

Criteria 15. Sustainable Procurement



SUSTAINABLE
PURCHASING
LEADERSHIP
COUNCIL

Agenda

Background on NPI and SPLC partnership

What exactly *is* a sustainable procurement program?

Examples of beginning and advanced programs

Context on the best practices checklist

Sustainable Procurement

Procurement that...

- ✓ *achieves value for money.*
- ✓ *strengthens the organization.*
- ✓ *strengthens the **environment**.*
- ✓ *strengthens **society**.*
- ✓ *strengthens the **economy**.*

Sustainable Purchasing

CONVENTIONAL
PROCUREMENT

SUSTAINABLE
PROCUREMENT

Responsible Sourcing

Responsible Supply Chain

Supply Chain Sustainability

Sustainable Procurement (SP) means that...

Your organization is purchasing:

- ✓ the most sustainable goods and services
- ✓ from the most sustainable suppliers
- ✓ in alignment with your organization's sustainability goals and initiatives

...in order to achieve a truly, sustainable world

SPLC's Broad Membership Coalition

A membership of
180+

**Distinguished
Organizations**

Leveraging
\$800B
in annual
**purchasing
power**

Multi-stakeholder

membership
including Fortune 500s,
government, higher education,
and specialized non-profits

**Simplifying and
standardizing**

sustainable procurement
through prioritization,
collaboration, and resource
development

A partnership to support integration of sustainability into procurement practices



Organizational excellence
in...innovation, professionalism,
productivity, e-procurement,
leadership.



A future where all procurement is
environmentally, socially, and
economically sustainable.

70-80% of a typical organization's impacts occur in supplier base/supply chain

Operations

Supply Chain



What exactly *is* a sustainable procurement program?

Procurement “Programs”

- Strategic Sourcing Program
- Cost Reduction Initiative
- Supplier Onboarding Program
- Sustainable Procurement Program

Program rationale is the same for all...

Adding a strategic approach or plan ahead of tactical procurement processes comprehensively aligns, informs, and achieves more when compared to independent tactical activities.



A **sustainable procurement program** is a *formalized* strategic plan meant to address the sustainability impacts and opportunities of an organization's spend in an integrated and organized manner.

CITY OF PORTLAND SUSTAINABLE PROCUREMENT POLICY

Updated March 2020

1. Purpose

In accordance with the City of Portland Sustainable City Principles [1994, 2015] the City of Portland [the City] recognizes that:

1. the products and services the City purchases have inherent social, human health, environmental, and economic impacts;
2. the human health, environmental, social, and economic impacts of products and services occur throughout their [life cycle](#) and throughout the associated supply chains;
3. the City can leverage its purchasing to reduce adverse impacts throughout product or service life cycles and influence positive change within markets and communities; and
4. by understanding and taking responsibility for the full, life cycle impacts and costs of goods and services associated with City purchases, the City reduces risk, practices fiscal responsibility, reduces adverse social and environmental impacts, and contributes to sustainable development in general.

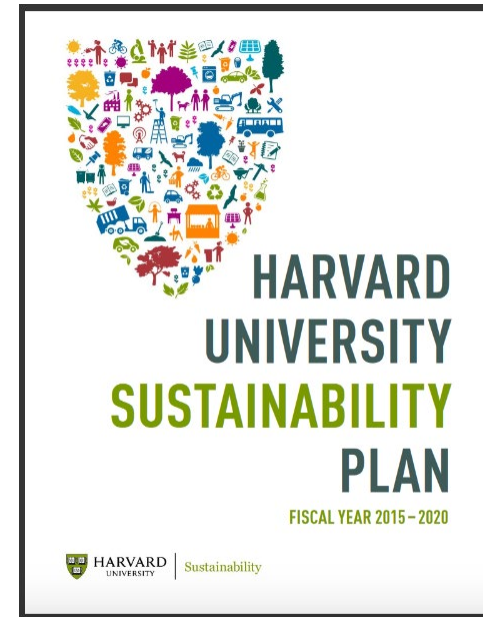
As such, the City is committed to understanding and taking appropriate responsibility for the impacts of its purchasing by:

1. establishing this [Sustainable Procurement Policy](#);
2. integrating [sustainable procurement best practices](#) into the City's purchasing processes and decision making; and
3. maintaining a Sustainable Procurement Policy and to facilitate stakeholder collaboration.

