will be formed to coordinate SPP initiatives across agencies.

SPP Focal Points: All PEs - NGAs, GOCCs, SUCs, LGUs - are inherently involved in the SPP Program, as the primary implementers of procurement activities. Mandated by NGPA Section 72, each PE must establish their own sustainable public procurement programs. Requirements include:

- Designate **one (1) representative** who is knowledgeable of RA 12009 who will achieve an Intermediate Competency Level on SPP by 2027, to act as the focal person for all matters relating to SPP;
- Establish an **annual work plan** integrated into the Annual Procurement Plan (APP) with a Green Public Procurement Strategy and Inclusive Procurement Program aligned with institutional priorities, to be submitted to GPPB-TSO;
- Progressively **integrate green and social criteria and life-cycle thinking** into existing procurement procedures and tools of the agency;
- Require staff to **train and obtain qualifications** on SPP through GPPB training courses;
- Submit **annual reports** with data on procurements that integrate green and social responsibility criteria and are awarded to MSMEs, social enterprises, and marginalized groups;
- Share **good practices** including market scoping results and technical specifications with other government administrations, in collaboration with the GPPB-TSO.

A template for designing an agency-level SPP Program will be provided by the GPPB-TSO, to support PEs to fulfill this requirement.

Other Supporting/Influencing Agencies:

The successful implementation of the SPP Program requires the involvement of specialized agencies across the Philippine Government, who are responsible for the development of guidance or provision of expertise and tools to support implementation.

- **Department of Budget and Management (DBM):** Responsible for developing guidelines for second-hand goods. The DBM-PS (Procurement Service) leads the integration of sustainability requirements into Common-Use Supplies and Equipment (CSE).

- **Department of Trade and Industry (DTI):** Development of green product validation/certification programs (NGPA Sec. 74); support for MSME and local market development; defining domestic content.
- **Department of Environment and Natural Resources (DENR):** Setting environmental standards (e.g., emissions, waste); providing data for environmental impact assessment.
- **Department of Energy (DOE):** Implementing energy efficiency standards (MEPS) and programs (GEMP); promoting renewable energy procurement.
- **National Economic and Development Authority (NEDA):** Ensuring SPP alignment with the Philippine Development Plan (PDP); reviewing major projects where SPP can be integrated.
- **Commission on Audit (COA):** Provides oversight; understanding SPP principles (especially LCC, MEARB and value for money beyond lowest price) is crucial for effective audits.
- **Technical Assistance:** Access to support from the GPPB-TSO for specific SPP implementation challenges.

Through this coordinated institutional framework and the active participation of all PEs in establishing their SPP programs, the Philippines aims to systematically embed sustainability into the fabric of its public procurement system.

Benefits for Participating PEs

Fulfilling the NGPA mandate to establish an SPP program enables PEs to access a comprehensive suite of support mechanisms coordinated by the GPPB-TSO through the online SPP Competency Center, the one-stop shop for resources on green and inclusive procurement in the Philippines.

By actively participating in the national SPP Program, PEs benefit from:

- **Guidance, Resources & Criteria Sets:** Access to GPPB-approved SPP guidelines, practical manuals, standard bidding clauses, and validated SPP criteria sets to ensure compliance and simplify implementation, including specialized guides on green procurement, inclusive procurement, life-cycle assessment and life-cycle costing, gender-responsive procurement and other topics.
- **Targeted Capacity Building:** Opportunities for SPP Focal Points and relevant

procurement practitioners to enhance their knowledge and skills aligned with the SPP Competency Framework. Flexible learning opportunities will be offered through on-demand e-learning modules, in-person workshops, pilot procurements, and peer study tours delivered via the SPP Competency Center.

- **Support for SPP Focal Points:** Dedicated resources and a network facilitated by GPPB-TSO to support designated Focal Points in coordinating SPP within their respective agencies, including ongoing training needs assessments and establishment of working groups to address common challenges.
- **Enhanced Monitoring Tools:** Access to improved and integrated monitoring systems (APCPI, PhilGEPS) designed to simplify SPP reporting requirements mandated by the GPPB and IRR and early access to monitoring results that show the benefits of the SPP Program and inform policy updates.
- **SPP Help Desk:** Availability of on-demand expert support from the GPPB-TSO to address specific SPP implementation challenges.
- **Awards and Recognition:** The GPPB will award PEs for outstanding practices in Sustainable Public Procurement through the annual Procurement Excellence Award. Award winners will gain access to study tours and speaking engagements and be featured in GPPB publications and presentations.

