

## THE NEED TO PROMOTE GREEN PROCUREMENT IN THE CONTEXT OF DEVELOPING SUSTAINABLE PARTNERSHIPS

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**Abstract.** *The purpose of the study proposed in this article is to highlight the need, but also the impact of green procurement by promoting them. Sustainable procurement is a process by which organizations meet their needs for services, works and utilities in a way that demonstrates the value of money for the whole life in terms of benefits generated not only for the organization but also for society and economy, in parallel with minimizing the effects on the environment. The environmental aspect of sustainability is essential in the field of public procurement. However, environmental protection, through public procurement, is a little studied phenomenon in Moldova. Thus, it is necessary to study and analyze deeply the national and community framework regarding the possibility for public institutions to consider environmental issues in public procurement and to deliver results related to sustainable development, from the perspective of environmental protection. Also relevant is the fact that, despite the legal possibility existing in the national law on public procurement, in order to integrate the environmental protection requirements, in the specification, a number of issues limit the effective application of green procurement. A specific regulation is required to impose a "greening" of public procurement. Major obstacles to the effective application of green public procurement include the elaboration of relevant legislation in too broad terms, giving contracting authorities a wide discretion to act or not to act.*

**Key words:** green public procurement, sustainability, environmental effects, the national regulatory framework.

**Jel Clasification:** K32, K39, H23, Q01

### INTRODUCTION

Public procurement in the Republic of Moldova has a relatively short history, taking into account that the first law on public procurement dates from 1997. In June 2016, the Republic of Moldova ratified the World Trade Organization Public Procurement Agreement, and this, in parallel with the Public Procurement Agreement. Association Moldova-EU, implies taking all measures by our state to liberalize trade and develop public procurement system in accordance with international best practices [1, p. 3].

We should mention that the Public Procurement Agency is the specialized authority, subordinated to the Ministry of Finance, it has as fundamental role the formulation, at the level of conception, and the implementation of the policy in the field of public procurement, including regarding the ecological procurement. The implementation of green / sustainable procurement represents an action set out expressly in the Agency's Action Plan, which denotes the interest of the state institutions for this subject.

For many years, national contracting authorities have not considered the value and importance of sustainable public procurement. However, global development, with a strong commitment to sustainable development, has had an effect in the Republic of Moldova as well. Thus, the first step towards implementing sustainable development through the use of public procurement, as a powerful tool, was realized within the EU funded project "Greening Economies in the Eastern Neighborhood" (EaP GREEN) between 2015-2017 [1, p.4].

### MATERIAL AND METHOD

Due to research methods such as observation, comparison, we state that the theoretical and practical peculiarities of public procurement in the European states will be a good example for the

local practice of public procurement. The results obtained will serve as a "pillar" of continuous improvement of the respective field in the context of the European integration of the Republic of Moldova. Therefore, it is important to mention that the Law on public procurement no. 131 of 03.07.2015 instituted article 23, which denotes environmental protection standards, and in the case of the implementation of sustainable procurement, they must refer to quality assurance systems based on the series of relevant European standards, as well as management standards environment.

Therefore, according to its provisions, the environmental protection standards, if the contracting authority requests the presentation of certificates, issued by independent organizations, attesting that the economic operator respects certain environmental protection standards, it must report: a) or at the Community Environmental Management and Audit System; b) either to ecological management standards, based on the series of European or International standards in the field, certified by organizations in conformity with the Community legislation or with the European or international standards for certification.

## **RESULTS AND DISCUSSIONS**

Each procurement made by a contracting authority has an environmental impact over the duration of its entire life cycle, from the extraction of raw materials, the manufacture of the product and until its use and recycling/disposal [2, p.16].

According to par. 2 of the aforementioned article and in accordance with the principle of mutual recognition, the contracting authority has the obligation to accept the equivalent certificates issued by the bodies established in the Member States of the European Union. If the economic operator does not hold an environmental certificate as requested by the contracting authority, this authority has the obligation to accept any other certifications presented by the respective economic operator, insofar as they confirm the assurance of an adequate level of environmental protection. In cases where the economic operator has other certifications than those requested by the contracting authority, it is obliged, under the sanction of the rejection of the offer, until the expiration of the deadline for submitting the offers, to request the confirmation of acceptance by the contracting authority of such certifications [3, art. 23].

A separate article is intended for the award criteria of the public procurement contract. Thus, it is expressly provided that, without prejudice to legislative or administrative provisions, the criterion for awarding the public procurement contract may be only: either the most economically advantageous offer or the lowest price. In turn, the most economically advantageous offer is the winning bid based on certain evaluation factors. A particularly important role from a legal point of view, in implementing green public procurement, is the art. 37 paragraph (12), (13), (14) and (15) of the Law on public procurement no. 131.

