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More personnel, more advice, more training
**How does public procurement
become sustainable?**

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How does public procurement become sustainable?

Bonn, 11 November 2019. In the EU alone, public institutions spend EUR 2 trillion a year on procurement processes, making public procurement a major lever for achieving sustainability goals. For several years now, public-procurement legislation and regulations have increasingly included sustainability criteria. Having already been mainstreamed throughout Europe in the current EU Public Procurement Directive (2014/24/EU) issued in 2014, these criteria have been incorporated into the national legislation of the member states. Nonetheless, practical integration of sustainability criteria into public procurement processes has so far been the exception rather than the rule. Both mandatory and optional regulations need to be translated into practice.

A paradigm shift is already emerging in this regard at the international level and was also observable at the second MUPASS Dialogue Forum, which brought together public procurement experts from Germany, Europe, Latin America and Africa in Bonn in late October. These experts discussed ways of implementing a sustainable public procurement system, for instance, by incorporating sustainability criteria into e-procurement processes and making general use of sustainability standards. If there is no simple textbook approach to this topic, then experience-sharing and joint learning are the key tools for bringing about change.

In addition to a sound legal basis, there is a need for change management approaches, additional personnel and specific advice on implementation. In highly decentralised public procurement systems such as Germany's, municipal procurement authorities require greater external support. Entities such as the Competence Center for Sustainable Procurement and the Service Agency Communities in One World already offer advisory and support services in this regard. In order to reach Germany's 11,000 plus municipalities, the federal states need to finally join the German Government in fulfilling their responsibility to provide relevant services. It is worth taking a look at the Netherlands in this context, where central advisory institution PIANOo has successfully initiated sustainable procurement measures in the country's municipalities (of which there are just 355) and employs over 30 staff to advise and support them. Many African nations, such as Ghana and South Africa, also run regular training campaigns for procurement officers which increasingly incorporate the topic of sustainability.

There is a need to provide training and establish new structures to equip procurement authorities and

those who request and use the procured products to develop and apply sustainable procurement criteria. This has been seen in Germany and Europe and around the world, from Bremen, Berlin and Rotterdam to Tshwane in South Africa.

Communicating sustainability goals to the market can be a time-consuming process. Organising bidder dialogues, which give procurement agencies an opportunity to discuss their expectations with potential bidders, takes careful preparation and broad-based public relations work. African practitioners in particular are concerned about engaging in closer dialogue with companies due to the perceived corruption risk. However, frank exchange with the market not only provides an opportunity to strengthen sustainable procurement, but can also increase transparency regarding the procurement process.

The digitalisation of procurement is currently raising many expectations. In addition to boosting effectiveness and transparency, e-procurement could also be used to incorporate sustainability goals into the process. The city of Mainz and the Brazilian state of São Paulo, for example, are using electronic catalogues to raise buyers' awareness of more environmentally friendly and fair alternatives within existing framework agreements. Nevertheless, new procedures alone will not ensure more effective integration of sustainability criteria into the public procurement process. When it comes to making these and other procurement instruments more sustainable, it is crucial to take account of sustainability as an integral system component in their use from the outset. The procurement agencies need corresponding support with changing their mindset on this topic.

We are currently experiencing a turning point in the world of public procurement. Consolidating long-term, strategic planning in procurement, promoting greater professionalism and introducing and piloting new procedures, such as bidder dialogues and digital processes, are all suitable ways of integrating social and environmental sustainability to a greater extent in public procurement. It is important on the way to achieving this to make the necessary resources for these change processes available, something which pays off in the form of increased efficiency and long-term planning and facilitates both national and international dialogue between administrations. This emerging turning point is not a foregone conclusion – it must be supported and shaped.