This robust support system is designed to empower PEs, build confidence, reduce implementation burdens, and facilitate the successful integration of sustainability into their procurement practices, ultimately contributing to national development goals.

4. Five Action Pillars

The SPP Program will be implemented strategically over two distinct three-year phases (2025-2027 and 2028-2030), guided by the NGPA mandate and informed by national priorities and international practice. Each 3-year Action Plan focuses on **five core Action Pillars**, each aimed at achieving a specific transformative outcome for the nation.

Action Pillar 1:

Establish a *procurement framework* where sustainability is seamlessly integrated

Action Pillar 2:

Foster a whole-of-government *institutional approach* to driving the SPP Agenda

Action Pillar 3:

Build a competent and confident *public procurement workforce* skilled at SPP

Action Pillar 4:

Create a dynamic *supply market* with cost-effective sustainable solutions

Action Pillar 5:

A *data-driven* SPP program that shows the benefits of procuring sustainably

Action Pillar 1: Establish a *procurement framework* where sustainability is seamlessly integrated

Desired Outcome

A national procurement system where sustainability is seamlessly integrated into rules, guidelines, and criteria, providing clear direction and legal certainty for all PEs and aligning public spending with national environmental and social priorities.

Why This Pillar is Essential:

The successful mainstreaming of SPP across the Philippine government hinges on a clear, robust, and supportive policy and legal foundation. While the NGPA (RA 12009) provides the crucial **legal mandate** by establishing sustainability as a core principle (NGPA Sec 3g) and requiring SPP programs (NGPA Sec 72), this mandate must be translated into practical, actionable rules and guidance for PEs.

The importance of this pillar stems from several key factors:

1. **Providing Legal Certainty and Clarity:** By finalizing SPP provisions within the Implementing Rules and Regulations (IRR) and issuing clear, authoritative GPPB guidelines on key aspects like Life Cycle Assessment (LCA) and Lifecycle Cost Analysis (LCCA), Green Procurement, Inclusive Procurement, and the use of MEARB, this pillar removes ambiguity. It gives PEs the confidence to implement SPP knowing they are acting within the bounds of the law and official policy, addressing concerns about potential audit issues or bid failures due to unclear requirements.
2. **Ensuring Consistency and Standardization:** Developing standard SPP bidding clauses, templates, and GPPB-approved criteria sets for priority categories ensures a consistent approach across government. This promotes fairness, simplifies implementation for PEs (who don't have to 'reinvent the wheel' for every tender), and sends clear, unified signals to the market about government

expectations.

3. **Simplifying Compliance:** Providing readily accessible, practical guidance and standardized tools reduces the burden on individual PEs, particularly those with limited capacity or experience in SPP. This makes it easier to integrate sustainability considerations into everyday procurement processes, from planning (PPMPs) to evaluation and award.
4. **Strategic Alignment:** This pillar ensures that the operational rules for SPP are directly linked to achieving broader national objectives outlined in the Philippine Development Plan, the Nationally Determined Contribution (NDC), and other key sectoral policies. It translates high-level goals into concrete procurement actions.

Action Pillar 1 lays the groundwork upon which all other SPP efforts are built. Without a clear, coherent, and legally sound framework, widespread adoption of SPP would be significantly hampered. The activities under this pillar are therefore critical first steps in empowering PEs, mitigating risks, and ensuring the effective rollout of the national SPP Program.

Action Pillar 2: Foster a whole-of-government *institutional approach* to driving the SPP Agenda

Desired Outcome:

A well-coordinated and committed network of government agencies, PEs, private sector partners, and civil society organizations actively driving and supporting the SPP agenda across the Philippines.

