



Sustainable Procurement Training

Accra, Ghana 2004

Sustainable Procurement Training

- Commissioned by World Bank, in collaboration with UNEP and IAPSO
- 2.5 day training course delivered to over 30 national government employees in Accra
- Given mixed participant group, focused both on awareness raising and technical advice
- Undertaken over 3 days in Accra, Ghana 2004
- Targeted at national government officers
- Targeted for the country of Ghana
- Split into 12 Sessions

Overall Goals

- An introduction to the key ingredients of sustainable procurement (SP)
- An understanding of the benefits of SP
- Some guidance on how SP implementation works in practice
- Ideas on how to apply SP in your own institution or organisation
- Ways and means to give SP a start!



Programme

DAY 1		DAY 2		DAY 3	
S1 -	Opening	S5 -	Prioritising	S9 -	Labour standards: steps for the implementation of law
S2 -	Introduction to the course	S6 -	Integrating sustainability into procurement	S10 -	Labour standards: challenges of implementation
S3 -	Sustainability concerns in consumption	S7 -	<i>S6 continued</i>	S11 -	An action plan for sustainable procurement
S4 -	The benefits of sustainable procurement	S8 -	Barriers and opportunities for sustainable procurement	S12 -	Conclusions and evaluation

Day 1

Session 1 Opening & introductions

Session 2 Introduction to the course

Session 3 Sustainability concerns in consumption

Session 4 The benefits of sustainable procurement



WORLD BANK / UNEP / UNDP IAPSO - Sustainable Procurement Training

Session 2 Introduction to the course

Goals

- Set the overall context of the training
- Confirm the goals, methods and the agenda
- Clarify the subject, provide a practical example for illustration
- Raise interest, motivate participants to find out more
- Find a common understanding of sustainability
- Share a common understanding of SP

Methods

1. Facilitate
2. Listen
3. Think it all through for themselves
4. Allow for questions
5. Allow for opinions
6. Work in small groups and present results
7. Handouts
8. Case studies
9. Presentations

Case Studies

Case 1: Purchasing energy efficient PCs in South Africa

Case 2: Sustainable forestry in Brazil

The purpose of using case studies is to open up the discussions with similar examples in their country and use open questions.

Concept of Sustainable Development and Sustainable procurement

- Participants are asked what it means to them
- Facilitated discussions based on their definitions
- Examples are then provided