*Examples of
SP programs
demonstrated
via policies*

The screenshot shows the 'UC Procurement' website. The header includes the University of California logo, the Office of the President, and navigation links for Jobs, People, Search, HOME, ABOUT, ORGANIZATION, and INITIATIVES. A breadcrumb trail reads: UCOP > CFO > Procurement Services > For UC Staff > sustainable-procurement > Sustainable Procurement Policy & Guidelines. The main heading is 'UC Procurement' with a sub-heading 'Sustainable Procurement Policy & Guidelines'. Below this is a navigation bar with tabs: OVERVIEW, FOR UC STAFF (selected), FOR SUPPLIERS, FORMS & POLICIES, and TOOLS & TRAINING. The 'FOR UC STAFF' tab is active, showing a section titled 'Policies Impacting University of California Sustainable Procurement' with links to 'UC Procurement Policies', 'UC Sustainable Practices Policy (PDF)', and 'UC Sustainable Procurement Guidelines (PDF)'. To the right, under 'RELATED RESOURCES', are links to 'Sustainability at UC', 'Sustainable Practices Policy', 'Sustainable Procurement Guidelines', and 'Back to Sustainable Procurement'. Below this, under 'EXTERNAL RESOURCES', are links to 'Sustainable Purchasing Leadership Council' and 'The Association for the Advancement of Sustainability in Higher Education'. The bottom section, 'University of California Sustainable Procurement Policy', states that UC has set major targets for its campuses procurement spend (effective August 2018) and lists a target to reach 100% compliance with Required Level Green Spend criteria within three (3) fiscal years of the addition of a given product and/or product category to the Sustainable Procurement Policy.

A **sustainable procurement program** is a *formalized* strategic plan meant to address the sustainability impacts and opportunities of an organization's spend in an integrated and organized manner.



...as part of an org-level sustainability plan

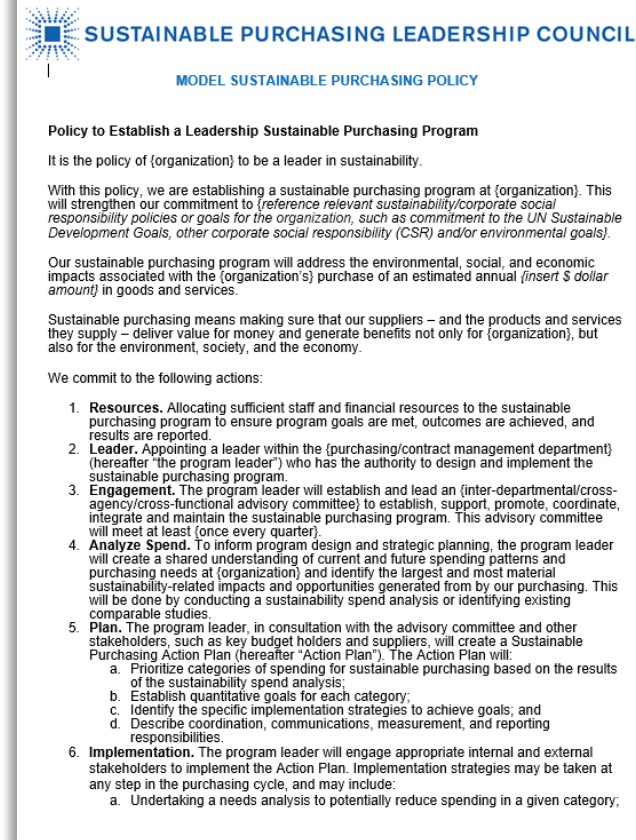
Additional examples of SP programs demonstrated in other ways

ABC Company
Sustainable Operating Guidelines

ABC Company Sustainable Operating Guidelines April 2022	
Table of Contents	
INTRODUCTION	3
FACILITY ENERGY MANAGEMENT	4
FACILITY WATER MANAGEMENT	11
FACILITY WASTE MANAGEMENT	13
INDOOR AIR QUALITY	16
SUSTAINABLE AND RESPONSIBLE PROCUREMENT	22
GREEN EVENTS	25
SUSTAINABLE DESIGN AND CONSTRUCTION	27
GREENHOUSE GAS (GHG) CALCULATION AND SUSTAINABILITY REPORTING GUIDELINES	32
HEALTHY WORKPLACES	36
APPENDIX A: GREEN CLEANING POLICY	42
APPENDIX B: INTEGRATED PEST MANAGEMENT	47
APPENDIX C: BLOOMBERG SUPPLIER CODE OF CONDUCT	52
APPENDIX D: ENVIRONMENTALLY PREFERRED PURCHASING - PRODUCT-SPECIFIC GUIDELINES	63
APPENDIX E: CHAIN OF CUSTODY QUALITY SYSTEM REQUIREMENTS	68
APPENDIX F: CONSTRUCTION IAQ MANAGEMENT PLAN	69
APPENDIX G: CONSTRUCTION WASTE MANAGEMENT PLAN	72
APPENDIX H: LEED SPECIFICATIONS	75
APPENDIX I: SAMPLE LEED CHECKLIST	83

