Public Procurement and Environmental Sustainability in Developing Countries: A South African Perspective

Ogunlela Oyebanjo* and Tengeh Robertson

DOI: 10.9734/bpi/mono/978-93-90516-46-9

ABSTRACT

The concept of Sustainable Public Procurement (SPP) has attracted the interests of academics, practitioners, policy makers and the media recently. The interest can be attributed to the strategic role of purchasing and supply chain as a lever for sustainable development. Despite the enormous amount of funds spent on public procurements in South Africa annually, tender irregularities, corrupt practices, non-compliance and lack of knowledge, casts doubts on its role in fostering sustainable development. An in-depth literature review on SPP implementation was adopted to analyse the manner in which sustainability could be realised through regulation, implementation and monitoring compliance of relevant environmental policy instruments. This approach is used to determine how due consideration of sustainable procurement has been used as a tool to enhance social, economic and environmental sustainability. This article notes that in many developed and developing countries, the dare need of technical and management competence, cultural assimilation, high costs of funding sustainable procurement projects and transparency on the part of managers among others are sighted as factors plaguing the growth of sustainable procurement practices in most institutions. Further, this paper puts forth the argument that implementation of sustainable procurement policies alone, will not necessarily help in the achievement of the developmental objectives, but due consideration should be given to capacity building and collaboration with relevant units of government, whilst also integrating social and economic policies, into the formulation of tender documents and selection of suppliers. This paper posit that, to overcome these challenges faced by South Africa, it is important that all stakeholders including the government, researchers and other agencies should construct a synergy capable of addressing salient issues for progressive sustainable procurement policies and actions, through the incorporation of sustainable procurement practices into the mainstream of both the public and private organisations through relevant legislations, policies and regulatory frameworks.

Keywords: Procurement; sustainability; institutional theory; environment; policy; South Africa.

8.1 INTRODUCTION

Issues associated with Sustainable public procurement (SPP) have been a major concern to sustainable development globally. The amount of funds involved annually is enormous and could result in huge financial losses due to non-performance of contracts and the cost of sunk projects (Eric, Sowerin and McCue, 2016). With environmental degradation occurring as a result of unsustainable procurement processes employed by the various level of governments. In many cases, this has affected governments’ drive in achieving sustainable developmental programs. Arising from this, governments have been making conscious effort through policies and practices in their procurement to ensure sustainability (Clement, 2007). Sustainable Procurement as defined by Miemczyk, Johnsen, and Macquet (2012: 489) is: “the consideration of environmental, social, ethical and economic issues in the management of the organization’s external resources in such a way that the supply of all goods,
services, capabilities and knowledge that are necessary for running, maintaining and managing the organization’s primary and support activities provide value not only to the organization but also to society and the economy”. While the European Commission (2019: Online) defined SPP as “a process by which public authorities seek to achieve the appropriate balance between the three pillars of sustainable development—economic, social and environmental—when procuring goods, services or works at all stages of the project”. Much work has been carried out on sustainable supply chain management (SSCM) in the private sector (Carter and Roger, 2008; Seuring and Muller, 2009; Carter and Easton, 2011), through incorporation of enabling policies and processes to enhance sustainability. Many developed countries for example, United states of America (USA), Canada, Sweden and the united Kingdom (UK) have incorporated policies that will foster public procurement process and policy implementation, however, this is not the case in most developing countries including South Africa (Bolton, 2008; Geny and Doberstein, 2008; Sandikin, 2009; Tripathi and Petro, 2010). More recently, there has been intensified effort for the adoption of SPP in government establishments (Walker & Brammer, 2012; Bratt et al. 2013; Goswami et al. 2013; Schwerin and Prier, 2013) because of its ability to help reduce cost whilst also assisting in public policy implementation to support economic development (Schwerin & Prier, 2013).

South Africa in an attempt to reduce the impact of procurement activities on the environment has adopted various legislations and policies which will guide the way Public Procurement (PP) is being handled, this is to ensure it has positive impact on social, economic and the environmental aspect of the society, this initiative led to the enactment of the constitution 108 of 1996, which guide and inform how procurement is handled at the various levels of government. Furthermore, section 217 of the constitution encourage the use of procurement as a policy tool (McCrudden, 2007; Scharpenac, 2004). In the past, South Africa PP has favored largely big organisation at the detriment of the smaller and upcoming organisations. However, this has changed due to introduction of the procurement constitution which now addressed the inequality (Bolton, 2006). As such, this regulation is now being used as a policy tool for procurement in the public sector (Bolton, 2006). Nevertheless, there are still pockets of issues in the South African SPP even with the introduction of the constitution and development and adoption of the various policies to guide SPP, some of which has been identified to be; corrupt practices, non-compliance with policy and practices, tender irregularities and lack of knowledge (Smart Procurement, 2011). It further states that this has resulted in loss of revenue in the past running into billions of Rand. Several studies argued that adoption and implementation of SPP does not adequately support innovation (Forery et al. 2011; Centre for European policy studies. 2012), and that most public procurement still follow old ways of carrying out their activities (Pamujoki et al., 2010) this could be as a result of no commitment by top management, lack of training, inadequate policy implementation, corruption and noncompliance to tendering process (Walker et al. 2008; Pricewaterhouse 2009; Varnas et al. 2009; Palmujoki et al. 2010).

