Assessing the Integration of Environmental Impact Considerations in Canadian Provincial Public Procurement Systems

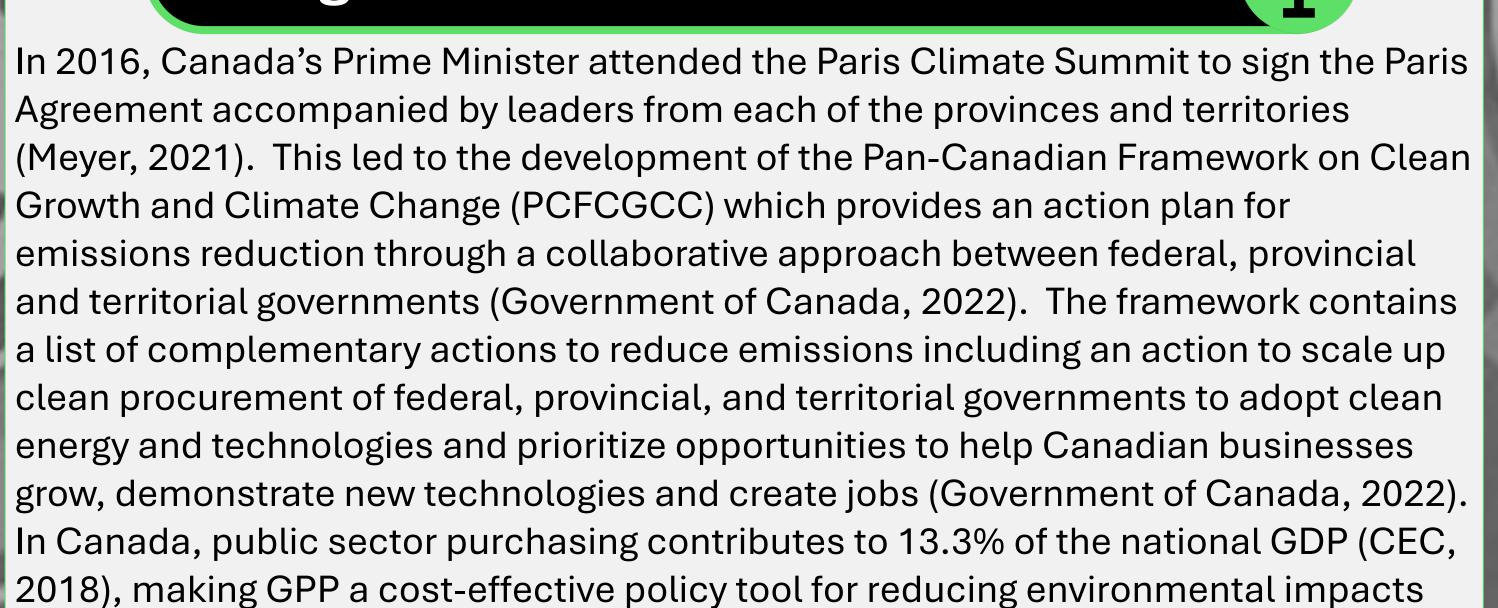


research (Torres-Pruñonosa et al., 2021).

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Background Information



However, limited research has been conducted to evaluate the effectiveness of Canadian legislative interventions at the provincial level. According to Ruparathna and Hewage (2015), Canadian municipalities underutilized GPP practices in the bid evaluation process while procuring from the construction sector. De Ponte et al. (2020) found similar results when assessing sustainable impact content in federal, provincial and municipal bid documents for procuring from the construction, information technology, and services sectors. It is important to note that these studies were conducted before significant developments, such as Canada's signing of the Paris Agreement and the formation of the Buyers for Climate Action Coalition (BCA). Therefore, in addition to a lack of in-depth analysis of provincial public procurement, there are newly developed initiatives that were not considered in these studies.

(EI) and driving innovation for sustainable goods and services in the private sector.

The use of GPP as a policy tool to reduce EI has become a growing area of academic

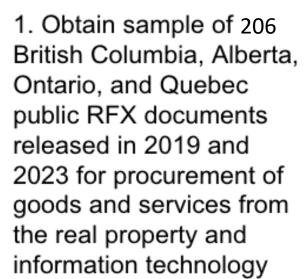
The BCA was formed in 2021 by the Treasury Board of Canada Secretariat as part of the Greening Government Strategy in alignment with the PCFCGCC. The purpose of the BCA is to establish knowledge sharing to support member governing bodies which include British Columbia and Quebec. These provinces along with some municipalities have committed to improving their procurement processes by incorporating more GPP practices especially when procuring from the real property (RP), information technology (IT), vehicle and marine fleet and services sectors. The BCA identified these as the sectors from which governments purchase frequently and in high volumes (Secretariat, 2022).