Why This Pillar is Essential:

SPP is inherently a collaborative endeavor. While the GPPB sets the policy direction and the GPPB-TSO provides technical leadership, the successful nationwide implementation envisioned by the NGPA cannot be achieved in isolation. Action Pillar 2 focuses on building the necessary institutional architecture and fostering the broad-based commitment required for SPP to take root and flourish across the entire government.

The importance of this pillar stems from several key factors:

1. **Whole-of-Government Approach:** SPP impacts and requires action from all PEs – NGAs, GOCCs, SUCs, and LGUs. This pillar establishes mechanisms for ensuring consistent implementation and shared learning across these diverse

entities. It recognizes that achieving national SPP targets requires collective effort, not just isolated pockets of excellence.

2. **Inter-Agency Coordination:** Many aspects of SPP intersect with the mandates of various government departments (e.g., DTI for green product standards, DENR for environmental regulations, DOE for energy efficiency). Formalizing coordination through bodies like the Inter-Agency Technical Working Group (IATWG) is crucial for policy coherence, leveraging specialized expertise, avoiding duplication of effort, and ensuring SPP criteria align with sectoral policies.
3. **Internal Champions (Focal Points):** Driving change within individual PEs requires dedicated internal champions. This pillar emphasizes strengthening the role and capacity of SPP Focal Points, empowering them to advocate for SPP, guide colleagues, monitor progress, and liaise effectively with the GPPB-TSO.
4. **Motivation and Recognition:** Moving beyond basic compliance requires motivating PEs to embrace SPP actively. Incentives such as recognizing achievements through SPP categories within the Procurement Excellence Award provides positive reinforcement, encourages leadership, and facilitates the sharing of best practices.

Action Pillar 2 is about building the collaborative ecosystem essential for SPP success. It focuses on establishing clear roles, fostering strong inter-agency links, empowering internal champions, incentivizing participation, and ensuring meaningful engagement with external stakeholders. This governance structure is fundamental to translating the NGPA's SPP mandate into widespread, effective action across the Philippines.

Action Pillar 3: Build a competent and confident *public procurement workforce* skilled at SPP

Desired Aimed:

A highly competent and confident public procurement workforce empowered with practical tools, accessible knowledge (via the SPP Competency Center), and continuous learning opportunities to effectively implement SPP and make informed sustainable purchasing decisions.

Why This Pillar is Crucial:

The successful transition to SPP hinges fundamentally on the capabilities of the people involved in the procurement process. While the NGPA provides the legal mandate and

policies set the direction, effective implementation requires procurement practitioners, end-users, technical staff, and management across all PEs to possess the necessary knowledge, skills, and confidence. Action Pillar 3 directly addresses this critical need by focusing on capacity building and providing essential tools and resources.

The importance of this pillar is underscored by several factors:

1. **Addressing Diverse Knowledge Gaps at Scale:** Significant challenges remain related to a lack of understanding of SPP concepts, criteria development, Life Cycle Costing (LCC), and relevant procedures among PEs. Furthermore, different roles involved in the procurement process - from procurers, auditors, end users, budget officers - require varying levels of expertise on SPP and on different competency areas. Given the vast number of procurement actors nationwide, traditional in-person training methods alone are too slow and costly to achieve the necessary scale. Therefore, this pillar emphasizes modern, scalable learning approaches, including online, modular, and on-demand training, allowing individuals to access specific learning opportunities relevant to their professional competencies and job requirements efficiently and effectively.
2. **Building Confidence and Overcoming Risk Aversion:** Fear of making mistakes, potential bidding failures, or audit issues can deter PEs from adopting SPP. Equipping practitioners with clear guidance on MEARB, practical tools (like LCC calculators and criteria selectors), and standardized templates – readily accessible through online platforms – builds confidence and reduces perceived risks associated with implementing new sustainability requirements.
3. **Supporting Tailored and Efficient Professionalization:** The NGPA emphasizes the professionalization of the procurement workforce (NGPA Sec 46). Integrating SPP competencies into this framework and offering **flexible, modular online training** allows practitioners to build specific skill sets aligned with different competency levels (e.g., foundational, practicing, expert, leading), on distinct topic areas and to support diverse career pathways *at their own pace*. This ensures procuring actors can efficiently access the knowledge they need to carry out their job responsibilities, while understanding the learning pathway to building more advanced skills.
4. **Providing Practical Support:** The SPP Competency Center serves as a vital resource, offering a centralized, one-stop shop, user-friendly platform for guidelines, criteria, case studies, best practices, and potentially interactive tools. Procurers will also need access to practical opportunities to apply and exchange peer knowledge, through pilot procurements, study tours and working groups.

