



**Western Cape
Government**

Smart Procurement World Western Cape 2019
**'Learning Lab 4: Disaster vs. sustainable
procurement'**

**Department of Environmental Affairs & Development
Planning**

Directorate: Sustainability

8 April 2019

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1. Smart Procurement World Western Cape - Learning Lab 4: Disaster vs. sustainable procurement

This 'learning lab' was hosted as a pre-conference learning workshop at the Smart Procurement World Conference – Western Cape, held on 8 April 2019.

Sustainable Procurement is gaining traction worldwide as it takes into account local sourcing, material and resource productivity, waste implications as well as the total cost of ownership of a product or service. This workshop intended to explore the lessons for Private and Public Sector from the recent "Day Zero" Drought in the Western Cape and unpack the relevance of these lessons in the context of making "day-to-day procurement" able to respond to the growing external risk profile faced by all sectors. Finally, the workshop also explored some recent local work in this field and the multi-sectoral post-disaster recovery approaches which could be adopted.

Facilitated by: DEA&DP Sustainability Team

Karen Shippey, Ronald Mukanya, Gray Maguire, Francini van Staden, Lance Anders, and Rebecca Cameron (ICLEI-Africa).

Facilitators: Karen Shippey; Rebecca Cameron

Reporting: Lance Anders; Francini van Staden

Workshop Agenda

09h00 to 09h30	Introductions: Karen Shippey Welcome and Introductions (Ice-breaker) (Ronald Mukanya and Rebecca Cameron)
09h30 to 10h30	Presentation 1: Disaster Procurement - What did we learn from the Drought 2015-2018? (Karen Shippey)
10h00 to 11h00	Activity 1: Reflections (Think-Pair-Share exercise) (Ronald Mukanya and Rebecca Cameron)
11h00 to 11h30	Tea
11h30 to 12h00	Presentation 2: Sustainable Procurement – theory and practice (Gray Maguire)
12h00 to 12h30	Activity 2: Reflections (Samoan Roundtable) (Rebecca Cameron)
12h30 to 13h30	Lunch
13h30 to 14h30	Activity 3: World Café - Enablers and Leverage Points (Karen Shippey)
14h30 to 15h00	Presentation 3: Provincial Sustainable Procurement projects and programmes (Francini van Staden)
15h00 to 15h30	Activity 4: Reflections what can I do differently? (Round robin - Team)
15h30	End

1.2. **Workshop Introduction**

Presenter: Karen Shippey

Learning Lab 4 commenced with a round of introductions by all delegates present. Representatives of the Grand West Risk Team, Local Municipalities (Theewaterskloof, George), District Municipalities (West Coast), and various Provincial Departments (Department of Agriculture, Department of Transport & Public Works, Department of Health, Department of Cultural Affairs and Sport, Department of Education), Provincial Treasury, Western Cape Gaming Board and ICASA were present. (For a full list of attendees, see Annexure 1 of this Report).

1.3. **Activity: Ice breaker: Sustainability interest / favourite activities or technologies**

Presenters: Rebecca Cameron and Ronald Mukanya

Method: The presenters asked the audience to each share three discussion points: (1) their expectations for the day, (2) what they would like to learn during the conference and (3) what general green habits or technology they use at home or have an interest at in.

General summary of attendees' expectations for the day:

- There was a need for unpacking what smart / green procurement really means, and how it can be implemented within existing procurement practices and systems;
- What are the principles of smart / green procurement?
- There was a need to discuss how supply chain managers should procure for quality while at the same time responding to green procurement principles (i.e. green quality vs. cost);
- What is procurement adaptation in crisis situations?
- Disaster vs. normal procurement
- What is the balance between disaster and sustainable procurement, the differences?
- There was a need for collaborative learning specifically in exchanging scenarios and learnings between private and public sector representatives;
- How to embed smart / green procurement for greater impact?
- There was a need for knowledge sharing on green / smart procurement and the addressing of what is perceived as common obstacles to green / smart

procurement – i.e. “green procurement is more expensive than conventional procurement”; and

- Addressing the general question: how will this help us in every day practice?



General green habits or technologies:

The delegates each shared brief information on either green habits that they practice at home and within the personal / families lives, and some shared more specific technologies adopted and or sustainable practices adopted within their professions. There was a general sense of water use awareness, recycling of water and in specific response to the recent and on-going Western Cape drought, similar trends for household recycling; online shopping, household and office waste reduction, greener modes of transport, i.e. carpooling, and the use of solar energy.