Session 2 - Introduction to the Course

Society

Economy

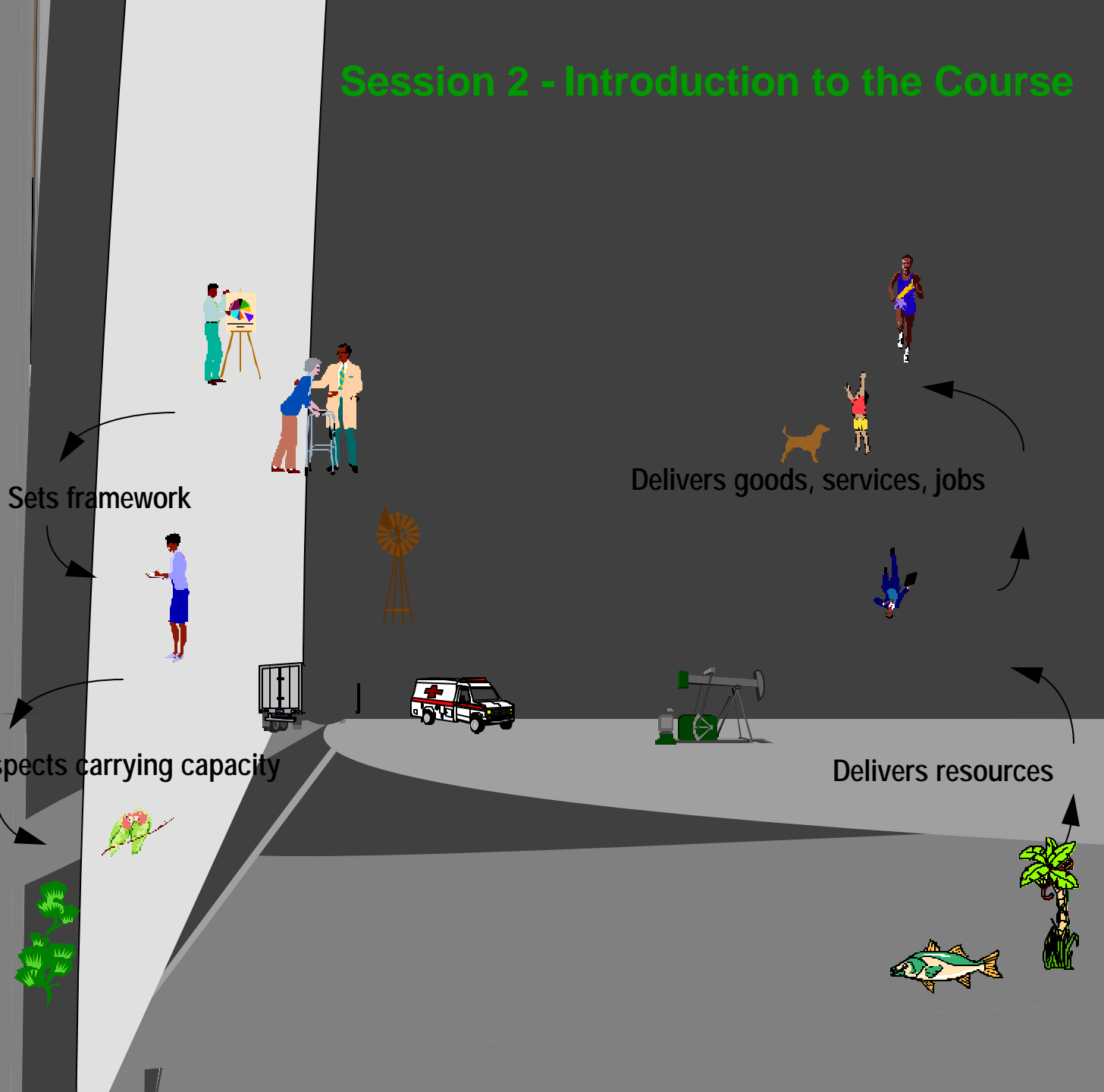
Natural environment

Sets framework

Respects carrying capacity

Delivers goods, services, jobs

Delivers resources



Sustainability II

Sustainability

means to develop our economic activities in such a way that the desired quality of life is secured or even raised, while simultaneously reducing the use of natural resources.

In this way
the basis of life for future generations can be
preserved
while opening up globally viable paths of
development.

Sustainability III

Sustainable development
is

“... development
that meets the needs of the present
without compromising
the ability of future generations
to meet their own needs.”

Source: World Commission on the Environment and Development, 1983

Sustainable Procurement

Procurement is called **sustainable** when the organisation uses its buying power to give a signal to the market in favour of sustainability by integrating in its choice of goods and services :

1. Economic considerations: best value for money, price, quality, availability, functionality...
2. Environmental considerations ("green procurement") : the effects on the environment that the product and/or service has over its whole lifecycle, from cradle to grave;
3. Social equity considerations : effects of purchasing decisions on issues such as poverty eradication, international equity in the distribution of resources, labour conditions, human rights...