Purpose and Research Questions

The purpose of this research it to assess the integration of GPP practices in British Columbia's, Alberta's, Ontario's and Quebec's public procurement systems through the inclusion of EI in bid documents, specifically request for proposal (RFP), request for bid (RFB), and invitation to tender (ITT) documents when purchasing from the RP and IT sectors to understand the following

- 1. How is El being considered in bid documents? Has this improved over time and is there a difference between sectors?
- 2. Are EI considerations integrated into bid documents such that they will effectively influence purchasing decisions that will reduce EI from the real property and IT sector? Have the BCA member provinces achieved this more successfully than non-BCA member provinces?

Methodology



2. Assessment of RFX documents against criteria: Mention of EI in Ministry's role, responsibilities, or description Mention of EI in RFP intent, rules 4. Analyze trends in: or project description El listed as a category of weighted criteria in the RFP Correlations between assessed Relevance of weighted El criteria Percentage of RFPs that include in RFP evaluation El considerations Weight of El criteria relative to Difference in quality of EI integration between BCA vs overall score of evaluation Non-BCA member provinces sustainable procurement Difference in quality of El guidelines or mention of integration between RFPs for procurement in provincial real property and IT sector Improvement of EI integration development strategy over time from 2019-2023 Iterative Process

Results and Key Findings

Review applicability of

criteria and assessment

scheme



5. Identify strengths,

weaknesses and

potential points for

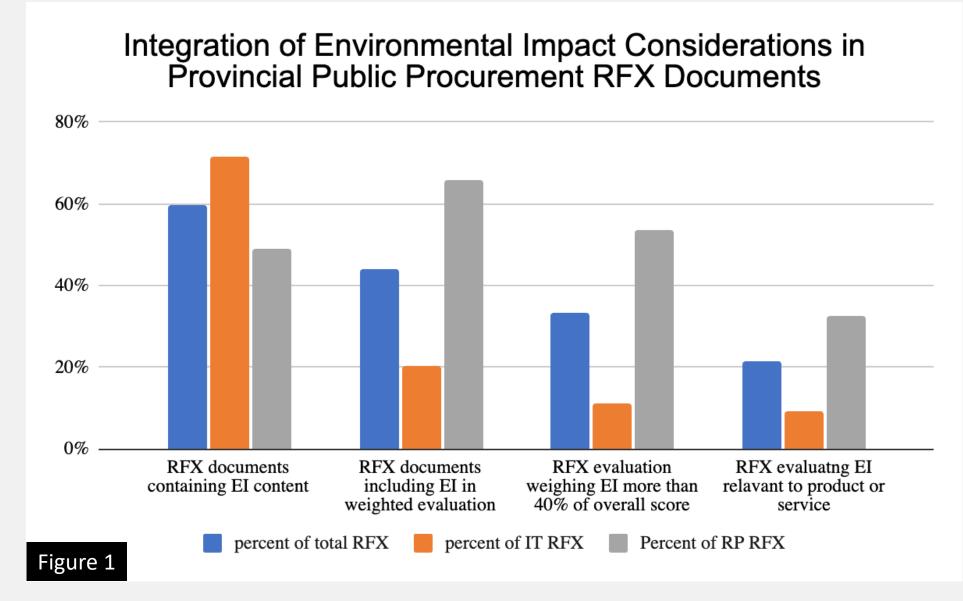
improvement

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3. Quantify RFP

As observed in Fig 1:

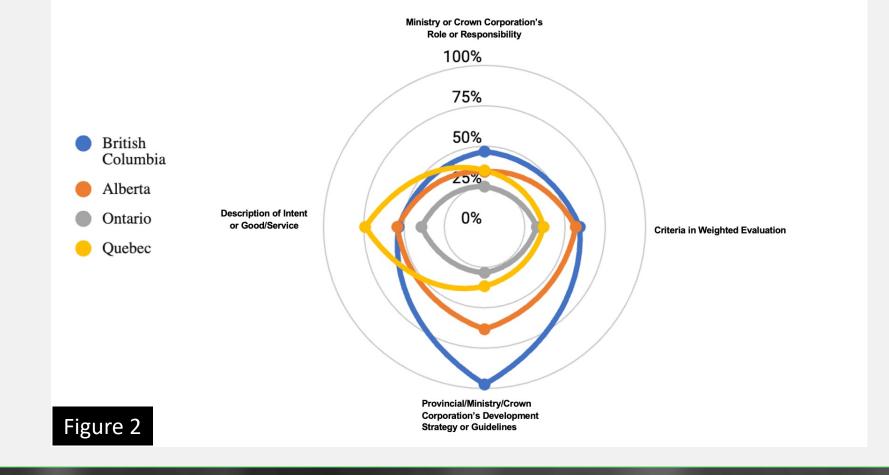
- 60% of all RFX documents analyzed (71% of IT and 49% of RP documents analyzed) contain EI considerations yet only 21% of all RFX analyzed evaluate the EI of the good or service using relevant criteria.
- Procurement from the real property sector uses EI criteria more effectively than the IT sector to influence EI reducing purchasing decisions. This is accredited to the availability and use of regulations and standards such as LEED and the Environmental Assessment Act.