1.4. *Disaster Procurement: What did we learn from the drought (2015-2018)?*

Presenter: Karen Shippey

To set the scene for the workshop discussions on disaster procurement, Karen Shippey gave an overview of the drought experienced by the Western Cape during the period 2014 to 2017 (and which remains an on-going drought). The key links of this drought to climate change was highlighted; Karen explained that when considering climate change, it is not the actual temperature that is they key concern or issue, but rather the amount of energy within the bigger system, and the cycling of this systemic energy.

An explanation was given of the effects of climate change is worse specifically for the Western Cape and that this is something that should actively be planned and prepared for. Expected projections were discussed. Of particular local concern is that a global rise of 2°C will effectively translate into a 4°C for the Western Cape. This is also associated with increased variability and increased predictability; several modeling work has already been undertaken for the Western Cape and there is the advantage of using this information in preparing to adapt to climate change in the Western Cape. It was stressed that South Africa is a water scare country and the weather extremes is expected to worsen; there is more energy entering (due to increased temperatures) and staying within the weather system. The use of fossil fuel greenhouse gases is trapping more energy within the system

resulting in a change in climate. This is the crux of climate change that must now be responded to.

During the Western Cape drought the use of water had to be cut down drastically to avoid the so-called 'Day Zero'. This was narrowly achieved but also left the revenue from water utility very low, which is creating additional problems for municipalities as suppliers of water utility. Municipalities depend on the finance from the sale of water (and electricity) to maintain infrastructure and to contribute to municipal financial sustainability. Across the Western Cape municipalities, increases in the temperatures have been noted for recent years. This was concurrent to the decrease in rainfall over the past three years. For the past three years, a decrease of 50% less rainfall year on year were experienced and critically contributed to the drought crisis. It was pointed out that at least 37, 000 jobs were lost in the agricultural sector alone because the 2014 – 2017 drought. Concurrent, the cost of water increased and it forced consumers to adapt and change their behaviour which have contributed to significant water savings and effective avoidance of Day Zero. Day Zero was averted because of the public's participation in saving water. There were critical risks of civil unrest and business impact associated with Day Zero; the key is to learn from this disaster and pro-actively adapt. Specific attention should also be given to the disaster planning that happened at the time – although it might have been possible to provide Cape Town City with water provisions via water transported from elsewhere, it becomes a massive challenge when needing to truck water to smaller and remote towns throughout the province which equally suffered from the recent drought. Day Zero effectively stimulated response; unfortunately this response was fear driven. Ideally, these responses should be pro-actively driven.

The on-going challenge is there increase energy in the weather system which is making predictions of extreme weather changes a challenge. Key adaptations that must take place include the replacement of our dependency on coal-generated energy with greener and renewable energy. The greater South Africa's reliance on coal-generated energy, the more fueling of an already unstable energy system should be expected.

The presentation provided insights into the communication efforts concurrent to the drought. Communication in crisis times in itself is complicated as



information changes fast. This is critical for disaster procurement – what does the fast-changing communication mean for procurement? Are we procuring on the latest and most accurate information? Illustrating this point was the need for the Premier to decide whether or not to procure services to get potable water to schools students and based on the decision to keep all schools open across the Western Cape Province during the time of the drought. At a cost of between R40 and R50 million a month, this could easily have been identified as wasteful expenditure with on-going water supply via municipal services.

From estimates of climate disasters around the world the cost of the drought has been estimated at R50 billion. This means that when we develop infrastructure, it should be more resilient to the effects of climate change. If we do not, the costs and impact from disasters will become greater and cripple public infrastructure and thus the institutions. One of the results of climate change is that “Small Medium and Micro-sized Enterprises” (SMMEs) will feel the greatest impacts because these entities are less resilient to extreme environmental changes. The closure of SMME's fuels the increase in job losses within the country.

United Nations Sendai Framework for Disaster Risk Reduction: the UN Sendai Framework outlines the risk factors and aims to substantially reduce the disaster risk and loss in lives, livelihoods and health. An example used in the presentation was Woolworths - Woolworths assessed their risk during the drought and identified that their greatest risk was to their procurement chain from farmers. Their response was to increase the amount of water available to their farmers to secure and strengthen the procurement chain. This was highlighted as a good example of a business assessing the complete risk profile so that

they can maintain and or mitigate the effects of the risks during but also ahead of crisis times. It is also an example of how we should ask ourselves – “what is the bigger picture”? In response, what we are preparing for (i.e. the bigger picture) must at least consider risk before we decide where to place value.