Session 3 Sustainability concerns in consumption

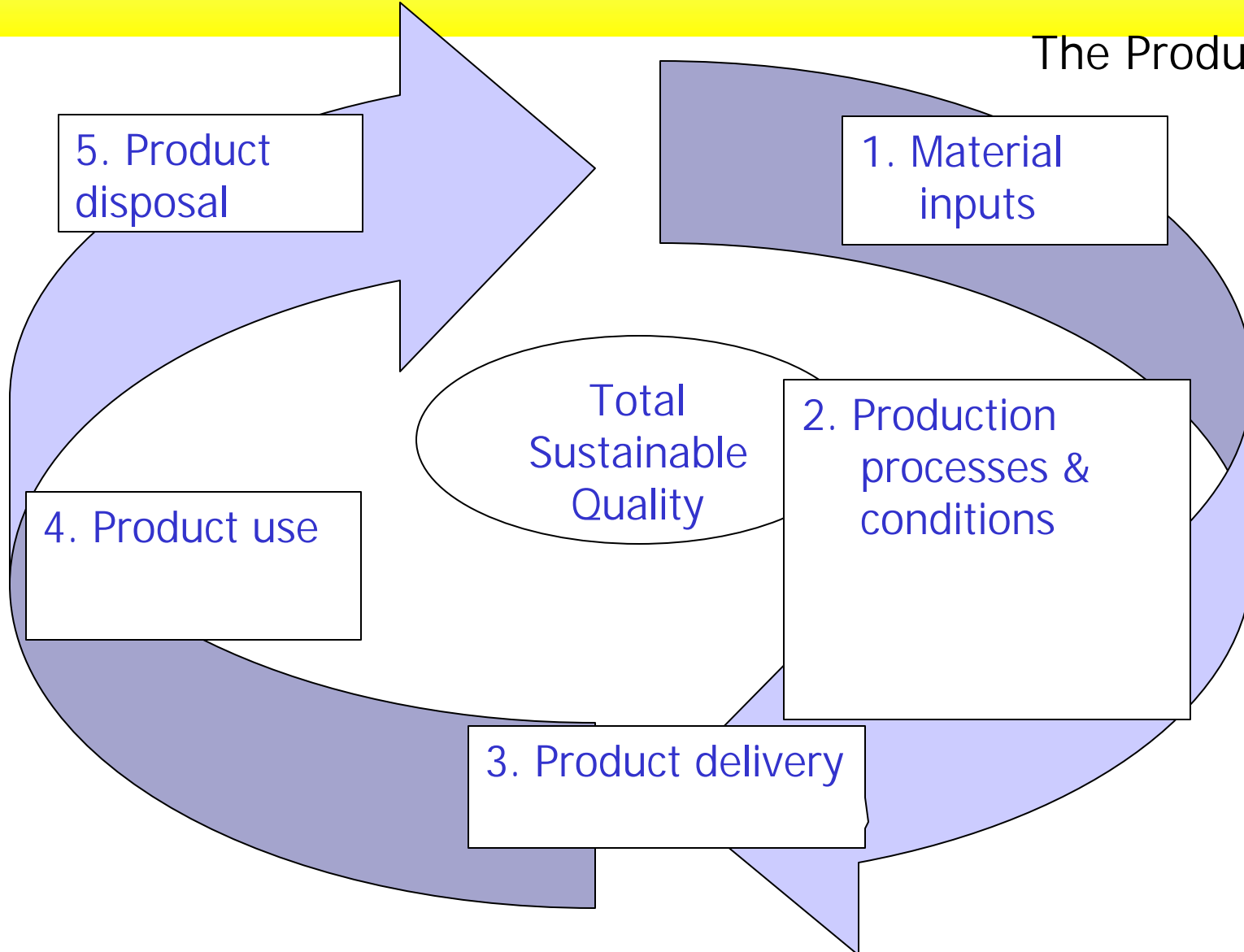
Goals

To highlight the links between:

- The Impact of Procurement
- The Life Cycle
- Environmental issues related to procurement
- Generation of emissions and waste
- Consumption of natural resources
- Social impacts

Session 3 - Sustainability Concerns in Consumption

The Product Life-cycle



Environmental issues related to procurement

Products or services purchased have environmental impacts across their lifecycle:

- Emissions released
- Waste produced
- Natural resources consumed

Session 3 - Sustainability Concerns in Consumption

Generation of emissions and waste

Water



The waterborne emission from agriculture, industry and households: ammonia (NH_3), ammonium (NH_4^+), nitrite (NO_2^-), nitrate (NO_3^-), urea ($\text{CO}(\text{NH}_2)_2$) and organic-bound nitrogen.



Air

Carbon dioxide, CO_2
Carbon monoxide, CO
Nitrous oxides, NO_x
Sulfur oxides, SO_x
Volatile organic compounds, VOC
Suspended particulates...

Land



- Mining waste
- Production and manufacturing wastes
- Slag and ashes from coal combustion
- Slag and ashes from waste incineration
- Used packaging and
- Used products.

