



WEBINAR 2 OCTOBER  
SARA REDMOND-NEAL  
ECOBUY

## AusLSA: FEDERAL GOVERNMENT GUIDELINES FOR SUSTAINABLE PROCUREMENT

### ECO-Buy



- ECO-Buy advises organisations on implementing sustainable procurement and building a green supply chain.
  - We provide expertise, advice and practical resources to organisations looking to implement sustainable procurement.
  - We connect purchasers of green products with suppliers.
  - We offer a systematic approach to embedding sustainable procurement through establishing high level buy-in, empowering staff, building standard processes, engaging suppliers, and measuring results.

## Sara Redmond-Neal



- provides sustainable purchasing advice to business sector members and clients of ECO-Buy.
- particular experience advising on best practice sustainable procurement frameworks and conducting supplier sustainability assessments.
- manages the training program, running public and in-house training courses and events across Australia.

Before joining ECO-Buy, Sara worked as an environmental consultant with URS, working across sustainability strategy, environmental footprinting, energy efficiency, waste reduction, renewable energy studies, life cycle analysis and environmental risk assessment, across a number of public and private organisations and industries.



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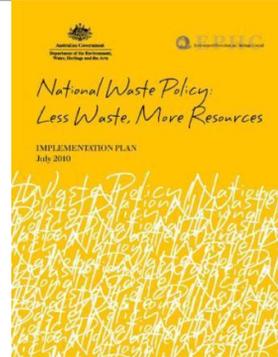
### Guide for sustainable procurement of services

## Australian Government context

### National Waste Policy: Less Waste, More Resources

- Endorsed by the Council of Australian Governments (COAG) in 2010.
- Six key directions and 16 priority strategies to 2020.
- Strategy 2 commits state & federal governments to embody sustainable procurement in their operations:

*All governments as significant procurers of goods, services and infrastructure, will embody and promote sustainable procurement principles and practices within their own operations and delivery of programs and services to facilitate certainty in the market.*



## Victorian Government Environmental Procurement Policy



**Principle 1:** Departments are to purchase goods and services that have reduced impacts on the environment compared with competing products and services that achieve the same function and value for money outcomes. Departments are required to consider environmental impacts and opportunities during the procurement process with attention given to the early stages of the procurement process when defining business needs, market analysis, tender and quotation strategy, leading to market engagement.

Also provide a **Guide to environmental impact in procurement**

## Vic LG Best Practice Procurement Guidelines

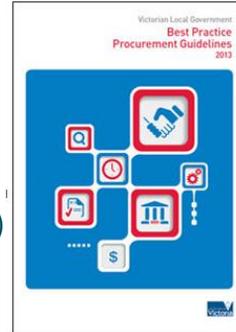


Sustainable procurement is one of 4 Principles listed

*'The use of sustainable procurement practices helps councils meet their needs for good, services and works...more widely by maximising long-term benefits for their communities.'*  
(page 15)

Includes sample text to include environmental considerations into procurement policy (page 121)

<http://www.dpcd.vic.gov.au/localgovernment/local-government-reform/procurement/procurement>



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## LG Council Policy



- **City of Melbourne Procurement Policy**  
Objective: give preference to the procurement of environmentally sustainable goods, services and works.
- **City of Yarra Procurement Policy**  
Requires that Council's contracting, purchasing and contract management activities:
  - support the Council's corporate strategies, aims and objectives including, but not limited to those related to sustainability, protection of the environment, and corporate social responsibility;

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## Key environmental impacts



<p>Energy &amp; water use</p> 	<p>Travel</p> 
<p>Waste</p> 	<p>Procurement practices</p> 

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## Getting started



Two main aspects to consider:

- How the specific services could be delivered with less environmental and social impacts
- The operations of the supplier organisation itself.



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## Demand management



*Greenest purchase is the one that doesn't happen*

- Travel
  - Can we use videoconferencing instead?
- Printing
  - Digital record keeping, double-sided and 2 per page, on-demand printing



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## Delivery of the service



Questions to ask your supplier:

### **Energy and resource management**

- ✓ What steps will the supplier take to improve the energy/resource efficiency of its activities associated with delivery of the contracted service, for example, energy consumption related to equipment use?

### **Waste management**

- ✓ Does the supplier have a documented program addressing waste reduction or elimination associated with the delivery of the contracted service, for example, recycling?