Case studies are useful to show how SPP works in practice, and can be developed from the experiences of pilot agencies or based on international examples.

Action Pillar 3 invests in the human capital required for SPP success. By developing targeted training, creating practical tools, and establishing accessible knowledge resources like the SPP Competency Center, this pillar empowers the procurement workforce to confidently and effectively implement the SPP mandate, driving the transition towards sustainable practices across the Philippine government.

Action Pillar 4: Create a dynamic *supply market* with cost-effective sustainable solutions

Desired Outcome:

A dynamic domestic market increasingly capable of offering accessible, competitive, sustainable, and inclusive goods and services to meet government needs and drive green economic growth.

Why This Pillar is Vital:

The ambition of the SPP Program to shift government spending towards sustainable options can only be fully realized if a responsive and capable market exists to supply those goods, services, and works. PEs cannot purchase what is not available or affordable. Action Pillar 4 focuses on bridging this crucial gap between government demand and market supply, recognizing that SPP and green market development must go hand-in-hand.

The importance of cultivating a sustainable marketplace is multi-faceted:

1. **Stimulating a Responsive and Viable Market:** Addressing the challenge of perceived lack of available sustainable options and higher costs (Deliverable 1, p. 54) is paramount. Government demand, when clearly articulated and consistently applied through SPP, acts as a powerful catalyst. This pillar aims to stimulate the supply side by signaling future market direction by highlighting SPP opportunities in Annual Procurement Plans, encouraging businesses to invest in green technologies and sustainable practices to meet upcoming sustainability requirements in procurements, ensuring that PEs have access to a growing range of viable, cost-effective, sustainable solutions.
2. **Building Supplier Capacity (Especially SMEs & Inclusive Groups):** Many potential

suppliers, particularly Micro, Small and Medium Enterprises (MSMEs), social enterprises, cooperatives, women led or owned enterprises and other target groups for inclusive procurement (NGPA Sec 75-76), may require support to understand SPP requirements, meet sustainability standards, and navigate procurement processes. This pillar focuses on providing that support through targeted training, access to information, and technical assistance (NGPA Sec 109), ensuring they can compete effectively.

3. **Enhancing Market Interaction, Innovation, and Transparency:** Meaningful dialogue between procurers and suppliers is essential. This pillar promotes structured engagement (forums, market scoping, consultations, NGPA Sec 10) to communicate government needs clearly and gather feedback on market capabilities. It also encourages innovation through appropriate Fit-for-Purpose NGPA procurement strategies (e.g., Framework Agreements, Pooled Procurements) and modalities (e.g., Competitive Dialogue, Direct Procurement for Science, Technology and Innovation, Unsolicited Proposal with Bid Matching) and facilitates market transparency by developing tools like online green product directories and promoting credible standards and ecolabels, helping procurers identify options and suppliers showcase offerings.
4. **Boosting National Business Competitiveness:** By stimulating demand for green and inclusive products and services, SPP helps provide opportunities for startups and build the capacity and competitiveness of Philippine industries in rapidly expanding global sustainable markets. This aligns with national economic development goals and initiatives like the Tatak Pinoy Act (NGPA Sec 79), fostering local green industries prepared for future opportunities.

Action Pillar 4 recognizes that successful SPP requires a dynamic partnership between the government as a buyer and the market as a provider. By actively engaging with suppliers, building their capacity, fostering innovation, and promoting transparency, this pillar aims to create a thriving ecosystem where sustainable and inclusive solutions are readily available, cost-effective, and contribute to broader development objectives.

Action Pillar 5: A *data-driven* SPP program that shows the benefits of procuring sustainably

Desired Outcome:

A transparent and evidence-based SPP Program where progress towards targets is rigorously tracked, tangible environmental, social, and economic benefits are clearly

demonstrated and communicated, and the Philippines is recognized as a regional leader in SPP.