In most cases, the question of whether sustainable procurement is economically, socially and environmentally desirable as a policy instrument remained mostly unanswered or addressed and in cases of the developing world, questions of development and growth have become critical; thus, necessitating the need to investigate and analyse the applicability, policy implementation and practice as it relates to SPP. This article which adopted an in-depth literature review on SPP implementation is divided into six sections. Immediately after this introduction, the theoretical framework and the application of institutional theory to sustainable procurement was discussed, followed by the discourse on sustainable public procurement; then literature review on sustainable procurement: unearthing evidence from South Africa context and lastly the future of sustainable procurement.

8.2 THEORETICAL PERSPECTIVE –INSTITUTIONAL THEORY AS IT RELATES TO PROCUREMENT

The concept of Sustainable Public Procurement is gaining more attention globally and in a bid to incorporate sustainability into procurement process, it is evident that many stakeholders would be involved through the introduction of a step change in the way procurement is handled (Johnsen, Howard, and Miemczyk, 2014). Many theory have been used to explain the concept of SPP, for example Transactional cost economics and natural resource based view (Pagell, Wu and Wasserman, 2010) to find out the origin of SPP and how it has been practiced in organisations, so
also stakeholder theory (Clarkson, 1995) as the most frequently used as well as Resourced based view. Most of these theories has been contended not to have properly addressed the intricacies and numerous phased involved in the SPP processes (Carter and Jennings 2004).

The theory underpinning this paper is the institutional theory. This theory draws on the work of two scholars, Max Weber and Emile Durkheim who first attempted to explain how this theory will help to shape the action and organisational structure. Weber attempted to describe social action using interpretive approach where an actor make use of subjective approach to describe an institution, while Durkheim described an institution as being comprised of systems of knowledge, behaviour and that they consist of human interaction where both institution and external factors play almost the same role in the lives of workers. He went further to argue that institutions have an obligation to support these activities with necessary actions. Furthermore, Berger and Luckmann (1966) worked on institutions was based on phenomenology approach which attempt to describe institutional theory to be made up of shared types of practices and action, most essentially development of reasoning that has an effect on social behaviour without recourse for punishment. Also, Garfinkel (1967) used ethnomethodology to study the strategy employed by people to interact daily within an organisation, and mentioned that this is usually not dependent on scientific intention, but rather on a repetition based on normal way of reasoning in a conscious manner. Meyer and Rowan (1977) posit that modern day organisations are made up of different professionals, as well as policies and program put in place in a manner that every personnel have some level of believe in those documents to be adequate for operations and in support of organisational sustainability, this believe by personnel helps organisations to ensure that their structures are in conformity with institutional setup in order to attain sustainability of the organisation, furthermore, Dimaggio and Powell (1983) described an institution to be made of isomorphic process divided into three aspect namely: Coercive, Mimetic and Normative, he further argued that these three processes describe the behaviour of most organisations to be almost the same as a result of the numerous actions put in place within the various organisations.

