

EDITORIAL

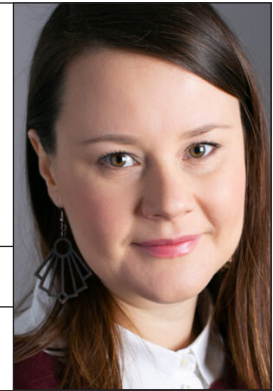


Strategic Procurement Management as a Prerequisite for Impactful Green Public Procurement

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Across the Baltic Sea region, municipalities are sending the same alarming message. At national level, there are signs of abandoning or at least watering down the existing environmental commitments such as climate targets. At the same time, there are critical voices that frame green public procurement as an expensive burden. These kinds of perspectives are worryingly short-sighted and risk, at their worst, reducing the resources allocated to green public procurement. Green Public Procurement (GPP) refers to the procurement of goods, services, and works with a reduced environmental impact. When done correctly, GPP can help lessen the negative environmental effects of public sector consumption while bringing long-term savings and positive impacts on public health, and the economy. When economic conditions are difficult, it is essential to make the most of limited resources. GPP is a powerful instrument for this, not despite scarcity, but because of it.

For the past 15 years, we have worked in research and development projects with public authorities like municipalities across the Baltic Sea region to increase their capacities for GPP. During this time, public procurement has transformed from an invisible bureaucratic necessity to a valued strategic tool to move closer to the organisation's strategic environmental targets. At a recent project event focusing on the GPP, procurement units from different countries reported that national support structures for GPP are shrinking while expectations related to environmental consideration

placed on public procurement remain unchanged. One concrete example of shrinking support is the closure of KEINO in Finland. KEINO was a network-based Competence center for Sustainable and Innovative public procurement, and it provided a platform for GPP development, capacity building, and information sharing. Although participation in the event was limited to some countries and municipalities in the Baltic Sea region, the participants represented municipalities and procurement units of different sizes, and the signals point in the same direction.

Municipalities are not relieved of their environmental commitments, at least for now, even though national ambitions and support structures might wane. Regardless of global developments, municipalities see the benefits of providing a healthy and climate-resilient environment for their inhabitants.

It seems that municipalities' environmental strategic commitments, and green public procurement as such, are not a problem. Rather, critical perceptions stem from how GPP is implemented in practice. Where strategic procurement management is lacking, procurement activities tend to become fragmented. In such cases, GPP may rely on a few committed individuals who apply green procurement criteria on an ad hoc basis, with limited connection to broader municipal priorities. As a result, procurement outcomes do not reflect the municipality's strategic goals, procurement does not provide the expected impact, and, most importantly, does not bring the municipality closer to its

environmental targets. If anything, this is a clear waste of resources.

If fragmentation is the problem, then what helps municipalities regain a strategic overview and strengthen procurement management? As national support structures are scaled back, organisations' internal leadership and management, doing the right things and doing them well, need to be strengthened. The key issue is not policy ambition itself, but how public procurement is governed in a context of changing political priorities and limited resources. One solution is to identify strategic commitments, ensure operational guidance and well-defined roles and responsibilities, and make day-to-day procurement practices and tools visible and aligned. Thus, effective procurement management requires a strategic approach. Rather than focusing on individual procurements, procurement should be viewed as a strategic tool that supports municipalities in achieving their long-term goals, even in the changing circumstances.

Strategic procurement management for GPP brings together three interlinked levels: municipality's strategic commitments (such as climate targets), governance structures and organisational capabilities and day-to-day procurement practices. Together, these three levels form a strategic procurement management framework. This framework provides the structure through which strategic intent is systematically reflected across the strategic, organisational, and operational levels of procurement

management bringing municipalities closer to their strategic environmental objectives through impactful procurements

However, the shift toward strategic procurement management does not happen on its own; it requires organisations' commitment, internal collaboration and dialogue, and the right tools. Organisations like municipalities can, for example, use the Procurement Management Self-Assessment Tool, developed within the ChemClimCircle-2 project (CCC-2), funded by the Interreg Baltic Sea Region Programme. The Excel-based Self-Assessment Tool assists organisations in identifying what kind of strategic targets it has and how these targets can be advanced through GPP. In addition, it helps to assess whether these strategies are linked to organisational structures, guidance documents, and everyday procurement practices. In CCC-2, the strategic focus is on climate protection, circularity, and the reduction of hazardous chemicals. Prioritising these sustainability aspects on an organisational level helps procurers to focus their resources and supports them in translating strategic goals into concrete procurement criteria.

Despite the prevailing uncertainty and shifting policy priorities, municipalities can continue to advance their environmental goals through public procurement by strengthening their procurement management frameworks. Systematic procurement leadership and management become particularly important when resources become scarcer.