


Sustainable Procurement Practices

Exploring strategies for integrating sustainability into procurement processes focusing on environmental and social impacts

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Sustainable Procurement Practices



The High Level Committee on Management Procurement Network (2009) of the United Nations system has defined Sustainable Procurement practices as follows:

“Sustainable Procurement practices integrate requirements, specifications and criteria that are compatible and in favour of the protection of the environment, of social progress and in support of economic development, namely by seeking resource efficiently, improving the quality of products & services and ultimately optimising costs.”

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- ❑ The inclusion of sustainability principles into the procurement process is an integral and critical step in the implementation of sustainable procurement practices.
 - ❑ Sustainability considerations can be integrated at various stages, from **planning** to **contract management**.

Sustainable Procurement Practices

There are three strategies to consider when implementing sustainable procurement practices:



Inclusion of sustainability criteria in requirement definitions.

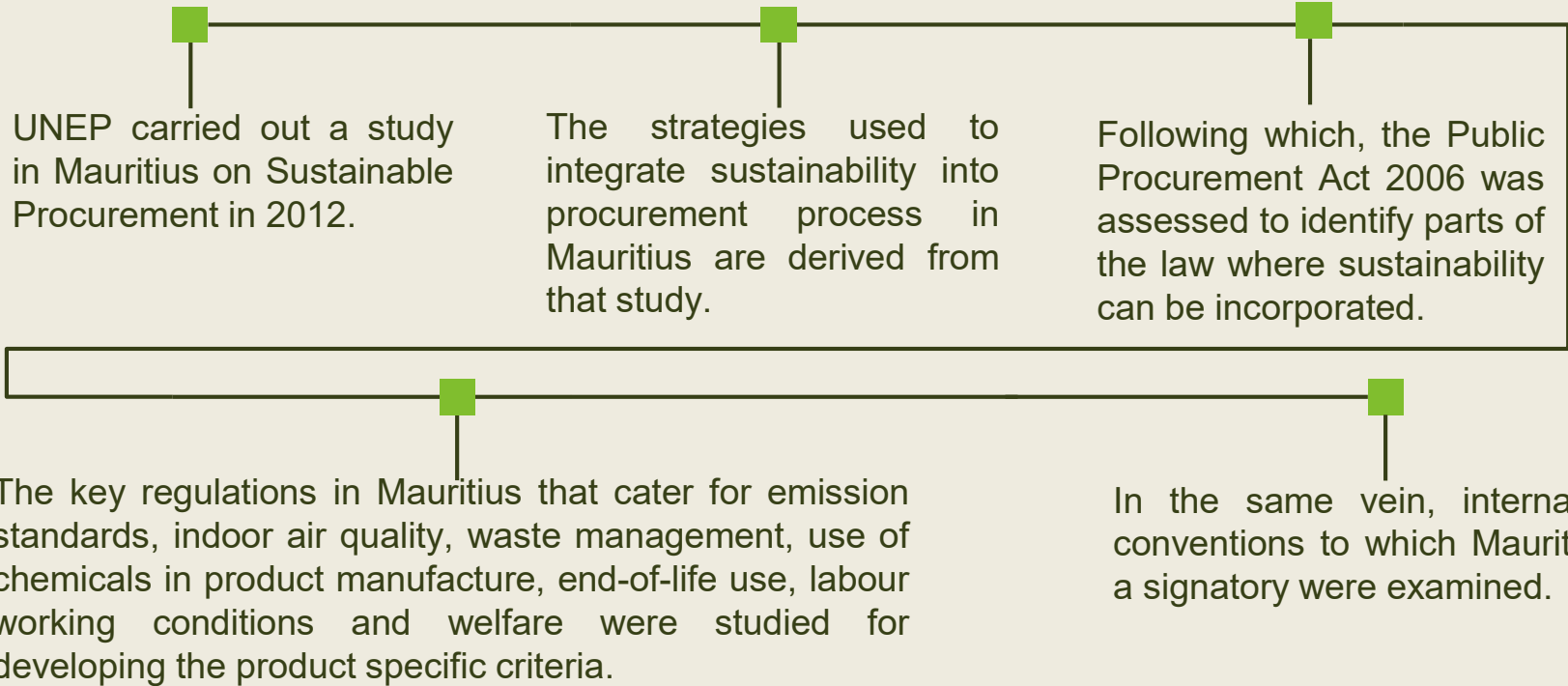


Use of whole life costing (life-cycle costs) in financial evaluations.



Incorporation of sustainability aspects in contracts terms.

Strategies for integrating sustainability into procurement processes in Mauritius



UNEP carried out a study in Mauritius on Sustainable Procurement in 2012.

The strategies used to integrate sustainability into procurement process in Mauritius are derived from that study.

Following which, the Public Procurement Act 2006 was assessed to identify parts of the law where sustainability can be incorporated.

