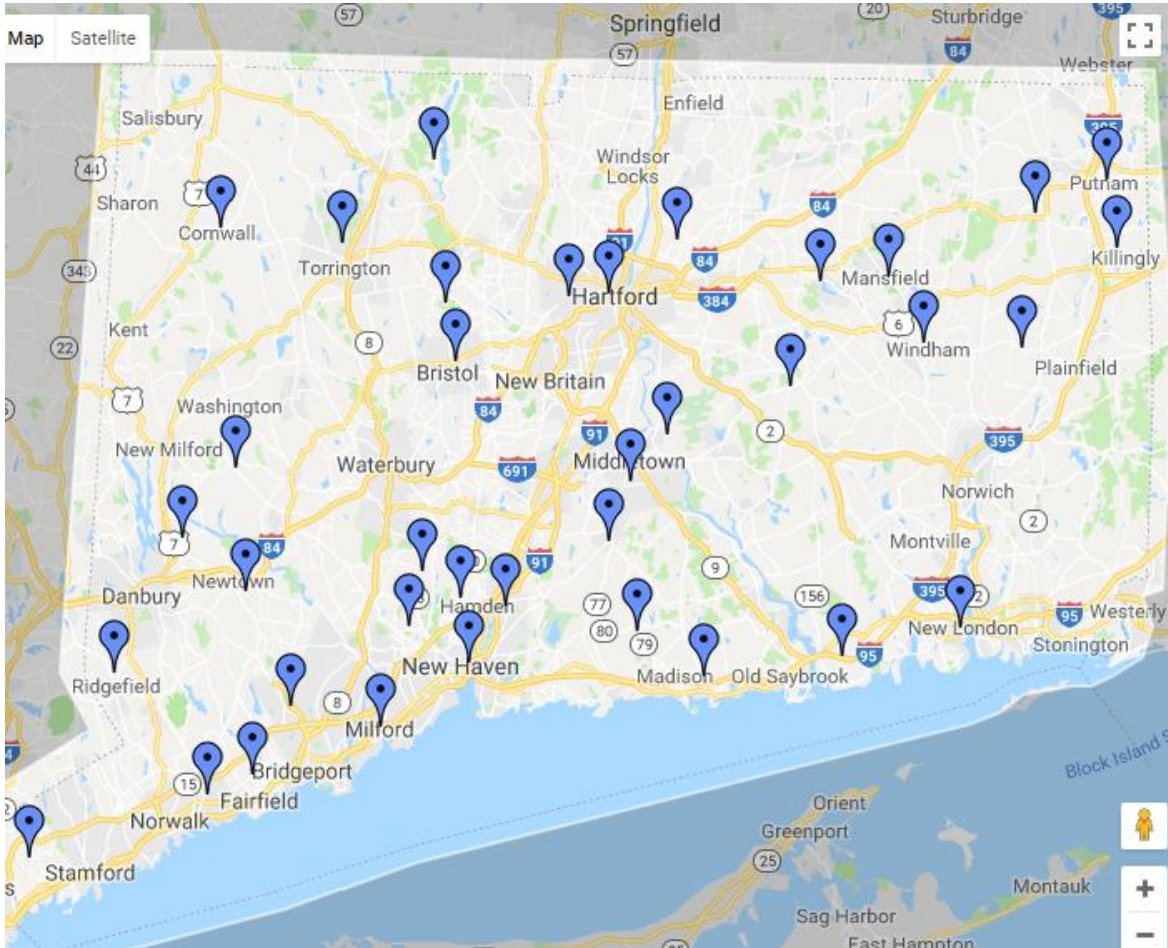


# Why Sustainable Procurement is Worth it... and Necessary





## Mission

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To provide municipalities with a menu of coordinated, voluntary actions, to continually become more sustainable; to provide resources and tools to assist municipalities in implementing sustainability actions and advancing their programs for the benefit of all residents; and to certify and recognize municipalities for their ongoing sustainability achievements.

# Webinar Collaborators



*Part of the National  
Network of Statewide-  
Local Sustainability  
Organizations  
([nnsso.com](http://nnsso.com))*

# Sustainable CT Core Partners



At Eastern Connecticut  
State University



Connecticut Conference  
of Municipalities

collaborating for the common good



Tremaine Foundation



hampshirefoundation

COMMONSENSEFUND



# Today's Presenters



**Heather Burns,**  
*Founder and CEO of  
the Connecticut  
Sustainable Business  
Council*



**Dr. Anastasia O'Rourke,**  
*Board of Directors of the  
Sustainable Purchasing Leadership  
Council and Special Consultant,  
Industrial Economics Inc.*



**Stacey Foreman,**  
*City of Portland,  
Oregon's Sustainable  
Procurement  
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# Questions?



