



SUSTAINABLE PUBLIC PROCUREMENT IN GHANA – THE JOURNEY SO FAR

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1



PROCUREMENT LAWS AND AMENDMENT

- The **PUBLIC PROCUREMENT ACT, 2003 (ACT 663)** was passed to regulate public procurement in Ghana
- **PUBLIC PROCUREMENT (AMENDMENT) ACT, 2016 (ACT 914)** to carry out procurement taking cognizance of SPP needs.
- The **Public Procurement Regulation, 2022 (L.I. 2466)** was passed by Parliament of Ghana regulate procurement process.
- **Sustainable Public Procurement Policy**
- **Standard Tender Documents (STDs)**



SUSTAINABLE PUBLIC PROCUREMENT(SPP)

- ▶ In 2010, the President of Ghana signed a grant agreement with the Swiss State Secretariat for Economic Affairs (SECO) to assist the Public Procurement Authority in introducing and implementing the SPP Methodology.
- ▶ The Government of Ghana has made sustainable public procurement an important strategy in its quest for sustainable development and to give a strong signal to the market to come up with innovative, responsible and clean solutions for Ghana.



THE SPP POLICY STATEMENT

- ▶ **The Policy Statement reflects the commitment of PPA to the requirements of Act 663 as amended and to align Ghana's commitment to the achievement of SDG targets on Sustainable Consumption and Production (UN SDG 12)**
- ▶ **Need for PPA and Entities to jointly work with all stakeholders to reduce environmental and social impacts through procurement of goods, works and technical services**
- ▶ **The SPP Policy applies to all entities specified in Section 14 (2) of Act 663 as amended. This includes Central Management Agencies, Ministries, Subvented Agencies, MMDA's, SOEs, Tertiary Institutions, Colleges and Schools, Hospitals, Bank of Ghana and other Financial Institutions.**



AIMS OF THE SPP POLICY (CONT'D)

- ▶ Reducing the generation of waste through increasing economically viable opportunities for recycling and reuse
- ▶ Triggering markets for quality and safe goods, services and works that are environmentally, socially and economically sustainable.
- ▶ To support the implementation of SDG 12 and 17 to ensure Sustainable Consumption and Production.



AIMS OF THE SPP POLICY (CONT'D)

- ▶ To guide all public institutions in adopting SPP concepts and principles, approaches and behaviours in their procurement of goods, works, and services to trigger competition in the private sector for suitability in production and marketing
- ▶ Provide an incentive for the private sector to invest and produce sustainable goods, works, and services
- ▶ Signal to the market government's preference for environmentally and socially sustainable goods, works, and services
- ▶ Ensure value for money (not on the purchase price but across the entire life cycle of the product) while promoting economic, environmental and social development



GUIDING PRINCIPLES OF SPP

- ▶ Marks a paradigm shift in the way public procurement is conducted in order to balance the needs of the economy, the environment and society.
- ▶ Requires that the Government of Ghana and the procurement entities commit to work on the reduction of negative environmental and social impacts through the procurement of goods, works and technical services.
- ▶ SPP is a process by which public entities meet their needs for goods, works, and services in a way that achieves **value for money on a whole life cycle**.



GUIDING PRINCIPLES OF SPP (CONT'D)

- ▶ PPA drives the implementation process in Ghana and ensure the integration of environmental and social criteria into all stages of the procurement process from the identification of need to the development of specifications, engagement of suppliers, contract awards, and contract management.
- ▶ Effective implementation of SPP contributed to the economic and social development of the nation as well as creating a better environment for the future of Ghana.