Institutional theory has been applied in various context to explain the way sustainable public procurement has been adopted in many organisations and most especially in government institutions. It is used to describe the dynamic nature of corporate social responsibility (CSR) of an organisation in a way to ensure that adequate measures are put in place to respond to the demands of both internal and external pressure in an effective way (Brammer, Jackson, and Matten, 2012), it helps to clarify the processes involved in sustainable procurement in the various organisational groups in terms of similarity and also in situations where organisations make an effort to imitate another for the purpose of validity in their processes and also to ensure that they inculcate a wider and acceptable way of carrying out sustainable procurement in their entire organisation, this imitative attitude thus result in many organisations to make effort in trying to imitate each other to gain supremacy and relevance when being confronted with similar environmental factors as a result of pressure form the various stakeholders (DiMaggio and Powel, 1993). Isomorphism was further explained by DiMaggio and Powel (1993:149) as ‘Constraining process that forces one unit of a population to rescue other units that face same environmental pressure’. Some of the pressure on organisations resulting from both internal and external requirements where one organisation have to rely on another as a result of coercive isomorphism also depends on the culture of the area of operation of the organisation (DiMaggio and Powell, 1980), this will help organisations to imbibe the attitude of sustainability through regulations, policy, programmes and supplier evaluation process, which organisations would have to abide with those pressures exerted by the various stakeholders through enforcement of the various rules and regulations (Campbell 2007). It is anticipated that these various government policies and regulations will have the potential to promote an imitating behaviours within and across organisations and as such can gravitate to all levels of government from the national to the local level for the promotion of sustainable procurement culture. During uncertainty, some organisations tend to model themselves after another organisation through imitation without the knowledge of the imitated organisation, this intention does not cause any harm to the organisation but rather serve as a form of ways which the imitating organisation can follow in handling their processes (DiMaggio and Powell 1983). This may lead to collaboration which may encourage the adoption of sustainable procurement initiatives by the imitator.
According to Campbell (2007) institutional theory is being adopted and used to help propagate the importance of corporate sustainability, in some instances some of the processes are interconnected when planning to implement sustainable procurement initiatives, (Zhu and Sarkis 2007) and through the implementation of frameworks, systems, programs and other initiatives and collaborations, with the believe that sustainable procurement can be propagated through the imitative propensities of organisations. Furthermore, some of the initiatives through the adoption of ‘normative pressures’ propelling the adoption of sustainable procurement have been identified to be pressure from some bodies such as educational institutions, professional organisations, most especially through networking among the organisations concerned, (Campbell 2007). Although, there are some misleading factors which serves as the bedrock of the normative factors which when applied to a wider initiatives that has to do with sustainability and sustainable development initiatives, according to Perez-Batres, Miller, and Pisani, (2011) in their study found that there is interconnection between normative and mimetic initiatives and sustainable development adoption. However it was argued by Amran and Haniffa (2011) that what propels the need to implement sustainability process in some developing countries has been attributed to be stronger when coercive method is applied rather that normative initiative. Therefore institutional theory becomes important in helping managers, policy makers, and other stakeholder to better understand the impact this could have on the relationship between managerial decision and performances as a result of pressures from external institutions.

8.3 THE DISCOURSE ON PROCUREMENT AND SUSTAINABLE PUBLIC PROCUREMENT

Globally, the concept of sustainable procurement has attracted the interests of academics, practitioners, policy makers and none governmental organisations (NGO). These interests emerged from the strategic role of purchasing and supply as a lever for sustainable development, which is an offshoot of the green revolution (Ahsan and Rahman, 2017; Aldenius and Khan, 2017). Procurement in public and private corporations is considered the largest business globally constituting 16% of the GDP of the European Union (Grandia, 2016; Hawkins, Gravier and Powley, 2011). The rising research interests on sustainable procurement have transformed academics and practitioner in purchasing and supply as strategic partners in sustainable development (Ghadimi, Azadnia, Heavey, Dolgui, and Can., 2016). Empirical evidence revealed that organisations and their suppliers have seen the need to perpetually channel their procurement strategies on reducing the negative impact of procurement activities have on the environment (Grandia, 2018; Neto, and Caldas, 2017). In essence, environmental factors are considered key issues to be considered in the attainment of organisational overall objectives. Procuring organisations are strategic partners in the formulation and implementation of sustainable procurement policies (Kalubanga, 2012). Consistent with the Brundtland report, sustainable procurement aims at addressing environmental and socio-economic issues in the supply chain process by meeting the present needs of organisational stakeholders without compromising the needs of the future generation (Witjes and Lozano, 2016). The key drivers in the promotion of sustainable procurement among organisations and suppliers globally includes government policy, environmental consciousness and competitiveness (Büyüközkan and Çifçi, 2012; Ghadimi et al., 2016). To enhance organisational implementation of sustainable procurement, it is important to identify the factors that drive or hinder the process (Grandia, 2016). The paradigm shift resulted in the increasing attention on market based green growth to pursue sustainable goals and provided an understanding on how the health of mankind is linked to ecosystem (Smith et al., 2016). Sustainable procurement evolved from traditional procurement by putting into consideration, the impact of the procurement processes on the environment. According to the Chattered Institute of Purchasing and Supply (CIPS) (2012), procurement should serve as a mechanism for developing, implementing and maintaining sustainable procurement strategy which could be achieved through the following:

- Knowledge of the procurement employee job descriptions and responsibilities on sustainable procurement.
- Suitable and constant training to develop procurement employees’ skills on best practices.
- Provision of performance appraisal to ensure procurement employees’ compliance with sustainable procurement practices.
- Transparency of organisational reports on sustainable procurement achievement.
Placing procurement appositely sometimes can be described as an assiduous task. Although, the concept is a relatively new trend, however, there have been several contention as to whether its emergence should be narrowed to the discipline of supply chain management, operation research or marketing as it were. These contention among several scholars have gathered massive morass and remain an ongoing discourse. Therefore, it is not intellectually incorrect to construe that the increasing dwindling of the environment has aroused the interests of government and other organisation in making use of their procurement powers as an environmental defense tool (Clement, 2007). In other words, the crux of which is to ensure both the purchasing and distribution of goods and services comply with environmental regulations such that they are not harmful to the environment and human health in particular (Bolton, 2008). Hence the need for organisations to be environmental friendly by ensuring procurement standards are attained is not far-fetched from the realization of sustainability. From the foregoing, the concept of sustainable procurement as expounded by Walker and Brammer (2009: 128) refers to “a procurement practice that guarantees a robust, healthy and just society, environmental growth and the promotion of good governance at large”. Benard, Waruguru, Mundia and Kiruri (2015: 453) define sustainable procurement as “purchasing practice that takes into account the economic, social and environmental impact of the organization’s procurement activities.” In other words, it is a process whereby organisations embark on a procurement practice without causing harm to the environment and still meet the need of its stakeholders.

