

Title: Project C18 – Procurement Policy and Market Development for the Social Economy: Expanding the Market Opportunities for Social Enterprise, Co-operatives and Other Social Economy Businesses

INTRODUCTION

The purpose of Project C18 was to explore research and resources to expand the market opportunities for social enterprise, co-operatives, and other social economy businesses. The premise is that in order to increase market activity with social economy businesses there has to be additional supply chain “demand” for their products. The project reviewed previous research assembled by Enterprising Non-Profits, enp, the work of the Sauder Sustainability Centre, and added new materials and models.

For the purposes of this project it was determined that a web-based tool be created to facilitate the education of readers on procurement from social enterprise and to establish a common, searchable and updatable resource site. The intent of this toolkit is to increase awareness on the demand side by educating readers – while supplying a forum for social enterprises that fosters action. The toolkit is featured on the Enterprising Non-Profits website, and includes a link to their *Marketplace*, where readers can access a database of social enterprises located across Canada. The toolkit is accessible through its own URL, www.sepurchasing.ca and through www.enterprisingnonprofits.ca.



This project is divided into two sections: Education and Action. Within the Education, there are three subsections: *What is Social Purchasing?*, *Social Purchasing Framework* and *What is Social Enterprise?*. Within the Action, there are three subsections: *Social Purchasing Action Steps*, *Links Resources and Case Studies*, and *Social Enterprise Marketplace*.

PURPOSE

Sustainability does not always have to be viewed as a constraint, but can be a strategy for discovering and exploiting new opportunities; and in the area of purchasing there are a lot of opportunities for those who move from thinking of

Whether intentional or un-intentional every purchasing decision creates ripples and has multiplying impacts.

sustainability only as "green purchasing" to including considerations on the social side as well.

Every business, non-profit and level of government purchases goods and services every day, including cleaning, catering, courier services, office supplies, IT, coffee, printing, maintenance and repairs, furniture, fuel, landscaping and on and on. And within each of these purchases there are many choices from a broad variety of potential suppliers. Which criteria lead to the selection of the suppliers varies. Traditionally purchasing decisions are based on lowest price for equivalent product or service. Recently a stronger emphasis on avoiding negative environmental impacts has been added to many purchasing decisions. What is not always considered in the choosing of a supplier, beyond the price point and negative impact screening, is what could be the ripple and multiplying result of the procurement decision. Purchasing is not an isolated, cost-only decision. Intentionally or not, purchasing choices directly impact employment growth or decline, local and global economies, the environment, and every supplier and their community. The choice then also ripples along the direct suppliers' own supply chains. The choice of not selecting a supplier also has an impact on the businesses affected and their own suppliers. Do we need to look any further than the current USA 'Buy Local' decision and its impact and reaction from Canadian and Mexican manufacturers and national governments to understand the connection?

Purchasing decisions directly influence and shape economic opportunities, employment and social networks locally, regionally and globally.

DELIVERABLES

As mentioned previously, the toolkit is divided into Education and Action steps. Within the Education steps, the content is directed towards a reader who may not be familiar with "social purchasing". The content opens a wide net to capture an audience that would not necessarily consider this arena for traditional purchasing practices. The main premise is to provide a "go-to" site for anyone interested in learning more about procurement from social enterprise.

The Action steps are where many of the project deliverables can be found. The *Links, Resources and Case Studies* link provides

- A survey and categorization of existing literature on sustainable purchasing practices and policies
- An annotated list of existing BC and Alberta market development activities
- An annotated listing of examples and analysis of product/service market development opportunities that can be transferred to other enterprises and purchasers
- A list of best practices used in social economy market development, locally, regionally, nationally and internationally

The *Marketplace* link is a collection of data on market activity in the social economy. All documents are stored within the larger web-based searchable resource library posted on enp's website.

SUMMARY

In order for social enterprises to effectively compete in traditional procurement bids, there needs to be an increase in education and awareness of the positive effects that are created from this transaction. Initiating an online conversation between procurement specialists and social enterprises will enable a dialogue that will hopefully lead to changes in traditional procurement behaviour and showcase social enterprises as competitive providers of quality goods and services.