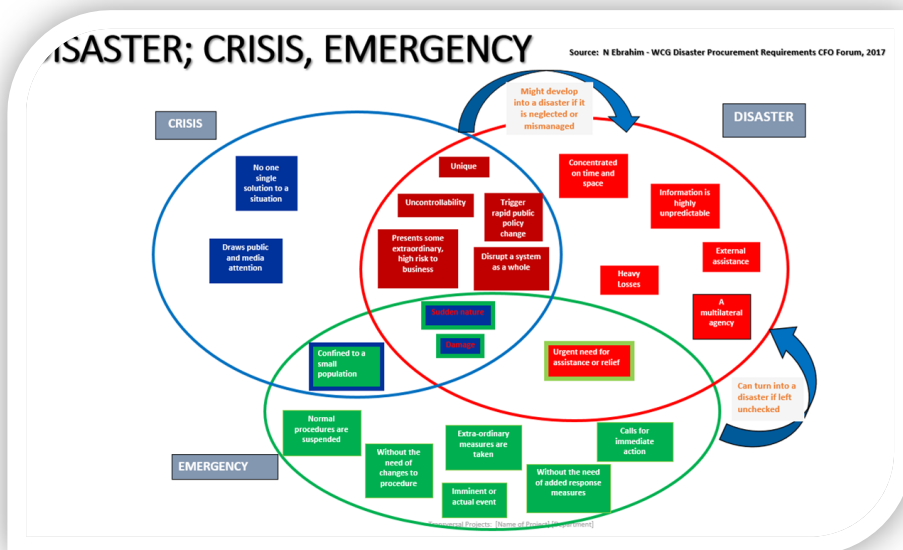


Figure 1: shows the various Spheres of Procurement utilized during extreme situations

The presentation included an overview of the different spheres of procurement during emergency, crisis and disaster **Figure 1**. How they overlap what they are each used for. One of the problems within government is mandate and legality during times of disasters, i.e. what are the local municipalities legally mandated to do in a crisis situation to avert associated risks to lives, infrastructure, business and livelihoods. At the moment there is a risk that if the impending crisis is averted the money is spent to procure crisis management facilities or technologies it would be deemed as fruitless expenditure.

Key take-aways from this presentation:

- There is a critical need to involve private sector to mitigate disasters (i.e. involvement on for example, SABMiller/Coke as private sector roleplayers with most complex logistical delivery chains and that they would have the expertise to conduct a water distribution enterprise during times of crisis but this necessitates other discussions such as costs incurred).
- Work and preparing are needed ahead of disasters – do not waste until a time of disaster.
- Government can effectively learn from private sector; and vice versa.
- Lack of resources directly affects business and society, individuals across all levels. With the predictions for climate change, much work is needed to prepare, now.
- Disaster, emergency and sustainability are distinct areas but can effectively contribute to combined solutions and resilience.

1.5. Activity: Think, Pair & Share

Facilitator: Rebecca Cameron

Method: The members are encouraged to identify environmental crisis / disaster issues relating also to procurement that they think needs to be expressed to gain clarity or to establish what the audience knows and understands.

1. Issue raised by George Municipality from a regional drought in 2010, the cost for desalination was very high; maintenance costs were really massive, and now looking back on the disaster of the time, we need to properly way up all the costs before purchasing such disaster solutions, as the technology is not in operation currently, implicating further costs to no benefit for society.
2. What will happen if borehole water runs dry?
 - a. It is a possibility that borehole water at distinct locations could run dry over the long term and this is why it is important to that we regulate this resource before that happens.
3. What sustainable ideas is government pursuing? Has government thought about grey water reuse?

- a. Side note: there was a perception that low income families and those that live in squatter camps use more water. This is not true lower income families use a lot less water than middle and higher income earners. Only 4% of the water use in the city of Cape Town goes to poor families.
- 4. Statement from audience: Climate change is "just a cycle"
 - a. Acknowledged that the world does go through cycles but this happens over a greater timeframe. The current change in climate is too quick to be a natural cycle and all scientific proof points in that direction. There is updated information available on the 'energy' within the weather system and this is clearly pointing to increases and which are associated with human-generated greenhouse gases.
- 5. Should we not adopt an approach of creating Green Procurement specifications and in response, vet and evaluate companies and services providers that create green products? Would this not be a more appropriate way to ensure greening of procurement?
 - a. In discussion, it was agreed that this approach is likely to be effective. The question was then directed to whom should take responsibility for such an overarching approach, which is a more complicated question to answer. A possible way-forward is for this approach to be broken down into smaller approached that are more manageable towards implementation..
- 6. How did the agricultural sector manage to "donate" water to the City of Cape Town during the drought and did they have the water to give at the time?
 - a. It was re-iterated that no private individual or entity "owns" water in South Africa. It is a shared resource. With this donation referred to, water was "donated" from private dams where water was stored primarily for agricultural use within the Grabouw and Elgin agricultural regions. This region received some rain during times when Cape Town did not, due to their location and catchment. This donation was one of the key reasons why City of Cape Town averted the Day Zero scenario. Also, the agricultural sector realised the bigger picture if society indeed should not have had any water left – and the impact that this would have had on agricultural business.