Why This Pillar is Foundational:

Effective monitoring and evaluation (M&E) are not merely administrative tasks; they are the bedrock of a credible, impactful, and continuously improving SPP Program. Action Pillar 5 focuses on establishing and operationalizing a robust M&E system to track progress, measure results, and communicate the value of SPP to all stakeholders.

The critical importance of this pillar lies in its ability to:

1. **Ensure Accountability and Transparency:** The NGPA emphasizes transparency and accountability (NGPA Sec 3a, 3e). A strong M&E system provides the necessary data to demonstrate compliance with SPP mandates, track the use of public funds, and hold PEs and the Program itself accountable for achieving stated objectives. This transparency builds public trust and confidence.
2. **Demonstrate Tangible Benefits:** Moving beyond simply tracking *if* SPP criteria are included, this pillar focuses on measuring the *actual impact* – quantifying the environmental benefits (e.g., GHG reductions, resource savings), social gains (e.g., increased participation of SMEs and inclusive groups), and economic advantages (e.g., lifecycle cost savings) resulting from sustainable procurement decisions. Showing these concrete benefits is essential for justifying the SPP approach and securing ongoing buy-in.
3. **Enable Evidence-Based Decision Making and Improvement:** Reliable data and analysis are crucial for identifying what works well, where challenges lie, and understanding the factors influencing SPP uptake. M&E findings provide the evidence needed for the GPPB and GPPB-TSO to refine policies, adjust strategies, improve tools (like the SPP Competency Center and Impact Toolkit), target capacity-building efforts more effectively, and ensure the program adapts to changing needs and market conditions (NGPA Sec 24).
4. **Communicate Success and Foster Leadership:** Systematically collecting and communicating positive results and best practices builds momentum, encourages wider adoption by PEs, and positions the Philippines as a leader in sustainable practices within the ASEAN region and globally

Action Pillar 5 transforms SPP from a policy initiative into a data-driven program with demonstrable results. By investing in enhanced monitoring systems (automating APCPI,

integrating SPP tagging in PhilGEPS), developing impact assessment methodologies, and committing to transparent reporting, the GPPB-TSO ensures that the benefits of procuring sustainably are continuously improved, and effectively communicated.

6. Detailed Action Plans

The specific priority actions planned under each Action Pillar are outlined for the two implementation phases:

- **Phase 1: Foundation Building and Early Implementation (2025 – 2027):** Establishing the essential legal, institutional, and operational building blocks under the NGPA framework and its IRR, and enabling initial adoption by PEs through supportive frameworks.
- **Phase 2: Scaling Up and Deepening Impact (2028 – 2030):** Broadening SPP adoption across all PEs by mandating minimum sustainability requirements, increasing the sophistication of SPP application consistent with the IRR, and maximizing the demonstrable environmental, social, and economic impact.

