

# Green public procurement within the irish construction industry construction essa...

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For one to understand the term “ Green Public Procurement, ” one must foremost understand the term “ Public Procurement. ” Van Weele ( 2005 ) defines procurance as embracing buying, storing, logistics, review, quality control and confidence. Public Procurement is defined by The National Public Procurement Policy Unit as the acquisition, whether under formal contract or non, of plants, supplies, and services by public organic structures.

It ranges from the purchase of everyday supplies or services to formal tendering and placing contracts for big infrastructural undertakings by a broad and diverse scope of undertaking governments ( Department of Finance, 2004 ) . A cardinal rule of public procurance is that in general, a competitory procedure carried out in an unfastened, nonsubjective and crystalline mode can accomplish best value in public procurance. This is in line with EU Treaty rules and EU directives on public procurance. Principles such as equal intervention, non-discrimination, transparence, common acknowledgment, proportionality, freedom to supply services and freedom of constitution are indispensable when carry oning the procurance map. It must besides be noted that there are certain thresholds which determine whether a public contract falls under the EU Procurement Directives, for illustration, for work contracts ( edifice and civil technology contracts ) on which this thesis is concerned with, the sum is a, -4, 845, 000 sole of VAT as of 1st of January 2010. This threshold applies to Government Departments and Offices, Local and Regional Authorities and other public organic structures ( Etenders, Public Procurement web site, January 2010 ) .

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### 3 What is Green Public Procurement?

Over the old ages the term procurance has been extended to suit other constructs. “ Green Public Procurement ” is now a widely discussed issue and is defined by the EU as a procedure whereby public governments seek to secure goods, services and works with a decreased environmental impact through their life rhythm when compared to goods, services and works with the same primary map that would otherwise be procured ( EU 2008 ) . It covers countries such as the purchase of energy efficient computing machines and edifices, office equipment made of environmentally sustainable stuffs such as lumber, electricity stemming from renewable energy beginnings, and air conditioning systems following with province of the art environmental solutions ( Buying Green, 2004 ) .

Spending by public governments in Europe histories for 16 % of the European Union ‘ s gross domestic merchandise ( The Value of Green 2008 ) , and therefore by utilizing their buying power to choose for greener goods and services, public governments can do a significant part towards a more sustainable economic system, both environmentally and socially, this is known as sustainable procurance. By puting in greener goods and services, public governments will besides put an illustration for corporate and private consumers. Contrary to common belief, GPP does non intend disbursement more money. When discoursing the monetary value of a buying a peculiar point, it is of import to set about a life-cost rhythm assessment. Purchase monetary value, use and care costs, and disposal costs must all be

considered and when these are considered, the greener option is more frequently than non the more financially advantageous in the long tally.

## **2. 4 Benefits originating from the usage of Green Public Procurement**

Due to the big market power ( 16 % of the EU ' s GDP ) of the buying power of European public governments, GPP can do an of import part to cut downing environmental impacts and to altering unsustainable production and ingestion forms.

The European Commission has co-funded a research undertaking, called Relief to scientifically measure the possible environmental benefits if GPP were to be widely adopted across the EU. Findings from this research undertaking include: If all public governments across the EU used green electricity, 60 million metric tons of CO<sub>2</sub> would be saved, i. e. 18 % of the EU ' s nursery gas decrease committedness under the Kyoto Protocol. Again, if all public governments were to demand more efficient lavatories and lights-outs in their edifices, H<sub>2</sub>O ingestion would be reduced by some 200 million metric tons, i. e. 0.

6 % of entire family ingestion in the EU. ( Sustainable Public Procurement in Ireland, 2009 ) 830, 000 metric tons of CO<sub>2</sub> emanations could be reduced if the populace sector purchased energy efficient computing machines. 2. 8 million Personal computers are bought every twelvemonth in the populace sector in the EU and these nest eggs would convey us an excess 0. 25 % closer to the Kyoto end.

