SUSTAINABLE PROCUREMENT

A practical guide on how humanitarian and development organisations can make their **purchasing more eco-friendly**

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WELCOME

This practical guide was designed for humanitarian and development organisations who want to reduce the environmental impact of their operations, such as running their offices, and managing logistics and procurement. It focuses on helping organisations **purchase goods and services whose production, transport, use, and disposal have a less negative impact on the environment**.

For most organisations, the goods and services they purchase are the primary source of their environmental 'footprint', as they use a large amount of natural resources to produce and generate greenhouse gas emissions, waste, and other harmful environmental impacts. At the same time, some products and services have more negative impacts than others, depending on how they are produced, transported, and used – and how we dispose of them. By choosing more eco-friendly products and services, organisations can increase the environmental sustainability of their operations.

This document will **help you understand**:

- Which measures can make your organisation's purchases more eco-friendly?
- How much time and money do they require?
- How can you implement them?
- What should you be careful about?

The guidance encourages organisations to choose the measures that are most realistic and effective in their context. It is part of a larger **package of resources designed to help organisations operate in a more eco-friendly manner**. Other resources in this package include a step-by-step guide on how to introduce various environmental measures in your organisation, an easy-to-use planning and reporting tool, practical checklists and guidance on additional topics, such as ensuring more eco-friendly transport, saving energy, waste reduction, saving water, and organising events in an eco-friendly manner. You can access these additional resources through this website.

The guide is offered through the Civil Society Now platform that supports civil society organisations in developing their capacities. It was prepared in 2024 by People in Need as part of its efforts to **increase the environmental sustainability of humanitarian and development operations**. If you have any questions or suggestions on how to improve the guidance, please contact petr.schmied@peopleinneed.net.

WHAT SHOULD YOU KNOW ABOUT SUSTAINABLE PROCUREMENT?

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- When thinking about how sustainable a product or service is, **consider its entire lifecycle**, starting from the raw materials used in production, to its design, transport, length of use and capacity to be recycled.

- **Products and services are environmentally sustainable when their production, distribution, use, and disposal involves:**
  - efficient use of:
    - raw materials (e.g. using recycled vs. newly produced paper)
    - energy (e.g. using energy-efficient electronics or fuel-efficient vehicles)
  - using materials whose production causes limited / no harm to the local environment (e.g. wood from sustainably managed forests)
  - avoiding the use of harmful chemicals (e.g. non-toxic paints, cleaning products)
  - using energy from renewable resources (e.g. solar-powered data clouds)
  - producing a minimal amount of waste (e.g. being reusable, durable, repairable, having efficient packaging)
  - emitting as little air pollutants and greenhouse gas emissions as possible (e.g. replacing concrete blocks with sustainable building materials)

- Finding more eco-friendly alternatives to the products and services you commonly purchase can take time, so **focus primarily on the products and services that**:
  - you buy in the largest quantities
  - are likely to have the most harmful environmental impact

- Remember, **avoiding unnecessary purchases is the single most effective measure you can take** – consider this when deciding on what to purchase and in what quantities (e.g. whether it is necessary to print certain materials and, if so, how many copies are really needed; or whether you can replace purchasing water bottles for events with offering water from a water dispenser).

KEY TERMS TO UNDERSTAND

- **Procurement** is the process of purchasing products and services.
- **Environmentally sustainable procurement** is about purchasing goods and services in a way that minimises the negative impact on nature and promotes the conservation of natural resources.
- **Lifecycle** refers to all the stages a product goes through, starting from extracting the required resources to its end-of-life (disposal or recycling).
- **Energy efficiency** is about using less energy to perform the same task. For example, efficient LED lights consume much less electricity than traditional lights.
- **Renewable energy** is energy that comes from natural sources that can be replenished, like sunlight, wind, and water.
- **Climate change** refers to long-term shifts in the Earth's weather patterns caused by human activities and natural processes. Effects include rising temperatures and altered precipitation.
- **Greenhouse gas emissions** refer to the release of greenhouse gases (e.g. carbon dioxide and methane) into the Earth's atmosphere that trap heat, warm our planet and lead to climate change.

EXAMPLES OF (UN)SUSTAINABLE PRODUCTS

The following three examples might help you understand the difference between more and less sustainable products.