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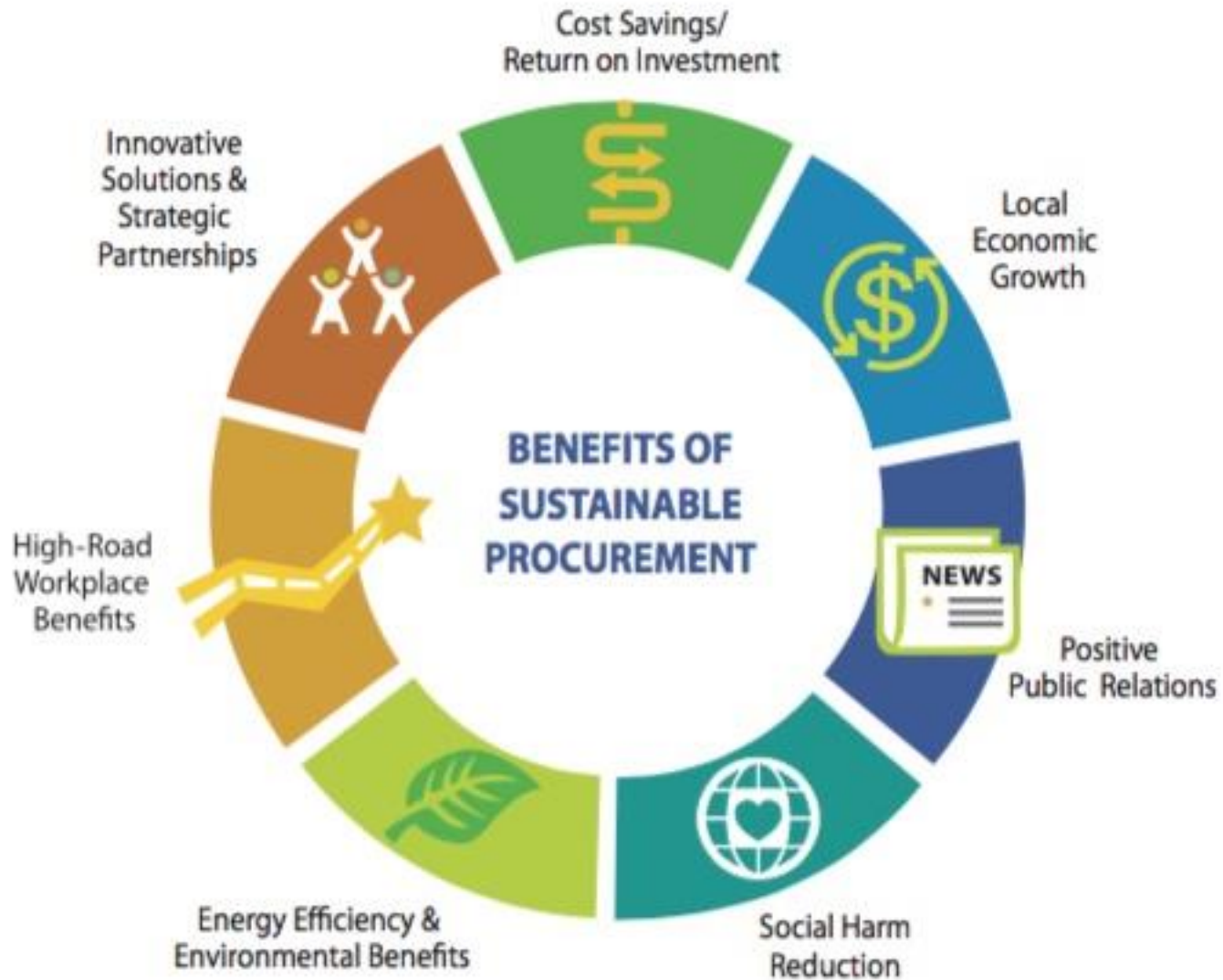


# **The Business Case for Sustainable Procurement**









## COST SAVINGS

- Return on Investment exists for investing in efficiency measures within waste, water, and electricity.
- Tend to be category- or industry specific purchases.
- Collective procurement example: Connecticut-based **Stamford2030** created a Marketplace web platform that helps purchasing departments for educational institutions and corporations buy large quantities of green, ENERGY STAR- and WaterSense-qualified products that help property owners improve environmental performance.

