

Green Public Procurement

Subjects: Sociology

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Green Public Procurement (GPP) became an efficient instrument to achieve the objectives of environmental policy expressed by the European Commission in its Communications. At the same time, it must be addressed by the public authorities as a complex process, in which all purchased goods and services must integrate perfectly into an entire puzzle-like system of legislation, the construction field, innovation, healthcare, food, and education.

Keywords: Green Public Procurement, legislation, recycling rates

1. Introduction

The procurement of goods, services, and works, in particular green public procurement (GPP), must be done with as little impact on the environment as possible. Moreover, Roehrich shows in a study that green supply chain management (GSCM) should exist before moving to procurement ^[1]. There is a need for permanent information on suppliers and finding the best short-term solutions with long-term impacts ^[1]. Furthermore, Circular Supply Chain Management (CSCM) offers a new and compelling perspective on the field of supply chain sustainability. Farooque et al. identified a number of important directions that are not sufficiently covered and require further study in the future ^[2]. Of these, the collaboration in the supply chain and factors and barriers of CSCM are the ones we considered important ^[2].

GPP, at the same time, is an indicator of the “CE monitoring framework” for a circular economy ^{[3][4][5]}. Other indicators were identified: self-sufficiency for raw materials; waste generation; food waste; recycling rates; recycling/recovery for specific waste streams; the contribution of recycled materials to raw materials demand; trade-in recyclable raw materials; private investments, jobs, and gross value added. In line with the European Commission’s clarifications on green and sustainable public procurement, many EU public authorities are implementing GPP as part of a broader approach to sustainability in their procurement. This process also addresses economic and social issues ^[6]. However, it is not the policy objectives that are changing; tools and techniques are those that change, including in the procurement system where ^[6] points out that the awarding of public procurement contracts, having as an award criterion the social aspects, was an important objective for the integration in a bigger market. These possibilities need to be considered in the future; economic crises can bring major changes—they can be a boost or budgetary constraints can change direction ^[7].

The European Commission considers that Sustainable Public Procurement (SPP) is ^[8] a method used by public authorities to accomplish the best equilibrium between economic, social, and environmental pillars of sustainable development, during the different stages of procuring goods, services, or works ^[6]. Thus, SPP implementation consists of six different aspects: Green Public Procurement (GPP), Internal Social Criteria (ISC), Social Return on Investment (SROI), Bio-based Public Procurement (BPP), Circular Economy (CE), and Innovation-oriented Public Procurement (IPP). There were designs including specific toolboxes for supporting SPP, including practices, management, and inter-organizational dimensions ^[8].

The market experience—a survey on public procurers in Holland ^[8] on the importance of knowledge and competencies, skills in SPP, affective engagement to SPP, and organizational education and information capacity regarding SPP types—proved that they are generally good abilities for an organization to hold/own, but that they otherwise do not have a direct positive effect on GPP. The knowledge background regarding sustainability has a positive impact on implementing GPP. Organization operationalized as affective commitment did affect GPP, but none of the other types of SPP. Organizational learning capacity influenced most types of SPP, IPP, GPP, and CIE. In conclusion competencies, skills, motivation, and convenience influence GPP but not all aspects of SPP ^[9].

2. Practice of Green Public Procurement

The United Nations 2030 Agenda for Sustainable Development includes as an important goal the sustainable acquisitions, based on specific programs able to measure the price-performance-impact on the environment balance regarding raw materials, services, products, technologies, etc. GPP and Innovation-oriented Public Procurement (IPP) have an

important impact on sustainability, reducing the environmental footprint. GPP itself is also based on innovative policies, strategies, and acquisition model, following the type of product or service. Furthermore, eco-labels were designed to sustain the GPP process to gain social, health, environmental, and ethical sustainability. For a clear understanding and a good implementation of GPP international standards like GECA were set. These types of standards represent guidelines and restrictions regarding pollution management in different fields such as construction, transportation, services, tourism, health, education having a positive impact on the eco-environment (Figure 1).

Figure 1. Integrated application of GPP and sustainable public procurement (SPP) in equilibrium between economic, social, and environmental pillars.