Recycled eco-paper versus new ordinary paper

Recycled eco-paper:

- uses less / no virgin wood
- does not use chlorine for whitening
- uses fewer other chemical treatments
- requires less energy to be produced
- contributes to generating less waste
- can be more expensive
- not always available

Hybrid versus ordinary vehicle

Hybrid vehicle:

- consumes 25 - 50% less fuel (from 3.6 litres per 100 km)
- emits 25 – 30% less greenhouse gas emissions
- make less noise
- lower (but improving) choice
- more expensive to buy and insure

Sustainable building materials versus cement

Bamboo / earth blocks / adobe bricks / ferrocement:

- emit considerably less greenhouse gas emissions during production than using cement
- their production requires less energy
- cause less air pollution
- often less damaging extraction
- often in line with traditional building techniques

HOW CAN YOU MAKE PROCUREMENT MORE ECO-FRIENDLY?

Ensuring that your organisation's purchases have a less negative impact on the natural environment is not always easy. Sometimes, it can be hard to know where to start. The following guidance was prepared to help you **take several practical steps**:

- 🕓 Prepare a list of goods and services that your organisation plans to purchase and highlight / prioritise those that will be purchased in the largest volumes and those that are the most environmentally problematic
- 🕓 Define "sustainability criteria" on which your organisation can classify a product as more sustainable than other options
- 🕓🕓🕓 For all prioritised goods and services, assess whether more sustainable alternatives are available at a competitive price and quality
- 🕓🕓 Include in your procurement policy (if available) clear rules regarding the purchase of sustainable products
- $ 🕓 Always use the sustainability criteria during purchases, in line with your procurement rules
- 🕓 Specify in purchase requirements how the goods should (not) be packaged to minimise packaging-related waste and to use more eco-friendly packaging while protecting the goods
- 🕓🕓 Ensure all your team members understand that avoiding unnecessary purchases is among the best ways to protect the environment

TIME 🕓 AND MONEY $

For each recommended measure, the symbols of money ($) and time (🕓) indicate how demanding it is to implement the measure. The more symbols of $ / 🕓 there are, the more initial funding / time investment is required. If the $ symbol is not shown, it means that the measure does not cost (almost) anything to implement.

Your colleagues are likely to have good ideas about how to implement the recommended measures effectively and may also suggest additional measures. **Involve them in discussing the planned sustainable procurement measures** so that they are actively engaged in their development and support their implementation.

RECOMMENDED SUSTAINABLE PROCUREMENT MEASURES

Likely, the most effective way to improve your environmental impact is to ensure that when purchasing products and services, you and your colleagues **consider not only their price and quality but also their environmental sustainability**. The following measures can help you introduce such practices in your organisation.

🕓 Prepare a list of goods and services that your organisation plans to purchase and highlight / prioritise those that will be purchased in the largest volumes and those that are the most environmentally problematic

Why: Your organisation might be purchasing hundreds of different goods and services, and it is not feasible to focus on "greening" them all. By prioritising those you purchase in the most significant quantities and those that are environmentally most problematic, you can focus on "greening" a limited number of goods and services, which is more doable while still having a considerable impact.

How: There are several ways to prepare the list:

- If your organisation uses a procurement plan including all the planned purchases (for all projects), this can serve as your list of goods and services.
- If your organisation does not have a procurement plan, you can ask your finance staff to review financial records and provide you with a list of the most commonly purchased goods and services. Then, ask project managers to provide you with a list of the key goods and services they need to purchase for their project activities (e.g. construction materials, goods for distribution, training materials).

Once you have the list, in collaboration with relevant staff, discuss and highlight those goods and services that you 1) purchase in the biggest quantities and those that 2) are likely to have the most harmful environmental impact. These are primarily goods and services that during their lifecycle, i.e. from production to disposal:

- required large quantities of natural resources
- consumed significant amounts of energy from non-renewable resources (resulting in high greenhouse gas emissions)
- used materials whose extraction caused harm to the environment
- contained harmful chemicals
- produced avoidable amounts of waste
- were transported long distances (especially by air)

RECOMMENDED SUSTAINABLE PROCUREMENT MEASURES

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🕓 Define “sustainability criteria” on which your organisation can classify a product as more sustainable than other options

Why: To make its procurement more eco-friendly, your organisation needs to define based on which criteria it will decide whether a considered product is more sustainable than other available options. Using such “sustainability criteria” when deciding which products your organisation will purchase helps you consider not only their price and quality but also how eco-friendly they are.