### Benefits Realized from Office Electronics Green Spend



Energy Savings



Greenhouse Gas Emission Reduction



Electricity Cost Savings



#### Benefits from EPEAT Desktop Purchases, FY 2010–16

2.9 million kWh

1,787 metric tons CO<sub>2</sub> Equivalent

\$297,345



#### Benefits from EPEAT Monitor Purchases, FY 2010–16

0.55 million kWh

357 metric tons CO<sub>2</sub> Equivalent

\$56,488



#### Benefits from EPEAT Notebook Purchases, FY 2010–16

0.15 million kWh

96.9 metric tons CO<sub>2</sub> Equivalent

\$15,055



#### Benefits from EPEAT Printer & MFD Purchases, FY 2013–16

0.45 million kWh

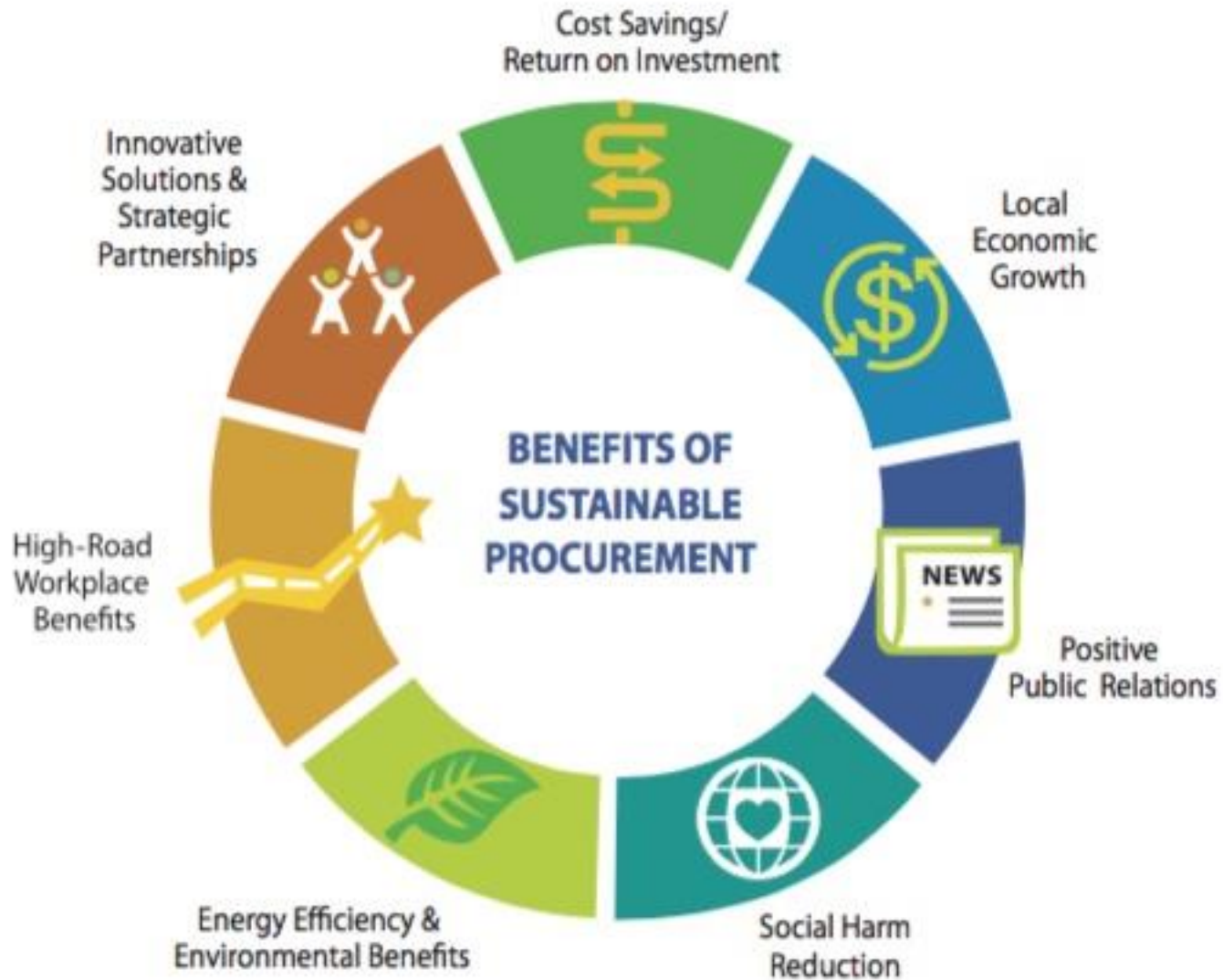
302 metric tons CO<sub>2</sub> Equivalent

\$46,786

For Computers, Monitors, Notebooks: Benefits calculated using the EPA's Electronics Environmental Benefits Calculator (EEBC) for Computers v. 3.1 (FY 10–14). Benefits represent those expected over the product's lifetime.

For MFDs and Printers: Benefits calculated using the EPA's EEBC for Imaging Equipment v. 1. Benefits represent those expected over the product's lifetime. FY 2013–14 was the first year spend data was calculated for MFDs and Printers.

Source: City of Portland Procurement Services,  
Green Spend Snapshot Fiscal Year 2015–2016



