

HNPW

SUSTAINABLE PROCUREMENT CRITERIA

REH Sustainable Procurement Working Group 05-02-2024



AGENDA

1. Overview (30min)

- Presentation of the Working Group and project
- ☐ Sustainable supply process
- □ Challenges and solutions
- ■SPCD tool presentation

2. Success stories (30min)

- ☐ Hulo, ACF, etc
- 3. Feedbacks & conclusions (30min)





SPEAKERS





ACF - Céline Heim

- Sustainable
Supply Chaine
Coordinator





Groupe URD - Johana Bretou-Klein - Environment/Climate researcher, REH coordinator





PUI – Gilles
Grappe Deputy head of
logistics – Support
logistics sector





Hulo - Philine
Moucheront
Environment and Ecology
Expert





THE REH



Réseau Environnement Humanitaire

Francophone humanitarians & development workers aiming to reduce the environmental footprint of aid

200+ members

30+ orgs

4 working groups to operationalise

SUSTAINABLE SUPPLY WORKING GROUP



















WORKING GROUP MEMBERS

ACF - Céline Heim – Sustainable Supply Chaine Coodinator

PUI – Gilles Grappe - Responsable Logistique adjoint

HI - Maxence GIRAUD - Directeur Logistique

Croix Rouge – Amadou Diao - Référent log régional

Oxfam Intermon – Alice Reboux – Supply Manager

MDM - Céline Laumonier - Superviseur Unité Achats

ACTED - Camille Tetard - Green Supply Chain Officer

REH/Groupe URD - Johana Bretou-Klein - Chargée de recherche environnement/climat





PARTNERS WG



Collaborative Sustainable supply Working Group



WORM consortium - HORIZON PROJECT



hulo (Humanitarian Logistics) cooperative



WHAT DOES SUSTAINABLE PROCUREMENT INCLUDE?

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slido



What does the term "sustainable procurement" entail?



'GREEN' PROCUREMENT

• Green Procurement is considered 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.

• <u>Sustainable Procurement</u> incorporates broader ESG (Environmental, Social, and Governance) aspects and builds upon the principles of Green Procurement.

VS

IMPACTS

Examples:

change
GHG
associated
with
production,
transport,
usage and
disposal of
the goods

efficiency, renewability Water use, recycling, water pollution waste
generated
during usage
and disposal,
product
efficiency and
longevity:
options to
reuse, recycle,
buy back,

upgrade

Toxic substances pollutants

pollutants emissions, harmful to human, animal or environmenta

I health

benefits
operating
costs and
maintenance,
end-of-life
disposal costs

Social responsibili ty and ethical practices working conditions, diversity at work, impact

on local

communities

Resource
use and
intensity
raw materials,
renewability
of resources,
impact on
landscape and
habitat

Supply of goods:

Pay particular attention to sustainability impacts during manufacturing, shipping, utilization (e.g.: Energy/ water/ fuel consumption, consumables), maintenance (e.g.: spare parts), end-of-life disposal options

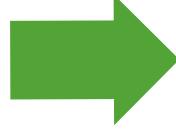
Supply of services:

Pay particular attention to contracting practices, working conditions (e.g.: living wage, forced labor, impact on local communities) and product used to deliver the service (e.g.: paper for printing services, cleaning products for facility management.)



ANALYSIS OF ESG RISKS ENVIRONMENT SOCIAL AND GOUVERNANCE





- Potential gross risks
 ESG
- On strategics items or services

Assess:

 For each issue, assess the level of criticality+ probability VS severity

Act:

- Proposerecommendations:
 - Alternative product
- News technical specification
- Sustainable criteria on the suppliers



SUSTAINABLE PROCUREMENT TOOL

OBJECTIVES

Define sustainable & inclusive procurement criteria and build a good practice reference table

□ Public targeted: programs and supply department (field and HQ)



SUSTAINABLE PROCUREMENT CRITERIA DATABASE (SPCD)