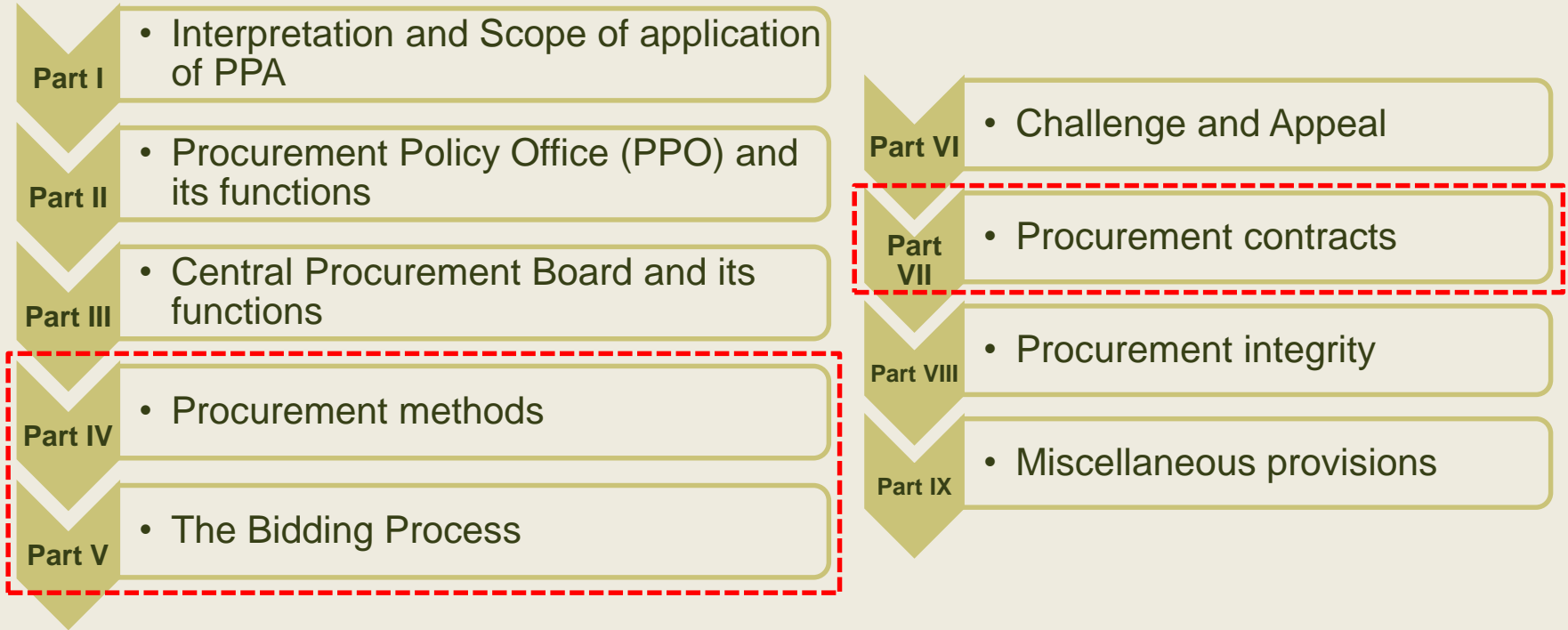
The key regulations in Mauritius that cater for emission standards, indoor air quality, waste management, use of chemicals in product manufacture, end-of-life use, labour working conditions and welfare were studied for developing the product specific criteria.

In the same vein, international conventions to which Mauritius is a signatory were examined.

Incorporating Sustainability into the Mauritian Procurement Process

- ❑ The public procurement process in Mauritius is administered under the Public Procurement Act (PPA) 2006 whereas, the Public Procurement Regulations 2008 has been prepared to further elaborate and define procedures for implementing the provisions of the Act.
- ❑ The Act sets the tones for the basic principles and procedures to be applied during public procurement of goods, public works and services.
- ❑ PPA 2006 consists of nine (9) parts and each part makes provision for the different aspects of the public procurement as shown in the next slide.

Public Procurement Act (PPA) 2006



The PPA forms the overarching procurement guide for the public procurers. Part IV, V and VII of the Act have been identified to incorporate sustainability considerations.



Procurement Methods

Part IV elaborates on the fourteen (14) procurement methods listed in the PPA 2006. The five SPP target group as recommended under the UNEP assessment namely:

- a) Vehicle;
- b) ICT equipment;
- c) Paper for office use;
- d) Cleaning materials; and
- e) Cleaning services.



Bidding Process

The commonly used bidding process for sustainable procurement are:

- i. Open Advertised Bidding;
- ii. Restricted Bidding;
- iii. Request for Sealed Quotation; and
- iv. Direct Procurement.



Procurement Contracts

This section involves administration of contracts drawn with the suppliers and ensuring compliance to the terms and conditions. The compliance to specifications meeting the sustainability criteria for the goods and services as submitted during bidding should be inspected during delivery. The suppliers performance during the contract period can be evaluated in order to generate a central database for use in future procurements.