### Chain Retailers



Local Recirculation of Revenue:  
**13.6%**

### Independents



Local Recirculation of Revenue:  
**48%**

Source: AMIBA, Local Economic  
Return Multiplier Graph

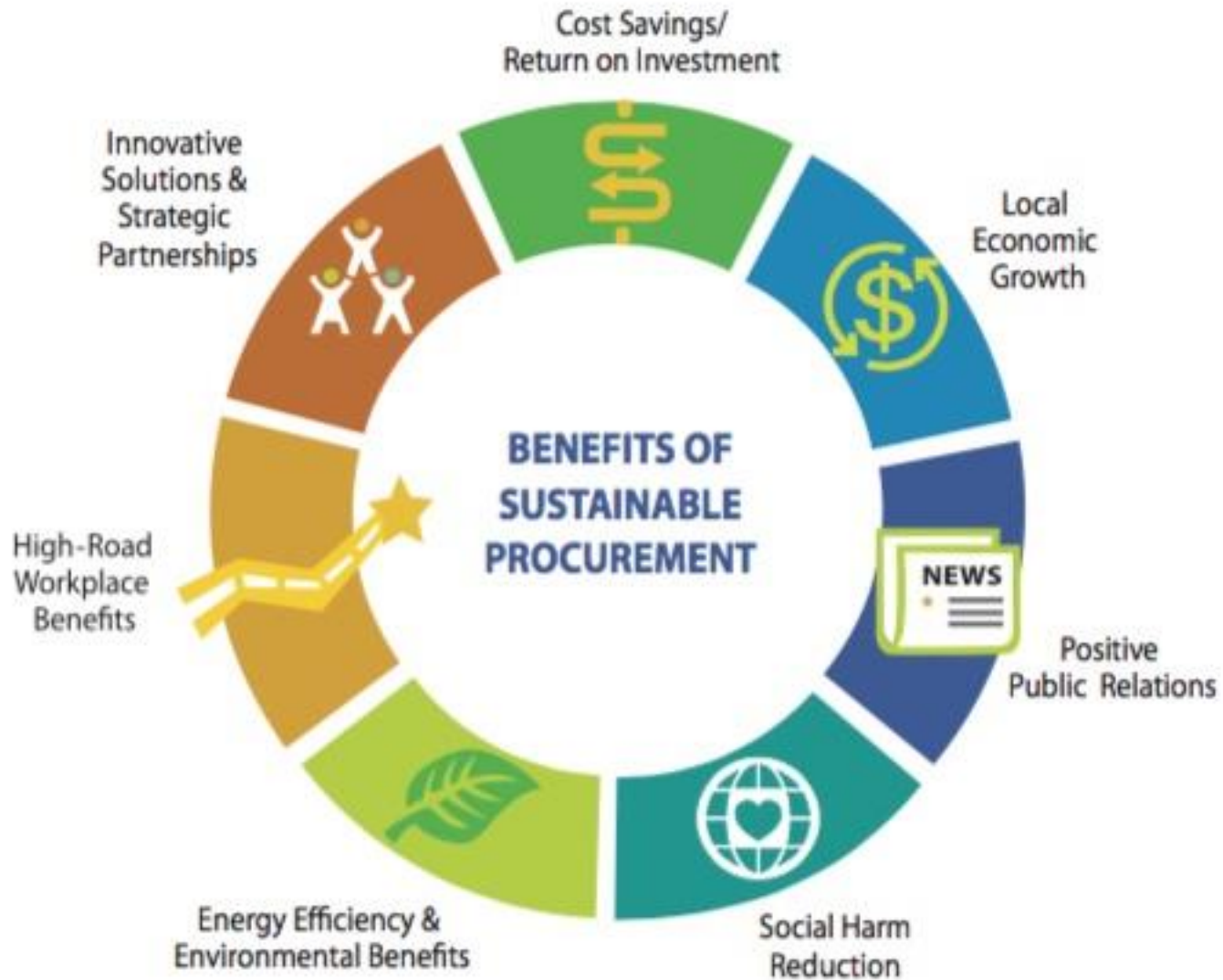
## LOCAL PURCHASING = LOCAL ECONOMIC GROWTH

- Local is defined differently, but typically means purchasing from independently owned and operated businesses that are located near-by.
- According to Business Alliance for Local Living Economies, two-thirds of private sector jobs created in 2014 were generated by independent businesses.
- American Independent Business Alliance found that local, independent businesses have a significantly higher circulation rate than chains.



*ICIC's goals are to foster an anchored local economy, inner-city business growth, and the economic resilience needed for sustainable communities.*





# High Road Business Practices

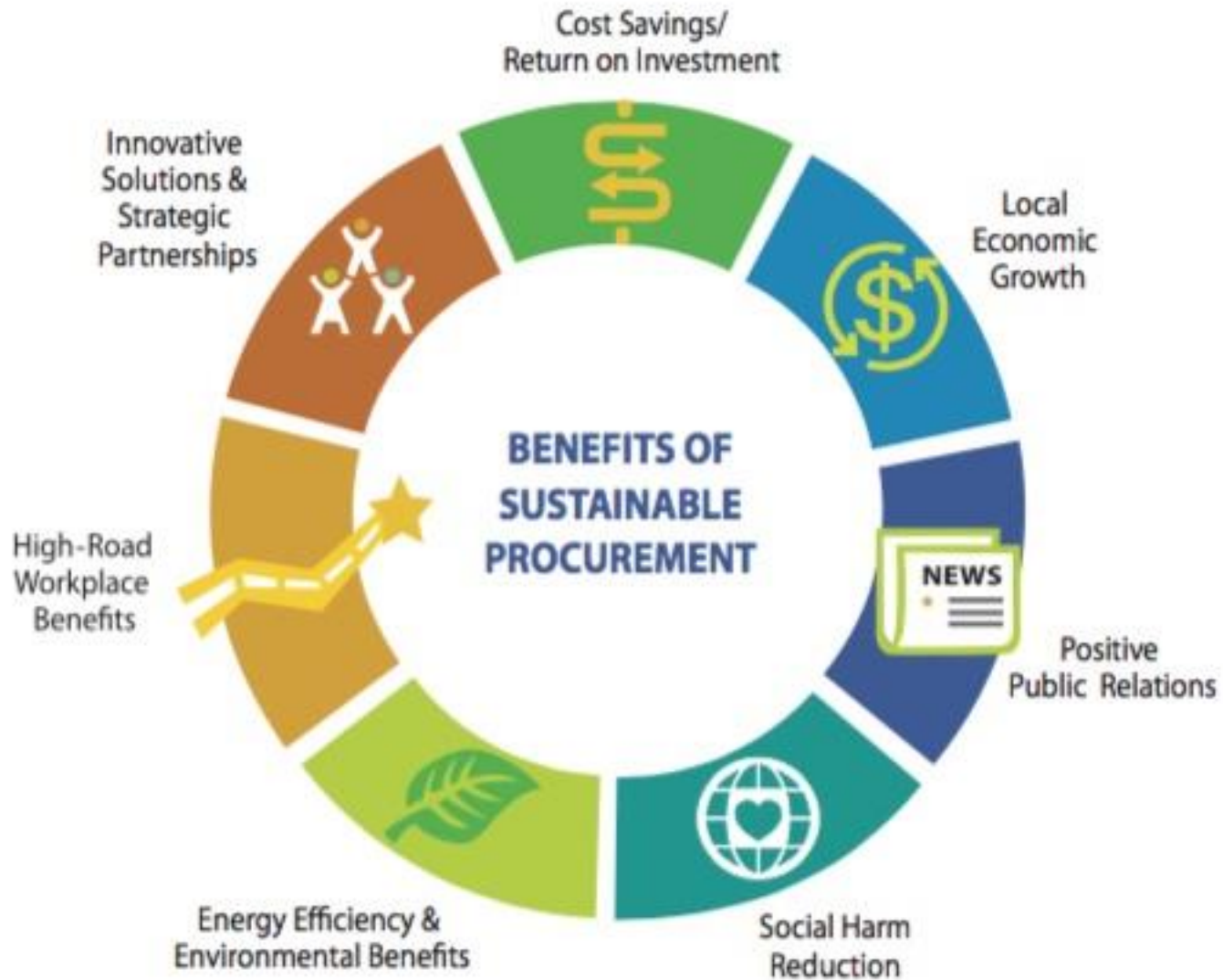
High-road business see their employees, the communities where they operate, and the products and services they provide as *equally critical* to their financial success. These companies hold a *long-term perspective* and see the workplace as a vehicle to create significant business and social good.

