



Minutes

Sustainable Procurement Working Group

May 2nd, 2024

Watch the recording here: <https://youtu.be/rW8sWAlpFrw>

The issue of the supply chain in humanitarian and development contexts has become increasingly important in recent years. The REH Carbon Working Group has established an average of between 40% and 70% of greenhouse gas emissions. There is therefore a real challenge to decarbonise our purchasing and supply chain (climate vision), but also to better integrate the 3 dimensions of Sustainable Development (socio-economic, environmental and social) into our activities.

The Working Group's mission is to support member organisations in integrating the concepts of responsible and sustainable purchasing into their supply chains by exchanging and sharing experiences. It has notably published a [Sustainable Procurement Criteria Database](#) to help organisations to include sustainable criteria in procurement.

This session presented the work of the WG and feedback on success stories from ACF and hulo.

1. The REH and the Working Group

The REH ([Réseau Environnement Humanitaire](#)) is a network of francophone humanitarian and development practitioners, working together to reduce the environmental footprint of aid. It exists since 2012, and formalised in 2021. There are over 250 members, including more than 30 organisations. The network has 4 working groups to operationalise its work:

- One on **waste management**
- One on **sustainable procurement**
- One on **environmental assessments**
- One on **carbon**

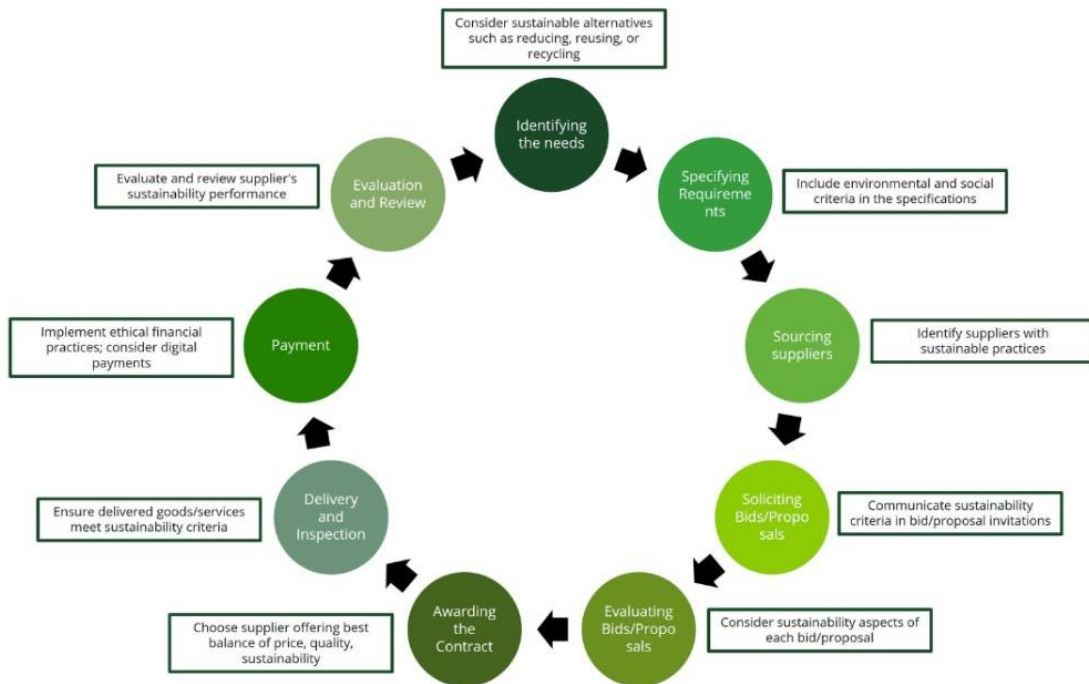
The current members of the Sustainable Procurement WG are: Action Contre la Faim, Handicap International/Humanity & Inclusion, Oxfam Intermon, Première Urgence Internationale, French Red Cross, ACTED, Bioforce and Médecins du Monde.

The WG often collaborates with the WREC project, the WORM consortium and hulo.