1.6. Sustainable procurement – theory and practice

Presenter: Gray Maguire

An introduction was provided on the United Nations' Sustainable Development Goals (SDGs) and specifically SDG12 which pertains to sustainable consumption and production (the key link to green procurement).

A case is built for referring to “Total Cost of Ownership” and “Lifecycle Cost” as more effective and all-inclusive frameworks of green procurement in that it is more likely to gain attention for financial justification.

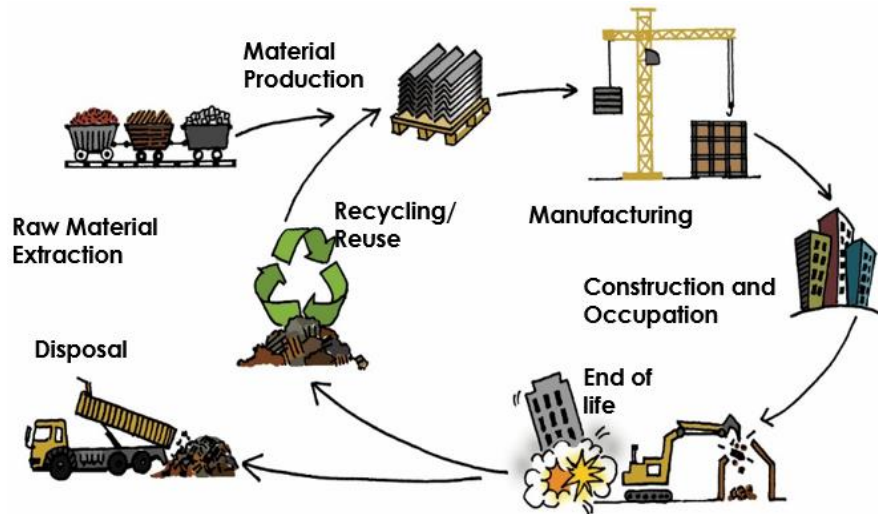


Figure 2: Total Cost of Ownership- Accounting Standards Board: Standards of generally recognised accounting practice - property plant and equipment GRAP 17

Illustrating the potential of green procurement: the Department of Health (DoH) spends ~R27 Million on cleaning products per year. This is indicating on an opportunity to work with the DoH and create a bid specification that uses better and more sustainable or environmentally appropriate products. To illustrate, procuring paper that has not been whitened with Chlorine as a bleaching agent during paper processing is already a better decision from an environmental perspective since Chlorine has highly detrimental properties when it reacts with organic materials.

The presentation elaborated on the need to assist with SMME development as SMME's are considered sustainability multipliers. This requires effective knowledge of the procurement portals for suppliers and it also requires roleplayers to familiarise themselves with policy and bid specifications so that alternative goods can be identified. When procuring goods and services, supply chain staff should have a good understanding of the full / Total Cost of Ownership (TCO) model which looks at the entire lifecycle of the item - from manufacturing to disposal or reuse and financially, what the ecological cost is across the entire lifecycle. The presentation highlighted that procurement / supply chain staff within government has the option of using GRAP 17 to help with motivations for purchasing green goods and service **Figure 2**. GRAP 17 aids in identifying the entire cost of the item being purchased. The presentation highlighted one key take-away of green procurement: by supporting green goods and services, catalytic support is given to industry.