GENERAL CRITERIA

SUPPLIER's criteria

- Labour right and protection
- Sustainable development approach (social, environmental and economic) and/or Corporate Social Responsibility (CSR)
- Sustainable internal practices
- Diversity and inclusion policy or approach
- Women empowerment
- Involved in the support and development of the local community
- Supply chain and eco-efficient transport
- National and/or international certification
- Greenhouse gas Reduction Strategy
- Supplier location

PRODUCT/SERVICES's criteria

- reusable or recyclable goods
- goods from recycled material
- Lifespan and durability
- Sustainable product through its life cycle
- Sustainable Packaging
- Eco-friendly label
- Location of purchase (local production)
- Location of labor services
- Sustainable development in its project methodology (social, environmental and economic dimension)
- financial inclusion of vulnerable groups

SPECIFIC PURCHASING CATEGORIES

<u>C</u> <u>V</u> <u>H</u>

Products

Services

Construction & Rehab

Wood

<u>Hotel Venue</u>

Rental Room

Food catering

Rental Officies-GH-WH

Vehicule Rental

Vehicule Purchase

Service Garage

Batteries (fleet/energy)

Energy (Generators - Solar)

AC purchase

Insurance service (building,

Fuel provision

Internet service provider

ITC & Software
Equipement ITC

Freight Transportation

Clearing (Forwarding Agent)