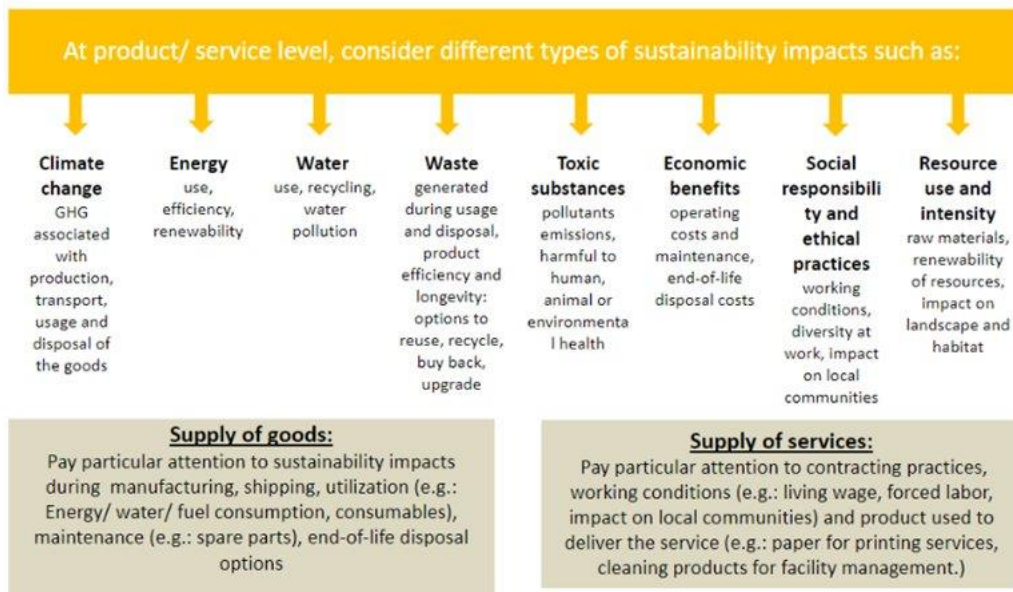
2. What entails sustainable procurement?

The session started with defining what **sustainable procurement** means, as opposed to **green procurement**. The latter is defined by the WREC project as *"a strategic approach that emphasizes environmental responsibility in purchasing decisions. This approach prioritizes goods and services that are committed to minimizing environmental impact, particularly in terms of reducing energy consumption and waste generation"*, while the former is defined as *"incorporating broader ESG (Environmental, Social, and Governance) aspects and builds upon the principles of Green Procurement"*.

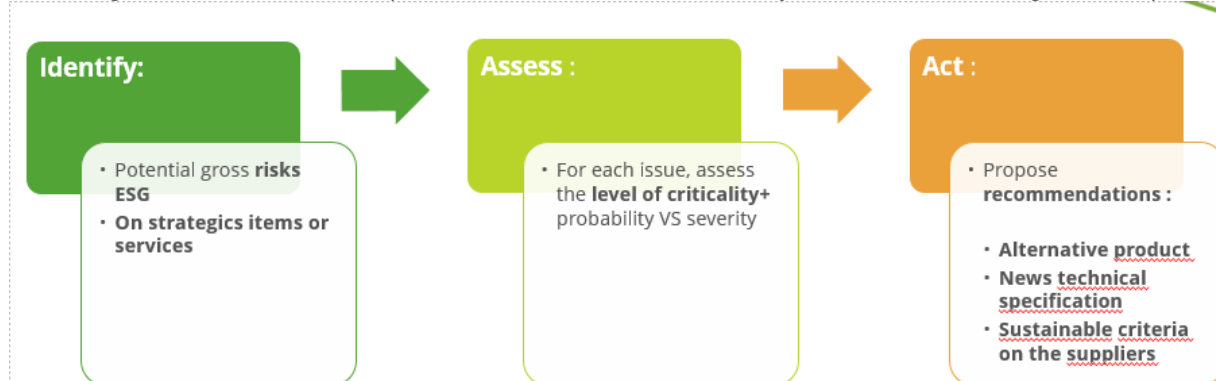
Green procurement can be applied across the supply chain, as underlined in the infographic, and this WG has been working specifically on the 'specifying requirements' part.



With regards to the 'green' procurement, it is important to consider not only climate change but also a wider range of environmental risks:



So, for logisticians in NGOs it is important to consider **ESG risks**, and you can do so following these steps:



3. The Sustainable Procurement Criteria Database

The [database](#) developed by the WG aims to help logisticians with the above steps, especially in defining **sustainable & inclusive** procurement criteria. It is meant for programs and supply departments (**field** and **HQ**).

The aim of the tool is to support the change of practices in the humanitarian and development sector by:

- Having an **easy-to-use tool** / adapted to different context
- Sharing the tool (free access)
- Continually improving the tool (as collaborative work)
 - Technical input to wider the different market
 - Getting feedback to complete the tool

The members then showed how you can use the tool. **The WG has also developed [short tutorial videos](#) to guide you through the use, available in English, French and Spanish.**

The main challenges the WG has faced up until now in both its development and use are:

- To be "operational" and adapted to all field context
- The definition of same standard across the sector
- The availability of technical referents to define standard on sustainable and inclusive criteria
- The technical validation for standard Kits (Clusters)
- Having buy in, and aiming for changes in practice

4. Success stories

You can watch the success stories [here](#).

ACF then presented some of the success stories they have had while piloting the tool, notably on enriched flour packaging, car rental and seed packaging. Céline also shared some success stories working with suppliers.

Then hulo¹ presented their success stories.