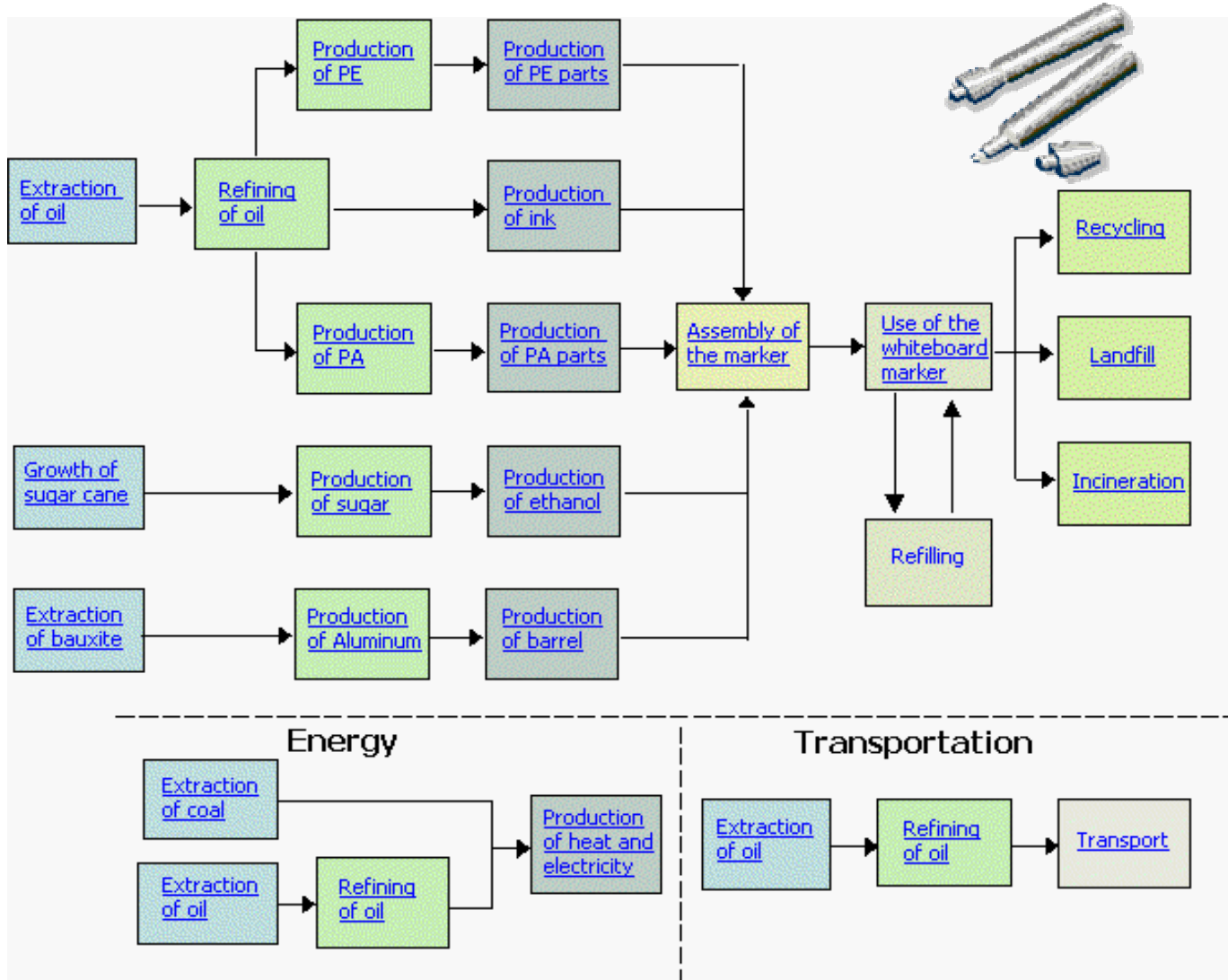
Source : <http://www.howproductsimpact.net>

Consumption of natural resources

- Use of materials for the manufacture of the product
- Additional materials used in the production process
- Consumption of fuels used for the generation of heat, electricity and the powering of vehicles and machinery
- Consumption of land and water

Session 3 - Sustainability Concerns in Consumption

Life cycle of a whiteboard marker



Source :
<http://www.howproductsimpact.net>

Social impacts over the lifecycle

- Consider, for example:
 - Working conditions of those involved in extraction/production
 - Potential for development of local industry/linkages to national economy
 - Impacts of extraction and production on local communities - negative and positive
 - Health impacts related to product use

Session 4 The benefits of sustainable procurement

Goal

- To identify the benefits of SP for the organisation, the country and the international community