<u>Security</u>

General maintenance

Documentary Videography Service

Translation
Travel Agency

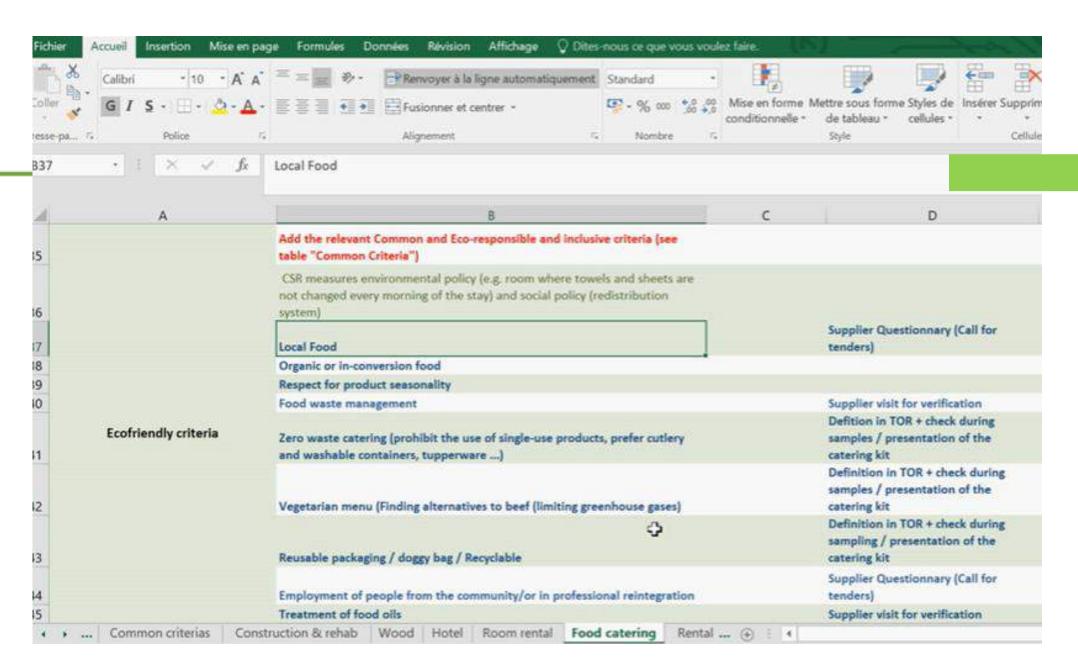
Office consumable
Printing materials

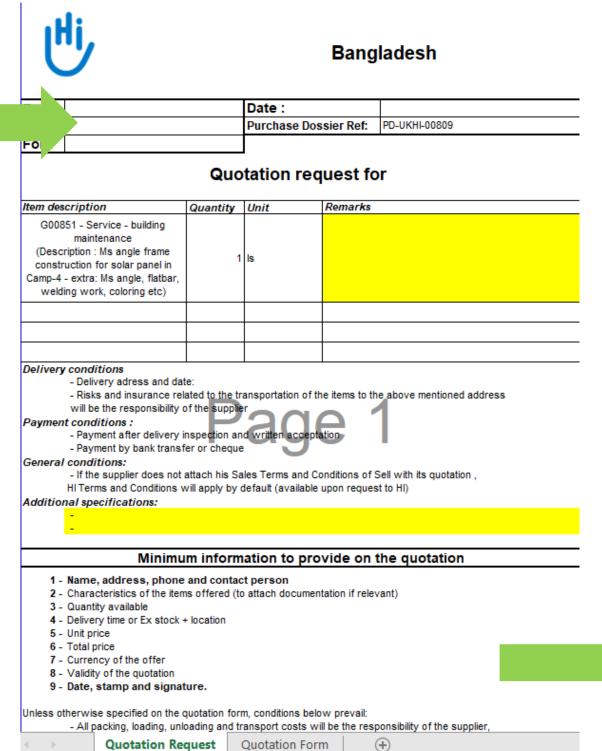
Waste Management

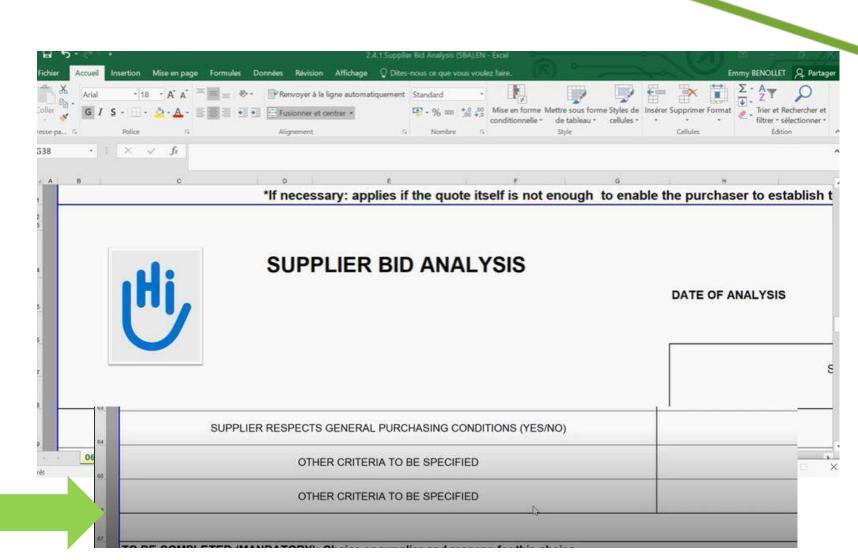
Building Maintenance



HOW TO USE IT?