In this sense, a favorable environment is created for implementing green/sustainable procurement and respecting the principles that make this implementation possible. At the same time, the Law on public procurement, at art. 69, regulates special conditions for the execution of the public procurement contract, and among them are the encouragement of vocational training in the workplace, the employment of unemployed, young people and persons with special needs, the reduction of the unemployment level, the vocational training of the unemployed and of young people, the protection of the environment, the improvement of working conditions and the safety of the work, the development of the rural environment and the professional training of the farmers, the protection and the support of the small and medium enterprises.

Therefore, public procurement law, being in line with the acquis of the European Union and good international practices, ensures the contracting authorities the possibility to include sustainable

criteria at all stages of the public procurement procedure, including in the clauses of the procurement contract. At European level, a series of green public procurement criteria have been established for a number of products and services. These were developed to facilitate the inclusion of ecological requirements in the documents for the award of public procurement contracts. At the same time, the European Union's criteria for green public procurement tend to strike a good balance between environmental performance, cost considerations, market availability and ease of verification, so that the contracting authorities purchasing can choose, according to their needs, the inclusion to all or only certain requirements in the award documents.

The term "green procurement criteria" includes not only selection and award criteria, but also specifications, contract execution clauses, and identifying sustainable criteria is a very important step in implementing green procurement [1, p. 21].

In principle, the political decision to make green purchases should not pose problems to public authorities, no matter what they are. They should be encouraged to do so, not only because it benefits the environment, but also because it enhances the image of public authorities. In fact, the green procurement policy does not normally require structural changes from the contracting authority.

The implementation of policies will require, first and foremost, strategic planning: organizing appropriate trainings for personnel working in the field, ensuring access to environmental information and setting priorities in choosing the most advantageous contracts for green procurement. Once these conditions have been met, the contracting authorities will be able to move on to organizing the green public procurement procedures [4, p. 9].

In conclusion, we can mention that public authorities can really stimulate industry to develop environmentally friendly technologies. In the case of certain sectors of production, works and services, the impact can be particularly significant, as public institutions command a large part of the market (computers and energy efficient buildings, public transport, etc.). Green public procurement gives you the opportunity to save money while protecting the environment. Buying "wisely" can save materials and energy, reduce the amount of waste and pollution. Thus, sustainable patterns of behavior are encouraged.

In general, we find a lack of orientation towards sustainable development, the essential criterion in the award of contracts being, in a broad sense, the price. Suggestive is the idea that environmental protection, through public procurement, should not only refer to the implementation of green public procurement, but must reveal other development possibilities, such as contributing to environmental protection and expanding the market for products and services environmentally friendly.

Therefore, sustainable development is a priority for the Republic of Moldova, or our state has made every effort to ensure the transition to green economic development, which promotes sustainable development principles and contributes to poverty reduction, including by ensuring better governance in the field sustainable development, by integrating and strengthening environmental protection issues, in all areas of social-economic development of the country [5].

Therefore, there are sufficient premises for the implementation of green public procurement, and the objectives already achieved by some European states represent success stories that can serve as an example for national contracting authorities.

We reiterate that green public procurement is a process by which public authorities wish to purchase services with a reduced impact on the environment, during their entire life cycle, compared to services and works with the same primary function purchased other than through green public procurement.

Green public procurement covers areas of energy efficient computers and buildings, wood office equipment obtained in compliance with environmental standards and certifications, recyclable paper, electric vehicles, non-polluting public transport, organic food for canteens and schools, electricity from

renewable energy sources, cooling and heating systems conforming to the most advanced environmental protection solutions, efficient and easily recyclable electronic equipment.

In order to implement sustainable public procurement, it is crucial to know the public procurement process in terms of legal norms and good international practices. A sustainable public procurement policy may fail as long as it is not carefully implemented or the legal provisions regarding the use of public procurement procedures are not taken into account.

The procurement process is the same, whether or not a contracting authority purchases a product, service or work. Despite the legal possibility, existing in the national law on public procurement, to integrate the requirements related to environmental protection, in the specification, a number of issues limit the effective application of green procurement, and a specific regulation is necessary to impose a "greening" of public procurement [6, p.4].

The most important is that support for promoting the concept of green/sustainable public procurement and its application in practice is indispensable including dissemination of the possibility of implementing environmental policies among the contracting authorities, by organizing and conducting training seminars [7].

## CONCLUSIONS

Green public procurement can positively influence the market, set a good example in terms of saving, stimulating sustainable business, approaching moral and ecological behavior. By promoting green procurement, public authorities can provide industry with real incentives for the development of environmentally friendly technologies and innovations. In some sectors of product and service, the impact can be huge, because public procurers order products from a large segment that includes: information technology, energy efficient buildings, public transport, food etc.

Undoubtedly, a well-established legal framework for green public procurement would promote the development of a market for products, services and works that would lead to improved environmental performance of works, services and products as well as technologies for obtaining them. It would also help reduce greenhouse gas emissions by reducing the amount of CO<sup>2</sup> emitted into the atmosphere.

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