Again, one prominent and widely accepted conceptualization of sustainable procurement was given by the United Kingdom Department of Environment, Food and Rural Affairs (DEFRA, 2006) as the process wherein organisations (organisations in this context captures both the private and public establishments) achieve their needs for goods and services, works in a manner that attracts significance for money not only for the organisation, but such that also engender benefits for society and the economy at large. A clear cut extrapolation from this explanation captures the need for ensuring sustainable procurement practices by organisations, which is centered on ensuring a safety net for the environment, society and economy. However, most existing literatures on the leitmotif of sustainable procurement have tended to idolize the environment (Grandia, 2016; Roman, 2017; Witjes and Lozano, 2016). Furthermore, ensuring compliance with environmental regulations is at the heart of sustainable procurement. For instance, Klein, Schipper, and Dessai, (2005) argue that ensuring sustainable procurement practices should follow suit with ensuring suppliers attained obligatory environmental standard. By so doing, sustainable procurement could influence the behavior and attitude of organisations (private and public) for the pursuit of sustainable environment devoid of greenhouse gas emissions and other climate challenges (Harrison, Green, and Morton, 2010). Public procurement (PP) as defined by Prier and McCue (2009) “is the designated authority to advise, plan, obtain, deliver and evaluate a government expenditure on goods and services that are used to fulfill of stated objectives, obligations and activities in pursuit of desired policy outcome”. Furthermore, sustainable procurement must incorporate various requirements and specifications that will make it environmentally responsible and also consider social, economic justice and equity in its dealings (Schwenrin and Prier, 2013; Brammer and Walker, 2011).

Remarkable progress has been achieved in the adoption and implementation of SPP globally (Pricewaterhouse, 2009), as such, this has led to many countries coming up with policies and legislations to support their operations for example, United states (Swanson, Weissman, Davis, Soccolof, and Davis, 2005) Canada (Brammer and walker, 2011) and south Africa (Bolton, 2006). Research by Brammer and Walker (2011), who conducted a study in over 280 public organizations’ in 20 countries led to the development of a framework which identified four variables that could simulate the way SPP policies is used in practice as: availability of given products; opinion about policy cost benefit; internal organizational pressure and understanding of the policies, result of this study revealed that one major problem confronting implementation of SPP is inexperience of staff as a result of inadequate training. Furthermore, Francesco, Eleonora, Fabio and Marco, (2014) in their research on what will influence the adoption of SPP conducted a survey in some Italian municipalities and developed a model, the result of the study indicate that information and awareness will drive implementation and adoption in public institutions and also the inclusion of environmental performance clauses in the tender documents technical specification. Procurement decisions are supposed to be in alignment with the relevant policies; therefore, procurement in the public sector is supposed to act as a catalyst in helping the government to achieve its policy objectives through
detailed rules and procedures, this is because of the amount of cost involved in government procurement and its size. The study conducted by McCrudden (2009) focused on how sustainable procurement can influence production pattern where other policies has failed and whether it can serve as a social instrument in reducing the manner in which public contracting process is used as commercial activity, He argued that SPP could be a motivating factor in solving both social and economic issues through production. Similarly, SPP may have adverse effect on stakeholders, for example, the imposition of extra cost on supplier and the abuse of procurement process due to corruption. The study further argued that, compromise may arise among the achievement of economic, social and environmental aspect of PP in an attempt to ensure that SPP policy is followed by prospective suppliers, which could lead to disqualification of some companies from the supply chain process of the public organisation, the consequence could lead to disqualification of small and medium sized suppliers and in turn their workers thereby affecting sustainability through loss of job, profit and poverty.

8.3.1 Procurement in the Twenty-First Century

Procurement in the twenty-first century is geared towards an environmental friendly process. Public procurement is aligned with “green” through the design of appropriate purchasing policies that are environmentally sustainable. This is what Cheng, Appolloni, D’Amato and Zhu, (2018) refer to as Green Public Procurement (GPP). Citing the European Commission’s Communication, Cheng, Appolloni, D’Amato, and Zhu (2018: 772) define GPP as “process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured.” The similarity in the concept of sustainable procurement and GPP is evident in the definition put forward by the Sustainable Procurement Task, which refers to sustainable procurement as “a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment” (DEFRA, 2006: 10). Both sustainable procurement and GPP centre on the notion that purchasing activities either by government or organisations impact immensely on sustainable development.

