









of the Federal Republic of Germany

# **EcoAdvance: Sustainable public procurement and ecolabels**

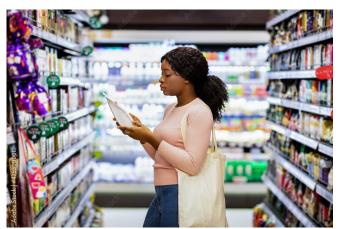
#### **Context**

Global unsustainable consumption and production patterns are at the core of a triple planetary crisis involving climate change, biodiversity loss, and pollution. Resource extraction and processing are linked to the loss of 90 % of global biodiversity. In Latin American and the Caribbean (LAC), which is a megabiodiversity hotspot, rising incomes, and rapid urbanization have led to increased demand for goods and services, which is linked to an increase in greenhouse gas (GHG) emissions, resource depletion, and waste generation.

The LAC region has a vital role to play in achieving the goals established in the Agenda 2030, particularly Sustainable Development Goal (SDG) 12 on Sustainable Consumption and production (SCP). Although the region faced a sharp decline in their economy due to the COVID-19 crisis, GDP levels were recovered in 2021 and with it unsustainable consumption trends are re-emerging without mayor intervention.

Public procurement (PP) represents an average purchasing power equivalent to 15 % to 20 % of national budgets and can significantly incentivize a shift towards SCP when combined with robust eco-labelling schemes that met rigorous sustainability criteria. This context represents a window of opportunity to leverage for SCP and to facilitate a just transition, including gender equality.

Despite progress in policy making, LAC countries lag behind at different levels of implementation. Developing and using technical resources and tools to carry out national policies and action plans, remains a challenge. Other factors include the absence of a well-developed private and public sector support infrastructure and the lack of small and medium enterprises (SMEs) capacity to develop products aligned with ambitious ecolabel or SPP criteria, as well as value for money principles and life-cycle thinking still not widely considered in PP.



Lady with eco bag reading labels on food products, shopping for groceries at mall.

Project title	Greening supply and demand: Advancing Eco- Labels and Sustainable Public Procurement for climate and biodiversity protection (EcoAdvance)
Commissioned by	Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection (BMUV)
Implementation partner	United Nations Programme for Environmental Protection (UNEP); Institute of Applied Ecology (Öko-Institut e.V.)
Country	Brazil, Colombia, Costa Rica, Ecuador and Mexico
Executing agency	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Political partners	Brazil: Ministry of Development, Trade, Industry and Services (MDIC) and Ministry of Management and Innovation in Public Services (MGI)  Colombia: Ministry of Environment and Sustainable Development (MinAmbiente)  Costa Rica: Ministry of Finance (MH) and Ministry of Environment & Energy (MINAE)  Ecuador: Ministry of Environment, Water and Ecological Transition (MAATE) and the National Service for Public Procurement (SERCOP)
	Mexico: Secretary of Finance
Project Volume	9.763.000 EUR
Term	12/2022 until 09/2026

## **Objective**

Trigger a transformation towards more sustainable consumption and production patterns (SCP) through the promotion of type-1 ecolabels (EL) and sustainable public procurement (SPP) in target countries, thus contributing to climate change mitigation, biodiversity protection, and resource conservation.

The project also facilitates global knowledge exchange and best practice transfer among regions, supports the One Planet network Consumer Information Programme and collaborates with other key regional and global networks.

Photo: Adobe Stock

### **Approach**

EcoAdvance is a regional project, so it focuses on activities that benefit most, if not all, target countries. The project supports the Environmental Alliance of the Americas, which aims to harmonize national type 1 EL and develop common criteria for products, processes and services between countries and generate regional recognition and awareness. Project countries have shown a strong interest in using ecolabels and sustainable public procurement (SPP) to reverse current patterns of consumption and production. Futhermore, political partners are eager to learn from experiences outside of LAC and to help push forward a global SCP movement.

The project is designed to have a positive impact on gender equality in both SPP and ecolabels. In addition, it promotes participatory governance and awareness of consumers, producers, and procurement officers that are participating in decision-making processes.

#### Type 1 Ecolabels:

The project helps to create incentives for sustainable production, focusing on high impact sectors (e.g., food systems, building and construction, mobility, electronics, textiles, infrastructure, and mining), by addressing a major barrier to changing consumption and production patterns: the complexity of conveying the environmental impacts of products and services to consumers and public authorities, type-1 EL help to reduce complexity and provide reliable information to guide decisions. As public institutions increasingly require robust sustainability criteria and seek Type-1 EL for their bulk purchases, the increase in demand for sustainable products is expected to incentivize suppliers and producers to improve production practices and seek product certification, thereby increasing supply.

## **Sustainable public procurement:**

The project will provide policy and legal guidance to ensure compliance with national rules and regulations for SPP on public tenders, that include sustainable criteria in the selection of products and services, linked with EL when possible. Capacity building to apply new regulations, guidelines, and best practices will also be a main focus for the project.

### **Impacts**

The project is expected to contribute to the following impacts:

- Ambitous ecolabels: support the development and strengthening of type 1 EL with climate, resource and biodiversity-friendly criteria for selected products, through participatory approaches with consideration of gender aspects, is expected to result in credible, robust and ambitious eco-labels.
- Strengthening of policy and legislation: the policy and legal framework for PP in each country is improved and strengthed by including SPP criteria and progress on its compliance and monitoring.
- 3. Supply and Demand: increased availability of products that comply with sustainable criteria and that are gender responsive by using type-1 EL criteria in PP tenders, accesible certification for products and services from SMEs, as well as awareness-raising and strengthening capacities within key stakeholders. The supply and demand for Type-1 ecolabelled products in target countries are also increased through improved private sector participation, especially SMEs.
- 4. Global exchange: improved participation in existing dialogue platforms and outreach to facilitate scalable innovation, by supporting the One Planet Network Consumer Information Programme, organizing conferences and exchange networks, and other activities designed to share good practices, compare EL schemes from other regions and improve knowledge management tools.

The project contributes particularly to achieve SDG 12: Ensure sustainable consumption and production patterns, SDG 5: Achieve gender equality and empower all women and girls, SDG 13: Take urgent action to combat climate change and its impacts, SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss, and SDG 17: Strengthen the means of implementation and revitalize the global partnerships for sustainable development.

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GIZ Agência Brasília SCN Quadra 01 Bloco C Sala 903 Ed. Brasília Trade Center 70711-902 Brasília/DF – Brasil T +55 61 2101-2170 giz-brasilien@giz.de www.giz.de/brasil

Contact responsible for the commission Álvaro Luna (alvaro.luna@giz.de)

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 $\ensuremath{\mathsf{GIZ}}$  is responsible for the content of this publication.

Partner UNEP; Öko-Institut e.V.

On hehalf of

Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection (BMUV)

Adress
BMUV Bonn
Robert-Schuman-Platz 3
53175 Bonn, Alemanha
T +49 (0) 228 99 305-0
F +49 (0) 228 99 305-3225

BMUV Berlin Stresemannstraße 128 - 130 10117 Berlin, Alemanha T +49 (0)30 18 305-0 F +49 (0)30 18 305-4375 poststelle@bmuv.bund.de www.bmuv.de