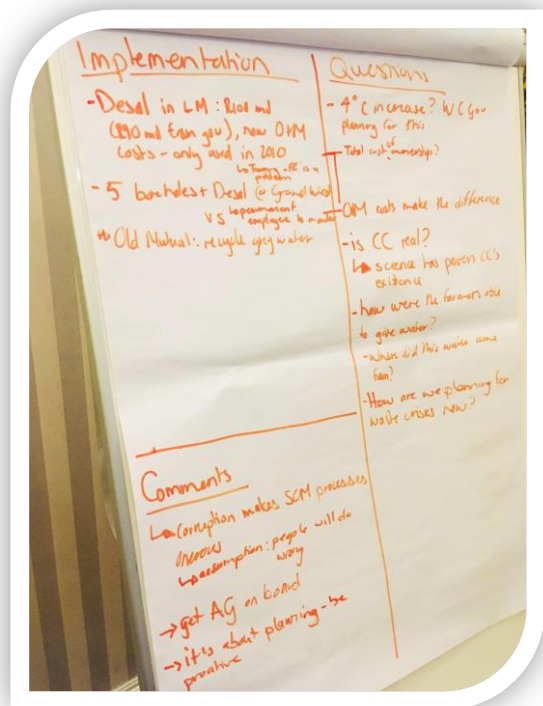
Examples from local municipalities (generic) where highlighted to explain the case and principles of green procurement. Currently, municipalities are spending large amounts of money on end-of-life maintenance because there is a lack of conducting regular checkups and maintenance of infrastructure. As is already noted in a number of municipalities across the Western Cape Province, infrastructure shortfalls will continue to occur over the coming years. It is pointing towards new ways and alternative methods for how we consider development and finance development. To illustrate, facilities can be created that allows municipalities to loan long term debt at lower interest rates i.e. long term debt infrastructure project which can then generate support for considering the TCO model when developing infrastructure, ultimately towards environmental and financial sustainability. Within the Western Cape Government, one such finance vehicle currently being developed is the 'SIDAFF' model – *Sustainable Infrastructure Development And Finance Facility*.

This is in contrast to the current scenario in which financial loans towards municipal development are short term and which requires municipalities to spend large amounts of money to finance the loan debt.

1.7. Activity: Samoan Roundtable

Facilitator: Rebecca Cameron

Method: Three seats are placed in from the audience and only members sitting on the three chairs are allowed to speak about any workshop-related issues they feel are important. If someone in the audience has a point to raise, disagrees or wish to elaborate, they are only allowed to do so by taping one of the sitting members off their chairs before voicing their opinion [towards a sense of collaborative discussion and engagement].



1. How can we do effectively take Green Procurement forward within government, because this has been tried many times before and the status quo

remains? Karen Shippey: By supporting the local economy, a number of green procurement principles will already be met. It also starts by asking ourselves: where are we spending money? Because you can be hitting both your social targets and environmental targets. What we have to do is look at the formulation of products which we are procuring, utilizing or exposing our staff to. Taking chemical products as an example, the chemical properties of the cleaning products could negatively affect the health of staff if there are known reagents which are harmful to people and the environment. Another example is toilet paper, do we need bleached toilet paper because the process to make toilet paper white is actually harming our water sources.

- a. Gray Maguire: Start by asking the question: where does the product that is being procured come from? For example, we are not likely to know where the furniture that makes up this conference venue's tables or other organizations furniture in general, are actually sourced from. Next would be to consider the wood that is sourced from alien vegetation. By doing so we free up water on our catchment and creating an economy from the alien vegetation source. Make specific stipulations in the Terms of Reference that specify that wood should be sourced from aliens within our water catchment area.
 - b. Karen Shippey: If what we want is not specified in the Terms of Reference, then it will not be procured. We know that the 'Working for Water' programmed created school desks out of acacia alien trees and yet we aren't purchasing these products. Australia buys it from South Africa as a cost effective solution to them.
2. Discussion point: Alien Clearing is a specific Mandate so for example Department of Health cannot do that. There are general issues within the various spheres of government, working in silos and with little collaboration between government spheres. An added obstacle is red tape caused by procurement bureaucracy and processes making it difficult for SMMEs to actively comply. Another general obstacle is that there are not enough companies doing green alternatives, whether it is furniture or consumables.
 3. George Municipality stated that they had a policy for four years where they could procure specifically within the district with no problems from the Auditor General. But during the fifth year when a new audit team came in they found problems with the procurement process. Subsequently, the municipality cannot again follow the same route of procuring from local suppliers knowing this is the Auditor General's stance.
 - a. The Department of Trade and Industry needs to play a bigger role within local content with the number of suppliers.

- b. Rebecca Cameron highlighted that government procurement is a strategic tool to incentivise change. Create a framework for minimum criteria.
4. Gray Maguire highlighted that even though the departments may not have specific mandate to clear alien vegetation, there remains opportunity to include such in the terms of reference and this would help facilitate the industry and stimulate SMME development.
5. Discussion point: need to support SMME development through procurement
6. Discussion point: clean audits do not necessarily mean that we are not doing our jobs or delivering our services. There is a perception in society that if local government does not have clean audits, that the services are inherently corrupt.
7. Discussion point: the mechanism for measuring things are only as good as the things they measure and they will fall short when you trying to measure things that are innovative and fall outside of the proverbial "box".