The drive to providing solution to environmental challenges has taken a holistic approach, such that market dynamics has been incorporated in the policy framework. The introduction of market dynamics in the policy framework on the environment has helped to stimulate mechanisms that are able to propel actions at individual and organisational level through the introduction of market based, environmental stewardship and resource (Testa, Annunziata, Iraldo & Frey, 2016). The adoption of “green” procurement is seen as an effective avenue for enhancing the production of products that are environmentally friendly (Testa, Annunziata, Iraldo and Frey, 2016). The production of environmentally friendly products is consistent with the Paris Climate Accord of 2015, which aimed at promoting adaptive capacity to strengthen and reduce the vulnerability of the environment to the menace of climate change. Empirical research has revealed the benefit of sustainable procurement to include immense reduction in CO2 emission (Testa et al., 2016). Corroborating this argument, Testa, Iraldo and Frey (2011) posit that sustainable procurement influences innovation at individual and corporate level resulting in improved organisational performance. The lack of clear cut policies on public tenders in South Africa is a major impediment in the implementation of sustainable procurement in the supply chain. Policy formulation and effective mechanism for implementing sustainable procurement could result in good measure of ensuring the product that are environmentally friendly.

8.3.2 The Need for Sustainable Procurement: The Question of Why Now?

The growing trend of environmental and climate related issues are forming the center stage of discussion among environmental specialist, supply chain researchers and other allied professionals. In fact, the need to advance organisational effectiveness, decrease waste, overcome supply chain risk and attain competitive advantage have roused the attention of organisations towards thinking in the direction of sustainable procurement. Again, the increasing demands from stakeholders, consumers and regulatory government agencies has further necessitate organisations to be accountable to the
myriads of environmental and social issues constraining the efficiency and effectiveness of organisations through swift sustainable procurement responses. Within the body of literature, available researches on this subject are tilt towards explaining sustainable procurement as an emergent and growing area of research why few have extensively discussed the necessity for sustainable procurement, particularly in this epoch of increasing environmental and climate distress.

Carter and Easton (2011) study on sustainable supply chain management reveal that one of the need for managers to adopt sustainable procurement practices is too positioned for improving their environmental and social performance through effective product description, evaluation and overall fulfilment of the consumers preference such that will improve their health and immediate environment. Importantly, it is imperative to highlight that the need for sustainable procurement is not determined by the sizes or composition of an organisation as virtually all sizes of organisation directly or indirectly speaks to their immediate environment. Consistent with this argument, Weele (2010) posits that the increasing changing environment has ushered in a need to embrace the strategic importance of sustainable procurement practices by all organisations irrespective of sizes and nature of business. Gaither and Frazier (2001) in their study, identified that sustainable procurement activities have been apparent in organisations as a means towards realizing the company strategic goals as it affects the distribution time of products and services, operating costs and the quality of finished goods. Furthermore, while the need for a robust culture of sustainable procurement activities is being conveyed by researchers and scholars as a pathway to the realization of organisations strategic goals, several empirical studies have been conducted in this direction. For example, in a bid to unearth and have a fuller understanding of sustainable procurement practices, Mensah and Ameyaw (2005) study examined the challenges of sustainable procurement in the Ghanaian construction industry. Their study reveal that very few employees in the Ghanaian construction industry understood sustainable procurement practices as a concept that embraces environment, economic and social aspects of sustainability. Findings from this study further reveal that, the lack of comprehensive understanding of sustainable procurement practices are major snags affecting effective sustainable procurement practice in the Ghanaian construction industry. Again, the revelation ensuing from Mensah and Ameyaw (2005) study is a clear indication why sustainable procurement is a relatively new concept, hence the necessity to understand it for a clear prediction and control of not only environmental damage, but inclusive of demanding and holding organisations accountable for social and economy stability as it were.

A study conducted in the UK by Walker and Brammer (2009) revealed that the lack of appropriate understanding of sustainable procurement practices by practitioners result in high cost implication attributed to sustainable procurement practices. However, one major implication of the study centered on the need for government to provide explicit legislations that would support sustainable procurement practices in both the private and public organisations in the UK. As a complement, Walker and Brammer (2009) study shared similar sentiment with Agyepong and Nhamo (2015) study on the assessment of green procurement practices in the South African metropolitan and municipalities. Green is often time used interchangeably with sustainable procurement. The European Commission defined green procurement as “a process whereby public authority seeks to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured” (Uttam and Roos, 2015: 403). This definition place emphasis on the impact of procurement on the environment. Smith et al. (2016) argue that synonymising ‘green’ with ‘sustainable’ present an implied assumption that green procurement will inevitably bring about a shift towards a more sustainable procurement.