High-road businesses know they are far likelier to thrive when they provide family-friendly benefits, offer flexibility, pay a livable and fair wage, invest in employee growth and development, cultivate inclusion, govern fairly and transparently, engage with communities, manage the supply chain responsibly, drive environmental best practices, and promote health and safety.



AMERICAN  
SUSTAINABLE  
BUSINESS  
COUNCIL





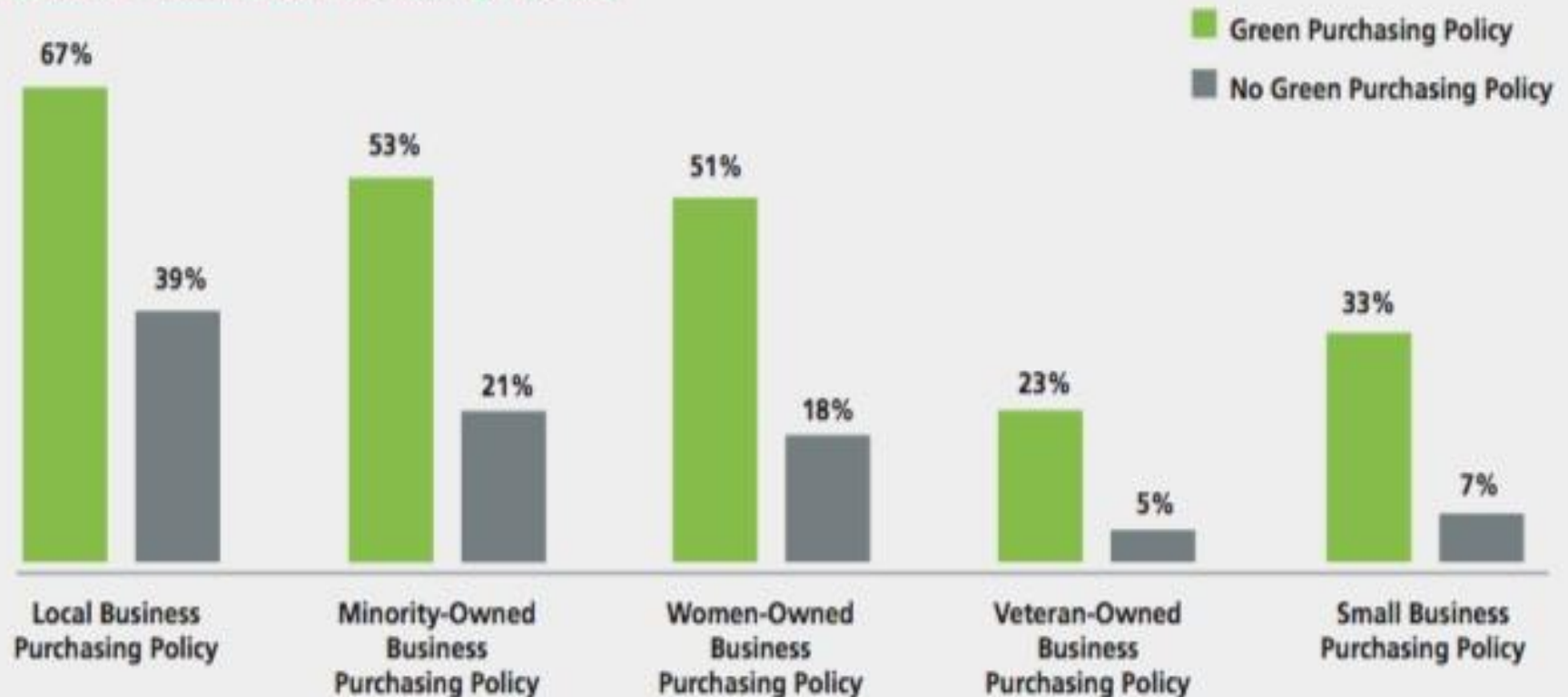
1. Buy locally
2. Implement high-road workplace practices
3. Specify environmentally sustainable processes and products
4. Seek supplier diversity
5. Welcome worker ownership