A. Benefits for the organisation

1. Financial savings - Value for money
- 2 Improving the efficiency and transparency of procurement procedures and structures
- 3 Compliance with a growing international trend in requirements/expectations of donor community
4. Improved working environment



B. Benefits for your country

1. Environmental benefits:

- Reduction in harmful emissions and waste generation - improved air and water quality
- Reduced use of natural resources

2. Social benefits

- Improvements in working conditions - labour standards, health and safety
- Assist disadvantaged groups in society



B. Benefits for your country (cont.)

3. Economic benefits:

- Contribution to the modernization and international competitiveness of local industry - encourages foreign investment, employment generation
- Improved efficiency in the public sector - more money to invest in social and economic development



C. Benefits for the international community

- Alleviation of global environmental problems
 - e.g. global warming, ozone depletion
- Alleviation of local environmental and social problems in other parts of the world - when suppliers are not from your country
- Setting an example to countries in the South, putting pressure on countries in the North

Day 2

Session 5 Prioritising

Session 6/7 Integrating sustainability into procurement

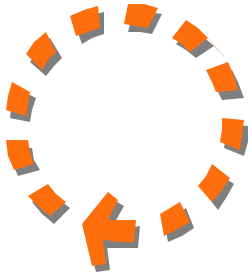
Session 8 Barriers and opportunities for SP



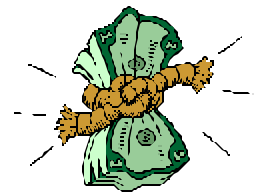
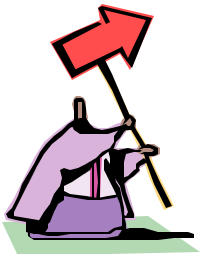
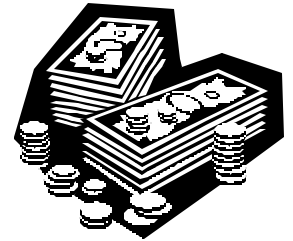
Session 5 Prioritising

Goals

- Emphasise the importance of focussing the efforts of SP in key areas
- Identify the key considerations to make when choosing which products to focus on



1. What are the local/national sustainability priorities?
2. On which products or services does your organisation spend the most?
3. For which product groups and services are environmental and social impacts highest?
4. Where are low costs/high impact measures possible?
5. How can we support local sustainable development?



Session 6/7 - Integrating Sustainability into Procurement

Goals

- Identify where sustainability concerns can be included into standard procurement procedures
- Explore how to address sustainability concerns
- Identify potential sources of information for setting SP criteria
- Highlight the importance of verification

The procurement process

- Definition of subject matter
- Technical specifications
- (Pre-qualification of suppliers)
- Tender evaluation and award
- Contract negotiations
- Contract execution

Sources of information

- Product labelling
- International conventions
- Others



Sources of information: International conventions

International conventions cover many aspects of sustainability - e.g.:

- Stockholm Convention on POPs
- Montreal Convention on Ozone Depleting Substances
- ILO Convention C182 on child labour

Sources of information: Others

- Online guidance: many websites provide comprehensive guidance on implementing sustainable procurement
- Other voluntary international standards - SA 8000, Global Compact
- Others within your organisation
- Other national agencies/institutions
- Suppliers

Session 8 - Barriers & Opportunities for SP

Goals

- To stimulate a discussion about the potential barriers and opportunities to the implementation of SP in your country

Facilitated discussions

- Introduction with reference to local procurement laws and WB procurement guidelines
- Questions:
 - Is SP by your institution possible in your country?
- Participants are asked to locate themselves in the room in a way that reflects their opinion
- Two groups are then formed 'optimists' and 'pessimists'. They are then asked to present the threats and opportunities