We chose organic farming in Romania as a case study because the EU Action Plan for organic farming comes with new regulations in the future which recommends initiatives to support consumer confidence, support for increased export opportunities for organic food, development of electronic import certification systems, encouraging the use of organic food in schools through GPP. Currently, over 40% of the land in Romania is worked by 0.56% of farmers, in farms larger than 300 hectares. Approximately the same area is worked by 97% of farmers (about 795,000 farmers), in small farms, under 50 hectares. This can be good from the perspective of ensuring sustainable local procurement and green agriculture. This approach can lead to foods that are better for the health and well-being of communities. However, these small, subsistence farms will not be able to exist if they do not associate. Therefore, they will have to support agriculture in terms of green procurement, supply chain management, circular economy; they will need legislation in this field and especially these measures will have to be implemented. Environmental protection is a major goal of organic farming. Agricultural production combines the best environmental practices, maintains biodiversity, and contributes to the conservation of natural resources, supports animal husbandry and welfare, and especially respects consumers' preferences for healthy products. The challenge of the sector is to ensure the constant increase of the supply and the demand of the consumers, keeping their confidence in quality. Legislation, the evolution of society played an important role. Research and innovation are tools for overcoming the challenges posed by ecological norms.

Building eco-houses, sustainable refurbishment of empty homes, and the use of eco-friendly construction materials and products have a positive impact on ecological footprints, such as CO₂ emissions, dust emissions, noise stress, and energy consumption, with a positive impact on health. The latest trend in sustainable landscape architecture is the establishment of horticultural crops on the roofs of public buildings in the center of cities to fix CO₂ and other substances with carcinogenic potential in the atmosphere, maintain a constant micro-climate inside the building and support several species of pollinators such as insects and birds. Supporting this type of activity requires minimal public allocations with seeds and fertilizers, since species resistant to drought, pollution and adapted to the local biosphere will be chosen. An incentive factor is the dissemination of ideas associated with maintaining the ecological balance in large urban agglomerations through recreational and formative activities with small groups of students in such gardens in the vicinity of educational centers. In addition, employees in office buildings that have green spaces on the roof can benefit from a seating space and table without having to move to parks or restaurants far away from work.

It is recommended for HEIs to design and implement GPP planning and have quantitative and qualitative criteria for monitoring the GPP program: choosing the lowest price is not always a valid criterion; sometimes analyzing the life cycle cost of the green products/services procures will emphasize that the most expensive items can save on long-term costs. If most of the universities will implement SPP, a majority of organizations would follow on SPP implementation as the future organization's employees are today's students. Another important recommendation is to follow the Minimum Environmental Criteria. Improved communication regarding leadership engagement and sustainable routine practices are also important factors in gaining SPP in HEIs. Considering that, one might think that the basis of the problem lies in the costs. If one compared the effort implied with the short-term benefits associated, sustainability would not be a priority. Nevertheless, it is imperative to think long term. The reasons that lead people to think in the short term are very much associated with the financial conditions of families. Sometimes it is cheaper to buy than to reuse resources. Besides, there

is no concern with the environment (included waste or residuals resources) when the associated costs are too high to bear. It means that people might be aware of the consequences but unwilling to change. This is a challenge that involves the underlying principles that drive humanity, as well as personal values.

Public procurement is not just an administrative procedure, but a significant actor in the market. Globally, 12% of GDP is spent on public procurement according to the World Bank ^[10], with as much as 20–25% in countries like Switzerland or the Netherlands. Thus, green practices in public procurement have the potential to make a truly large impact on environmental sustainability, provided that they are correctly used. Sustainability is not an individual task but a task for all of us. It is necessary to seek economic and social balance, as well as preserving the environment. It is also possible to bring together short and long terms objectives.

The role of governments should be to stimulate the creation of environmentally friendly services and products by allocating their purchasing might towards those by relying more on Social ROI and less on traditional monetary measures. For GPP to evolve into SPP it is necessary to overcome certain barriers, as we identified in our study, in five steps: understand long-term population trends; learn more about the specificities of each city or urban area; think about everything that is important and make a plan; involve all stakeholders in the implementation of the plan; use measures to evaluate the results and update the initial plan.

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