# Diversity & Inclusion

## Impact of Sustainable Purchasing Policies



Source: Darnall, Bretschneider, Hsueh, Iles, Suarez, Burwell, 2017, p.19

# Worker Ownership



# Resources

- [Sign up for our newsletter](#) for local sustainable procurement news, events and resources
- Join CT Sustainable Business Council Working Group
- Read The Power of Sustainable Purchasing  
Release date: May 22, 2018



*ICIC's goals are to foster an anchored local economy, inner-city business growth, and the economic resilience needed for sustainable communities.*

# Stay Connected



Heather Burns

Connecticut Sustainable Business Council

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# SUSTAINABLE PROCUREMENT AT CITY OF PORTLAND, OREGON



May 7, 2018

Stacey Foreman, Sustainable Procurement Coordinator

# Outline

2

- What Sustainable Procurement Looks Like At the City
- How We Got to Today
- Lessons Learned



# COP Sustainable Procurement Program

3

- 1 FTE dedicated to sustainable procurement program
  - ▣ Housed in central procurement office
  - ▣ Responsibilities:
    - Research products, standards, best practices
    - Craft specifications, templates, and policies
    - Procurement process integration
    - Hands-on project implementation assistance
    - Education and outreach
    - Relationship building
  - ▣ Small program budget for misc. expenses; occasional consultant work



# How We Got to Today

4

- WHY Sustainable Procurement at the City?
  - ▣ Aligns with Existing Values
  - ▣ External Stakeholder Pressure
  - ▣ Walk Our Talk
  - ▣ Huge Opportunity
  - ▣ Right Thing to Do

## Example Values

Stewardship  
Diversity  
Excellent Customer Service  
Responsive  
Healthy, Productive Employees  
Best Value Contracting  
GHG Reduction  
Healthy Community  
Cost Optimization  
Leadership  
Due Diligence  
Risk Management





# How We Got to Today

5

## Program Evolution

### Structured

Steering  
Committee with  
Multi-Stakeholder  
Commodity  
Workgroups

### Opportunistic

What's the next  
procurement?  
Action driven by  
hot topics/policies

### Strategic

Strategic Plan  
High Value, High Impact Actions/Projects  
Value Alignment  
Synergies

2002

2018



# Program Vision (2018)

6

**In every purchase, the City is a force for greater good.**

We think holistically and act responsibly. We advance equity, environmental protection, community health, and market transformation.



# Lessons Learned

7

- Ok to start small and gradually build
- Seek value alignment opportunities
  - ▣ Or how does sustainable procurement help:
    - Facilitate a gain
    - Alleviate a pain
- Collaborate
  - ▣ Do not reinvent the wheel
- Build key relationships
- Tell your sustainable procurement stories



Website: [www.portlandoregon.gov/buygreen](http://www.portlandoregon.gov/buygreen)

Email: [stacey.foreman@portlandoregon.gov](mailto:stacey.foreman@portlandoregon.gov)



THANK YOU!

*any questions?*



# IEc

## An Introduction to Sustainable Purchasing

Presented By:

Dr. Anastasia O'Rourke

Special Consultant, Industrial  
Economics, Inc.

[aorourke@indecon.com](mailto:aorourke@indecon.com)

Board, Sustainable Purchasing  
Leadership Council (SPLC)

[www.sustainablepurchasing.org](http://www.sustainablepurchasing.org)