Table 1. Detailed Action Plans for Phase 1 and 2 implementation

| Action Pillar | Phase 1 Priority Actions (2025-2027) | Phase 2 Priority Actions (2028-2030) |
|---|---|---|
| Action Pillar 1: Establish a procurement framework where sustainability is seamlessly integrated | <ul style="list-style-type: none"> Finalize and disseminate SPP provisions within NGPA IRR. Issue core guidelines (Green Procurement Inclusive Procurement, LCCA, gender-responsive procurement, procuring second-hand/refurbished goods). Develop standard SPP bidding clauses and PE guidance templates consistent with IRR requirements. Develop and approve SPP criteria set for priority product categories. Evaluate feasibility of initial mandatory SPP rules for selected high-readiness categories (e.g., IT). Review budgetary rules for potential obstacles to LCC adoption and potential for proactive recalibration of budget proposals, to align with IRR provisions on value for money. | <ul style="list-style-type: none"> Develop and approve SPP criteria for a wider range of priority categories. Conduct systematic review of existing SPP criteria to align with evolving policies and market capabilities. Introduce advanced SPP criteria/approaches (circularity, GHG emissions, social considerations) . Issue advanced GPPB guidelines (construction and infrastructure projects, carbon footprinting, advanced LCCA/LCA, verifying social criteria). Consider introducing mandatory SPP requirements for more categories based on Phase 1 results. |
| Action Pillar 2: Foster a whole-of-government institutional approach to driving the SPP Agenda | <ul style="list-style-type: none"> Formalize and operationalize the Inter-Agency Technical Working Group (IATWG) on SPP. Create a framework for knowledge sharing and collaboration across the network of SPP Focal Points, through national and potentially regional initiatives. Conduct initial national/regional awareness campaigns & dialogues (procurers, suppliers, CSOs) on NGPA/IRR SPP provisions. Launch SPP categories of the Procurement Excellence Award. Conduct sustained awareness raising campaigns for procurers, market and public on SPP under the NGPA. | <ul style="list-style-type: none"> Deepen inter-agency collaboration via IATWG by launching sectoral TWGs, joint buyer groups, and innovation procurements. Enhance SPP Focal Point network to foster increased peer learning and collaboration in procurements. Improve mechanisms for CSO participation in SPP implementation/monitoring, potentially through membership in the SPP Steering Committee. Update Procurement Excellence Award programs to offer expanded recognition benefits, potentially access to funding sources. |

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| <p>Action Pillar 3: Build a competent and confident <i>public procurement</i> workforce skilled at SPP</p> | <ul style="list-style-type: none"> • Develop core procurement training modules (Foundation and Practicing) reflecting NGPA and IRR SPP requirements. • Deliver initial Train-the-Trainer programs on updated SPP modules. • Roll out Foundational-level on-demand training on SPP Focal Points and procurements actors broadly, leveraging GPPB and SUC partnerships. • Organize opportunities for peer knowledge exchange and study tours for SPP champions. • Approve Concept Note and launch core resources on online SPP Competency Center. • Develop basic support tools consistent with IRR procedures (e.g., PPMP checklists, LCC templates). • Consolidate and disseminate lessons/case studies from existing GPP pilots. Expand to SPP pilot program. • Continue leveraging central procurement via PS-DBM for CSE, potentially expanding product scope and integrating social criteria. | <ul style="list-style-type: none"> • Develop Expert and Leader-level on-demand modules and specialized SPP training modules (Infrastructure, Low-Carbon, Circular, Social Impact etc.). • Maintain technology update and significantly expand SPP Competency Center content and functionality (interactive web tools, AI features, interactive SPP criteria selection tool). • Fully integrate SPP competencies into the procurement professionalization framework. • Integrate SPP performance criteria into procurement job descriptions and performance evaluations. • Require Practicing-Level competency for SPP Focal Points and encourage Expert and Leader-Level competency. • Fully implement the SPP Help Desk to provide targeted on-demand expert advice to PEs, potentially driven by AI. |
| <p>Action Pillar 4: Create a dynamic supply market with cost-effective sustainable solutions</p> | <ul style="list-style-type: none"> • Establish initial channels for structured dialogue between PEs and suppliers on priority product groups to discuss needs and solutions • Map relevant industry groups, business associations (PCCI, etc.), and potential GPP champions (e.g., Phil. Green Building Council, PSAC members). • Encourage publication of Annual Procurement Plans with potential SPP opportunities highlighted to give early notice to the market and time to adapt. • Develop guidance to promote effective conducting of NGPA market scoping for SPP by PEs. • Conduct supplier awareness events on SPP | <ul style="list-style-type: none"> • Intensify green market development activities and targeted support programs for SMEs/social enterprises (training, finance links) • Raise supplier awareness on modalities to participate in innovation procurements (e.g., Competitive Dialogue, Unsolicited Offer with Matching Bid, Direct Procurement for Science, Technology and Innovation). • Complete and promote online green product directory. • Consult with market on readiness to meet advanced requirements for contract performance reporting (e.g. carbon footprint, AI tools); |