Stages at which sustainability interventions can be incorporated in the procurement process



Key social considerations



The social considerations are related to the ethical treatment of workers engaged in the business and the communities impacted by raw material sourcing. The social considerations have been included in ITB 5: Eligible bidders of the Standard Bidding Document for Sustainable Public Procurement. The social considerations apply to both the producer and supplier and are as follows:

1. Promoting fair treatment, non-discrimination, and equal opportunity of workers.
2. Establishing, maintaining and improving worker-management relationship.
3. Promoting compliance with national employment and labour laws.
4. Protecting workers - including vulnerable categories such as children, migrant workers, workers engaged by third parties, and workers in the client's supply chain.
5. Promoting safety and healthy working conditions and the health of workers.
6. Avoiding use of forced labour and child labour.
7. Allowing worker's organizations and collective bargaining to protect worker's rights regarding working conditions and terms of employment.
8. Carrying out collective dismissals and retrenchment in a planned manner.

Key environmental considerations



- ❑ Mauritius is a Small Island Developing State (SIDS) which limits its capacity to respond to natural and environmental disasters. Moreover, it also depends heavily on imports for most products which make the island vulnerable to high transport cost and uncertainty of suppliers.
- ❑ As majority of products are imported into Mauritius from overseas, transportation accounts for a significant proportion of the life cycle impacts during evaluation. Owing to the geographical location of the country, most products have to be imported at the cost of high air and sea transport freight. Therefore, transportation impacts have been excluded from the scope of these guidelines.
- ❑ The environmental impacts of a sustainable product are identified (and addressed) based on the Life Cycle Assessment (LCA) of the product. LCA is a tool for the systematic evaluation of the environmental impacts of a product or service system through all stages of its life cycle from raw materials extraction to disposal.
- ❑ LCA plays an important role in determining the environmental impacts concerning products and services.

Future of sustainability in public procurement

Sustainable Public Procurement for the construction sector

Under the study financed by UNEP in 2012, sustainable procurement procedures for five categories of goods and services had been identified for Procurement Policy Office as listed below:

1. Vehicles;
2. ICT equipment;
3. Paper and paper products;
4. Cleaning services; and
5. Cleaning materials.

The study also submitted Standard Bidding Documents (SBDs) for the five categories of procurement to be undertaken sustainably. The SBDs are being customised considering the provision of the Public Procurement Act 2006 on Life Cycle Costing.

Moreover, a team is presently working on the Greening of the Public Sector and Circular Economy.

Sustainability Schedule for Laptops

- Energy Performance
- Capacity of upgrading and expanding functions.
- Guarantee on reparability and availability of spare parts.
- Warranty and Maintenance support.
- Information on harmful substances.
- Materials used in packaging should be Environmentally friendly packaging.
- Disposal in an environmental friendly manner.



Life Cycle Costing Schedule for Laptops

- Acquisition Cost.
- Total Cost of warranty extension for 2 years.
- Energy consumed by a PC/ Laptop in a year.
- Total Cost of Spare Parts.
- The disposal cost in an environmentally sound manner of a Laptop (including laptop, battery, AC adapter and mouse) at the end-of-life.

Sustainability Schedule for Vehicles

- Amount of carbon dioxide emission.
- Tail pipe emissions of vehicles
- Noise Emission Levels from the vehicle.
- Refrigerant used in the AC unit of the vehicle.
- Number of years or kilometres (whichever occurs first) of warranty and availability of replacement parts.
- Years of maintenance support to be provided for the vehicles such that the warranty remains intact.



Life Cycle Costing Schedule for vehicles

- Acquisition Cost.
- Cost of spare parts.
- Total Cost of fuel consumption.
- Total cost of maintenance.

Future of sustainability in public procurement

Sustainable Public Procurement for the construction sector

The Procurement Policy Office has awarded a contract to a Joint Venture Consultancy firm to work on a framework for Sustainable Public Procurement for the Construction Sector. The kick-off meeting was held on the 06 June 2024 and the project deliverables are as listed below:

Deliverables	Status
<u>Deliverable 1</u> : Inception report	Completed
<u>Deliverable 2</u> : Literature review and situational analysis	End of July 2024
<u>Deliverable 3</u> : Preparation of comprehensive policy framework	End of August 2024
<u>Deliverable 4</u> : Customisation of e-Standard Bidding documents and conditions of contract	Start of November 2024
<u>Deliverable 5</u> : Capacity building of procurement officials and relevant stakeholders in the construction	Start of December 2024

Future of sustainability in public procurement cont'd

Methodology for Assessing Procurement Systems (MAPS)

- ❑ The Public Procurement System was assessed using MAPS assessment tool as proposed by OECD and one of the recommendations was to review the procurement legal framework. In this context, the new revised law will have one full chapter on Sustainable Public Procurement.
- ❑ The PPO is working on the Request for Proposal for the selection of a consultant or consultancy firm to undertake the review of the procurement legal framework.

Thank You

Q & A