1.8. Take-away points from the roundtable discussion:

- * There are 'strategic tools' at the disposal of all departments – for example, the Economic Procurement Policy. This is asking institutions to shift but it still requires a significant amount of negotiation.
- * The responsibility of 'specifications' should not be left up to the supply chain managers. Procurement specifications are key to furthering green procurement.
- * Discussions need to take place with the market following market research; it is important to understand the obstacles and for the market to understand our green procurement principles and minimum requirements. Framework agreements allow for such discussions to take place.

* The multipliers are fundamentally interlinked; it is not only and exclusively about 'green' procurement. Engagement around the multipliers must take place and it should involve various stakeholders.

* A key obstacle for the private sector is that their procurement takes place at a national level or even international level due to product availability. How can this be bridged? It is necessary for government to understand how the private sector procures, and vice versa.

* The context is one of constantly changing rules. It requires specific attention and focus – “what do we challenge” in this context? What have already been done that worked? There is value in carefully selecting cases to challenge (i.e. challenge the Auditor General) and expand our green principles based on these cases.

* There are effective points of engagement in every government department, but it requires frameworks and engagement support from higher levels.

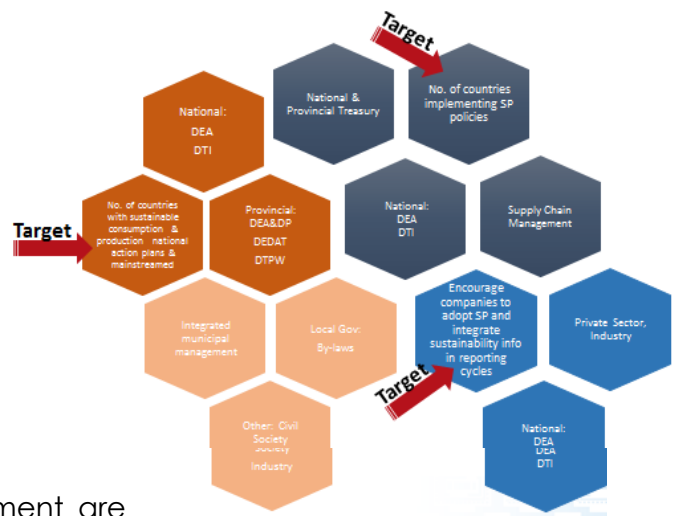
1.9. Provincial sustainable procurement: projects and programmes

Presenter: Francini Van Staden

Starting from the umbrella of the SDGs and specifically SDG 12 which promotes sustainable procurement, who is then responsible for implementing sustainable procurement? The SDGs are **everyone's responsibility; from members of society to national government.** The sustainable procurement component of SDG12 is responsibility of every sector that applies procurement practices.

SDG12 has several targets, of which three targets which speak to sustainable procurement are highlighted here. The implementation of these targets is a shared responsibility across mandates of national, provincial and local government, as well as non-governmental actors.

Implementation is guided by the actual targets. Where the target refers to 'no. of countries' – implementation starts at a national level and trickles down to local level.





Other targets, i.e. “no of companies that have adopted SP and sustainability reporting” – key involvement and responsibility at private sector and industry level.

As an overview, the Western Cape Government is guided by five provincial strategic goals (PSGs) that collectively address job opportunities and economic growth, improved education and

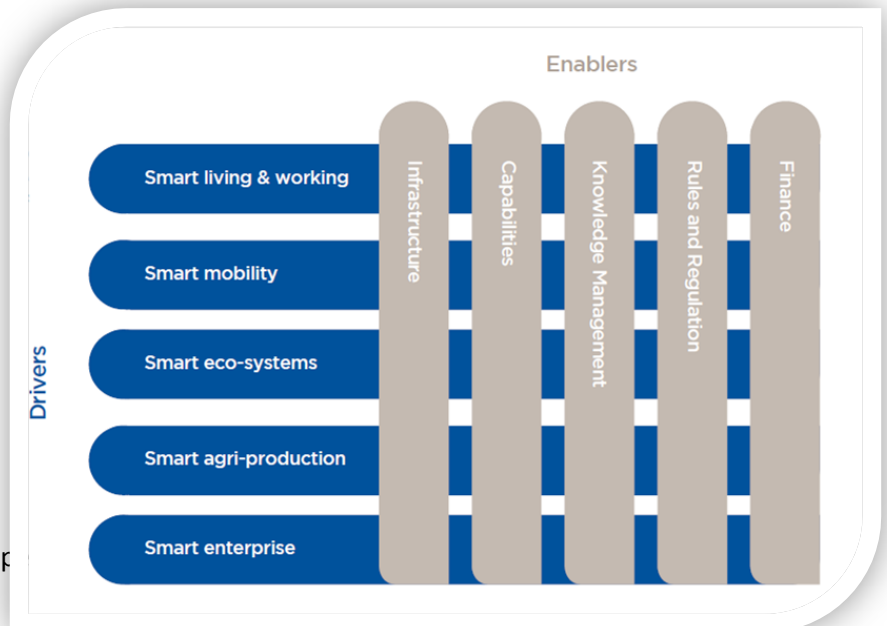
youth development, community wellness and well-being, and a living environment that is sustainable, resilient and inclusive. The fifth strategic goal is to embed good governance and integrated service delivery across all of these provincial aspects.