### **Travel and transport**

- ✓ What steps will the supplier take to reduce travel and transport, for example, change to holding a certain proportion of meetings with your agency via tele/video conferencing rather than face-to-face?

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## Supplier operations



### Environmental management

- ✓ Does the supplier have a program or system in place to identify environmental impacts relevant to the organisation or a program/system under development with a timescale for implementation?
- ✓ Does the supplier have an environmental or sustainability policy in place or a program/system under development with a timescale for implementation?

### Energy and water management

- ✓ Can the supplier provide a statement of the sources of purchased electricity (for example accredited GreenPower, coal)?
- ✓ Does the supplier have a strategy/plan in place to achieve water reduction targets, or a program/system under development with a timescale for implementation?

### Waste management

- ✓ Does the supplier have a strategy/plan in place to achieve waste reduction targets or a program/system under development with a timescale for implementation?

## Supplier operations



### Sustainable procurement

- ✓ Does the supplier have a green/sustainable purchasing policy in place?
- ✓ Has the supplier established sustainable purchasing guidelines or criteria for choosing its direct suppliers, for example, guidelines that address environmental management and labour practices?
- ✓ Does the supplier have a policy to procure energy efficient ICT equipment by applying a recognised standard such as Electronic Product Environmental Assessment Tool (EPEAT)?
- ✓ Can the supplier demonstrate that copy paper with a high proportion of recycled content is purchased?
- ✓ Does the supplier assess its supply chain against relevant labour standards?

### Social benefits

- ✓ Does the supplier have any initiatives in place which support disadvantaged or marginalised groups in the community, for example, placing contracts with social enterprises or providing training/employment/mentoring opportunities?

## Sample specs – environmental management



Minimum	Preferred
<p>Tenderers must have a program or system in place to identify environmental impacts relevant to the organisation, or a program/system under development, with a timescale for implementation</p> <p>Tenderers must have an environmental or sustainability policy in place, or under development, with a timescale for implementation.</p>	<p>Tenderers should have implemented and maintained an environmental management system, certified to ISO 14001 or equivalent, to reduce environmental impacts and continually improve environmental performance</p> <p>Tenderers should have a publicly available environmental or sustainability policy in place</p> <p>Tenderers should brief employees and others who work on behalf of the organisation about the organisational environmental or sustainability policy.</p>

## Sample specifications – energy efficiency



Minimum	Preferred
<p>Tenderers should provide details of actions to improve the energy/resource efficiency or reduce energy consumption associated with delivery of the contracted service.</p>	<p>Tenderers should provide evidence of explored opportunities to improve the energy/resource efficiency of its activities associated with delivery of the contracted service</p> <p>Tenderers should provide evidence of steps taken to reduce energy consumption associated with the delivery of the contracted service, such as energy consumption related to equipment use.</p>

## Evaluation of tender response



Documented evidence of the organisation's commitment to improving its own environmental performance.

*This may include policies, initiatives, environmental management systems, sustainability reports and outcomes from these activities.*

5%



## Contract requirements



- Delivery of the service
  - % Renewable energy
  - Use of certified products (timber, paint, cleaning products)
  - Availability of sustainable options (printing, catering)
- Reporting and KPIs



## Managing performance through reporting



### Implementation

- progress in establishing policy or strategy,
- environmental management system,
- data measurement,
- sustainability initiatives or
- public reporting

### Outcomes

- actual energy used,
- number of staff trained in sustainable practices,
- travel distance reduced,
- social enterprises used,
- percentage of spend on sustainable purchases

## Working with existing suppliers



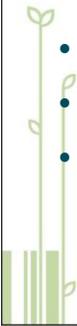
- What are they already doing?
- What improvements can they already offer, or are considering implementing?
- Signal to them that sustainability matters
- Can agree on improvement plan if strong relationship



## Related ecolabels and standards



- [Guide for Sustainable Procurement of Services](#) – DSEWPAC and ECO-Buy 2012
- [GECA 35-2007](#) Administrative Services
- [NSF P391-2012](#) General Sustainability Assessment for Services and Service Providers
- [ISO 14001](#) Environmental Management Standard
- [National Carbon Offset Standard](#) (NCOS)
- [SA8000](#) Social Accountability Standard



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## Questions?

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A L L I A N C E

PROMOTING SUSTAINABILITY



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