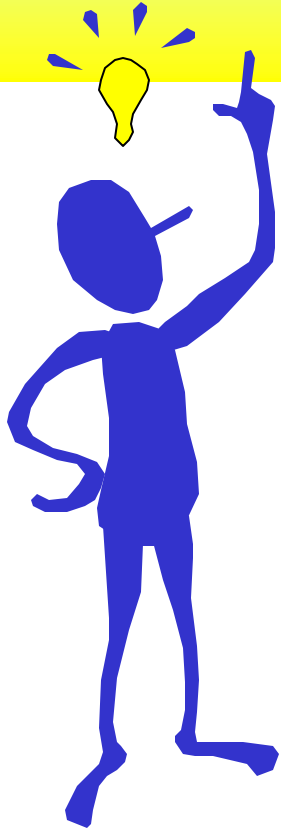
Day 3

Session 11 An action plan for SP

Goal

To identify the important steps in implementing SP





An Action Plan for implementing SP

1. Building a team
2. Setting priorities and targets
3. Dialogue with suppliers
4. Preparing tendering
5. Carrying out SP
6. Monitoring and reviewing

Session 11 - An Action Plan for Sustainable Procurement

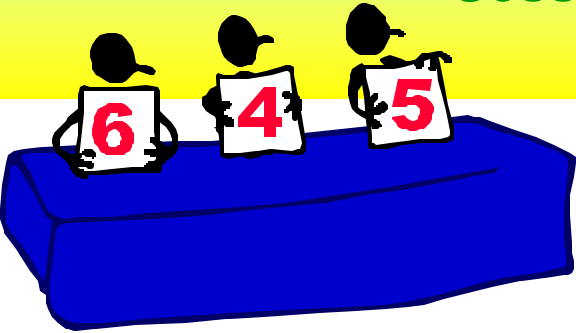


- ⇒
1. Building a team
 2. Setting priorities and targets
 3. Dialogue with suppliers
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 6. Monitoring and reviewing

Effective implementation needs people working together

- Identify the actors
- Organise a meeting - set up a working group?
- Consider requirements for capacity building in your organisation
- Get external stakeholders involved

Session 11 - An Action Plan for Sustainable Procurement



1. Building a team
- ⇒ 2. Setting priorities and targets
3. Dialogue with suppliers
4. Preparing tendering
5. Carrying out SP
6. Monitoring and reviewing

You can't do everything at once

- Consult other departments and external stakeholders
- Draw on the information sources (→ Session 7)
- Define SP priorities (→ Session 5)
- Take account of available resources and set realistic targets.

Session 11 - An Action Plan for Sustainable Procurement



1. Building a team
2. Setting priorities and targets
- ⇒ 3. Dialogue with suppliers
4. Preparing tendering
5. Carrying out SP
6. Monitoring and reviewing

Co-operation between the supply and the demand side

- Enter into a dialogue with your regular suppliers, and industry representatives.
- Consult your suppliers about the feasibility of environmental and social improvements.
- Keep your suppliers posted about new policies and their implications for them.

Session 11 - An Action Plan for Sustainable Procurement

1. Building a team
2. Setting priorities and targets
3. Dialogue with suppliers
- ⇒ 4. Preparing tendering
5. Carrying out SP
6. Monitoring and reviewing

Applying the lessons learned

- Incorporate your SP priorities into your upcoming tenders.
- Choose and apply specific criteria in your tendering.

Session 11 - An Action Plan for Sustainable Procurement

1. Building a team
2. Setting priorities and targets
3. Dialogue with suppliers
4. Preparing tendering
- ⇒ 5. Carrying out SP
6. Monitoring and reviewing

Ensuring transparency

- Build trust between the suppliers and yourself.
- Ensure that specifications and evaluation criteria are clearly communicated.
- Establish procurement contact points.
- Notify the outcome of bids promptly and provide information about the reasons for your decision.

1. Building a team
2. Setting priorities and targets
3. Dialogue with suppliers
4. Preparing tendering
5. Carrying out SP

⇒ 6. Monitoring and reviewing

Planning for the future

- Monitor and enforce compliance with your requirements and contract conditions.
- Keep good records of tenders.
- Check the results versus your objectives.
- Process and evaluate the information.
- Review and improve your procedures and targets.
- Communicate your results and future targets within your organisation and to external stakeholders, incl. suppliers.

Some first principles????

- Only purchase low emission vehicles
- Only purchase organic food
- Only purchase computers with the energy saving function turned on
- Only commission works which have a convincing educational concept for HIV/AIDS precautionary measures

Future improvement:

- More targeted towards certain participant groups
- Must be built on practical experiences
- Permanent support structures in place

Questions to the audience

- Is anybody interested in the training?
- Do you know organisations, national governments, local governments etc that might be interested?
- How can we further use the training package?
- How can we promote the package?