

This guide provides a step-by-step approach to introducing a sustainable procurement model to your organisation. Please note that it does not provide guidance on integrating sustainability considerations into contracts and tenders or more complex procurements.

### STEP 1

## Adopt strategies to avoid unnecessary consumption and manage demand

This very important step is often overlooked. Stopping to answer the types of questions below can help your organisation use resources more efficiently.

You need to be clear on why the purchase is required and be willing to investigate alternatives to traditional purchasing approaches.

Here are some questions to assist in identifying strategies to avoid unnecessary consumption and manage demand:

- What is the aim of this purchase?
- Does the organisation really need this?
- Can this product be hired or delivered as a service?
- Can a second-hand purchase be made?



### EXAMPLE: PRINTER PAPER

Strategies to avoid unnecessary paper consumption and manage demand include:

- setting printers to default to double-sided and black and white printing
- using 'follow-me' printing technology – which means using swipe cards or PIN codes to retrieve the job from the printer
- setting reduction targets for business units for paper and toner.



**STEP 2**

**Identify the environmental and social impacts and/or risks of the purchase**

Once the purchasing approach has been decided, consider how the purchase can be made in a way that minimises or avoids environmental and social impacts and/or risks.

**Part A – ASSESSMENT**

**Identify the environmental and social impacts and/or risks.**

The table below provides a list of questions that will help determine the environmental and social impacts and risks for the purchase of a product.



**Examples of questions to ask to determine environmental and social impacts/risks:**

Impact area	Details
<b>Greenhouse emissions</b>	<ul style="list-style-type: none"> <li>Does the product/activity consume electricity, natural gas, diesel, LPG, oil or any other fossil fuels?</li> <li>Is the delivery of the resource likely to result in the use of electricity, natural gas, diesel, LPG, oil or any other fossil fuels?</li> </ul>
<b>Water</b>	<ul style="list-style-type: none"> <li>Will normal use of the product result in the use of potable water?</li> <li>Is the delivery of the services likely to result in the use of potable water?</li> </ul>
<b>Waste</b>	<ul style="list-style-type: none"> <li>Does the product include non-recyclable components (including packaging) that are expected to be committed to landfill at the end of its useful life?</li> <li>Will purchase/use of the product/service result in waste to landfill?</li> </ul>
<b>Air</b>	<ul style="list-style-type: none"> <li>Will normal use of the product result in the release of air pollutants?</li> <li>Is the delivery of the services likely to result in the release of air pollutants?</li> </ul>
<b>Biodiversity</b>	<ul style="list-style-type: none"> <li>Will purchase of the product/service result in impact on native flora or fauna?</li> </ul>
<b>Social</b>	<ul style="list-style-type: none"> <li>Is the use of the product/service likely to result in an adverse effect on human health?</li> <li>Is the supplier of the product/service likely to breach labour standards (e.g. child labour, forced labour)?</li> <li>Is the supplier of the product/service likely to breach OHS standards?</li> </ul>

The diagram below provides an example assessment of the environmental and social impacts and risks for the purchase of a solar hot water system, demonstrating the types of impacts and risks to consider.

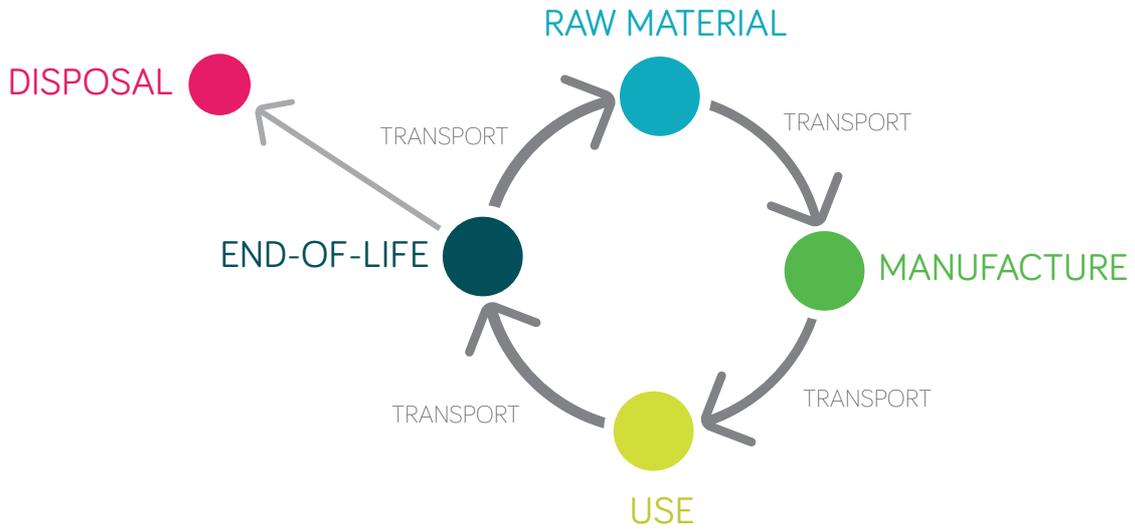
**Example of the environmental/social impacts and risks for the purchase of a solar hot water system**

**RAW MATERIAL IMPACTS**

- extraction of non-renewable resources—mining the materials for the hot water system may result in emissions to air, potential pollution releases to water and land, biodiversity impacts through loss of habitat, etc.
- labour conditions associated with the mining operations, manufacture, etc.

