



Sustainable Procurement

This policy requires public authorities to apply sustainability principles at all stages of the procurement process when undertaking a procurement.

Sustainable procurement is defined as procurement that has the most positive environmental, social and economic impacts possible over the entire life-cycle of a product or service, and that strives to minimise adverse impacts (ISO20400).

The Government is committed to the development and implementation of policies and practices that will contribute to sustainability outcomes, creating better results for the Government and the broader community. It recognises that public authorities have an important role in using their purchasing power to lead by example and embed practices into their procurement processes that encourage suppliers to adopt sustainable practices that achieve environmental, social and economic benefits.

Objectives of the Policy

The objective of this policy is to improve public authorities' sustainability outcomes by requiring public authorities to, wherever possible, undertake procurement that has the most positive environmental, social and economic outcomes, while minimising adverse impacts.

Requirements of the Policy

When undertaking any procurement, a public authority must:

- apply sustainability procurement principles when making procurement decisions; and
- employ strategies, throughout the procurement process, that minimise and mitigate any potential negative impacts on the public authority's sustainability outcomes.

Strategies to incorporate sustainability principles and minimise negative impacts include but are not limited to:

- procurement planning:
 - identify potential sustainability impacts and the opportunities and strategies that may be employed in the procurement process to enhance potential positive impacts and/or minimise or mitigate potential negative impacts on a public authority's sustainability outcomes;
 - analyse the supply market; and
 - integrate sustainability by implementing strategies to reduce demand, minimise waste and increase recycling and recycled content;
- Request formation:
 - define procurement evaluation criteria that reflect key sustainability issues; and
 - include procedures to verify compliance;



- evaluation:
 - evaluation processes should include reference to suppliers' responses to the procurement evaluation criteria stated in the Request; and
 - a public authority must ensure its procurement of goods and services achieves the best value-for-money outcome. Sustainability is a non-cost factor of value for money;
- contract management:
 - where commitments are made by suppliers, government agencies are required to actively manage the contract to ensure these commitments are delivered, including monitoring any associated performance targets; and
- contract review:
 - assess the experience acquired and supplier's performance on all relevant criteria including sustainability; and
 - based on findings, develop recommendations with a view to continual improvement.

Guidance and Further Information

Guidance on sustainable procurement principles and practices is available from:

- Department of Finance Sustainable Procurement Practice Guidelines; and
- ISO 20400 Sustainable Procurement – Guidance.

CHAIRPERSON
STATE SUPPLY COMMISSION
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