More benefits can be seen by looking at the GPP attack to environmental impacts. GPP aims to maximize the energy public presentation of edifices, guarantee high energy criterions for electronics, H2O, warming, chilling and airing systems. This attack entirely will assist cut down public-service corporation measures and increase quality criterions in edifices. It besides encourages the usage of non toxic stuffs to be used in the building procedure, therefore increasing wellness and safety criterions for workers, which may ensue in a decrease in accident rates which in bend can do nest eggs in the wellness sector and insurance industry. GPP encourages the installing of high-end H2O salvaging engineerings and cut down the usage of fresh water during the building procedure.

Water salvaging engineerings in edifices could turn out to be highly good, as during the recent inundations in Ireland, H2O economy was highly of import and a deficiency of fresh H2O affected many parts of the state. Such future jobs could be eradicated with the debut of improved H2O salvaging engineerings. Given the current economic clime and the prostration of the building industry, GPP could turn out to offer a gleam of hope in Ireland. In December 2008 the EU agreed to cut down CO2 emanations by 20 % by 2020, from 1990 degrees, nevertheless, in January 2010 it was agreed to increase this to 30 % on 1990 degrees. Given the big accent put on cut downing CO2 emanations it may turn out to be a market of chance.

There will be an increased market for environmentally friendly engineerings and patterns perchance ensuing in new occupation chances. Finally, the biggest misconception sing GPP is that many believe it is much more dearly-

won than regular procurance. While some merchandises may be more expensive ab initio, one time life rhythm costs are considered they will in fact salvage money and are surely the better pick. For illustration while an energy efficient light bulb is more expensive than its opposite numbers it is approximately four times more energy efficient and will last 10 times longer, therefore turn outing to be cheaper in the long tally.

## **2. 5 Potential Barriers to a successful execution of GPP in Ireland.**

A survey carried out by the Take-5 pool in 2005 found five major obstructions to a successful nidation of Green Public Procurement, ( European GPP Website, Jan 2010 ) they are: Percept of fiscal load: It is a common belief that GPP is a more dearly-won procedure than traditional procurance. If we look at the building industry in peculiar, we know that traditional building stamp monetary values have fallen dramatically in Ireland since 2007, and as choosing to build with green aims in head is more expensive at the beginning of a undertaking, clients may make up one's mind to choose for the cheaper traditional building methods now. However, as mentioned before, taking the whole life rhythm bing into history, green building will salvage money in the long tally. Lack of cognition about the environment and how to develop environmental standards: It is possible to get the better of this barrier in certain facets by utilizing proficient criterions and the implicit in standards of certified Eco-labels. However, at present it may be hard to get the better of this barrier in the building industry as Eurogypsum has late released a papers saying that the eco-label does non presently make the nexus between the merchandise ( gypsum board ) and

the system ( a wall made of gypsum boards ) . As a consequence there is a challenge to invent the standards for building merchandises that are able to associate the eco-label ( European ) with the edifice ordinances ( National ) ( Eurogypsum 2008 ) .

Lack of direction support: As there is no 1 Department for Public Procurement in Ireland, it is really difficult for the needed sections to intercede with one another to decently implement Green Public Procurement. It would look that a head functionary must be put in topographic point to guarantee the needed support is given. Lack of preparation: Again, as there is no direct section covering with public procurance in Ireland, there is no equal preparation programme in topographic point to do certain all criterions are adhered to. Besides due to the deficiency of preparation there is frequently a deficiency of proficient cognition and legal expertness to use sustainable procurance criterions. Lack of practical tools and information: Communication, circulating and supplying preparation is highly of import if a state is to increase its GPP quotient. The late published ' Handbook on Green Public Procurement ' is an of import tool in this respect ; nevertheless, developing must foremost be done at a far more a national and basic phase. The UK ' s Sustainable Procurement Task Force has besides identified of import barriers such as ; Insufficient supply: It can be hard to happen providers who are able to supply the necessary good or services required for GPP.

And even if a provider is found, there may be small or no competition ensuing in no monetary value competition which means higher monetary

values. This may in fact be seen as a possible country of growing in the economic system nevertheless, which may see monetary values fall in the hereafter. Execution spreads: A high degree of committedness