...an internal guideline for operations

FREE RESOURCE: SPLC's Sustainable Procurement Policy TEMPLATE

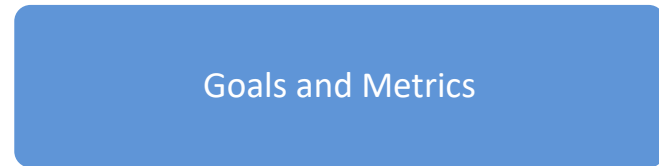
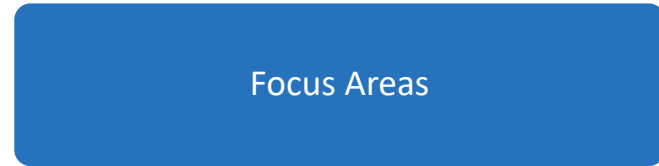
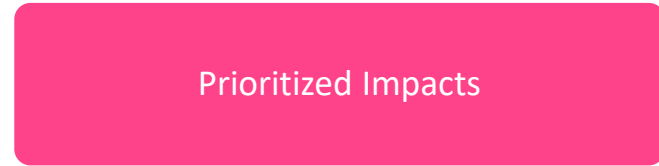


<https://www.sustainablepurchasing.org/getting-started>

FREE RESOURCE:
**SPLC's Sustainable
Purchasing
Program
"1-pager"
TEMPLATE**



Strategic Program Approach



What is the long-term vision, mission or outcome that is desired?

What are the largest impacts of your purchasing?

What are the prioritized focus areas within your organization that address these impacts, enabling you to meet your vision?

What are the goals and metrics which you will use to demonstrate progress towards these areas?

What are the specific “solution” strategies or activities for executing on these goals and related focus areas?

SAMPLE Strategic Sustainable Procurement Program (BEGINNER)

Vision	To be recognized as a leader by inspiring and embedding sustainability into organizational-wide purchasing practices		
Priority Impacts	Environmental Avoiding and Reducing Waste Protecting the Climate	Social Supplier Diversity	Economic Community & Local Biz Development
Prioritized Strategies	Training and Stakeholder Engagement	Adopt the U.S. EPAs Recommended Ecolabels	Local sourcing with diverse suppliers
Goals & Metrics	<ul style="list-style-type: none">Formalize this sustainable procurement program (via CPO approval)	<ul style="list-style-type: none">Identify and integrate ecolabel requirements into at least five RFP specification in 2023.	<ul style="list-style-type: none">Increase diverse supplier spend by 3% by 2025Implement some local sourcing requirements in food services contract renewal
Solution Strategies	<ul style="list-style-type: none">Sustainability steering committee and task force groups (including key suppliers)Sustainability 101 training for buyers and category managers	<ul style="list-style-type: none">Adoption of EPEAT Silver for all applicable IT/electronicsResponsibly-sourced paper policyEmbed Green Seal or UL Ecolabel in the next janitorial services RFP specification	<ul style="list-style-type: none">CAMSC Diverse Supplier ConferenceBenchmark local food sourcing for like organizations

*Approved
and adopted
by the CPO
on April 12,
2022*

State of Minnesota Sustainable Procurement Program (ADVANCED)

Vision / Mission	We will use our purchasing power to help drive the market for sustainable goods and services by making purchases that demonstrate the highest level of environmental, social, and economic responsibility.		
Priority Impacts	Environmental Avoiding / reducing waste, Improving Human & Environmental Health, Protecting the Climate, etc.	Social Supplier Diversity, Fair Trade, Human Resource Management, Human Rights, Inclusive Employment, etc.	Economic Community and Local Business Development, Good Faith & Fair Dealings, Investment in Innovation, etc.
Focus Areas	#1 Reduce GhG Emissions while delivering operational efficiencies*	#2 Reduce and/or eliminate the use of harmful chemicals*	#3 Foster Supplier Diversity via staff and supplier education and development
Goals and Metrics	<ul style="list-style-type: none"> kilowatt hours of energy saved (kwh) metric tons of GHG avoided (mtCO2e) Dollars saved (\$) 	<ul style="list-style-type: none"> To be determined 	<ul style="list-style-type: none"> Increase the no. of certified diverse businesses % of Total Vendors that are Diverse % of total spend going to diverse suppliers
Solution Strategies	<ul style="list-style-type: none"> EPEAT-certified IT HW Circular-economy based IT HW (purchase -> lease) Standardized IT HW Print Service Optimization – reduce usage and replace with recycled content paper 	<ul style="list-style-type: none"> Contract-based cleaning chemical standardization, reduction and/or replacement* Traffic paint chemical reduction and/or replacement* 	<ul style="list-style-type: none"> Annual Supplier Diversity Fair Kiosk-based Supplier Development Program Internal awareness training “Equity Select” Purchasing Method Procurement process improvement