How: A product is more likely to be sustainable when its production, transport, use, and disposal involved:

- efficient use of resources (e.g. think of recycled versus newly produced paper)
- efficient use of energy (e.g. think of energy-efficient electronic, fuel-efficient vehicles, or locally produced versus imported goods)
- using materials whose extraction caused only limited or no harm to the local environment (e.g. think of illegally harvested wood versus wood from sustainably managed forests)
- no use of harmful chemicals (e.g. think of natural cleaning products or non-toxic paints)
- using energy from renewable resources (e.g. think of online data clouds powered by solar energy)
- producing a minimal amount of waste (e.g. think of providing single use-plastic bottles versus offering water from dispensers or purchasing goods that use less packaging material)
- being durable (e.g. think of a lower-quality product versus another product with a longer lifespan)
- being repairable (e.g. think of a product for which it is easy to secure spare parts and arrange repair)
- being disposable in an eco-friendly manner (e.g. think of a product that can be recycled locally or that decomposes)
- emitting as little air pollutants and greenhouse gas emissions as possible (e.g. think of replacing concrete blocks with earth blocks / adobe bricks / ferrocement)
- additional criteria are listed on this website

It is often not possible to assess to what extent a product meets all these criteria. Therefore, it is recommended that you:

- select only several criteria that are most relevant to the given product or service
- try to make these criteria specific so that you are able to say whether or not the product / service meets them
- use criteria for which it is possible to obtain the information needed to conclude whether the product / service meets the criteria

RECOMMENDED SUSTAINABLE PROCUREMENT MEASURES

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Let's take a few examples:

- when choosing a venue for an event, you can consider whether it is able to provide refreshment using only reusable cups, plates, and cutlery (i.e. no single-use items)
- when buying office paper, you might consider whether it contains recycled fibres, is certified as coming from responsibly managed forests, and chlorine was not used to bleach it
- when buying new office appliance, you might consider its energy efficiency and ease of repair (e.g. whether spare parts are available and whether someone repairs such appliances)

The Sustainable Purchasing Criteria Database provides such specifications for hundreds of commonly purchased products and services. Using these specific specifications will make it easier for suppliers to understand what you are looking for and allow you to conclude how sustainable the product / service is.

The key sources of information about such aspects of sustainability include:

- data on the product / its packaging (i.e. information about how much electricity it uses)
- information provided directly by the vendor (e.g. a hotel)
- various eco-labels – however, verify online how credible the eco-labels are to avoid misleading information ("greenwashing")
- certificates, such as ISO 50001 (given to companies using energy-saving practices) and ISO 14001 (given to companies meeting environmental management standards)
- life cycle assessments comparing the environmental impacts of different types of products (there are many studies available online – search online with the keywords "life cycle assessment" and then the product you are interested in)
- tests of products' sustainability (often available online but check their credibility)

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🕓🕓🕓 For all prioritised goods and services, assess whether more sustainable alternatives are available at a competitive price and quality

Why: To be able to purchase more sustainable goods and services, you need to know what exactly you are looking for. Asking for specific types of sustainable products is much more effective than just generally requiring the sellers to provide more sustainable types of the products / services you need, as sellers often do not understand which ones are more sustainable and often end up offering the 'usual', less sustainable products.