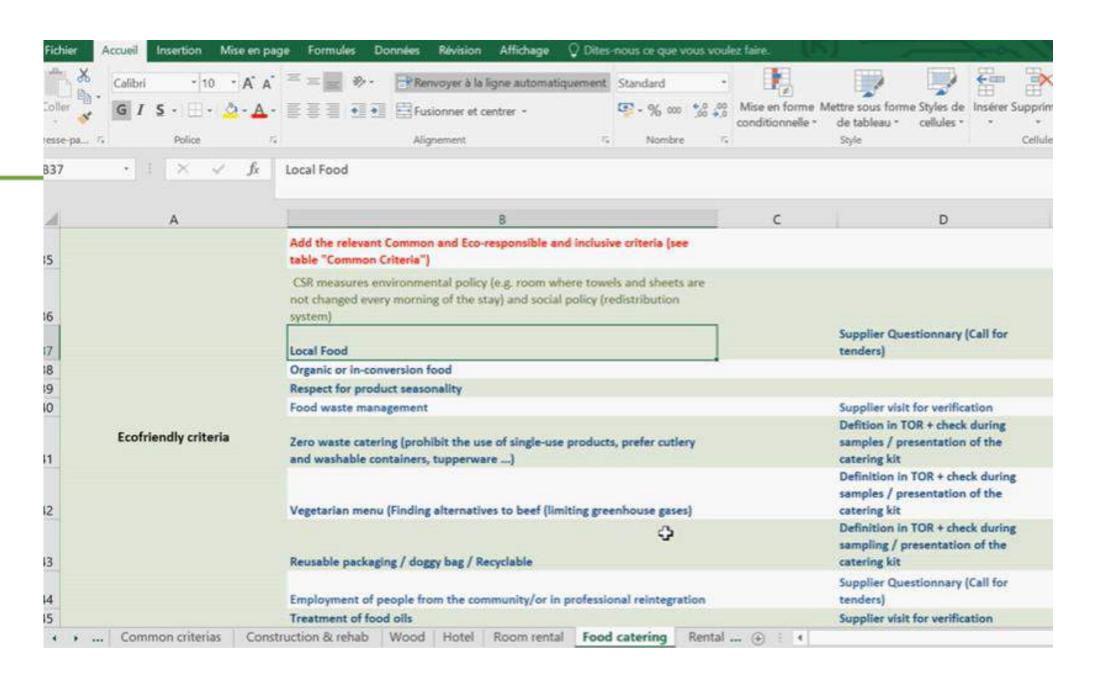








HOW TO USE IT?





<u>Sustainable Procurement Criteria Database (SPCD) of the Sustainable Procurement</u> <u>Working Group, September 2023 – Réseau Environnement Humanitaire</u>





EXPECTED RESULTS OF THE PROJECT



Support the change of practices in the humanitarian and development sector by:

- ☐ Easy to use tool / adapted to different context
- ☐ Sharing the tool (Free access)
- ☐ Technical Tool's continual improvement (as collaborative work)
 - Technical input to wider the different market
 - Getting feedback to complete the tool



CHALLENGES

- ☐ Be "operational" and adapted to all field context
- ☐ Definition of same standard
- Availability of technical referents to define standard on sustainable and inclusive criteria
- ☐ Technical validation for standard Kits (Clusters) -
- Buy in / Change of practice



Any questions?