For emphasis, reflecting from the South Africa context, it was revealed that ensuring sustainable procurement in all private and government establishment has suffered great setbacks owing to the absence of legislative and regulatory control (Agyepong and Nhamo, 2015). In a comparative study, Boomsma (2009) explored sustainability procurement practices in three Africa countries including Sierra Leone, Mali and South Africa. Findings from their research indicate that like in many developed and developing countries, the dare of technical and management competence, cultural assimilation, high costs of funding sustainable procurement projects and transparency on the part of managers among others are sighted as factors plaguing the growth of sustainable procurement practices in
these countries. Further, the study depicts that, to surmount these challenges, there is a need for all stakeholders including the government, researchers and other agencies to rally round and construct a synergy to address salient issues for progressive sustainable procurement policies and actions (Dolva, 2008). Again, a similar study exude that there is an urgent need to incorporate sustainable procurement practices into the mainstream of both the public and private organisations through relevant legislations and regulatory frameworks (Sterner, 2002). Therefore, judging from the reviewed studies, the need to allow effective sustainable practices in the daily operation of organisation is timely, especially due to an increase demands for the restoration of environmental damage engendered through the supply of goods and services which are hitherto lacking sustainable procurement principles (Grix, 2004).

Prior to now, procurement scholars and researchers have keenly focused their research initiatives on three dimensions of supply chain management including price, quality and time (Grant, Wong & Trautrim, 2017; Kaur and Singh, 2017, Svensson, 2007). However, with the emergent growing dynamics in procurement practices, there have been a new trend of research interest called sustainability which includes the need to addressing varied risk ensuing from social and environmental damage (Gelderman, Semeijn and Vluggen, 2017). Therefore, the incorporation of sustainable procurements practices into the mainstream of organisational activities does not only portend benefits to the immediate environment, but equally show some advantage for the organisation implementing it. For instance, the findings in a study conducted by Ruparathna and Hewage (2015) shows the array of benefits organisations practicing sustainable procurement stands to gain. For these authors, these benefits include; lower operating costs, reduced energy consumption, commitment to more social responsibilities tasks, contributing to market penetration and development through ensuring products supplied are sustainable and environmental friendly, engendering a healthier environment through drastic waste reduction and efficient use of raw material and upsurge in consumer’s social welfare (Xie, 2016). Relating from Ruparathna and Hewage (2015) study, the need to have organisations instill sustainable procurement practices cannot be earlier than now not only to lessen the unceasing environmental, social and economy damage but more also to improve organisations image. In addition, the increasing demands from consumers on organisations have brought to the front burner, the need to inculcate sustainable procurement practices in organisations daily routines (Yin, 2009; Walker and Harland, 2008).

Drawing from the above contention, no doubt there have been several agitations on why and how government must rise to her responsibility in ensuring all organisations becomes sustainable compliance specifically in the exchange for good and services. Similarly, research has shown that one of the vital means through which this milestone can be realized is the need for a robust and sustainable policies. For instance, Woods (2008) study shows that the realization of sustainable procurement across organisations is greatly tie to ensuring government institute sustaining policies and strategies to hearten the purchase and use of low-carbon technologies and renewable energy to avert severe effect on human health and the environment. However, Audet (2003) although support the intervention of government for sustained policies and strategies towards mitigating the adverse effects of non-compliance to sustained procurement practices, yet the author argued in his study that the local government as the third tie of government is appositely positioned to offer effective implementation of such policies and strategies, in particular has it is more closer and deals directly with communities where environmental damage are more discernable (Audet, 2003).

8.3.3 Assessing the Viability of Sustainable Procurement: Issues Plaguing Its Effectiveness and the Question of What Next

The debate on sustainable procurement has become a reoccurring issue in many countries globally. In particular, the World Summit of Sustainable Development (WSDD) in 2002 advocates for the collaborations of relevant authorities at both the local, national and international levels on ways to promote procurement policies through the encouragement and dissemination of environmentally sound goods and services (Wahlen, 2012). The discourse of sustainable procurement is interpreted as a means of ensuring sustainable development due largely to the effect of procurement guidelines and strategies on the environment, community, social and economy situations of those receiving (end users) and delivering the products or services (Son, 2011). Therefore, sustainable procurement is
now considered the novel link between environmental, economic and social features with robust consideration to purchasing decisions. With this in mind, sustainable procurement has now attained important milestone on the agenda of many private and public organisations the world over (S sour, 2012). However, literature reveals that sustainable procurement studies are chiefly concentrated in the United State of America and the United Kingdom (UK) (Bajaber and Taha 2012). In other words, more empirical studies are required not only to exhume the missing link, but more importantly to uncover what are the next things to be done in the countries/region yet to be researched. With regard to exploring and understanding what seems next for countries still lagging behind in terms of incorporating the sustainable procurement practices into the culture of their organisations, it is also imperative to survey issues constraining the efficacy of sustainable procurement practices in countries identified with the practices. In other words, several studies on sustainable procurement have shown several factors limiting the effectiveness of sustainable procurement policies and plans across countries. For instance, Blair and Wrigh (2012) and S sour, (2012) in their separate studies identified cost constraint as the most visible barrier affecting sustainable procurement practices in the UK, USA, Canada and selected Eastern European countries. For Hasselbalch et al. (2012), the deficiency of sustainable procurement procedures and strategies were identified in the United Nations. Furthermore, Glunispero (2012) study identified lack of understanding and misalignment of short term and long-term goals in Norway.

