



Citation

This submission from Chhukha Dzongklhag Administration from Bhutan is selected for the Winner award for SAPIA 2018. This case story explains how the Gross National Happiness (GNH) philosophy approach of Bhutan systematically integrates Social, Economic and Environmental sustainability in public procurement policy, and is best practice in achieving value for money and enhancing economic efficiency and regional trade integration. GNH embodies a holistic approach and a guiding philosophy, which are globally accepted approaches aimed at enhancing regional trade and cooperation.

Summary

Sustainable development and procurement process in Bhutan's overall development philosophy is expressed in the Gross National Happiness (GNH). The GNH is based on the following pillars:

- Equitable and Sustainable Socio-economic Development;
- Preservation and Promotion of its Culture;
- Conservation of Environment; and
- Promotion of Good Governance.

Sustainable procurement is seen as capable of delivery of benefits through a balance between economy and environment while achieving value for money in public service. However, it was found that evidence is still lacking about the factors and barriers to the adoption of sustainable procurement by the policy makers globally. This case story illustrates Bhutan's concept of GNH for sustainable development under good governance in professionalization and in decision making through this innovation in public procurement. It explains how the GNH philosophy approach enhances the regional trade integration. Finally, it recommends some approaches toward achieving sustainable public procurement processes by systematically integrating Social, Economic and Environmental sustainability in public procurement policy and best practices in achieving value for money and in enhancing economic efficiency and regional trade integration under the leadership of good governance. GNH has the potential for balancing development within the limits of scarce resources without compromising on national goals.



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Gross National Happiness Model for Pursuing Sustainable Public Procurement

(This article is a summarized version of the submission entitled “Gross National Happiness Model for Pursuing Sustainable Public Procurement” in Bhutan” made by Mr. Choney Dorji, Procurement Officer, Chhukha Dzongklhag Administration, Bhutan, for the South Asia Procurement Innovation and Good Practice Awards).

Sustainable development and procurement process in Bhutan's overall development philosophy is expressed in the Gross National Happiness (GNH)

GNH has the potential for balancing development within the limits of scarce resources without compromising on national goals

GNH embodies a holistic approach and a guiding philosophy, which are globally accepted approaches aimed at enhancing regional trade and cooperation and hence is easily replicable

Challenge(s) Addressed

The GNH has addressed the following challenges:

- Scarce supply of sustainable goods through sustainable and green procurement;
- Inadequate professional knowledge capacity development;
- Inconsistency in public procurement processes caused by lack of explicit policy and regulatory framework; and
- Lack of adequate knowledge and budgetary constraints in capacity development.

Impacts

The GNH principles strengthen many policies including but not limited to:

- Bhutan Public Procurement Framework 2015;
- Bhutan Development Philosophy of GNH;
- Economic Development Policy (EDP) 2010 geared towards "Green Procurement";
- Cottage, Small and Medium Industry (CSMI) Policy 2012, that has the vision to develop a dynamic competitive and innovative CSMI in harmony with GNH philosophy;



- Institution of NGOs (Green Public Procurement in Bhutan) 2014;
- Institution of Government Procurement and Property Management Division (GPPMD) under Ministry of Finance; and
- The e-GP system of Bhutan is based on the GNH pillars and helps achieve value for money and sustainability in public procurement.

Level of Innovation/Good Practice

The GNH provides for holistic approaches towards achieving sustainable procurement by systematically integrating Social, Economic and Environmental sustainability in public procurement policy while achieving value for money. It is worth noting here that the e-GP system of Bhutan is based on GNH pillars.

Replicability and Sustainability

The standard scheme, code of practice and procurement procedure, and framework guidelines with the GNH model ensure setting higher benchmark for quality, safety and environmental protection in realizing the organizational policies and practice in achieving national goals in the supply chain. GNH embodies a holistic approach and a guiding philosophy, which are globally accepted approaches aimed at enhancing regional trade and cooperation.

Therefore, the approach is easily replicable.





Lessons Learned

- It is important to create sustainable laws and policies to ensure sustainable procurement process in supply chain under the leadership of good governance stewardship of political leaders;
- The GNH model in public procurement process ensured a balance between economy and environment benefits while achieving value for money; and
- Gross National Happiness is one of the internationally accepted innovations for sustainable development and serves as a catalyst for moving towards sustainable public procurement in supply chain.