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| | <p>requirements and opportunities under the NGPA/IRR.</p> <ul style="list-style-type: none"> • Invite private sector representatives to join SPP Steering Committee to influence policy and practice. • Provide tools and technical assistance for suppliers (esp. MSMEs) on navigating SPP. • Map and collaborate with initiatives supporting green market development (financing, technical support, fiscal incentives, standards) and address supplier capacity issues, potentially exploring aggregator models. | |
| <p>Action Pillar 5: A data-driven SPP program that shows the benefits of procuring sustainably</p> | <ul style="list-style-type: none"> • Develop and agree on standardized data collection protocols and reporting templates. • Launch Impact Toolkit to provide guidance on measuring environmental and social impact • Establish reliable baseline data for key SPP implementation and impact indicators. • Continue to participate in UNEP initiatives on SDG 12.7.1 monitoring • Integrate tracking of PE publication of forward procurement plans (identifying SPP) into M&E. • Analyze initial data/pilot reports for SPP case studies and lessons learned. • Regularly disseminate SPP progress, results and best practices through the SPP Competency Center, newsletters, and events. Feature case studies. • Work with PhilGEPS to integrate SPP functionalities, including green product tagging, SPP criteria selection support, potentially an online green product directory , and enhanced M&E data capture | <ul style="list-style-type: none"> • Enhance APCPI automation & integrate SPP tagging in PhilGEPS. • Roll out robust methodologies and tools for assessing SPP impacts (environmental, social, economic). • Drive towards achieving 2030 targets for SPP uptake and impact indicators. • Publish comprehensive annual SPP impact reports. • Actively share Philippine SPP successes/lessons regionally (ASEAN) and internationally |

5. Targets

To effectively guide the implementation of the SPP Program and measure its success, clear, ambitious, yet achievable targets have been established. These targets translate the Program's strategic objectives into measurable milestones, providing direction for PEs and tracking progress in mainstreaming sustainability in public spending.

Aligned with international practices, these targets are divided into two key categories:

1. **Implementation Targets:** Focus on the *essential inputs and activities required to build the foundation for SPP nationwide*. They measure progress in developing policies and guidelines, building capacity, providing tools, ensuring institutional adoption, engaging the market, and establishing monitoring systems.
2. **Impact Targets:** These focus on the *desired outcomes and results of the Program*. They aim to quantify the tangible environmental, social, and economic benefits generated through SPP, such as reductions in greenhouse gas emissions, increased use of renewable energy, greater participation by SMEs and inclusive groups, and demonstrated value for money through lifecycle approaches.

Targets are set for two milestones: **2027**, marking the end of the initial phase aligned with the NGPA transition, and **2030**, representing the Program's overall horizon.

I. Implementation Targets (Measuring Program Rollout & Institutionalization)

| Target Area | Indicator | 2027 Target | 2030 Target |
|------------------------|--|-------------|-------------|
| Policy & Guidance | % of core SPP Guidelines issued | 75% | 100% |
| | # of Priority Product/Service Categories with approved SPP Criteria Sets | 15 | 30 |
| Institutional Adoption | % of PEs with designated SPP Focal Points | 80% | 100% |
| | % of participating entities submitting annual SPP Program implementation & monitoring reports | 70% | 95% |
| Capacity Building | % of designated SPP Focal Points achieving Intermediate SPP Competency | 50% | 75% |
| | % of Procurement Practitioners achieving Foundational SPP Competency | 50% | 75% |

| | | | |
|-------------------|---|--|---|
| Tools & Resources | SPP Information Hub launched and operational | Yes, with Foundational and Intermediate-level Competency resources | Yes, fully populated with Advanced-level Competency resources |
| Market Engagement | # of National/Regional Supplier Engagement Forums focused on SPP conducted | 3 | 6+ |
| Monitoring System | SPP monitoring indicators integrated and automated within PhilGEPS & APCPI systems | Core indicators integrated | Full automation & data integration |