How: Once you prioritise for which goods and services you want to use more sustainable alternatives (see the first measure) and what sustainability criteria your organisation will use (see the second measure), the next step is to identify whether there are products that meet such criteria. Such alternatives can be identified in the following ways:

- The first source of information are the suppliers you have worked with so far. Discuss with them what exactly are you looking for and see whether you'll manage to identify together more sustainable alternatives.
- To avoid reinventing the wheel, you should also contact those who might already know about more sustainable types of products. These can include your partner organisations, local environmental organisations, Logistics Cluster, and sectoral clusters if available. During NGO coordination meetings, ask whether any organisation has already worked on identifying more eco-friendly types of the products you seek. Additionally, consult people who specialise in the given topic for advice – e.g. ask engineers about more eco-friendly construction materials.
- Since finding more sustainable alternatives to some products can take time, consider agreeing with other organisations interested in similar sustainable procurement to split the workload.
- For examples of sustainable products and more detailed criteria, see the following resources:
  - Sustainable Procurement Criteria Database
  - ICRC's catalogue of 'green' items

While some alternatives might be harder to find, others are just a matter of common sense, such as replacing single-use with reusable items, prioritising more durable products, and purchasing energy-efficient electronics.

RECOMMENDED SUSTAINABLE PROCUREMENT MEASURES

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🕓🕓 Include in your procurement policy (if available) clear rules regarding the purchase of sustainable products

Why: Clear rules regarding how to ensure that your purchases are more sustainable make it easier for staff to keep purchasing eco-friendly goods and services. They are also important for ensuring compliance with donor rules and for justifying why the cheapest (but less sustainable) option was sometimes not chosen.

How: Your procurement policy – or any other rules that govern your purchases – should address sustainable procurement in at least two main ways:

1) First, it should clearly say that your organisation is committed to ensuring that its purchases are environmentally more sustainable and in order to achieve it, all staff are expected to purchase more eco-friendly types of products whenever their price, quality, suitability, and availability allows.
2) Next, it should provide clear rules regarding what to do in situations when sustainable types of products are more expensive than other products. Such rules differ organisation by organisation, but most say that:
    - For *simple purchases* where no quotation is needed (i.e. where small amounts are involved), if the sustainable product is more expensive than other products, the extent of the environmental benefits should justify the higher price (e.g. if a product is only slightly more sustainable, it should not be considerably more expensive – and other way round).
    - For *simplified procedures* where three quotations are needed, your organisation's policy might allow a percentage, such as up to 20%, of the so-called "margin for sustainability". In practice, if the organisation decides to purchase a product that is more sustainable (ideally, several sustainability criteria were met), it can be up to 20% more expensive.
    - For *tenders* (i.e. larger purchases), your organisation should be able to have a rule that says that up to 10% of maximum score points in the evaluation can be allocated to a product's sustainability. This means that if, for example, the evaluation works with a maximum of 100 points, up to 10 points can be given for sustainability. This helps ensure that slightly more expensive sustainable products can compete with less expensive but also less sustainable products.
    - Another possibility is to use *qualification criteria* when your organization specifies its requirements for the product, and part of those requirements relate to sustainability. For example, if you want to buy a new fridge, you might require it to meet the "A" (the highest) energy efficiency standard. This means you'll only consider offers for refrigerators that meet this standard. Similarly, if you want to buy office paper, the tender may require it to be recycled paper. This approach is appropriate in contexts where there is a good availability of products meeting these criteria (otherwise you might receive no or too few offers). You can then choose the product that meets these qualification criteria at the lowest price.

It is important that such rules are included in your procurement policy so that you can justify their use to donors. An increasing number of donors require organisations to make their procurement more sustainable and accept such rules. However, to avoid any costly mistakes, before your organisation introduces such rules, it must ensure that they are acceptable to its existing and prospective donors.

RECOMMENDED SUSTAINABLE PROCUREMENT MEASURES

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$ 🕓 Always use the sustainability criteria during purchases in line with your procurement rules

Why: By purchasing goods and services that are more sustainable, your organisation will reduce its negative impact on the environment and the people who depend on it. It will also fulfil the donors' increasing environmental requirements.

How: Once your organisation's rules for sustainable procurement are defined, the organisation must ensure that its staff understand and is able to use them well. They need to be familiar with more eco-friendly alternatives to commonly purchased products, know whom to contact if other alternatives are needed, and use the price-related rules correctly. Even more importantly, they need to understand why your organisation spends effort and money on purchasing sustainable products so that they are more likely to be supportive of such an approach. Practically, this means that your organisation needs to:

- engage staff in *discussions* about why you want to make your procurement more sustainable
- provide *practical training* on how to procure goods and services more sustainably
- share *written guidance* on how to ensure more sustainable procurement (if you have procurement policy / rules, integrate such guidance in it)
- prominently display *posters* that remind staff of the main principles and rules of your sustainable procurement (see example on the right)

Ensure that the staff who approve purchases regularly checks whether the rules of sustainable procurement were used whenever the product's price, quality, suitability, and availability allow.