# Operations Supply Chain



Operations

Supply Chain

GHGs  
8X

State of CA  
Analysis

Operations  
Supply Chain

Human Health

Climate Change

Deforestation

Safety

Supplier Diversity

Toxic Exposure

Economic Development

Waste

Collusion & Fraud

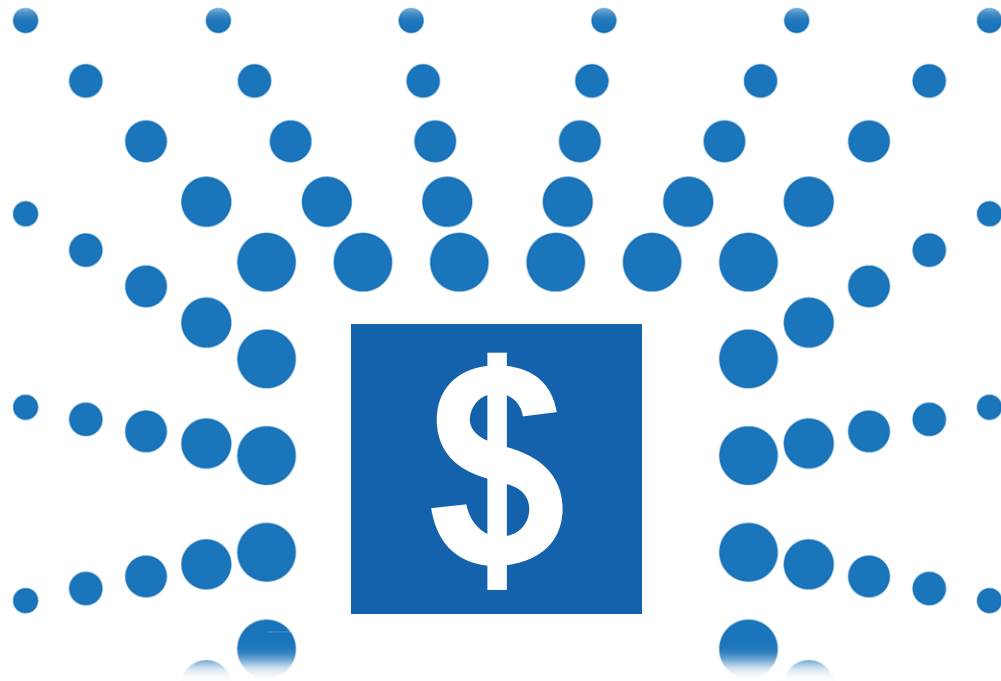
Biodiversity

Discrimination

Living Wages



There is also an opportunity for this spending to do good, to promote and enable sustainable communities to thrive.



# Why focus on purchasing to advance sustainability?

## Purchasers:

...are uniquely positioned to demand transparency into the upstream and downstream impacts of goods and services.

...are capable of incorporating sustainability criteria into purchasing decisions at a scale that can shift markets.

...are specially equipped to drive down the cost of sustainable products and services so that everyone can afford them.

...are already responsible for ensuring that end-users understand, like, and adopt new products and services.



# So what *is* sustainable purchasing?

Sustainable purchasing means making sure that our suppliers - and the products and services they supply - deliver value for money and generate benefits not only for our organizations, but also for the environment, society, and the economy.

(SPLC 2017)



# So what is sustainable purchasing?

## ACTIONS

### Suppliers Screening and Assessment

- Requesting information / certifications
- Analyzing responses

### Supplier Selection

- Positive criteria, e.g. buy from local firms, supplier diversity, diverse owned firms

### Supplier Engagement

- Helping suppliers improve on their sustainability performance

our suppliers

ensure that our suppliers can supply - deliver value for our organizations, and the economy.

(SPLC 2017)



# So what is sustainable purchasing?

Sustainable purchasing means making sure that our suppliers - and **the products and services they supply** - deliver value for money and generate benefits not only for the environment,

## **ACTIONS**

### **Prioritizing goods and services that have the most impact**

- Needs assessment and spend analysis
- Identify contracts ready to be changed; or that can be accessed

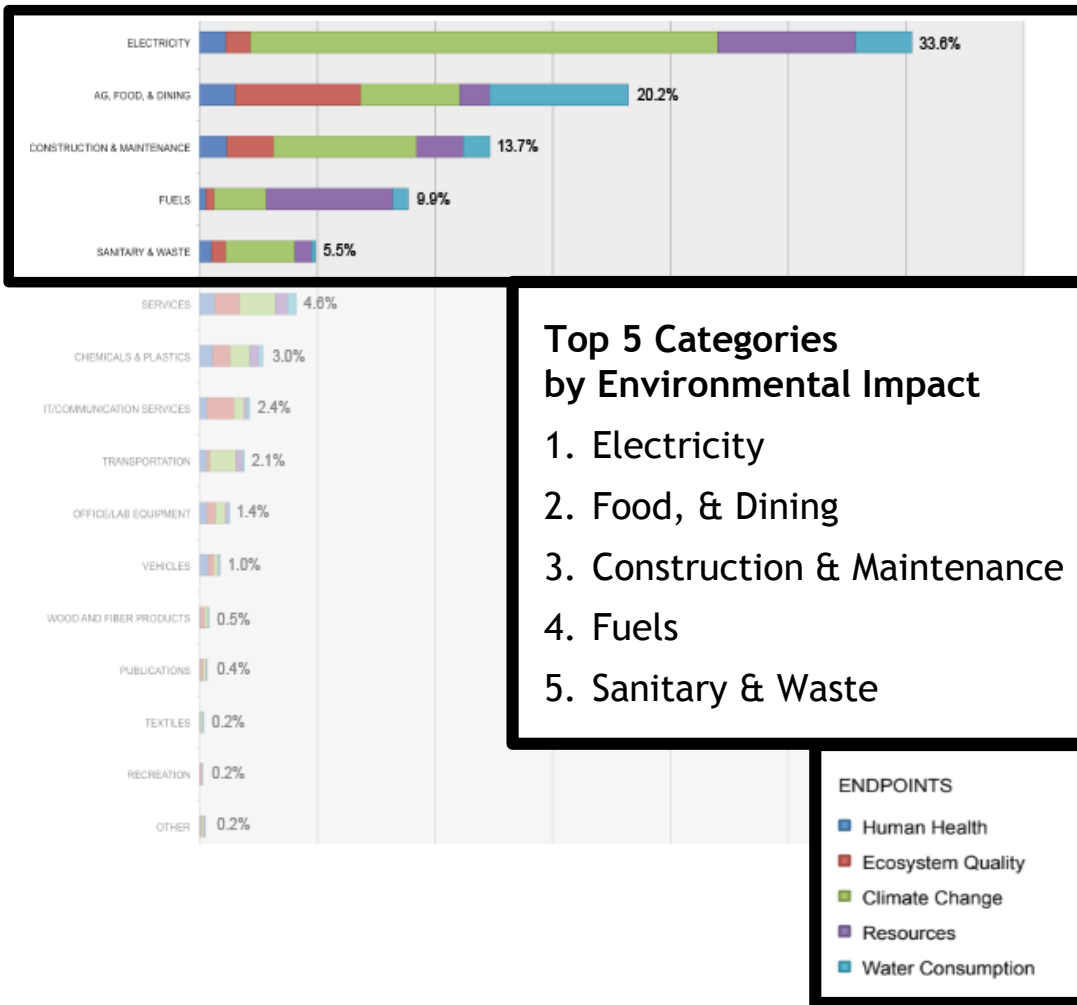
### **Creating sustainable specifications and selection criteria**