Assessing the barriers constricting effective sustainable procurement, empirical studies highlighted lack of effective leadership structure, lack of human capability, lack of suppliers of sustainable products or services, lack of transparency, decentralised purchasing structures, lack of political support or political good-will, and poor commitment to sustainable procurement rules and guidelines among other factors (Boomsma, 2009; Islam, Murad, McMurray and Abalala, 2017). However, majority of the identified factors affecting effective sustainable procurement practices are more internal than external to the organisations. Other related studies such as Weiss and Thurbon (2006) equally highlight lack of awareness, conflicting primacies, the snag of culture and mind-set and commitment of the organisation to sustainable procurements practices, lack of management commitment, issues arising from quality of sustainable products, time pressure, lack of supervision, and conflicting environment among other dares. Therefore, judging from the huge number of constraints highlighted through the review of literature, there is an urgent need for a deep-seated collaboration among the tiers of government by instituting a regulatory framework or legislations in countries where sustainable procurement practices are alien. In particular the case of South Africa is a clear focus of emphasis. As Bolton (2008) rightly posits, the South Africa case is an example of a country where sustainable procurement policies has not been expressly legislated and the need for this is not nearer than now. Therefore, the next pathway is for the South Africa government and other relevant agencies to brace the need for sustainable procurement policies in order to save the unceasing environmental, social and economy damage as seen unabated.

Although, environmental damage has been at the fore front of sustainable procurement crusade. Recently, however, research focus has been shifting to the social aspects of sustainable procurement practices which includes; the employees, customers and the larger community (Gelderma, Semeijn and Vluggen, 2017; Johnsen, Mmnczyk and Howard, 2017). However, for effective protection of parties in this regard, organisational leaders are expected to ensure their organisations sustained corporate social relations between consumers and the entire community (Boomsma, 2009). In same line of argument, Delmas and Pekovic (2013) study shows that managers or organizational leaders often go through hard-hitting decision, especially on how to balance the interest of stakeholders at large. Nonetheless, Sammalisto and Brown (2012) avow that the next line of action is for managers to be responsible and liable to social responsibilities aspects of sustainable procurement by ensuring end consumers derive value from their money through the purchase and utility of products and services. In a study on using public procurement to achieve social outcomes involving a survey of 5220 firms, McCrudden (2014) established that there are a number of considerable indication that social interactions greatly impact organizational results. Again, Okeyo and Wangila (2012) shared similar sentiment by emphasizing the need to empower managers towards changing their perception as an aid for upholding sustainable social procurement practices.
8.4 SUSTAINABLE PROCUREMENT: UNEARTHING EVIDENCE FROM SOUTH AFRICA CONTEXT

The verity that sustainable procurement practices is somewhat low in South Africa and the sparse existence of clear national legislation and policy on sustainable procurement, this section attempt to uncover how and what needs to be done for a robust implementation of sustainable procurement practices in South Africa. Although, apart from the ongoing discourse to be good ambassadors of friendly environmental agents, countries across the globe are now hard-pressed to do the needful as global consumers are now in the fore front of demanding sustainable products devoid of environmental, social and economic damage (Alhoha, 2008). Similarly, why within the South Africa context, public procurement laws are rather hushed on sustainable procurement, universal drifts aimed at sustaining environmental and climate dares have shown a great deal of impact on South Africa, in particular within her metropolises and municipalities (Agyepong and Nhamo, 2015). Further, the authors stressed that in South Africa, metropolises and municipalities record the highest number of effects resulting from degraded environmental and climate change as a result of being the most consumers of carbon-intensive goods and services. Interestingly, this result is a testament for South Africa to be rouse and set up modalities to addressing the debilitating effects of environmental hazards that has ensue due to inappropriate checks and laws for sustainable procurement practices.

Drawing from the above, Bolton (2008) emphasize the scant availability of laws in any known South African legislation enacted for the promotion of sustainable procurement in the country. However, coming to terms with the need to incorporate policies and laws into the mainstream of South Africa laws will aid in lessening the widespread problem of environmental damage by justifying and operationalizing sustainable procurement within existing legislation and regulatory framework (Coggburn and Rahm, 2005). In other words, Bolton (2008) had earlier pronounce the array of advantages working within existing legislation the most imperative being that it will be more quicker and easier to reflects on issues hovering on environmental and climate change whereas, issues on sustainable procurement practices not having legal connotation will rather be tedious to implement and enforce.

