

Achieving Wider Government Policies through Public Procurement

FIJI PROCUREMENT OFFICE

MINISTRY OF FINANCE, NATIONAL DEVELOPMENT, STRATEGIC PLANNING
AND STATISTICS



1.0 Introduction



Public procurement, when strategically applied, serves as a powerful tool for advancing national development goals. Procurement can be used as a policy tool to foster economic growth, promote social equity, protect the environment, and uphold good governance.

This guide serves as an introductory guide that outlines strategies to align public procurement practices with broader government policies, including sustainability, social inclusion, and local economic development. Procurement officials should engage in continuous research and learning to refine their sustainable procurement expertise.



2.0 Understanding Sustainable Procurement



Sustainable procurement ensures public spending delivers long-term value by balancing economic, social, environmental, and governance objectives alongside cost considerations. This requires shifting from a short-term, price-based approach to a long-term, public value-driven strategy.

Sustainable Outcomes should be considered for all procurement plans and evaluation criteria above the threshold for Board Approval. Sustainable outcomes are the secondary benefits which are generated due to the way goods, services or works are produced or delivered. They include economic, environmental, social, and ethical outcomes.

2.1 Aligning Procurement Goals with Government Policies

- **Identify Policy Objectives:** Review government policies on sustainability, social justice, local economic growth, and innovation to determine their relevance to procurement.
- **Integrate Policies into Procurement Strategies:** Embed these objectives into procurement planning to ensure alignment with national goals.
- **Develop Clear Procurement Objectives**, such as:
 - Enhancing environmental sustainability.
 - Promoting social equity and inclusivity.
 - Supporting local industries and SMEs.

2.2 Key Sustainable Procurement Objectives

Economic

- Supporting local and small businesses (SMEs).
- Enhancing market competitiveness and innovation.
- Support local businesses owned by disadvantaged groups
- Creating employment opportunities and fostering economic development.

Social

- Promoting inclusive participation and social equity.
- Ensuring fair labor practices and decent working conditions.
- Improving community well-being and social development.

Environmental

- Reducing environmental impact and promoting resource efficiency.
- Prioritizing sustainable goods and services.
- Minimizing waste and pollution.

Governance

- Ensuring transparency and accountability.
- Promoting ethical procurement and fair competition.
- Enforcing compliance with legal and regulatory frameworks.



3.0 Achieving Economic Objectives in Public Procurement

3.1 Supporting Local and Small Businesses

- Encourage SME Participation: Implement policies prioritizing SMEs, women-owned enterprises, and community-based businesses through targeted outreach and simplified bidding processes.
- Contract Lotting: Divide large contracts into smaller segments to enable SME participation.
- Facilitate Partnerships: Encourage collaboration between large and small businesses via joint ventures or subcontracting arrangements.

3.2 Market and Workforce Development

- Skills Development: Require contractors to invest in workforce training and apprenticeship programs.
- Fair Wages and Employment: Mandate suppliers to adhere to fair labor practices and national labor laws.



4.0 Achieving Social Objectives in Public Procurement

4.1 Promoting Fair Employment and Worker Welfare

- Labor Standards: Enforce fair labor conditions, including living wages, safe workplaces, and bans on forced and child labor.
- Workforce Diversity: Encourage inclusive hiring practices and equal opportunity policies among suppliers.

4.2 Encouraging Socially Responsible Procurement

- Targeted Contracts: Reserve contracts for SMEs, women-owned businesses, and disadvantaged groups to enhance social inclusion.
- Social Enterprises: Partner with social enterprises and community organizations to address societal needs through procurement.



5.0 Achieving Environmental Objectives in Public Procurement

5.1 Sustainable and Green Procurement

- Eco-Friendly Practices: Prioritize sustainable products with lower carbon footprints.
- Sustainable Production: Encourage suppliers to adopt energy-efficient and waste-reducing manufacturing methods.
- Sustainability Criteria: Incorporate measurable sustainability metrics into procurement evaluations.

5.2 Whole-of-Life Cost Analysis

- Lifecycle Impact Evaluation: Assess the environmental and economic impact of products and services over their entire lifespan.
- Environmental Certifications: Require sustainability certifications where applicable to ensure responsible sourcing.



6.0 Achieving Governance Objectives in Public Procurement

6.1 Ethical Procurement and Transparency

- Fair Competition: Maintain open procurement processes to prevent corruption and favoritism.
- Code of Conduct: Enforce strict ethical guidelines for procurement officials.

6.2 Supplier Accountability and Compliance

- Supplier Code of Conduct: Ensure suppliers adhere to ethical and responsible business practices.
- Regulatory Compliance: Require suppliers to comply with anti-corruption laws and conflict-of-interest regulations.

7.0 Implementing Sustainability Objectives in Public Procurement



7.1 Policy Alignment

- Set Clear Sustainability Goals: Embed sustainability priorities in procurement policies and guidelines.
- Integration of Criteria: Incorporate sustainability benchmarks into procurement specifications and evaluations.

7.2 Capacity Building for Procurement Officials

- Training and Development: Provide procurement officials with training on best practices for sustainable procurement.
- Guidance and Support: Seek expert advice, such as from the Fiji Procurement Office (FPO), on sustainability evaluations.

7.3 Monitoring and Enforcement

- Performance Monitoring: Establish mechanisms to track contract performance against sustainability objectives.
- Sustainability Reporting: Implement reporting requirements to ensure accountability.

8.0 Monitoring and Evaluation



- Establish KPIs: Define Key Performance Indicators (KPIs) to measure procurement's impact on policy objectives.
- Monitor Compliance and Outcomes: Regularly assess procurement effectiveness and refine strategies as needed.
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9.0 Conclusion



Public procurement is a strategic tool that significantly contributes to national development and public value. By adopting sustainable procurement practices, governments can achieve long-term economic, social, environmental, and governance benefits.

10.0 Resources



For detailed guidance and resources, visit the Fiji Procurement Office website: www.fpo.gov.fj.