II. Impact Targets (Measuring Program Outcomes)

| Target Area | Indicator | 2027 Target | 2030 Target |
|----------------------|---|----------------------|-------------|
| SPP Uptake | % of Total Procurement value (for monitored entities) incorporating SPP criteria | 15% | 40% |
| | % of procurement value for Priority Categories incorporating SPP criteria | 15 | 30 |
| Environmental Impact | % reduction in estimated GHG emissions from procured government vehicle fleet | Baseline Established | 25% |
| | % of electricity procured at government facilities from renewable sources | 30% | 50% |
| | % of major infrastructure projects (above PHP 5 Billion in value) incorporating specified green building/material criteria | 20% | 50% |
| | % reduction in single-use plastics in government catering/events contracts | 40% | 75% |
| Social Impact | % contract value awarded to MSMEs, Social Enterprises, Cooperatives, startups and other registered sectors | 20% | 20% |
| | % of tenders incorporating specific gender-responsive criteria (e.g., support for women-led businesses) | 5% | 10% |
| Economic Impact | # of PEs demonstrating cost savings through application of LCC | 10 | 30+ |

These targets will be reviewed annually by the GPPB based on monitored progress, changing national priorities, and evolving market conditions, and adjusted as necessary.

6. Resources

Successfully implementing the ambitious SPP Program requires dedicated and sustained resources, primarily coordinated through the GPPB-TSO in its role as the SPP Competency Center. While leveraging existing structures, the expanded mandate under the NGPA necessitates specific allocations to effectively drive nationwide adoption.

1. GPPB-TSO Resource Needs:

The GPPB-TSO, as the central coordinating body and technical secretariat, requires adequate resources to fulfill its extensive responsibilities under this Program. These include:

- **Personnel:** Dedicated full-time equivalent (FTE) staff within the GPPB-TSO focused on SPP Program management, policy development support, criteria research, technical assistance delivery, training coordination, monitoring and evaluation, and stakeholder engagement. International examples, such as the Basque Country's program which allocated the equivalent of 1.5 FTEs from its technical secretariat (Ihobe) for coordination and deployment, underscore the need for dedicated personnel. The specific number of FTEs required for the Philippines should be assessed based on the detailed Action Plan workload.
- **Operational Budget:** An annual operational budget is necessary to fund the activities outlined in the Action Plan. This includes costs associated with:
 - Developing, hosting, and maintaining the SPP Competency Hub/Platform and associated tools (e.g., LCC calculators, criteria selectors).
 - Developing and delivering training modules (online and potentially limited in-person Train-the-Trainer sessions).
 - Supporting the initial SPP Help Desk services offering targeted advice to PEs.
 - Conducting market dialogues, supplier engagement forums, and stakeholder consultations.
 - Developing and disseminating guidelines, manuals, case studies, and communication materials.
 - Supporting the SPP monitoring and evaluation system (data analysis, reporting).
 - Facilitating inter-agency (IATWG) and network (Focal Points) coordination

activities.

- Engaging in regional and international SPP collaboration.

2. Funding Sources:

Funding for the GPPB-TSO's SPP activities should be secured through:

- **Regular Government Appropriations:** Integrating SPP Program costs into the annual budget of the GPPB-TSO, reflecting its mandated functions under the NGPA.
- **Potential Specific Allocations:** Exploring possibilities for specific budget allocations related to NGPA implementation or national climate/sustainability goals.
- **Development Partner Support:** Actively seeking and leveraging partnerships with international development organizations (e.g., ADB, World Bank, GIZ) for technical assistance, capacity building support, pilot project funding, and tool development, complementing government resources.

3. Procuring Entity Resource Needs:

While the GPPB-TSO provides central support, PEs must also allocate internal resources to fulfill their mandate under NGPA Section 72 to establish and implement their own SPP programs. This includes:

- **Staff Time:** Designating SPP Focal Points and allocating time for relevant procurement, technical, and end-user staff to participate in training, planning, criteria application, and monitoring.
- **Operational Adjustments:** Potential minor budget adjustments within specific procurements to accommodate sustainable options, guided by LCC principles demonstrating overall value.

4. Phased Budgeting:

Budgetary planning should align with the Program's phased implementation (2025-27 and 2028-30). International experience suggests that initial years may require relatively higher investment to establish the framework, develop core tools, and launch capacity building, potentially tapering slightly as SPP becomes more institutionalized. Detailed multi-year budget planning is recommended.

Securing adequate and predictable resources is fundamental to the successful execution of this SPP Program and the achievement of its transformative objectives for

the Philippines.