Sustainable procurement reflects most prominently in PSG 1, PSG4 and PSG5 which is the embedding of good governance and practice.

This is the broad framework that supports the province's SP programmes and projects, but in addition, WCG has an active position to extend effort and impact beyond what is nationally legislated for socio-economic preferential procurement in that it actively engages and promotes procurement to satisfy environmental or green objectives.

One way in which the WCG is achieving this, is through its Green Economy Strategy Framework, and now as the “Green is Smart” Framework and which has been implemented across the province since 2013. Two key outcomes of the strategy: make the Western Cape the lowest carbon province in the country, and a leading green economy hub. It was highlighted that both of these outcomes cannot be achieved in isolation of sustainable procurement.

The Green is Smart Framework recognise key drivers and enablers of a green economy specific to the Western Cape and SP opportunities are specifically found in three of the four key enablers, namely: Infrastructure, Knowledge Management, Rules&Regulations and



Finance. Each of these enablers allow for SP embedding into the Western Cape green economy and several of the programmes and projects currently active in the WCG can be traced back to these key green economy enablers.

A brief history of sustainable procurement in the Western Cape

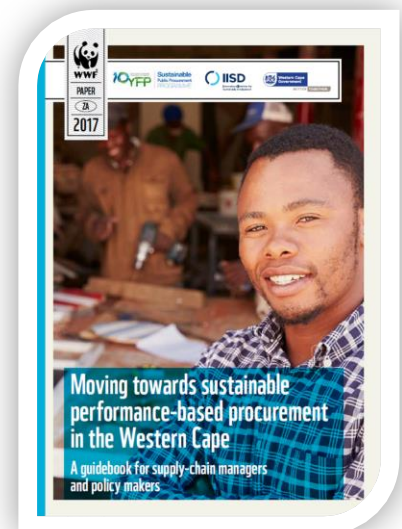
The sustainable procurement journey for the Western Cape Government started in the early 2000s. A key driver at that stage was the need to reduce the provincial waste footprint and the waste management practices. In the early 2000s, DEA&DP launched the “2W2W” programme, which is still an on-going programme. The key aim of the programme is to mainstream Resource Efficiency (also a key objective of SDG 12) across the Western Cape.

The key links between the 2W2W programme and SDG12, and the link between SP and Resource Efficiency gave a platform for establishing SP within the DEA&DP.

From the early 2000s, a number of programmes and projects have followed. Each programme ensured synergy by reviewing SP within the province and building on work that has already been done to ensure that SP understanding becomes wider and embedded across the province. These are the key programmes that have been successfully completed and three key current programmes:

- **SIDAFF Programme: Local government infrastructure & finance support (WCG, current)**
- **Green Procurement Implementation in State-subsidised Housing (Dept of Human Settlements, current)**
- **Sustainable Public Procurement ‘SmartProcurement’ (DEA&DP, current)**

In 2011, there was a renewed interest in the strategic use of procurement at the national sphere through the introduction of Local Content requirements by the Department of Trade and Industry to stimulate local economic development. DEA&DP used this as opportunity to embed sustainable procurement more deeply through engagement with Provincial Treasury, who also wanted to make the use of provincial spend to stimulate the economy and job creation.



It was highlighted that the outcome was a Guideline for the use of performance-based procurement and this guideline lead to the development of a broader sustainable procurement framework in the province

Renewed interest in the strategic use of procurement at the national sphere through the introduction of Local Content followed from the requirements by the Department of Trade and Industry to stimulate local economic development.

DEA&DP used this as opportunity to embed sustainable procurement more deeply through engagement with Provincial Treasury, who also wanted to make the use of provincial spend to stimulate the economy and job creation.