**TRANSPORT IMPACTS**

- use of energy
- emissions to air
- labour conditions.



**END-OF-LIFE**

- use of energy and materials if refurbished
- energy intensity of recycling process if recycled
- possible waste to landfill for materials that cannot be recycled

**USE IMPACTS**

- energy consumption
- potential emissions to air due to energy source

**MANUFACTURING IMPACTS**

- emissions to air
- releases to water
- waste generation
- labour conditions

Source: Australian Government (2013) Sustainable Procurement Guide.

**STEP 2**  
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**Part B – PRIORITISATION**

**Understanding the most significant environmental and social impacts and/or risks.**

Once you have identified the environmental and social impacts related to the purchase of a product, it is recommended that you prioritise the most significant environmental and/or social impacts.

For example, if you are procuring recycled content paper, selecting a product with a verifiable recycled content fibre source would be a higher priority than selecting recycled content packaging for the paper.

**Sample environmental and social impact rating tool:**

Impact area	Likelihood (L) (rate between 1-5)	Consequence (C) (rate between 1-5)	Overall rating (L x C)	Impact (low/medium/high)
Greenhouse emissions				○ ○ ○
Water				○ ○ ○
Waste				○ ○ ○
Air				○ ○ ○
Biodiversity				○ ○ ○
Social				○ ○ ○

**How to use:** rate your likelihood (L) and consequence (C) for each impact area between 1 (minimal impact) and 5 (significant impact), then multiply the ratings in the L and C columns to arrive at an overall rating. Compare your final figure with the scale below to determine the level of impact:

**5 or less** Low impact    **6-15** Medium impact    **16 or more** High impact

An impact rating tool, such as the one above, helps you identify which environmental and/or social impact areas are more critical when carrying out this step. The scores in the table may change as you deepen your understanding of the purchasing activity. When uncertain, further advice should be sought on the overall rankings of the environmental and/or social impact.



**ONLINE RESOURCES**

The online resources listed below, will also help you understand the most significant environmental and/or social impacts of purchasing a product.

**Australian Procurement and Construction Council (APCC)**  
www.apcc.gov.au/SitePages/Procurement.aspx

**European Commission**  
www.ec.europa.eu/environment/gpp/eu\_gpp\_criteria\_en.htm

**ICLEI Procura+**  
www.procuraplus.org/en/about-procura/procura-manual/

**ECO-Buy**  
www.ecobuy.org.au  
(member access required for some sections)



**NEED HELP?**

Make use of the CitySwitch Green Office LinkedIn Group forum to ask your peers and program managers about your assessment.

www.linkedin.com/groups/  
CitySwitch-Green-Office-Australias-  
flagship-6698689

STEP 2  
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## Part C – SELECTION AND EVALUATION

- Incorporate considerations to address the most significant environmental and social impacts and/or risks into your selection and evaluation process, alongside other factors such as quality, cost, reliability etc.
- The online resources, listed above, include sample environmental and social considerations for particular products and services, such as examples of minimum and best practice specifications, contract clauses, eco-labels and certifications, and advice on how to evaluate these.
- Not sure if it's a genuine eco-label? See [www.ecobuy.org.au/ecolabels](http://www.ecobuy.org.au/ecolabels) for details.
- Ask questions of your supplier about how they are addressing the most significant environmental and social impacts and/or risks you have identified. This signals that your organisation is committed to working towards achieving sustainability outcomes and gives the opportunity for the supplier to put forward ways of helping your organisation.



### MORE RESOURCES

Research sustainable products available by using genuine and credible product databases, such as:

ECO-Find [www.ecobuy.org.au/ecofind](http://www.ecobuy.org.au/ecofind)

Ecospecifier [www.ecospecifier.com.au](http://www.ecospecifier.com.au)

Good Environmental Choice Australia [www.geca.org.au](http://www.geca.org.au)

Social Traders Social Enterprise Finder  
[socialtraders.force.com/ased](http://socialtraders.force.com/ased)

ECO-Buy resources [www.ecobuy.org.au/resources](http://www.ecobuy.org.au/resources)

STEP 3

## Reporting and communication

- Document the process of how you reached your decision for future reference.
- Record your sustainable purchases on an internal system or database. This will help to compare sustainable purchases made year-on-year, and potentially against other similar sized organisations. It also helps to compile data to communicate to stakeholders.
- Communicate sustainable purchases to your staff, for example, through your internal newsletter, team meetings and intranet, or host a morning tea to celebrate your achievements.
- Communicate sustainable purchases to your external stakeholders, such as customers and suppliers through your e-news bulletin, website and publications.

For more information contact your CitySwitch program manager at [www.cityswitch.net.au/Contacts](http://www.cityswitch.net.au/Contacts)



**Australian Government**  
**Department of Industry**

Published for CitySwitch Green Office, 2014.

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This Activity received funding from the Department of Industry as part of the Energy Efficiency Information Grants Program. The views expressed herein are not necessarily the views of the Commonwealth of Australia, and the Commonwealth does not accept responsibility for any information or advice contained herein



The content for this guide was developed by