However, why arguing on the need for effective enactment of legislation, it has equally been argued that the medium of sharing information on environmental sustainability is no distanced from the realisation of effective sustainable procurement practices, in particular within the South African context. For instance, Bolton (2008) and (Bolton, 2007) in the separate studies maintain that the various organs of the State should be liable with the remit of information sharing especially those that has to do with the public through posters, newspapers, printed flyers and brochures, other means such as the websites and electronic emails. Accordingly, the authors posit that, although these means of information sharing have been proven overtime as environmental friendly, yet the limitation of internet shortage can greatly constrict the utility of electronic email and websites in South Africa. In other words, the utility of flyer and other print media would be more effective for information sharing with regard to consumer demand for sustainable procurement practices, especially in South Africa remote areas (Bolton, 2008).

8.5 CONCLUSION

The aim of this paper was to conduct a review on how SPP implementation was adopted to analyse the manner in which sustainability could be realised through regulation, implementation and monitoring compliance of relevant environmental policy instruments in South Africa government institution. This was to explore how sustainable procurement has been used as a tool to enhance social, economic and environmental sustainability. It was noted that in many developed and developing countries, the dare need of technical and management competence, cultural assimilation, high costs of funding sustainable procurement projects and transparency on the part of managers among others are sighted as factors plaguing the growth of sustainable procurement practices in most institutions. Bolton (2008) emphasize the scant availability of laws in any known South African legislation enacted for the promotion of sustainable procurement in the country. Thus, ensuring sustainable procurement in all private and government establishment has suffered great setbacks owing to the absence of legislative and regulatory control.
Further, evidence emanation from this review shows that implementation of sustainable procurement policies alone, will not necessarily help in the achievement of the developmental objectives, but due consideration should be given to capacity building and collaboration with relevant units of government, whilst also integrating social and economic policies, into the formulation of tender documents and selection of suppliers. These findings will be useful for government policy makers and other relevant stakeholders involved in procurement practices in both government and private institutions. For government institutions to overcome these challenges faced by South Africa, it is important that all stakeholders including the government, researchers and other agencies should construct a synergy capable of addressing salient issues for progressive sustainable procurement policies and actions, through the incorporation of sustainable procurement practices into the mainstream of both the public and private organisations through relevant legislations, policies and regulatory frameworks.

8.6 THE FUTURE OF SUSTAINABLE PROCUREMENT

In the United states of America (USA), United Kingdom and the European Union (EU), the concept of sustainable public procurement has been widely used as a policy tool for transforming the procurement process as a means to encourage organisations both in the public and private institutions to come up with strategies to enable socially responsible procurement. Also, inclusion and the means of ensuring that organisations comply with tender requirements in line with available rules and regulations. The European commission (2016) notes that this concept will enable organisations to incorporate policies that will not focus on price alone when awarding contract, but would also take into consideration the public interest through the integration of the less privileged people, this is because when developing contracts, issues relating to social aspect of life will be adequately considered when procurement contracts are being awarded. This initiative will help organisations in the public space to project into the future in a manner where purchasers can properly evaluate and select contracts that take into consideration the effect of their activities on the environment and how to address this appropriately such that the environment is not adversely affected.

Furthermore, one pertinent issue that has recently taken the center stage of discourse is organisations aim for corporate sustainability. Schaltegger et al., (2003) study highlighted that organisations are now looking forward to attain the Triple Bottom Line (consisting of environmental, social and economic sustainability) for the management of their enterprise which does not foreclose the need to seek for market continuity and expansion of the organization through its economic feasibility structure and nature of the cohabitation with the environment and society (Karna et al., 2003). Again, this analysis reflects the urgent need for organizations to embrace sustainable procurement practices not only for market penetration and continuity but more so to give back in terms of corporate social responsibility (Weiss and Thurbon, 2006). The realisation of effective sustainable procurement is also hinged on the need for ensuring agents of government saddled with this remit are up to the task. As reported in the literature, Schooner (2004) note that managers and agents of government must possess minimum qualification to perform meaningfully well and must show a high sense of commitment towards the realization of this objective. Therefore, the technical know-how will include among others; experience and track record, the financial standing of the organisation, the technical and capacity competence of the agents and great sense of compliance to procurement rules and specification (Williams, 2007). Judging from the extant review of literature, what is not in doubt is rarity of research works on sustainable procurement in South Africa. However, based on the available facts, it is important to note that supply chain professionals can play crucial role in the procurement process, through collaboration with partners involved during contract preparation and how selection of vendors are being carried out taking into consideration the triple constraint before awarding contracts and not giving consideration to the lowest bidder alone. Further, the need for organisations to recognise the importance of sustainable procurement and the part it could play in helping to improve the performance of the public and private institutions should also be considered. Placing emphasis on how public procurement could help to shape the procurement process of the organisation should not be the only focus of the government institutions, but also how this could have positive influence on the environment, society and the economy at large. This could be achieved through legislations, policy, cultural change by the various stakeholder with decision capacity through an attitude that take into consideration how to improve the environment, society and the economy through their procurement process.
COMPETING INTERESTS

Authors have declared that no competing interests exist.

REFERENCES