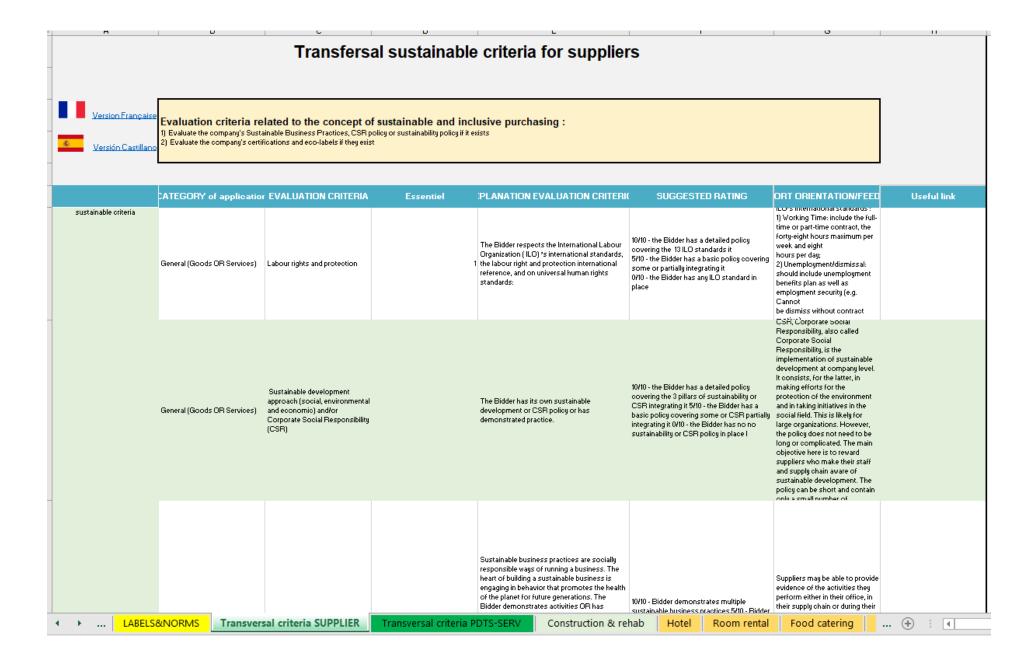


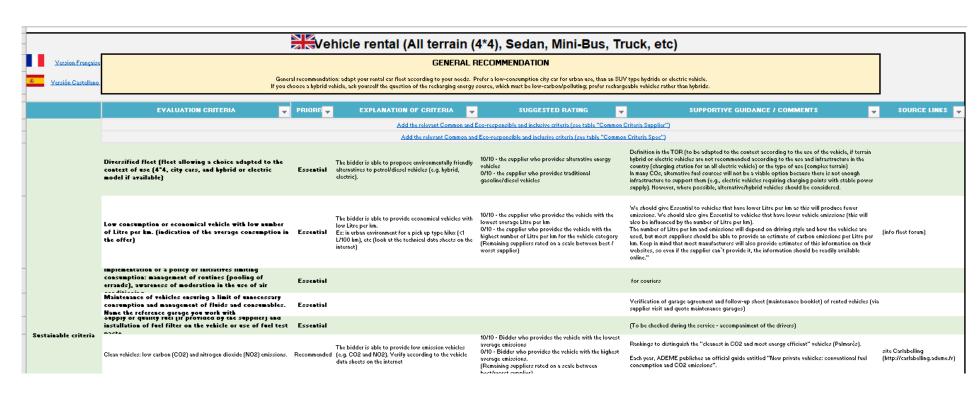


Success stories



ACF success stories





PRODUCT/SERVICES APPROACH



Select the products that show the best environmental or social results throughout their life cycle or in the life cycle phases where the impacts are most significant.

Professional Accountability

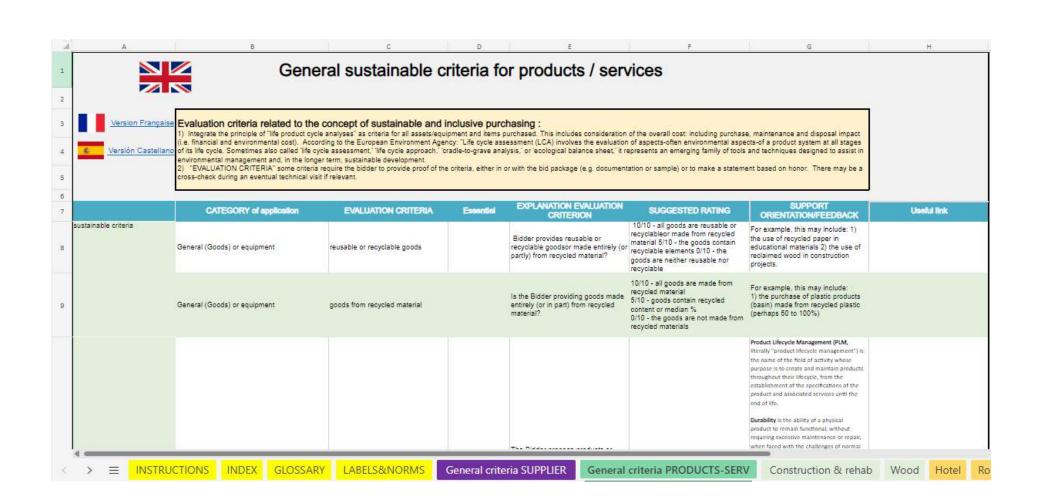








ACF success stories



SUPPLIER APPROACH



Encourage social and environmental responsibility. Engage and select suppliers to promote progressive management sustainable development issues in their process.

