BEST PRACTICE FRAMEWORK FOR SUSTAINABLE PROCUREMENT

This framework of 10 key Sustainable Procurement Program Elements has been created based on the collective experience of a variety of organizations (in both the public and private sector) and emerging best practices in sustainable procurement. It identifies the key policies and practices that make for a solid and impactful program – one that manages risk and delivers tangible business results. Ultimately, a high performing program has all of these elements in place – but we recognize it takes time to reach scale in all areas.

These 10 elements are each defined and coupled with real-world examples from Canadian municipalities and post-secondary institutions.

1. **Strategy and Action Plan**
   Creating a long-term sustainable procurement vision to address sustainability risks and impacts of the supply chain, with a phased implementation plan, that helps achieve organizational goals to guide development and improvement of your sustainable procurement program. The strategic process often starts with some baseline evaluation, such as a spend analysis.

   **Example**
   The University of Alberta’s [Sustainability Plan](#) incorporates six goals and 12 specific strategies related to sustainable purchasing. Having this strategic direction guides the Sustainable Purchasing Working Group in their efforts and sends a signal to the wider campus that such activities are strategically important to U of A.

2. **Sustainable Purchasing Policy**
   Developing (and regularly updating) a sustainable purchasing policy or policy guideline that defines sustainable procurement, identifies the business case or rationale for sustainable purchasing and includes sustainability commitments, and social, environmental, and ethical aspects to guide your program.

   **Example**
   In 2016, the City of Winnipeg began work to amend their purchasing policy to include sustainable purchasing. The choice to integrate sustainability into the main purchasing policy was made with the goal of ensuring that sustainable purchasing receives appropriate attention in all purchasing activities.

3. **Supplier Code of Conduct**
   Developing a code of conduct for your suppliers to endorse, clearly articulating the minimum ethical, health and safety, and environmental standards you expect them to meet with regard to their operations (e.g., no sweatshops, no discrimination, meets environmental regulations, etc.), along with protocols for assessing supplier compliance.

   **Example**
   The City of Calgary has referenced their Supplier Code of Conduct in all RFPs since 2015, but in 2016, they also added a clause referencing the SCC to all evaluated RFQ templates. This sends a consistent signal to suppliers that Calgary takes ethical labour standards seriously.

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**Risk, Opportunity, and Innovation**

Performing analysis to understand short and long term risks and opportunities in your supply chain. Gaining an understanding of how to mitigate risks and seize opportunities. Developing strategies to leverage procurement to advance sustainability innovation (e.g., piloting clean technologies or circular economy products).

**Example**

In 2016, the City of Victoria assembled a Task Force to work on procurement from social enterprises. The Task Force is looking at ways to work more closely with these businesses so that City purchasing can have greater positive social impacts.

**Dedicated Staffing and Resources**

Having a sustainable procurement cross-functional team, including some staff time dedicated to sustainable procurement, as well as adequate funding for your sustainable procurement program; this step includes embedding sustainability responsibilities in procurement job descriptions and incentives.

**Example**

The University of British Columbia has ensured that responsibility for sustainability is included in the job descriptions of more than one person within the Supply Management department. This helps to ensure that there is continued accountability for sustainable purchasing activities.

**Tools and Procedures**

Developing and applying procurement tools and procedures (i.e., questionnaires for suppliers, checklists and RFP language for buyers, evaluation tools, etc.) to standardize operations and support staff in implementing sustainability measures for purchases.

**Example**

The City of Vancouver has developed a whole suite of sustainable purchasing tools that help staff integrate sustainability from planning to evaluation and contract award. 2016 was the first full year in which staff were charged with completing the scored assessment of the supplier sustainability leadership questionnaire, and the City continues work to refine the process and improve outcomes.

**Training and Communication**

Developing and delivering sustainable procurement training (including the definition, business case and benefits, best practices and how-to information) to municipal procurement staff, key client departments, and other administrative staff, empowering them to advance commitments to sustainable procurement. Fostering a culture of sustainable procurement through on-going communication to staff and between departments.

**Example**

In 2016, the District of Saanich rolled out their updated purchasing policy and guidelines, which were amended to feature sustainability, through presentations to all departments, in which a discussion on whole life costing featured prominently.
**Supplier Engagement**

Improving the sustainability impacts of the supply chain through active measures to work with suppliers as business partners on sustainability training, capacity-building, and collaboration, creating strategic partnerships, stimulating innovation, managing risks, and improving sustainability practices of suppliers; this typically includes processes to engage suppliers on strategies to measure and report their sustainability progress.

**Example**

The Supply Management team at British Columbia Institute of Technology (BCIT) holds monthly meetings with 20 to 25 of their major suppliers in which they frequently discuss ways to improve sustainability impacts, often including such topics as waste reduction measures.

**Monitoring and Reporting**

Evaluating the success of your sustainable procurement program by ensuring sustainability commitments are met through contract monitoring and verification, developing key performance indicators, assigning measurable implementation targets, and evaluating success through a reporting framework that promotes transparency and continuous improvement.

**Example**

The City of Edmonton included sustainable purchasing in their reporting to City Council in 2016. They continue work to develop appropriate KPIs and are collecting data in order to systematize their reporting on sustainable purchasing.

**Leadership and Collaboration**

Collaborating with other organizations in order to advance sustainable procurement by providing leadership; participating in co-operative sustainable purchasing initiatives and groups; cost-sharing research, tool development, and supplier engagement; sharing knowledge on previous experiences and best practice models.

**Example**

A variety of municipalities and universities across Canada are members of the Municipal Collaboration for Sustainable Procurement (MCSP), and are active participants in sharing and co-creating tools, resources, and methods to increase the impacts of sustainable purchasing.