Through their **Joint Procurement Initiatives (JPIs)**, which consists of hulo coordinating and facilitating the competitive bidding process, where it has been determined that participants can save significant time or money from the pooling of resources, they aim to promote the integration of sustainable and responsible purchasing criteria into all calls for tenders. They have a goal of 100% of their tenders to have at least 10% (could be more) of the points in the technical analysis on ESG criteria. Currently they are active across Africa (CAR, DRC, Burkina Faso), the Middle East (Lebanon and Iraq/Syria coordinated from Jordan), Colombia and will be expanding to additional countries in 2024.

They then provided feedback from the field on the **SPCD tool**:

1. **Need to simplify (or explain) the terms used:** terms such as "Life Cycle Assessment" "Reverse Logistics" "ISO" and others - many of the suppliers we met are doing things, for example to manage their waste/recycling, but as the terms are not in "easy French" to quote them, they don't respond and so we don't make the most of what already exists!
2. **The JPI is an opportunity to raise awareness and open up discussion on these subjects:** don't hesitate to pass on information, provide a glossary, an explanation of ISO, photos of the label mentioned in the tender, etc.
3. **Make the questions more concrete to facilitate (1) understanding for suppliers, and (2) scoring for participating NGOs:** for example, avoid the question "do you have an environmental/waste management policy?" and instead ask "please provide examples of receipts/payments from a waste collector".
4. **Don't rely only on declarative answers** (always ask for supporting documents/pictures).

¹ **Hulo** is an innovative cooperative that aims to improve the impact of humanitarian aid by enhancing connections and solidarity between humanitarian logistics stakeholders. Hulo, composed of 14 members (ACTED, ACF, HI, PUI, SI, OXFAM, MDM, INTERSOS, Bioport, CRF, PLAN, WHH, Fleet Forum, NRC), operates with international and local organizations, academia, and private sector partners. Its goal is to find new ways of working across organizations and to make humanitarian aid more efficient and collaborative.

5. **Add questions on ESG criteria to supplier visit questionnaires** (look under the shelves, the packaging may be hidden ...).
6. **Clarify the scoring:** it often works better to give 1 point if the supplier submits such and such a document, 1 point if it has x amount of equipment, etc than a score like this: 10/10 - Bidder is able to provide xxx. 5/10 - Bidder is able to provide xxx. 0/10 - Bidder is unable to provide specific xxx.
7. **Adapt the criteria to each lot/batch AND to each location** when the items are too different and the differences between regions are too important (of transport, waste, etc.)
8. **Taking advantage of the JPI to put bidders and recyclers in touch with each other:** Some bidders need to find waste management solutions, while recyclers need quantities of waste.
9. For NGOs: do not analyze ESG criteria last, but include them in the technical analysis as criteria in their own right.
10. For NGOs: Hulo tries during the workshops before the JPIs (when defining the criteria) to choose criteria in a collaborative way. However, few logistics coordinators in the field are yet proactive because few are aware that the tool exists, and few have ideas for this type of criteria, which is still new.

Q: How have you worked with the programme teams to define the criteria?

R: At ACF they did sustainable procurement training with both support and programme teams, so that they both work on it, and then they had specific trainings/workshops with the teams on one criteria. But it is very important to entail both teams.

Q: Can you share which countries you've piloted the tool in?

R: Piloting in Myanmar, Madagascar, Nigeria, Bangladesh, Iraq (Erbil). If any organisation is interested to have more info you can reach out to Céline².

→ Work with IFRC in Bangladesh on market assessments, so links to be made!

Q: What type of challenges have you had with suppliers in terms of envt? Were you able to find solutions with the suppliers?

R: In CAR, discussions with different suppliers, on some aspects they really cannot work (such as eco-driving, because of the roads) – and also, they asked to explain what is recyclable, what is biodegradable for packaging. But at the end of the day, they want to do business, if I prefer to use another kind of packaging they will do it because it means we can work together. Also, I have had suppliers asking to understand why the supply chain is said to be the largest part of CO2 emissions in humanitarian NGOs. So often, they really want to improve and collaborate.

In Burkina Faso they tried to organise a workshop with all the suppliers, but there are big differences between the different suppliers, sometimes its family businesses whilst others are going through ISO processes – but it is also important to not put aside small businesses. So we really need to have simple language etc.

5. Conclusions of the WG

The WG highlighted that:

- There is a **need for change in the sector** – and they try to contribute to it
- It is very important to align with the **sector's selection criteria** (working with UN, etc.)
- The potential to **pool services** can lead to critical mass and to have a negotiating factor
- They need feedback for **continual improvement** of the tool
- The need for support of the **donor community** – accepting fair price/real cost of greener alternatives

Thank you all for joining, and if you have any questions, you can reach out to sustainableprocurement@environnementhumanitaire.org

² cheim@actioncontrelafaim.org