INCORPORATING SUSTAINABLE PROCUREMENT PRACTICES IN THE SRI LANKAN CONSTRUCTION INDUSTRY: CHALLENGES AND BENEFITS

MASTER OF SCIENCE IN CONSTRUCTION PROJECT MANAGEMENT

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"This thesis was submitted to the Department of Civil Engineering of the University of Moratuwa in partial fulfilment of the requirements for the Master of Science in Construction Project Management"

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Declaration

I certify that this thesis does not incorporate without acknowledgement any material previously submitted for a degree or diploma in any university to the best of my knowledge and believe it does not contain any material previously published, written or orally communicated by another person or myself except where due reference is made in the text. I also hereby give consent for my thesis, if accepted, to be made available for photocopying and for inter library loans, and for the title and summary to be available to outside organizations.

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Abstract

To achieve the Sustainable Development Goals (SDG), new thinking is essential. This applies to every country in the world who is a signatory to the United Nations 2030 Agenda and cuts across all key sectors. In line with the 2030 Agenda, the Government of Sri Lanka adopted the Sustainable Development Goals agenda in September 2015, which includes 17 goals. (Government of Sri Lanka, 2017) The Construction industry dominate the major share in all of the goals. However, the disregard of the triple bottom line (TBL) of sustainability is a major drawback within the current construction procurement practice (Ruparathna & Hewage, 2015). Though sustainable procurement practices are a developing concept within the construction industry, it has the potential to enhance the performance of sustainability requirements within the industry.

There is little to no methodology to incorporate sustainable procurement elements in construction procurement within Sri Lanka. Sustainable procurement is not a popular topic in available literature. An empirical study that focuses directly on this topic in Sri Lanka is still to be carried out. Hence, a study on the sustainable procurement practices in the construction industry within Sri Lanka is timely and necessary. This study attempts to evaluate current practices, challenges and benefits to implement sustainable requirements during construction procurement. For this purpose, an online questionnaire survey covering public, private, semi-government and international organizations was conducted as a means of collecting data. The responses that were received constituted of diverse groups and ages within the construction sector. A statistical analysis software was used to rank the responses and to conduct the cross analysis.

Results of the analysis revealed that "Legislation (Government and regulations)" is the main driver of implementing sustainable factors in procurement while "Lack of funding" and "Unwillingness to incur higher capital cost" ranked as the main barrier for the implementation of sustainable procurement. "Reduction in harmful emissions and waste generation" ranked on top as main benefits of sustainable procurement.

Keywords: Sustainable procurement, Procurement, Construction

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LIST OF ACRONYMS

Acronyms Description

ADB Asian Development Bank

APUC Advanced Procurement for Universities and Colleges
ASOSAI Asian Organization of Supreme Audit Instructions

CECB Central Engineering Consultancy Bureau

CIDA Construction Industry Development Authority

CMC Colombo Municipal Council

CSR Corporate Social Responsibility

EIA Environmental Impact Assessment

EMS Environmental Management System

GBCSL Green Building Council of Sri Lanka

GDP Gross Domestic Product
GOSL Government of Sri Lanka

ITC-ILO International Training Centre of the International Labour

Organisation

JICA Japan International Cooperation Agency

LCC Life Cycle Cost

NGO Non-Governmental Organizations

NPA National Procurement Agency

NWSDB National Water Supply and Drainage Board

RDA Road Development Authority

RFP Request for Proposals
RFQ Request for Quotations

SDG Sustainable Development Goals
SEC State Engineering Corporation

SLN Sri Lanka Navy

TBL Triple Bottom Line

UDA Urban Development Authority

UK United Kingdom
UN United Nations

UNEP United Nations Environment Programme

UNGM United Nations Global Marketplace

UNOPS United Nations Office for Project Services

UOM University of Moratuwa

WB World Bank

WLC Whole Life Cycle Cost