> Accountability Procurement/Supply

Supplier questionnaire - Environmental criteria ACF - pilote

Environmental criteria for supplier selection procedures					
ESG (Environment, Social, Governance)					
1	Does your company publish a CSR (Corporate Social Responsibility) and /or sustainability report? If yes, please provide it.				
2	Does your company have a CSR certification? If yes, please provide it.				
SOCIAL					
5	Can you provide examples of social responsibility initiatives or community outreach programs that your company supports?				
6	Does your company have formal written policy(ies) covering environmental protection, working conditions and human rights and incorporating ethical principles? If yes, please provide it.				
7	Does your company have a Diversity & Inclusion policy or approach? If yes, please provide it.				
8	Does your company have a Woman Empowerment policy or approach? If yes, please provide it.				
ENVIRON	NMENT				
15	Does your company have an environmental management monitoring system in place? (ISO 14001 or equivalent)				
16	Does your company have a waste management policy? If yes, please provide. Does your company monitor its waste generation and/or have an improvement plan in place to reduce waste? If yes, please provide it to prove your policy.				
17	How does your company optimize resource usage (e.g., energy, water, raw materials) to minimize waste generation?				
18	Can you provide examples of initiatives your company has implemented to improve resource efficiency?				
19	Does your company put in place Electronic archiving?				
20	Do you recycle transportation waste? If yes, please provide contact information and the name of the company responsible for the recycling of solid and liquid waste.				

Humanitarian Logistics



Operational feedback of the SPCD Tool

Hulo: Together, we are stronger



What is Hulo? 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.

Impact

Hulo supports humanitarian actors by pooling their needs and resources, providing in-depth supply chain analysis and developing innovative Digital Solutions. **Hulo**'s approach is data-driven and benefits its participants with:



Reduced environmental impact



Cost reductions



Time savings



Improved quality of products and services

Services



 Joint Initiatives: Are open to all humanitarian organisations where hulo is present. To date, over 20 stakeholders have participated in Joint Procurement, Transport, Environmental, and HR Initiatives.
 These initiatives improve the cost, quality, and environmental impact of humanitarian operations.



 Digital Solutions: Development of software and digital tools to facilitate resource pooling and improved logistics management (LINK, Shared Resources, Transport by hulo).



Business Analytics and Research: Data analysis
to provide insights on supply chain management,
impact measurement, and operations in the field.



Air, Land, and Sea Transport: Hulo works
 closely with DG ECHO and over 30 humanitarian
 organisations to facilitate the efficient running of
 EU Humanitarian Airbridge (EUHAB) operations.



How do participants in the hulo cooperative use the SPDC tool?

1. Joint Procurement Initiatives (JPIs) Presentation

Joint Procurement Initiatives (JPIs)



What is it? Joint Procurement Initiatives (JPIs) consist 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.

Where ? Hulo is currently 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.

Objective in Hulo's JPI: Promoting the integration of sustainable and responsible purchasing criteria into <u>all</u> calls for tenders

KPI: 100% of tenders have <u>at least 10% (could be more)</u> of the points in the technical analysis on ESG criteria Environmental, social, and governance (ESG)

Feedback from suppliers, participating NGOs and hulo staff in the field

2. Operational feedback of the SPCD Tool

Operational feedback



Calls of tender in which SPDC criteria have been incorporated:

JPI	Country	Date	Nb of participating NGOs
INTIMATE HYGIENE KITS	CAR	11/23	10
REPROGRAPHY	DRC	10/23	9
REPROGRAPHY	Burkina Faso	12/23	17
CAR RENTAL & DRIVER HIRE	Lebanon	11/23	9
INFANT FLOUR	Burkina Faso	03/22	11

Others currently in progress:

- Burkina Faso: IT equipment, School equipment

- DRC: Ironmongery

- CAR: CASH, Vehicle spare parts, Human-powered pumps

- Lebanon: NFI, Accommodations, Health Insurance

Operational feedback



- 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).
- 5. Add questions on ESG criteria to supplier visit questionnaires (look under the shelves, the packaging may be hidden ...).

Operational feedback



- **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 the 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.



Thank you!

Any question?

Any questions?







CONCLUSION

- □ Need for change in the sector
- ☐ Importance of aligning with the sector's selection criteria
- □ Pool services = mass => negotiating factor
- ☐ Importance of getting feedback for continual improvement
- □ Support of the donor community accepting fair price/ real cost



CONCLUSION

Tutorial videos are available in all three languages here.

