**Annex B 1.5: Environmentally Sustainable Government Procurement**

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| **Area of Cooperation** | Trade and Investment |
| **Purpose and Outcomes** | Recognising the role of government procurement in achieving environmental goals, and in catalysing green growth within economies, Singapore and Australia have jointly determined a set of non-binding principles and areas of cooperation. |
| **Description** | Singapore and Australia acknowledge that environmental sustainability principles, factors and practices can be considered when determining value for money over the entire life of a government procurement. A non-exhaustive list of factors and government procurement practices recognised by both countries is appended.  Singapore and Australia also acknowledge the core principles of government procurement, including non-discrimination and transparency, which are equally relevant in regard to environmentally sustainable government procurement. Accordingly, we note that our governments, including our government procuring entities, can take into account environmental considerations during procurement processes, based on objectively verifiable and non-discriminatory criteria, indicated in the notice of intended procurement or tender documentation, and accessible to all interested suppliers – to ensure transparency and accessibility.  Singapore and Australia further recognise that broader economic benefits can be realised through government procurement, in normalising the consideration of environmental sustainability and climate change impacts, and the use of recycled materials in public projects. |
| **Specific Elements** | *Overarching*  Singapore and Australia will conduct environmentally sustainable government procurement consistent with our international trade obligations, such as under the World Trade Organization Agreement on Government Procurement (WTO GPA) and relevant bilateral or regional trade agreements.  Singapore and Australia recognise that core elements of these international trade obligations include the principle of achieving “best value for money”, open and fair competition, and not discriminating between products and services based on their origin.  *Transparency of procurement information*  Singapore and Australia note the importance of making their relevant laws, regulations and policies relating to environmentally sustainable government procurement publicly available, as well as information on where relevant tender opportunities are published online.  *Technical specifications*  Singapore and Australia also note the relevance and importance of technical specifications, in line with our joint and individual relevant trade agreements. Accordingly, we acknowledge that technical specifications can be prepared, adopted, or applied to promote the conservation of natural resources or protect the environment – provided they are non-discriminatory and transparent.  *Cooperation*  Singapore and Australia will endeavour to cooperate, with a view to achieving a better understanding of our respective environmentally sustainable government procurement regimes. This cooperation will build on the successful ‘mapping exercise’ undertaken by both Singapore and Australia, which helped underpin this Annex. Such cooperation may include:   1. exchanging experiences and information on our relevant laws, regulatory frameworks, policies and procedures – including on where these are publicly available; and 2. sharing information on best practices, trends and lessons learned from implementation and administration of the laws, frameworks, policies and procedures.   Singapore and Australia also jointly decide to undertake further work to advance and update our understanding of, and commitment to, practicing environmentally sustainable government procurement. Topics for further discussions could include, subject to mutual consent:   1. engagement beyond the central level of government, for example with Australian state and territory governments; 2. raising the awareness of stakeholders involved in the procurement process on environmentally sustainable government procurement; 3. engaging with industry in sectors related to environmentally sustainable government procurement, including on relevant government initiatives; 4. communicating the results of environmentally sustainable government procurement initiatives in terms of environmental and economic benefits, to help stimulate stakeholders to further implement related practices; and 5. establishing an appropriate cooperation arrangement on a topic or topics of mutual interest, related to environmentally sustainable government procurement.   Singapore and Australia will aim to engage on a regular basis, with a view to taking forward the mutually decided areas of cooperation outlined in this Annex, as appropriate.  *International fora*  Singapore and Australia acknowledge the important work being undertaken on environmentally sustainable government procurement in various relevant international fora, including but not limited to: the World Trade Organization Agreement on Government Procurement Work Programme on Sustainable Procurement; the Organisation for Economic Cooperation and Development Working Party of the Leading Practitioners on Public Procurement; Asia Pacific Economic Cooperation; and the Greening Government Initiative. We mutually decide to continue cooperating to promote and apply the principles of environmentally sustainable government procurement at these international fora, and to encourage their consideration and uptake by our international partners, where appropriate. |
| **Duration** | Commenced in August 2022. |
| **Review Process** | Singapore and Australia may jointly review and update the above non-binding principles and areas of cooperation for environmentally sustainable government procurement, on a mutually determined basis and at a mutually determined time, to ensure they remain fit for purpose following substantive developments in our domestic laws, regulations, policies or practices, or developments in the international government procurement trade and policy landscape.  Outcomes from the review process will be reported through the governance and implementation structure identified in the GEA. |
| **Specific Terms used in the Annex** | *Environmentally sustainable government procurement* means the inclusion of environmental considerations in the government procurement process for goods and services. |
| **Project Leads** | Singapore  Ministry of Trade and Industry  Australia  Department of Foreign Affairs and Trade Department of Finance  Consultation with other relevant government agencies |

**Appendix**

1. Environmental sustainability factors in government procurement recognised by Singapore and Australia include:
2. Energy consumption;
3. Greenhouse gas emissions;
4. Reduction of waste;
5. Use of recycled products;
6. Reduction in hazardous substances;
7. Packaging;
8. End of life recycling; and
9. Use of renewables.
10. Environmentally sustainable government procurement practices recognised by Singapore and Australia include:
11. Devising strategies that reduce demand and extend the life of the product;
12. Encouraging sustainability at the design stage of a product;
13. Planning what happens with a product at the end of the contract, how it will be   
    re-used, recycled or disposed of, to encourage potential suppliers to address this from the beginning;
14. Considering costs over the life of the good or service and policies in the planning process (such as potential increases in energy prices);
15. Recognition of environmental considerations of tenderers;
16. Encouraging sustainable solutions and innovation in tenders; and
17. Measuring and improving sustainability throughout the life of the procurement.