Important: Ensure that any types of more sustainable goods / services that you might select are relevant to what the target group members need – we should not provide something that is more sustainable but less relevant.

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🕓 Specify in purchase requirements how the goods should (not) be packaged to minimise the amount of packaging-related waste and to use more eco-friendly packaging while protecting the goods

Why: Many organisations work in contexts where waste is poorly managed. This leads to soil and water pollution that is harmful to the environment and people's health. Working with the suppliers on 1) finding ways to use less packaging and 2) using more eco-friendly packaging materials can reduce such negative impacts of the aid provided. It can also reduce the energy and resources required to produce packaging.

How: This measure is relevant, especially for organisations that procure and distribute large volumes of goods, because such distributions often generate vast quantities of packaging waste. If this is your case, it is recommended that you include in the purchase requirements precise specifications of how the purchased goods should (not) be packaged. It is recommended to consult donors' requirements (if any) and to discuss your packaging requirements with the potential suppliers to ensure they understand them and are able to meet them. The requirements can include, for example:

- goods must be protected against damage
- goods must be supplied in bulk packaging
- no individual wrapping of purchased items
- transport packaging must be made of recyclable/reusable materials (e.g. pallets)
- packaging must take as little space as possible to maximise transport and storage efficiency
- packaging must not be oversized (e.g. using large boxes for smaller items or too thick wrapping)
- packaging can be reused for other purpose by the recipient
- packaging contains the highest proportion of biodegradable / recycled materials
- packaging should not contain polyvinyl chloride (PVC) – the most environmentally damaging plastic

It is recommended to focus primarily on procurements at risk of generating the most waste and procurements for which packaging can be easily reduced.

RECOMMENDED SUSTAINABLE PROCUREMENT MEASURES

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🕓🕓 Ensure all your team members understand that avoiding unnecessary purchases is among the best ways to protect the environment

Why: Whenever we purchase something, the price is not only the money we pay but also all the resources that were used to produce, transport, and store the goods. Their volume is often much higher than we imagine. For example, producing cotton for a single t-shirt requires 2,720 litres of water, pesticides and fertilisers, machinery, fuel for its operation, and other resources. Further inputs are needed for production, colouring, packaging, transport, storage, marketing, sale, and other activities. This does not mean that we should stop buying things – it just means that we should:

1) Avoid unnecessary purchases, such as various air fresheners, non-essential stationeries, certain promotional items, etc.
2) Carefully consider what quantities we really need – would less be enough?

How: Use any suitable meetings with the project and operations colleagues to discuss why you would like to ensure that you only purchase essential goods and services. Provide some non-controversial examples relevant to your office and discuss with your colleagues what other items purchased by the organisation they sometimes consider unnecessary (for example, automatically giving workshop attendees free stationery). Agree on which products you do not need to keep buying while not compromising the effectiveness of your work. Share the conclusions with colleagues who have not attended the meeting and ensure that the staff responsible for purchasing such items understands and follows the agreement.

YOUR SUSTAINABLE PROCUREMENT CHECKLIST

On this website you can find a practical checklist helping you quickly assess the extent to which your organisation already uses the promoted sustainable procurement measures. You can also include in the checklist any other measures that you or your colleagues proposed. The results will help you **decide which measures should you focus on**.

Measure	To what extent is it implemented?			
	Fully	Partially	Not implemented	Not possible to implement
Have you discussed with your colleagues what your organisation will do to make its purchases more environmentally friendly?				
Have you prepared a list of goods / services that your organisation purchases in large quantities or are environmentally problematic?				
Has your organisation adopted "sustainability criteria" for deciding on a product's sustainability?				
For most of the prioritised goods / services, have you identified more sustainable alternatives, if available?				
Has your organisation adopted official rules regarding the purchase of sustainable products?				
Are such rules included in any written guidance on procurement?				
Has your organisation trained its staff who make purchases on how to procure goods / services more sustainably?				
Are rules for sustainable procurement				

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