As living tool – we need your feedback



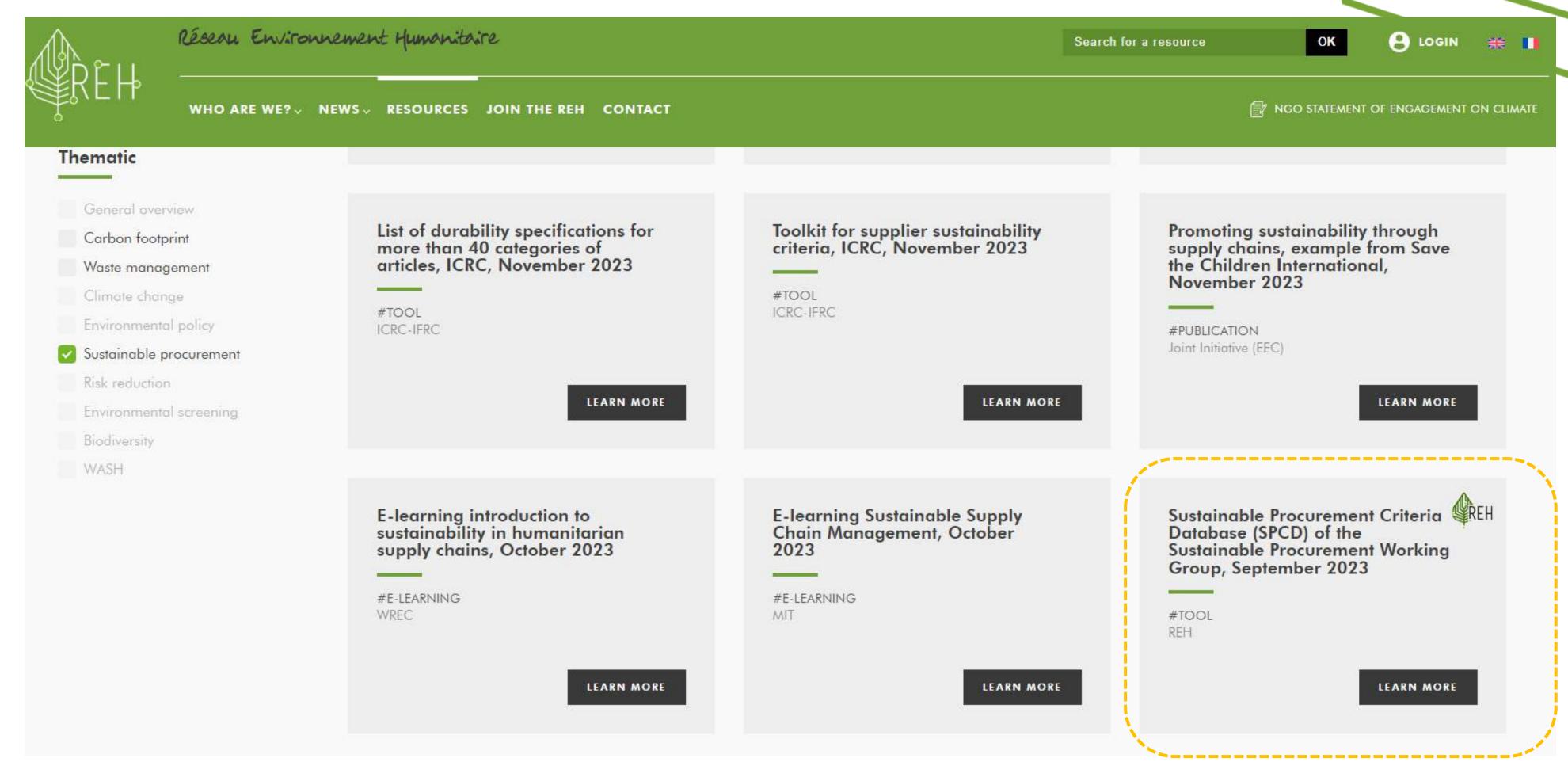
> INTRODUCTION WORKSHOP (FRENCH)

> INTRODUCTION WORKSHOP (ENGLISH)



REH'S LIBRARY OF RESOURCES

Internal and external





CONTACT



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MANY THANKS

REH Sustainable procurement working group