As observed in Fig 2 and Table 1.

- The mention of El considerations is concentrated in the description of the intent of the bid or goods and services as well as in the strategy and guidelines provided by the provinces and ministries.
- Although there is a high concentration of El mentioned in provincial and ministry strategies and procurement guidelines, the low correlations between the presence of provincial or ministry-level procurement strategies and guidelines and the weighted evaluation of EI in RFX documents indicate that strategies and guidelines are not being implemented in practice.

Sections of RFX Documents Containing Environmental Impact Considerations

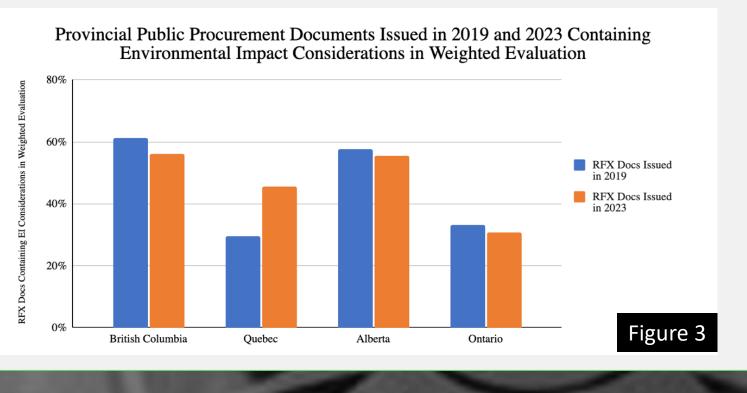


Correlations Between the Presence of Provincia Procurement Strategies and Guidelines and Weighted Evaluation of Environmental Impact in **Provincial Public Procurement BCA Member Provinces:** 0.68 British Columbia and Quebec Non-BCA Member Provinces: 0.49 Alberta and Ontario

Results and Key Findings Cont'd

As Observed in Fig 3:

- There is very little change from 2019 (before BCA) to 2023 (2 years after BCA formed) in the integration of EI in weighted evaluations for British Columbia, Alberta and Ontario bids but there is a significant improvement for Quebec.
- It is important to note that British Columbia has shown higher quality in GPP in Fig 2 and as observed in 2019 RFX documents, therefore insignificant change seen in Fig 3 may indicate that joining the BCA had no effect on BC's existing GPP practices.



Recommendations



- 1. Standardization of evaluation criteria and sector-specific guidelines
- The RP sector has demonstrated that utilizing regulations and standards such as the Environmental Assessment Act and LEED sustainable design standards can effectively integrate relevant criteria to assess the EI of goods and services. This approach can be applied to the IT sector by using certifications such as EPEAT to enhance EI-reducing purchasing decisions.
- 2. Create user-friendly GPP guidelines and train procurement officers to build GPP capacity
 - The low correlations in Table 1 and observations in RFX document assessments, indicate a lack of cohesion between provincial sustainability strategies and objectives and the translation of these strategies into actionable items for enhancing the procurement process. Without the proper training and capacity building of procurement officials, such resources remain unused and ineffective.
- 3. Use of mandatory prequalification requirements
 - As illustrated in Fig 1, the RP sector is more effective in evaluating EI as weighted criteria due to the integration of EI as a mandatory prequalification requirements. For example, in several bid documents, it was stated that tenders must submit an environmental protection plan addressing findings in the provided environmental assessments was required to move forward with the bidding process.
 - This concept can be applied for procuring from the IT sector. For example, a mandatory requirement could be that equipment is EPEAT Gold certified or refurbished to proceed with the bidding process.

Conclusion



The integration of GPP in Canadian provincial procurement systems is crucial for addressing environmental challenges and creating a market for sustainable goods and services. The current procurement systems of British Columbia, Alberta, Ontario and Quebec have varying levels of GPP integration quality. Overall, the results have indicated that Canadian provincial public procurement is an underutilized policy tool to reduce national EI and create a market for sustainable goods and services and drive innovation in the private sector. However, the differences across provinces, BCA vs non-BCA members, sectors and time highlight strengths and opportunities for improvement.

References

