



Public procurement, human rights and sustainable development: the need for policy coherence

Wednesday 16 November, 1000-1120h

Public (or “government”) procurement is the purchase by the public sector of the goods and services it needs to carry out its functions. Government purchasing represents a significant share of the total global economy: worldwide, it has a value of €1000 billion per year, while across OECD countries it accounts for 12% of GDP, on average. Individual governments are amongst the largest single purchasers operating in the global marketplace, with a correspondingly high potential to influence on conditions and practices across a wide range of sectors, including construction, defence, healthcare, ICT, food and apparel. Public procurement thus represents an enormous opportunity to promote respect for human rights and sustainable business practices globally.

The UN [Guiding Principles on Business and Human Rights](#) (UNGPs) make clear that states’ duty to protect human rights extends to their purchasing activities. In addition, the [2030 Agenda for Sustainable Development](#) adopted by UN Member States in September 2015 has set new objectives on public procurement, as part of the drive towards sustainable production and consumption and more inclusive economies: Sustainable Development Goal 12.7 calls on all countries to promote sustainable public procurement practices and to implement sustainable public procurement policies and action plans. In parallel, important global actors, including the G7, OECD, EU and ILO are promoting a renewed focus on “responsible global value chains” as key to sustainable and inclusive growth – with a strong emphasis on the contribution of the private sector, through “responsible business conduct” and the decent work agenda, in achieving this goal.

To date, however, neither procurement law and policy frameworks, nor actual government purchasing practices, have been brought into alignment with the UNGPs, the 2030 Sustainable Development Agenda or new initiatives on “responsible value chains”. While some individual public buyers are innovating to integrate sustainability considerations into the purchasing process, in large part existing procurement laws and practices in most countries are still as likely to undermine human rights, as to promote them. For instance, in many countries public buyers are required to purchase based on price alone, or are precluded from affording preference, during tender procedures, to suppliers operating on a more sustainable or responsible basis. At the same time, public buyers’ implication in serious supply chain human rights abuses has been highlighted over recent years with increasing frequency.

Given the scale of government spending within the economy, this situation represents a significant obstacle to respect for human rights in global production and supply, as well as to achievement of the SDGs. In addition, it undermines responsible business conduct, directly, through the terms set by government for its supply relationships, and indirectly, by weakening the “business case” for responsible corporate behaviour and creating an uneven “playing field” that disadvantages companies seeking to compete on a socially and environmentally sustainable basis. Finally, public procurement without human rights compliance undermines international aid, and development policies — and the efficiency of public budgets allocated to supporting them. To avoid such contradictions, and to realise policy coherence, this panel will trigger a fresh focus and dialogue on

public procurement and its role in supporting business respect for human rights, the 2030 Agenda, responsible value chains and decent work.

Aims and objectives

This session will scope opportunities and challenges for leadership and leverage in securing respect for human rights in and through public procurement. Its overall aims and objectives are to:

- Increase awareness of the materiality of the UN Guiding Principles to public procurement
- Highlight human rights issues and risks relevant to public supply chains
- Trigger increased multi-stakeholder collaboration to address human rights impacts associated with public procurement
- Scope links and synergies between public procurement policy frameworks and concrete initiatives in support of the UNGPs, SDGs and responsible value chains
- Trigger public and private actors to exercise greater leadership and leverage in addressing human rights abuses in government supply chains.

Key discussion questions

- What are the key obstacles and opportunities – legal, policy, practice, resources and institutional capacity - to effective alignment of public procurement law, policy and practice with the UNGPs, SDGs and responsible global value chain frameworks?
- Who are the actors have the power to trigger a global step-change in public procurement towards human rights and sustainability?
- What concrete measures should be taken by national governments, business and other stakeholders to ensure that public procurement law, policy and practice respect human rights?
- Are existing legal frameworks on public procurement fit for purpose? Are new legal rules or approaches needed - or should the focus rather be on building tools and technical capacity of public procurement professionals?
- Where are existing best practices to be found? Should efforts be made to replicate these through global initiatives or should innovation in this area be locally driven?
- Can it be shown that integrating human rights and sustainability into public procurement adds value for government buyers?
- What should be the role of development agencies in ensuring respect for human rights and sustainability in procurement – and are they fulfilling this role at present?

Moderator: Mr. Dante Pesce, Member, UN Working Group on Business and Human Rights

Panel:

- Ms Trinidad Inostroza - Chile Compra; President, Interamerican Network for Government Procurement
- Dr. Claire Methven O'Brien - Strategic Adviser, DIHR; International Learning Lab on Public Procurement and Human Rights
- Ms. Caroline Nicholas - Senior Legal Officer, International Trade Law Division, UNCITRAL
- Prof. Geo Quinot - Stellenbosch University, South Africa; Director, African Public Procurement Research Group

Organisers: [Danish Institute for Human Rights](#), [International Corporate Accountability Roundtable \(ICAR\)](#), [Harrison Institute for Public Law, Georgetown University](#) for the [International Learning Lab on Public Procurement and Human Rights](#)