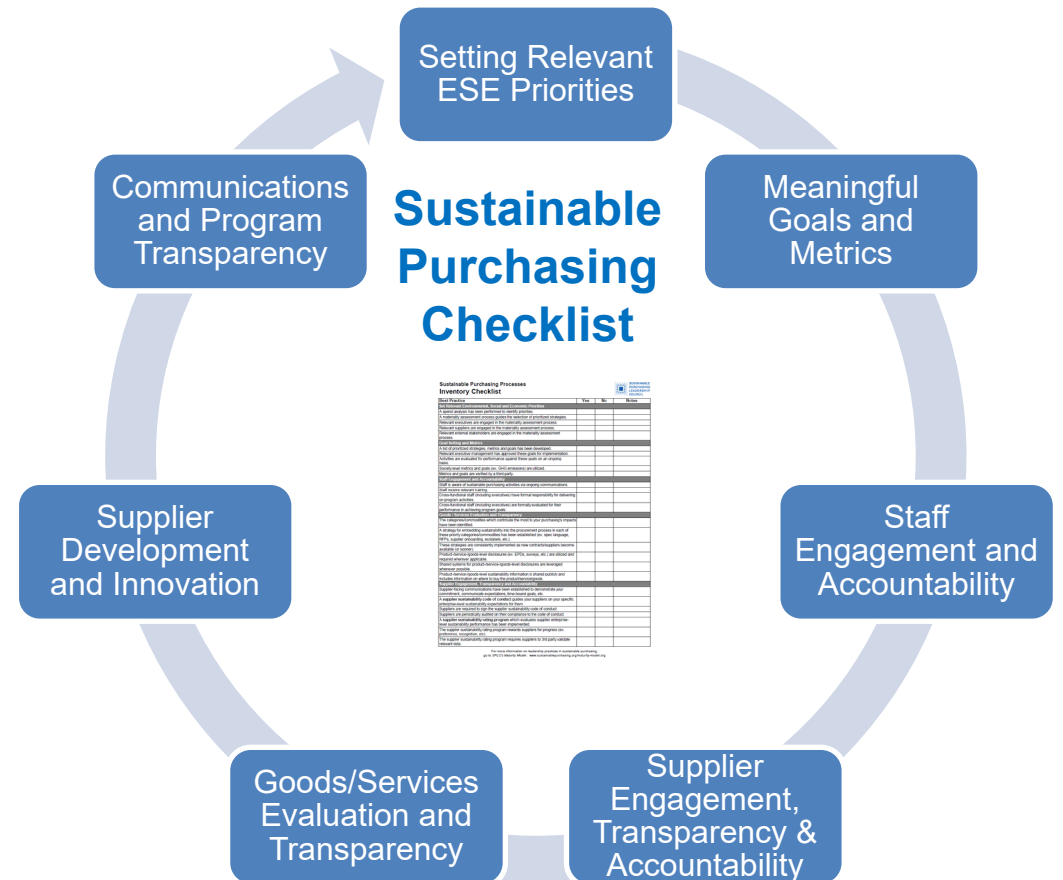
*Prioritized products

Related policy signed by the Governor for the State of Minnesota!

Sustainable Procurement Program



Characteristics of a *Leading* Sustainable Procurement Program



SPLC Maturity Model approach

Sustainable Purchasing Processes Inventory Checklist



Best Practice	Yes	No	Notes
Set Relevant Environmental, Social and Economic Priorities			
A spend analysis has been performed to identify priorities.			
A materiality assessment process guides the selection of prioritized strategies.			
Relevant executives are engaged in the materiality assessment process.			
Relevant suppliers are engaged in the materiality assessment process.			
Relevant external stakeholders are engaged in the materiality assessment process.			
Goal Setting and Metrics			
A list of prioritized strategies, metrics and goals has been developed.			
Relevant executive management has approved these goals for implementation.			
Activities are evaluated for performance against these goals on an ongoing basis.			
Society-level metrics and goals (ex. GHG emissions) are utilized.			
Metrics and goals are verified by a third-party.			
Staff Engagement and Accountability			
Staff is aware of sustainable purchasing activities via ongoing communications.			
Staff receive relevant training.			
Cross-functional staff (including executives) have formal responsibility for delivering on program activities.			
Cross-functional staff (including executives) are formally evaluated for their performance in achieving program goals.			
Goods / Services Evaluation and Transparency			
The categories/commodities which contribute the most to your purchasing's impacts have been identified.			
A strategy for embedding sustainability into the procurement process in each of these priority categories/commodities has been established (ex. spec language, RFPs, supplier onboarding, ecolabels, etc.).			
These strategies are consistently implemented as new contracts/suppliers become available (or sooner).			



Initiating
Developing
Improving
Leading



Initiating
Developing
Improving
Leading



Initiating
Developing
Improving
Leading

QUESTIONS?