- Reviewing existing guidance for the category
- Considering product/service availability
- Writing specs, relying on existing ecolabels and standards

### **Buying more sustainable goods and services**

- Encouraging buyers and vendors to meet criteria
- Tracking purchasing activity

# Example: Higher Education Purchasing



**5** purchasing categories

**64%** of total spending

**83%** of estimated impacts



# So what is sustainable purchasing?

Sustainable purchasing means making sure that our suppliers - and the products and services they supply - **deliver value for money** and generate benefits not only for our organizations, but also for the environment,

## **ACTIONS**

### **Incorporating “value for money” selection criteria**

- Considering life cycle costs and quality
- Looking beyond lowest cost / initial price
- Training buyers on applying these principles and criteria
- Analyzing and communicating performance to key stakeholders, e.g. cost savings achieved.

# So what is sustainable purchasing?

- Sustainable purchasing means making sure that our suppliers - and the products and services they supply - deliver value for money and **generate benefits** not only for our organizations, but also for the

## **ACTIONS**

### **Measure and Communicate Benefits**

- How sustainable purchasing helps to deliver on policy goals
- Environmental, social and economic benefits to the organization
- Environmental, social and economic benefits to the community and environment

### **Collaborate to achieve greater impact, and share results**

- Collaborate with others on advancing sustainability
- Report and share your progress and results.

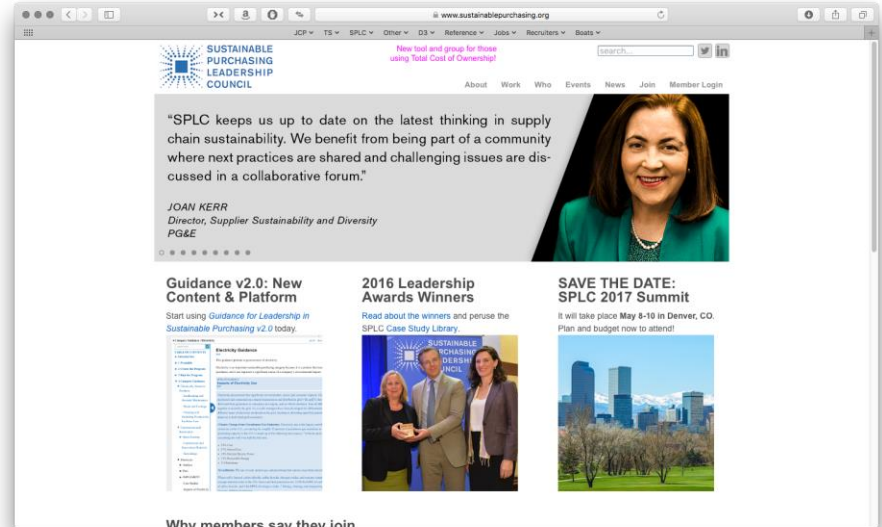
# To do all these things, we recommend ...

- ✓ Engaging stakeholders in strategy development and goal setting, including leaders
- ✓ Creating a policy that establishes a SP program
- ✓ Providing financial resources to the SP program
- ✓ Nominating an individual to lead the work
- ✓ Tracking and reporting on progress
- ✓ Benchmarking your program against others
- ✓ Learning from your peers in cities, and other sectors
- ✓ Sharing your experiences and results.



# Helpful Resources

- [Sustainable Purchasing Leadership Council](#)
- City of DC's Sustainable Purchasing Program
- ISO 20400 Standard
- USDN / RPN Sustainable Procurement Playbook for Cities
- NASPO Green Purchasing Guides
- ICLEI Procura+
- US EPA EPP Program.



IEc

A photograph of two ducks swimming in a pond. The ducks are in the center-right of the frame, with their reflections visible in the water. The background is filled with tall, green grasses and reeds, some of which are out of focus. The lighting is warm, suggesting a sunset or sunrise.

Thank you and stay in touch!

Dr. Anastasia O'Rourke

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