OUTCOME OF THE SPP POLICY

- ▶ **Embedding whole life costing into procurement decisions;**
- ▶ **Enhancing local content development;**
- ▶ **Building knowledge and expertise for procurers, Engineers, and young trainees on SPP; and**
- ▶ **Promoting gender equity and social inclusion in the procurement process.**



OUTCOME OF THE SPP POLICY (CONT'D)

- ▶ Initiatives for the sustainable development of SMEs;
- ▶ Third Party Monitoring of Procurement and Contract Execution by Civil Society Organisations, audit institutions, and the Media
- ▶ Capacity building of procurers and enterprises that do business with the government;
- ▶ Reducing the generation of waste through increasing economically viable opportunities for recycling and reuse;



OUTCOME OF THE SPP POLICY (CONT'D)

- Triggering markets to deliver quality, safe and innovative products and services that are environmentally, socially and economically compliant;
- Embedding whole life value approach into procurement policy strategy and decision-making;



NEW POLICIES TO SUPPORT SPP IMPLEMENTATION

- ❖ Procurement of Locally Assembled Vehicles
- ❖ Framework Contract Agreement as an alternative procurement arrangement
- ❖ Low/Minor Value Procurement Policy to support SMEs to participate in Public Procurement



NEW POLICIES TO SUPPORT SPP IMPLEMENTATION

- ▶ Revision of Standard Tender Documents and other templates in line with SPP requirements
- ▶ Setting up of **FUNCTIONAL** Procurement Units that are managed by qualified procurement staff.
- ▶ Introduction of Framework Agreements



COLLABORATION/PARTNERSHIPS

PPA partner with other institutions in Ghana to develop specific sector-based programmes to implement SPP measures.

- ▶ Collaborations with MoTI on locally assemble vehicles
- ▶ Collaborations with Forestry Commission and MLNR on Legal timber and timber products
- ▶ Collaborations with Energy Commission on local content for electrical products and energy saving appliances and equipments and eco labels



COLLABORATION/PARTNERSHIPS

- ▶ Collaboration with the Ghana Audit Service (GAS) and Internal Audit Agency (IAA) have led to the development of a Standard Procurement Auditing Framework, to improve compliance and accountability.
- ▶ Development of curriculum for use at tertiary levels for Procurement and Supply Chain Management Programmes in procurement.
- ▶ The procurement industry provides opportunities for internship for students and National Service Personnel to build practical experience.



CAPACITY DEVELOPMENT

To sustained Public procurement, PPA has since the inception of SPP initiate training of stakeholders. In 2024, PPA trained:

- ▶ 600 procurement practitioners in FWA and tender document preparation and evaluation.
- ▶ 800 staff of Procuring Entities (PEs) and the private sector participants were trained in SPP



CAPACITY DEVELOPMENT

- Built capacity of all stakeholders e.g procurement practitioners, engineers, and suppliers/contractors, civil society and the media
- 320 staff of Ghana Audit Service (GAS), Internal Audit Agency have been trained



GHANA ELECTRONIC PROCUREMENT SYSTEM (GHANEPS)

- ▶ **E-Government Procurement (e-GP) is strictly a Government to Business (G-to-B) process of using Information and Communication Technology (ICT), specifically the internet platform, by governments in conducting their procurement relationships with Suppliers for the acquisition of Goods, Works, and Services required by the public sector at the best value obtainable by governments. (World Bank, 2003)**



GHANA ELECTRONIC PROCUREMENT SYSTEM (GHANEPS)

- ▶ **867 Procuring Entities are enrolled unto the system**
- ▶ **328 use the system to prepare and submit their procurement plans.**
- ▶ **311 are using the system as their default procedure to carry out all procurement activities. Thus, a total of 639 are using GHANEPS.**



THE WAY FORWARD

- ▶ **Revise Sustainable Public Procurement(SPP) Policy**
- ▶ Review of the Sustainable Public Procurement (SPP) Policy is underway to align the consumption and production patterns of Public Entities (PEs), and individuals with Sustainable Development Goals (SDGs). This review will also integrate gender and disability considerations into procurement processes.
- ▶ Revised SPP policy and train 2000 stakeholder on the revised policy
- ▶ Develop sustainability specification and incorporate it in the STDs
- ▶ Train 800 participants in FWA and SPAF
- ▶ **Enforcement of the use of GHANEPS.** All Procuring Entities(PEs) enrolled on GHANEPS use the system as their default procedure to conduct their procurement.
- ▶ Set-up Support Centers across the country to mitigate against implementation challenges at the entity level.



Thank You