Outcome: guideline for the use of performance-based procurement was developed and which then lead to the development of a broader sustainable procurement framework in the province

Part of the 2015 work was the identification of barriers to the implementation of sustainable procurement in the province, shown here:



Barriers to the implementation of Sustainable Public Procurement (DEA&DP, 2015)

Next, was the addressing of these implementation barriers.

Priorities were:

- Develop the business case that is context specific. This was done within the green economy portfolio of the DEA&DP
- Develop case studies to illustrate and develop a guidance tool for how these sustainable procurement challenges should be address in practice. (This applies to SCM more broadly and is not restricted to provincial work)
- The Guidance Tool was launched in 2018.

Taking this forward, the DEA&DP launched 'SmartProcurement' in 2018 to address sustainable procurement implementation.

The programme firstly had to consider where expenditure will have the greatest impact: highlighted was infrastructure and asset expenditure as a component of public spending which is ready for sustainable procurement implementation. The focus areas of the SmartProcurement programme however remain relevant across sectors and are general focus areas for sustainable procurement implementation:

Technical Specs:

- How do we consider materials used in our projects (considering local content, resource energy, waste and embedded energy)

Award criteria:

- re-looking standards and certifications, how do we consider the TCO and life cycle costing, what benchmark are we aiming for and what are relevant SMME criteria that can forward the SP practice

Contract Performance:

- Looking at SP principles in the contract performance, but also beyond the closing of a contract.
- Programme identified three case studies to unpack the procurement of green technology, principles and methods of sustainable procurement in the context of infrastructure & asset procurement
- As illustrated by these programmes and project highlights from the early 2000s, sustainable procurement is a cross-cutting intervention for the WCG.
- Because of its transversal importance, it is considered a provincial priority for implementation.

In conclusion, it was discussed that sustainable procurement is a step-wise process – introducing sustainability into the procurement process is a step-wise process. This process must involve needs identification and design, market engagement, and contract management towards value-for-money towards the asset / infrastructure / goods lifecycle (the “total cost of ownership”). The current provincial programmes and projects are now further developing how this step-wise process can be embedded and mainstreamed across provincial government, and towards roll-out across municipal government.

1.10. **Learning Lab Wrap-up and key outcomes**

Learning Lab 4 of the Smart Procurement World Western Cape pre-conference sessions unpacked a number of key issues pertaining to procurement under disaster circumstances and the long-term importance of sustainable procurement. It also addressed a number of beliefs about procurement challenges, and how these can be challenged and responded to when implementing sustainable procurement practices. Finally, the “how” to implement sustainability in the procurement process was unpacked and this was supported by knowledge and example-sharing. Scenarios from both public and private sector procurement processes were applied. Learning Lab 4 key summary points are:

- Green / smart / sustainable procurement (there is a variety in terms used across both public and private sector, although towards the same understanding of sustainability) means that that questions are asked about where products / goods are sourced from, where products / goods are produced, why these specific products / goods are favoured above other conventional procurement and it takes a long-term view of addressing social, economic and environmental concerns.
- Green / smart / sustainable procurement does not require complete overhaul of the procurement process; it requires steady embedding and implementation within the existing procurement processes and which must happen in parallel to market development.
- The principles of green / smart / sustainable procurement are captured in Sustainable Development Goal 12 – *Responsible consumption and production* and it effectively speaks to social, economic and environmental concerns.
- In multiple ways, green / smart / sustainable procurement can prevent the need for disaster procurement as it takes a long-term view on resource needs and requirements, the sustainability of our consumption patterns and the alignment to critical challenges such as climate change and associated disasters.
- There is a need for collaborative learning which can be supported by exchanging scenarios and learnings between private and public sector representatives also as the types of goods and services procurement may differ between these sectors, supporting the exchange of knowledge and learnings.
- Embedding the principles of sustainable procurement into our existing procurement processes requires high-level buy-in. It also means that some cases must be challenged with the ‘Auditor General’ to help the procurement process and our view on goods and services procured, to mature towards sustainable perspectives and understandings. Several examples were cited at this Learning Lab to support the challenging of cases (i.e. cases that are proving ready for challenging).

- The obstacles in sustainable procurement are general and likely to be encountered across departments / private sector. It means addressing common misunderstandings, i.e. “green procurement is more expensive” and general obstacles such as a lack of market readiness and SMME development.
- The DEA&DP will extend the learnings from this Learning Lab in its three-year “SmartProcurement” Sustainable Public Procurement programme which includes as a key component, the collaboration and knowledge exchange and capacity building across identified provincial departments and local government municipalities.

End.